



“Go therefore and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, and teaching them to obey everything that I have commanded you. And remember, I am with you always, to the end of the age.” Matthew 28:19-20

St. James Episcopal Church and School

Parish Profile

January 2018

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Prayers for Our Search Process

Pour out your Spirit upon our clergy, vestry and staff. Bless their leadership, grant them discernment, and give them joy and peace in their work. Fill each member of our parish with faith, energize us with the power of your love, and unite us in the mission you have entrusted to us.

Lord, we ask you to guide the members of our Vestry in their search for our new spiritual leader. Give them wisdom and insight into the qualities of leadership needed to best serve St. James, in this time and place.

Encourage the spirit of the person who will become our Rector to accept with joy your call to him or her to lead us as we move forward as a faith-filled church.

Give us all a sense of happy anticipation as we await the person whom you have called to lead us in your plan for our congregation. All this, we ask in Jesus' name, who lives and reigns with you and the Holy Spirit, one God for ever and ever. Amen

For the Mission of the Church

Ever living God, whose will it is that all should come to you through your Son, Jesus Christ: Inspire our witness to him, that all may know the power of his forgiveness and the hope of his resurrection; who lives and reigns with you and the Holy Spirit, one God, now and for ever. Amen

Introduction

St. James Episcopal Church in Dallas, Texas is searching for its seventh Rector. After serving faithfully for almost fifteen years, The Rev. E. Clifton Gardner retired at the end of May 2017. After a six month search within our diocese, the Vestry determined that our next Rector was not in the list of names we had been given from our Bishop's office.



The parish has elected to proceed with a national search process. Our search committee has created this Parish Profile as a vehicle for sharing information about St. James with potential candidates.

The aim of this Parish Profile is to explain:

- Who we are
- Where we have been and what can we learn from our past
- Our desires for our next Rector and current priorities

To assist us in our Rector search, we conducted a parish-wide survey in June 2017. The results have helped us gauge our members' feelings and desires for St. James. We have used the survey results to create this profile and feel they are a valuable informational tool that will be discussed in depth with our next Rector.

Who We Are

- We are a traditional Episcopal Church which holds in high esteem The Bible, The Book of Common Prayer, and the creeds of the Church. We have adopted the Great Commission as our mission statement.
- We are located about 7 miles northeast of downtown Dallas in the growing residential community of Lake Highlands.
- We are a friendly church. We genuinely like each other and are warm and welcoming to our visitors.
- We are blessed with a great location and a beautiful campus. Our visitors regularly report that they were first attracted to the beauty of St. James while driving by.
- We became debt-free in 2015 after retiring almost half a million dollars of construction related debt on our parish hall. This allowed us to add an Assistant Rector and to increase our youth minister to full-time. Please see our website to learn about our staff: <http://www.stjamesdallas.org/about/clergy-staff/>.
- Since hiring a part-time Youth Minister in 2015, attendance at our youth programs has increased from an ASA of 8 in 2015 to 22 in 2016. At our last youth event this May, we had 50 participants, many of who do not yet attend St. James regularly. Our Youth Minister has since been promoted to Minister for Children and Youth and now serves on a full-time basis.
- We are a transitional-sized church and have been for the last decade.
- In 2016, our ASA grew from 187-222 and we added a third Sunday worship service designed for families with young children. This is the area of largest growth. We have seen an uptick in our BARC.
- We are a church with momentum, but it has stalled a bit since the departure of our Rector. In 2017 our ASA was 211. Since September, ASA has been around 200, excluding Christmas, which increased 4th quarter ASA to 213. Our parish was disappointed that the initial Rector search (our Diocese provided us a short list of candidates) did not yield a fit. St. James is committed to prayerful discernment and is confident that God knows who our next Rector should be – we just need to find each other.
- We believe our worship services, music, and liturgy are our strengths.

- We share our campus with a Montessori school, which serves children from Mothers-Day-Out age through Kindergarten. The school is our primary outreach ministry. The relationship between church and school is strong and mutually-beneficial.
- We are known as the “Pumpkin Patch Church”, as every October hundreds of pumpkins adorn our grounds. This patch has funded our youth group for over 20 years and people come from miles around to take pictures in our patch.
- We have been the church home for a Karen refugee population for nearly ten years and they comprise 5% of our membership. Unlike the traditional para-church model of refugee ministry, these members have become integrated in our community, worshipping with us regularly, serving at the altar on Sunday mornings, and participating in many of our mission and fellowship activities.
- We are a church who wants to grow, but isn’t sure what God is calling us to do next. That makes us a church in need of a strategic plan.

Our History

Our Former Rectors

Rev. E Clifton Gardner – 2002-2017

Rev. Douglas Travis - 1991-2001

The Rev. Joel Reed 1986-1990

The Rev. W. Herbert Scott 1981-1985

The Rev. Phillip R. Strange 1973-1980

The Rev. Thomas W. Fleener 1956-1973

On Sunday, December 11, 1955, a group of 17 Dallas residents met at Lake Highlands Elementary School to discuss the formation of an Episcopal church in the Lake Highlands area. At this meeting, the group decided to organize a mission to be known as St. James Episcopal Church. The petition was signed by 12 individuals (representing 8 families), then forwarded to and accepted by the Diocese of Dallas. St. James held its first worship services on January 1, 1956, in the Gingham Girl Dance Studio on the southwest corner of Northwest Highway and Ferndale Road with 23 adults and 14 children in attendance. The first confirmation class began the following week.

On January 15, 1956, the first Annual Parish Meeting was held to elect a delegate to the Diocesan Convention and organize an Altar Guild, Women’s Auxiliary, Acolyte Training, and the Church School. As early as February of 1956, the Vestry conceived a proposal for a church building, but the Diocese felt such a proposal to be premature (if not downright speculative) for such a new mission congregation.

By July 1, 1956, after six months of worship together, St. James could show 35 communicants and an average Sunday attendance of between 50 and 70. Still ahead were the goals set forth in the church bulletin:

“In the next half-year much needs to be done—formation of a choir and acolytes, for instance, are immediate needs. Another immediate goal is the purchase of a building site. Perhaps the basic need: more families praying together and in Church together on Sunday morning.”

For the remainder of 1956 and throughout 1957, the work of St. James consisted of continuing growth in numbers and in fellowship. Increasingly, the membership and the Vestry looked ahead to the day they might begin the work on a permanent structure.

“The Episcopal Church of St. James of Dallas, Texas” officially incorporated on March 4, 1958, and the first meeting of Incorporators and Directors (composed of the Vestry) was held on April 1, 1958. Shortly thereafter, on June 24, 1958, St. James obtained Diocesan approval to borrow the necessary funds for the acquisition of a church building. The Diocese approved a loan from Oak Cliff Savings and Loan Association for \$30,000, and the Diocese agreed to loan an additional \$10,000 over seven years, provided the church had \$6,000 cash on hand and the members pledged at least \$10,000 to cover the amount loaned — with no single pledge over \$1000. Since St. James had only \$2,679 in the bank at that time, a special parish meeting was held on Saturday, June 28, 1958, at which meeting members provided the necessary funds and pledges. St. James thus was positioned to acquire the acreage at the northeast corner of McCree and Audelia Roads, which we still occupy.

Buying the property and building the church was a leap of faith for the original parishioners of St. James. Through prayer and faith they followed God’s call and acted. Even when money was tight and the Diocese cautioned — they acted boldly. This is the DNA of St. James.

Fast forward approximately 40 years . . .

In 1996, St. James moved to a newly built sanctuary, which resulted in tremendous growth. To accommodate our new members, we quickly grew to three Sunday services:

7:45 Rite 2 Eucharist with no music

9:00 “Contemporary” Rite 2 service, with music from the Alleluia songbook, geared toward young families

11:00 “Traditional” Rite 2 service, with music from the Hymnal

By 2000, it had become clear that we needed to expand our physical plant to include a Parish Hall so people could gather and welcome visitors after services, to accommodate our increased membership for parish-wide functions, to provide our choir with a

rehearsal space, and to improve our nursery. The costs associated with building our Parish Hall doubled (from \$900K to \$1.8M) during the bidding process, but we voted to proceed on faith that continued growth and the resulting pledges would more than offset the debt we would incur. Near the end of the construction, the then Rector, Rev. Doug Travis, announced he had accepted a new call.

The Rev. Clif Gardner answered the call to become the 6th Rector of St. James in 2002. Because of the church's construction-related debt and the dire financial situation of the St. James School at that time, Father Clif elected not to hire an Assistant. After his first year, Father Clif enumerated five goals for St. James. Below are his stated objectives from 2003 and a synopsis of their current (2017) status:

1) **Improve adult education at St. James.** Fr. Gardner began to teach a Bible study and to offer Sunday morning adult education, starting in 2003. An average of 20-30 adults routinely participated in one or more of these weekly studies, and remains relatively the same today.

2) **Improve world mission from St. James.** Fr. Gardner led some international mission trips during his early years at St. James. He organized several Uganda group mission trips, beginning in about 2005. Some individuals also traveled to Latin America with other congregations. In the past 10 years, there has been very little international mission work, beyond offering prayer and financial sponsorship for missionaries.

3) **Improve newcomer incorporation.** St. James is blessed with a building and location that attracts visitors, and we are very good at welcoming them when they come. Last year, our Assistant Rector led a hospitality initiative (based upon Mary Parmer's Invite/Welcome/Connect ministry), and we have improved somewhat as a result. We still have work to do around new member incorporation.

4) **Strengthen St. James Episcopal School.** St. James School took a new direction about ten years ago, reversing its tenuous financial situation, and the results have been positive. The school has grown to full capacity, with a sizable waitlist, and is financially stable. The relationship between the church and the school is vibrant. We have a shared space agreement, pursuant to which the church provides the school building space and facilities at an agreed rate. In turn, the school contributes to significant capital

improvements – recently refurbishing the chapel and adding new playground equipment, fencing, interior painting, carpeting, etc. that benefit both entities.

5) Pay off debt. Between the cost of the Parish Hall, the remaining debt on the sanctuary, and several deferred maintenance expenses, St. James had approximately a million dollars of debt at the end of 2003. Father Clif believed it important to retire this debt before hiring additional staff. Convinced that we would need to increase staff to meet our discipleship and growth goals, he cast the vision to retire the debt and launched an ongoing debt reduction campaign. St. James finally became debt free in 2015.

The mid 2000's was a time of transition at St. James. On the upside, a bequest enabled us to receive and install a pipe organ in our sanctuary. On the downside, during 2005-2007, ASA declined from 237 to 189. We lost a key staff member whose title was Christian Education director, but whose function was to connect with and engage parishioners in ministry. St. James had a series of youth ministers, but participation in our youth group declined, and many families with teens left to attend churches with larger youth programs. The most notable attendance decline was in the 11:00 service. That was the service that first time visitors typically attended. Having 50ish people in the pews, very few of whom were young families, made the church feel empty. There was also limited time for Sunday morning Christian Education, as the congregation preferred learning from an ordained teacher, and our Rector was needed to celebrate at all three services.

As a result of these factors, in 2007 Father Clif decided to reduce the worship schedule to two services. We retained the character of the 7:45am service, but moved the time to 8:00. The music styles of the 9:00 and 11:00 services were combined into a 10:00 service. The idea was that Children's Sunday School (4yrs old- 5th grade), Youth Sunday School (6-12th grade), and Adult Education classes would be held at 9:00. The expectation was that it would deepen Christian discipleship and encourage fellowship during Christian Education hour. The net result was that the 10:00 service was fuller, which looked better to visitors. ASA stabilized at approximately 190.

Prior to the hiring of an Assistant Rector, our existing Rector's workload was such that administrative matters and Sunday worship took precedence over mission and

growth initiatives. The fact that St James has roughly maintained its ASA during the past decade (2007-2017) is due to the following factors:

1. We have a beautiful campus that attracts many visitors. The exterior of our sanctuary is clearly a church, and our visibility on a 6 lane (3x3) roadway means that new residents are aware there's an Episcopal church here when they drive by. For the past twenty years, we've had an annual pumpkin patch during October. This event serves as the primary fundraiser for our youth program, netting \$12,000-\$20,000 annually. Traditionally, it has been open 7 days a week, and the patch has become a destination for families to come and take pictures. Lake Highlands residents enjoy this tradition and financially support our patch, even though similar pumpkins could be purchased at the local Walmart at 1/3 to 1/2 of our pricing. Sidebar – our Minister for Children and Youth has recognized ways in which the patch is an underutilized evangelism opportunity for our parish.
2. We had a fairly large Karen refugee population that began worshiping with us in 2007. Shortly after their arrival, St. James purchased a passenger van



to assist with transporting these families to and from church. Over the past ten years, the Karen have become incorporated into the life and membership of the parish. We've had the most success with the under 18 population, as many of the parents still have only limited English language

proficiency. In the life of the parish, a Karen college student serves as our assistant youth minister, several members currently serve as acolytes, and they contribute about 15-20 ASA to our weekly worship. A few of our members have worked with the Karen to help them obtain citizenship, college scholarships, and they constitute a majority of our youth program (see picture above). The church conducts annual clothing and school supply drives, to minister to these members.

3. We are a friendly parish and have been improving our newcomer incorporation. We may not be intentional about inviting newcomers to worship, but we're certainly nice to the people that walk in the door. Father Clif worked with a consultant to create a process to track, contact, and incorporate newcomers.

In 2010, St. James received a Curate. His energy and enthusiasm for neighborhood mission generated enough newcomers to warrant a Christianity 101 class. In 2012 ASA rose from 194 to 207 – the first time attendance was over the “200 barrier” since 2006. However, our Curate’s preaching and teaching style was not a fit for a portion of our congregation, so discussions about hiring him were discontinued, and the growth momentum stalled.

The increased programs, energy, and opportunities that came from having another clergy person present resonated throughout the congregation. In 2012, the congregation rallied around Father Clif’s debt repayment initiative, paying off half a million dollars by 2015. This was accomplished through liquidating a portion of a large unrestricted bequest, and an increase in giving, as average pledges rose 12%. The operating funds that had gone to debt service were re-directed to the hiring of additional staff. The Rev. Rebecca Tankersley, a former St. James Episcopal School parent, joined the staff as Assistant Rector in August 2015. A month later, Amanda Payne joined our staff as a part time Youth Minister.

With the addition of these two staff members, the following steps have been taken to enrich St. James’ evangelism and discipleship efforts:

1. Mornings with Mother Rebecca – Beginning in 2016, Mother Rebecca has invited school parents to a monthly meeting for coffee and discussions. This evangelism effort has improved fellowship within the parent community, and many school families have visited our church. Five to ten new families have now joined, and we have baptized at least four new Christians as a result of this outreach.
2. Our youth minister, Amanda Payne, was hired on a part time basis in September 2015 to work with children in 6th -12th grades. She moved to full time status in the fall of 2016, and now serves as the Minister for Children and Youth. She leads our

Children's Sunday School program, which had previously been run by volunteers. Under her care, our Youth Program has increased from approximately 8 students in 2015 to over 50 at our last meeting this school year. We are thrilled about the growth and momentum of this program.

3. With the increase in the number of young families and our ASA growth (187 to 222 from 2015 to 2016), St. James added a worship service in its chapel during the fall of 2016. It is offered at 10:00 on Sunday morning, and is concurrent with our main service.



4. Adult Sunday Christian Education offerings have been increased. Approximately 20 adults participate on any given Sunday, and there are 2 other opportunities during the week. And this year we started a class for parents of young children during the Sunday School hour from 9-9:45. Parents now have a place to go and an incentive to see friends. Unfortunately, Children's Sunday School attendance remains around 8-10 on a regular basis. Our members explain that they frequently skip Sunday School because Sunday is the one day each week when they have flexibility in their busy schedules to sleep in.

Having accomplished to the best of his ability the five goals he set out for St. James, Father Gardner elected to retire in May 2017.

Where We Are

St. James is located at a prominent intersection in the Lake Highlands neighborhood of Northeast Dallas. Our campus grounds are highlighted in green below. The neighborhood is served primarily by the respected Richardson Independent School District, partly by the Dallas Independent School District, as well as numerous private schools, including our own. The City of Dallas provides our public services. The area shares the beauty of the rolling tree-covered hills and has many greenbelts and hike and bike trails that connect the recreational areas and parks surrounding White Rock Lake.



Lake Highlands has great accessibility to the metroplex via the LBJ loop around Dallas, and Central Expressway, the major north/south freeway. Restaurants and retail are also accessible, including North Park Center (a major shopping mall), many new local areas in Towne Center, and a new movie/entertainment center in progress.

Few of the suburbs and inner-city neighborhoods have managed their growth as well as Lake

Highlands. Our progressive zoning, stabilized education centers, and economic development compliment the steadily-increasing residential property values. During Fall, our Lake Highlands High School becomes like a small Texas town, with its football games and community attendance.

The Dallas-Fort Worth Metroplex is a thriving commercial center with vibrant arts, heralded sporting venues, and a cultural heritage shared by few other metropolitan areas in the nation. Most of the seven million inhabitants reside in four counties and are dispersed among the larger cities of Dallas, Fort Worth, Arlington, Denton, Irving, Garland, and Plano. It is the largest metropolitan area in the South and the fourth largest in the United States.

Major medical centers are nearby, with Health Texas-Presbyterian Hospital, Carrell Clinic and Baylor Scott and White located very close to Lake Highlands. Many other area professionals such as lawyers, accountants, and insurance and real estate brokers work and live here. While these professionals are the residents to whom St. James primarily ministers, there are also a significant percentage of multi-family dwellings in the area that house middle-income and low income (refugee) families. St. James has organized several outreach programs, with varying degrees of success, to attract and minister to its neighborhood residents.

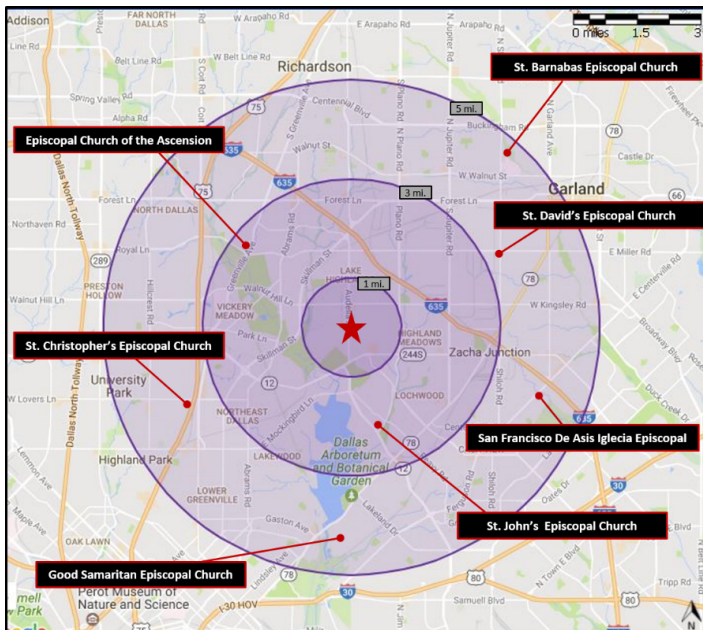
Our Membership Today

As of May 2017, St. James has 416 members from a total of 213 families. Approximately half of the members live within three miles of St. James.

Driving Distance	Total Individuals			Member		
	#	%	Cum %	#	%	Cum %
Within 1.0 mi	71	15.6%	15.6%	66	16.3%	16.3%
Within 2.0 mi	87	19.1%	34.7%	81	20.0%	36.4%
Within 3.0 mi	70	15.4%	50.1%	66	16.3%	52.7%
Within 4.0 mi	47	10.3%	60.4%	39	9.7%	62.4%
Within 5.0 mi	38	8.4%	68.8%	30	7.4%	69.8%
5-10 mi	85	18.7%	87.5%	73	18.1%	87.9%
10-15 mi	39	8.6%	96.0%	35	8.7%	96.5%
15+ mi	18	4.0%	100.0%	14	3.5%	100.0%
TBD *	14	3.1%		12	2.9%	
Total	469			416		

Source: FellowshipOneGo Database as of 5/17/2017

The fact that 30% of the members live more than five miles away is significant. As the map below shows, there are seven other churches in the Diocese of Dallas located within five miles of St. James. Several more are located just over five miles away. In addition to the scores of churches of other denominations, churchgoers who are



specifically seeking an Episcopal church have many choices, and it is clear that many of them are choosing to drive relatively long distances and pass other Episcopal churches to reach St. James. Because of the wide geography from which St. James draws, the age of the church, and the changing demographics of the immediate neighborhood, the make-up of the neighborhood does not necessarily always reflect the make-up of the congregation.

14,406 people live within one mile of St. James. They have a median age of 38.7 years, an average household income of \$115,818 per year, and a median household income of \$79,301 per year. 81% of this population is Caucasian. As shown in the table on the prior page, only 16.3% of our members live within one mile of St. James. Our membership is more heavily Caucasian than is our neighborhood.

Most local neighborhoods were established 40 to 50 years ago. In recent years, an increasing number of original homeowners have been replaced by younger families who are moving into the area and having children. Additionally, there are pockets of apartment communities that also attract younger singles and there is also a significant immigrant community from all over the world.

Our parish, like the surrounding Lake Highlands community, has been getting younger over the last decade. The average and median age of our parish members is 40 years old. Approximately 36% of the parish families include children under 20 years old. And, as noted above, slightly more than 5% of our membership consists of Karen refugees. Below is a table showing the age demographics of the families in our Parish.

Average Age of Adults	Total Family Units			Family Units w/ Kids**			Family Units w/o Kids**		
	#	%	Cum %	#	%	Cum %	#	%	Cum %
90s	2	1.1%	1.1%	0	0.0%	0.0%	2	1.8%	1.8%
80s	11	6.1%	7.2%	0	0.0%	0.0%	11	10.1%	11.9%
70s	36	19.9%	27.1%	1	1.4%	1.4%	35	32.1%	44.0%
60s	33	18.2%	45.3%	1	1.4%	2.8%	32	29.4%	73.4%
50s	24	13.3%	58.6%	14	19.4%	22.2%	10	9.2%	82.6%
40s	34	18.8%	77.3%	27	37.5%	59.7%	7	6.4%	89.0%
30s	30	16.6%	93.9%	26	36.1%	95.8%	4	3.7%	92.7%
20s	6	3.3%	97.2%	3	4.2%	100.0%	3	2.8%	95.4%
Child	5	2.8%	100.0%	0	0.0%	100.0%	5	4.6%	100.0%
TBD *	32	15.0%		4	5.3%		28	20.4%	

TOTAL

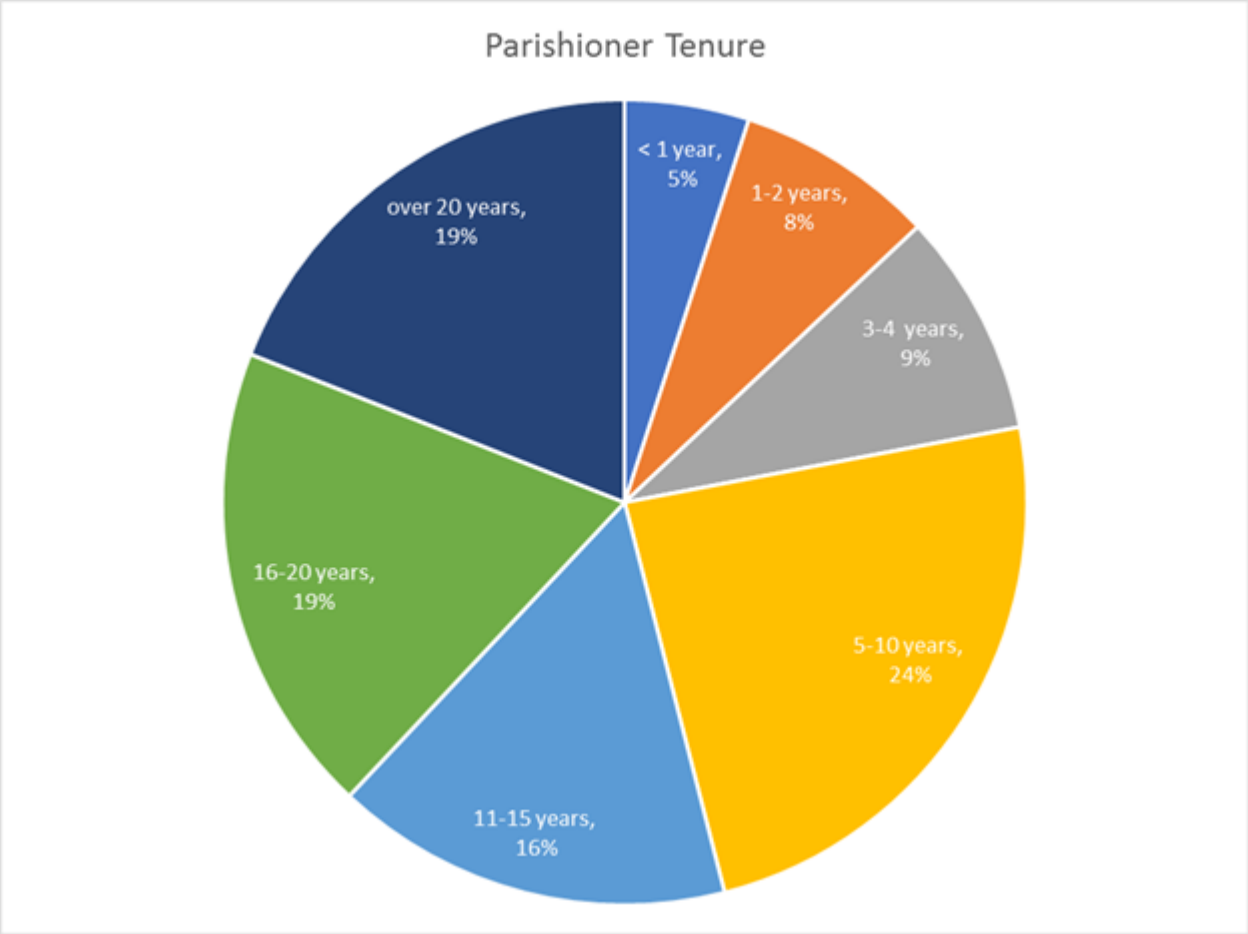
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76

137

Source: FellowshipOneGo Database as of 5/17/2017

Shown below is our parishioner tenure among those who answered our parish survey. We believe this is indicative of both our stability and our recent growth. 54% of our parish have been members for over ten years, while 13% of our parishioners have been at St. James for less than two years.



Our Worship and Liturgy

St. James offers three Eucharist services each Sunday: one at 8am and two at 10am. Each service has a regular and faithful following. All three are Rite II services, though many of those worshipping at 8am may welcome a Rite I service. Parishioners prefer that incense be reserved for feast days. Our main sanctuary seats 225 people comfortably.

A faithful group of approximately 40 parishioners attend the 8am service in the sanctuary, which is a said service. A verger serves as the sole member of the altar party at this service. Our organist joins the service at the offertory, accompanies the congregation in the Doxology, and plays a postlude. There is no other music.



The 10am sanctuary service remains our largest service, with approximately 110-140 attendees. A full altar party assists in leading this service, and our choir (which includes some paid singers) and organist lead congregational singing. The Eucharist is

typically sung at this service.

Our newest service, "Church in the Chapel", is very popular with young families. Squirming children, one of whom often ends up on the hip of the officiant, are joyfully recognized as our next generation of Christian leaders. The language, readings, and music are geared toward pre-school & elementary aged children. A volunteer (member) pianist accompanies the congregation with a variety of traditional, contemporary, and other hymns (as well as occasional music from Taizé and Iona). The children gather around the chapel steps to listen. This has been a welcome service for young families who want their children involved without interrupting the sanctuary service. Many of our school families have visited and begun attending this service, which typically lasts 45 minutes. Attendance varies, ranging from 25-65, with an average of 50 in latter 2017.

Our School

One of St. James' most notable ministries began in 1967. At the June Vestry meeting that year, the Rector "discussed the possibility of someday instituting a Montessori School at St. James for preschoolers." To learn more about this form of instruction, the Vestry met with Sister Monica Maria of Ursuline Academy, and the Rector toured four Montessori schools in Oklahoma. By August, the Vestry unanimously endorsed and offered all reasonable support "to the establishment of a Montessori Preschool at St. James." The following month, the Vestry shared the plans for the school with the parish and with Mrs. Marie Moseley, a member of St. John's Parish who had been training to become a Montessori teacher. She completed her training in March 1968, and the Montessori School began to take shape. By June of that year, 43 children were enrolled; by March of 1970, 95 students were enrolled. The school now serves approximately 200 children from a variety of racial, ethnic, religious, and socioeconomic backgrounds, and regularly maintains a waiting list of hopeful applicants.

The school integrated Christian education and worship into the program in 1995 and



simultaneously changed its name to the St. James Episcopal School. In 1999, the Southwestern Association of Episcopal Schools accredited the St. James Episcopal School. The school is dedicated to maintaining a unique Christian Montessori community emphasizing exploration, independence, self-motivation, creativity, and compassion. The school draws largely from the immediate neighborhoods. The school is divided into three levels: Mothers' Day Out (18 – 36 months, 2 or 3 days per week); Toddler (18 – 36 months, 5 days a week); and Primary (ages 3 – 6).

The school is a vital part of the community outreach ministry of St. James. The church supports the school in several ways. We offer a monthly Eucharist and assistance with weekly chapel services. The School Board may have up to 15 members; the Board President and Vice President must be Episcopalians in good standing. The Board is comprised of both parents and laity and oversees the business, activities, property, and affairs of the school.

What's Next

This is a pivotal time for St. James. We are blessed with a beautiful church on a very visible street, which attracts visitors. We are content in our identity as a traditional Episcopal church, grounded in biblical teaching, the creeds, and our prayer book catechism. We feel that our music and liturgy are very strong – those things, along with friendly people, are the hallmarks of St. James. Our neighborhood is turning over, with 6% growth expected over the next 5 years. We are encouraged by our membership growth and the addition of staff over the past couple of years. Our campus, facilities, and finances are all in good shape. So are our relationships, both internally and with the school that we share a campus with. The survey results, which compared St. James to 1,400 other mainline congregations nationwide, concurred with the vestry's hypothesis that we are above average in our member satisfaction and energy level. Put another way – we have momentum. The addition of a 3rd service has attracted numerous young families, who have joined St. James. Our ASA grew from 187 to 222 in 2016, and remained at 211 in 2017, even with our Rector's departure. We believe this means that St. James is on the brink of a cultural transition – from a transitional sized church to a program sized parish. With these blessings, comes the realization that our members are suffering from growing pains.

Each of our three services is taking on a distinct personality; each has their own challenges and opportunities. The 8:00 service is its own small group, strong in its fellowship. Our survey indicated that for eight o'clock parishioners, spiritual vitality is somewhat lower than at other services, and some of those congregants may need reassurance that their ministry matters. Our 10:00 sanctuary service has been saddened by the transition of many of its young families and children to the chapel service. The service isn't as full as it used to be, and they are eager to bring in new members. The existing membership also seeks to find their place in small groups and discern how to use their spiritual gifts. Our 10:00 chapel service is thrilled that St. James is flexible enough to step out and try something new. As the service with most of our newest members, they crave a deeper discipleship, wanting Christian Education and a place to plug into St. James. They also crave small groups. Our next Rector will need to find

ways to unite St. James under a common vision, while still addressing the unique needs of each sub-congregation.

As a Christian body, our recent survey indicated that St. James priorities are to:

1. Develop and implement a comprehensive strategy to reach new people and incorporate them into the life of the church.
2. Provide more opportunities for Christian education and spiritual formation at every age and stage of life.
3. Create more opportunities for people to form meaningful relationships (for example, small groups, nurtured friendships, shared meals, etc.)
4. Strengthen the process by which members are called and equipped for ministry.

Over 90% of our survey respondents agreed with the statement “I would like to see St. James continue its expanded ministries to raise its current average Sunday attendance from 225 to over 300.” We wish to continue to grow, spreading the gospel in our community. But we are unsure of our path.

For our next Rector, we seek:

1. An orator with strong preaching skills, and the ability to inspire us through sermons.
2. Someone to lead us through and unite us under a visioning process, so strategic planning experience is especially desirable. But we don't want to just have a plan, we want to actively answer God's call to share the gospel in our community by executing the plan. Ideally, our next Rector will have experience in shepherding congregations through the cultural changes, behavioral changes, and process/organization changes that will result from creating and implementing our strategic plan.
3. We need our next rector to pastorally care for us, particularly those uncomfortable with these changes.
4. We need our Rector to communicate and motivate us. Our survey indicated that the top drivers of member satisfaction were:
 - a. The church doing a good job of supporting persons in ministry by reminding them that they are making a difference.
 - b. Clergy communication – keeping us informed and connected, with a clear vision for our church that is before the people in a compelling way.

Our vestry has outlined the following opportunities, which we believe will be action items within our strategic plan:

1. As a congregation, we need to figure out a way to deepen Christian education and discipleship, especially in our children. Otherwise, our younger families will move elsewhere to a place where their teens and youth are engaged. We believe that we offer quality Christian education programs for all ages, but very few people attend. We need to understand why and how to improve.
2. Many of our members still need to find their connection within the ministries of St. James, deepen their discipleship, and take the step from being a church consumer (showing up on Sunday morning) to more mature Christian disciples. St. James needs to help its members connect with each other through small groups, and encourage/aid its laity in discerning and utilizing their ministry gifts.
3. As a vestry, we know that we are called to mission. The congregation didn't rate this opportunity as high of a priority as the vestry does. That's indicative of our need to mature as Christian disciples. Right now, our congregation does relatively little local mission work. We used to do outreach with the local police sub-station a few blocks away, but that relationship has faded. Our existing mission work consists of Summer in the City for our youth group, sending money to various organizations, making monthly visits to Austin Street shelter, and a small group who participates in Camp All Saints' Labor of Love weekends. With the retirement of Deacon Roger Button in 2017, we have one less key leader to nudge our congregation to participate in mission. We know that mission work can be transformative. We need a Rector to help us find mission work that will be meaningful and attractive to more of our membership.

St. James is confident that God is calling us to do something amazing.

Opportunities are open to us and we honor our commitment to our mission statement, the Great Commission. We look to our new leader to help us respond to God's call to St. James and our members. AMEN.

Our Budget and Finances

The following is a narrative from our Treasurer's report to the parish in February 2017, before Father Gardner or Deacon Button had announced their retirements. The planned budget deficit will be considerably less, due to our Rector's retirement. Our interim, Bishop Stanton, is retired and his compensation rate is significantly lower.

St. James' 2016 finances tell a narrative of a church maintaining its facilities while opening its doors to more members of the surrounding community, so they too can share in God's message. 2017 is showing to be no different as we continue to grow the seeds of past years and sew more seeds.

2016 Headlines

Aside from the details (which are outlined below), St. James accomplished two major achievements in 2016:

1. Staffing - Mother Rebecca completed her first full year as assistant Rector. Amanda Payne was brought up from part-time to full-time youth minister as of September 1.
2. Facilities – The A-frame was repurposed over the summer back into a Sunday services location to help facilitate increasing Sunday church attendance. We installed new lighting in a section of the school facilities and are helping the school fund the new parking lot lighting. Additionally, we entered into a preventative maintenance agreement to alleviate the stress associated with maintaining almost two dozen HVAC units on the campus.

2016 Review

Here's a little more detail on the financial status of the church:

- For 2016, we finished the year with a net operating deficit of approximately \$24,000 compared to a breakeven annual budget. This was the result of changing our staffing without reflecting it in the budget and \$10,000 of the deficit coming from setting aside funds for future capital expenditures.

- Pledge revenues were lower than budgeted by approximately \$8,100 (3.0%). In our budget every year, the Vestry conservatively assumes that some pledges will not be fulfilled—we call this “shrinkage.” However, in the past few years we experienced little to no shrinkage. Plate revenue of approximately \$44,000 was above our budget of \$35,000, reflecting the church’s growth from new members/visitors. Including the school assessment and other revenue, our total revenue was approximately \$647,000 compared to a budget of approximately \$623,000 (4% higher). As shown below, expenses were higher than budgeted, resulting in the deficit.
- Actual expenses of approximately \$670,000 exceeded the budgeted expenses of \$623,000 by \$47,000. The overage came from costs associated with facilities remodeling, increased utilities costs, and staffing costs to allow our youth to deepen their faiths further.
- Total cash on hand at the end of the year was \$266,735 which was up from \$251,019 at the beginning of the year. The cash on hand includes \$109,519 in operating funds, \$21,653 in contingency funds, and the remaining \$135,563 in a variety of special funds.

Looking Ahead to 2017

2016 was a year of improving our facilities and programing offerings and 2017 will be a continuation of 2016. With the mortgage paid off, the Rector and Assistant Rector in their stride, and a full-time youth director on board, it is time for continued growth.

The parish has again given us the ability to continue growing by increasing the number of pledges by four and total dollars pledged to approximately \$550,000. However, this is down from the stewardship campaign’s goal of \$600,000 from 130 pledges. If you have not yet made a pledge for 2017, it is still needed and very much appreciated, and it is NEVER TOO LATE! For those who have pledged, it is important for you to keep your commitment to God and our parish as 3% of 2016’s pledges went unfulfilled.

The Vestry has approved the operating budget for 2017 and it is for a deficit (less than the 2016 deficit) as we are stepping out in faith that if we build it, they will come. The budget is shown below, along with actual amounts for previous years. The budget provides for increases in spending for salaries, continuing facility improvements and

computer expenses. We are planning to maintain our preventative maintenance program, reserving funds for unplanned capital expenditures (e.g., replacing an air conditioning unit(s)), doing some capital improvements, and meeting our increased commitment to the Diocese. Additionally, we plan on implementing our first church management software that will allow our staff to maintain and more fluidly transfer knowledge amongst themselves, parishioners and visitors to give electronically, and parishioners to verify their own records and giving with ease throughout the year.

Our hope and expectation is that with continued growing Sunday attendance and pledges being faithfully fulfilled, we will have additional revenue to clear away the budgeted deficit and to serve a growing and changing parish and community.

In His service,

Jeff McKee, St. James Treasurer

Operating Funds	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget
CASH REVENUE					
<i><u>Pledges</u></i>					
Pledges	\$416,220	\$395,348	\$453,345	\$436,160	\$487,779
Amortization of Prepaid Pledges	\$49,596	\$62,986	\$58,268	\$60,193	\$62,600
Less: Shrinkage	\$0	\$0	\$0	\$0	(\$4,878)
Net Pledges	\$465,816	\$458,334	\$511,613	\$496,353	\$545,501
Plate Income	\$66,574	\$43,178	\$32,145	\$44,224	\$40,000
Total Pledges & Plate	\$532,390	\$501,512	\$543,758	\$540,577	\$585,501
<i><u>Non Pledge Revenue</u></i>					
School Assessment	\$44,752	\$49,225	\$45,816	\$55,934	\$57,034
Coffee/ Donuts	\$557	\$401	\$379	\$472	\$400
Weddings / Facility Rentals	\$0	\$1,150	\$500	\$300	\$250
Transfers from special funds				\$49,123	\$32,000
Other	\$6,000	\$56,700	\$517	\$223	\$0
Total Other Revenue	\$51,309	\$107,476	\$47,212	\$106,053	\$89,684
TOTAL CASH REVENUE	\$583,699	\$608,988	\$590,970	\$646,630	\$675,185
EXPENSES					
<i><u>Mortgages/Building</u></i>					
NPH-Interest	\$28,765	\$19,450	\$12,443	\$0	
NPH-Principal	\$15,125	\$18,061	\$9,438	\$0	
2013 Capital Improvement Loan	\$0	\$63,658	\$0	\$0	
Total Insurance	\$26,271	\$27,207	\$28,895	\$31,187	\$33,935
Utilities	\$43,757	\$46,556	\$45,725	\$54,338	\$51,000
Total Mortgages/Building	\$113,918	\$174,932	\$96,501	\$85,525	\$84,935
<i><u>Facility Maintenance</u></i>					
Repairs/Maintenance	\$42,688	\$38,420	\$49,293	\$29,621	\$45,000
Capital Expenditures				\$42,949	\$17,500
Transfers to Reserves	\$0	\$0	\$0	\$9,996	\$10,000
Total Building Maintenance	\$42,688	\$38,420	\$49,293	\$82,565	\$72,500
<i><u>Office & Equipment</u></i>					
Telephone	\$3,750	\$3,111	\$3,253	\$4,429	\$3,300
Copier	\$4,773	\$5,022	\$6,411	\$6,083	\$6,100
Postage	\$2,142	\$1,428	\$1,636	\$1,367	\$1,400
Printing	\$714	\$320	\$0	\$263	\$200
Office Supplies	\$5,286	\$5,637	\$5,424	\$5,384	\$5,000
Total Office & Equipment	\$16,665	\$15,518	\$16,724	\$17,526	\$16,000

Operating Funds	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget
<i>Personnel</i>					
Rector Salary & Housing	\$80,896	\$80,896	\$84,132	\$85,815	\$87,531
Rector Auto	\$2,200	\$2,198	\$2,198	\$2,197	\$2,197
Rector Pension	\$13,399	\$14,561	\$15,144	\$15,447	\$15,756
Rector Insurance	\$19,545	\$19,461	\$20,335	\$18,961	\$21,667
Total Rector	\$116,040	\$117,116	\$121,809	\$122,419	\$127,151
Assistant Rector Salary & Housing	\$0	\$0	\$22,500	\$61,200	\$62,424
Assistant Rector Pension	\$775	\$0	\$4,050	\$11,443	\$11,672
Assistant Rector Insurance	\$0	\$0	\$844	\$4,068	\$4,068
Total Asst. Rector	\$775	\$0	\$27,394	\$76,712	\$78,164
Supply Priest	\$0	\$212	\$424	\$0	\$1,600
Youth Minister	\$18,800	\$21,000	\$23,010	\$24,492	\$36,000
Youth Minister Insurance	\$0	\$0	\$0	\$3,213	\$9,769
Youth Minister Pension	\$0	\$0	\$0	\$0	\$3,150
Youth Minister Payroll Taxes	\$1,435	\$1,608	\$1,759	\$1,873	\$2,754
Karen Youth Liason				\$6,603	\$6,365
Karen Youth Liason Payroll Taxes				\$505	\$487
Total Youth Ministers	\$20,235	\$22,608	\$24,769	\$36,686	\$58,525
Admin. Asst. Salary	\$41,200	\$41,200	\$42,848	\$43,705	\$44,579
Admin. Asst. Payroll Taxes	\$3,154	\$3,143	\$3,278	\$3,343	\$3,410
Admin. Asst. Pension	\$3,659	\$3,708	\$3,708	\$3,708	\$3,782
Admin. Asst. Insurance	\$4,268	\$4,303	\$4,326	\$4,272	\$4,272
Total Admin. Asst.	\$52,281	\$52,354	\$54,160	\$55,028	\$56,043
Choir Director	\$21,000	\$21,630	\$22,495	\$22,945	\$23,404
Choir Director Payroll Taxes	\$1,608	\$1,654	\$1,721	\$1,755	\$1,790
Total Choir Director	\$22,608	\$23,284	\$24,216	\$24,700	\$25,194
Organist	\$22,597	\$22,600	\$15,000	\$15,300	\$15,606
Organist Payroll Taxes	\$1,728	\$1,728	\$1,147	\$1,170	\$1,194
Total Organist	\$24,325	\$24,328	\$16,147	\$16,470	\$16,800
Bookkeeping	\$15,600	\$16,068	\$16,711	\$17,045	\$17,045
Bookkeeping Payroll Taxes	\$1,188	\$1,225	\$1,278	\$1,304	\$1,304
Total Bookkeeping	\$16,788	\$17,293	\$17,989	\$18,349	\$18,349
Cleaning Supplies & Equip	\$17,098	\$14,640	\$2,916	\$4,850	\$3,000
Sexton	\$0	\$0	\$11,085	\$11,188	\$11,100
Total Sexton	\$17,098	\$14,640	\$14,001	\$16,038	\$14,100
Childcare/ Sitters	\$4,505	\$4,260	\$4,615	\$4,250	\$4,400
Total Personnel	\$274,655	\$276,095	\$305,524	\$370,651	\$400,326

Operating Funds	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget
<i>St. James Ministries/ Committees</i>					
Altar & Liturgical	\$1,686	\$2,058	\$1,365	\$1,821	\$1,500
Music & Choir	\$11,387	\$12,622	\$15,390	\$18,123	\$18,000
Christian Ed	\$1,307	\$1,217	\$866	\$51	\$1,400
Transfer from Logos Fund					(\$4,850)
Pumpkin Patch Sales					(\$13,550)
Youth Ministry	\$0	\$0	\$0	\$0	\$18,400
Daughters of the King	\$5	\$30	(\$185)	\$0	\$0
Receptions/ Weddings	\$4,840	\$5,732	\$5,824	\$7,139	\$5,000
Outreach Ministries	\$17,797	\$20,067	\$19,005	\$22,353	\$20,000
Rector's Expenses	\$1,790	\$2,428	\$1,909	\$2,316	\$2,300
Total Ministries/Committees	\$38,884	\$44,154	\$44,174	\$51,803	\$48,200
<i>Other Expenses</i>					
Computer/Furniture/Misc. Exp.	\$1,563	\$7,315	\$4,834	\$3,172	\$9,500
Auto Repairs & Maintenance	\$0	\$0	\$0	\$152	\$150
Communications	\$666	\$482	\$1,552	\$556	\$600
Total Other Expenses	\$2,229	\$7,797	\$6,386	\$3,880	\$10,250
Diocesan Assessment	\$67,314	\$59,581	\$61,652	\$58,266	63,335
TOTAL EXPENSES	\$556,353	\$616,497	\$580,254	\$670,217	\$695,545
Excess / (Deficit)	\$27,346	(\$7,509)	\$10,716	(\$23,587)	(\$20,360)

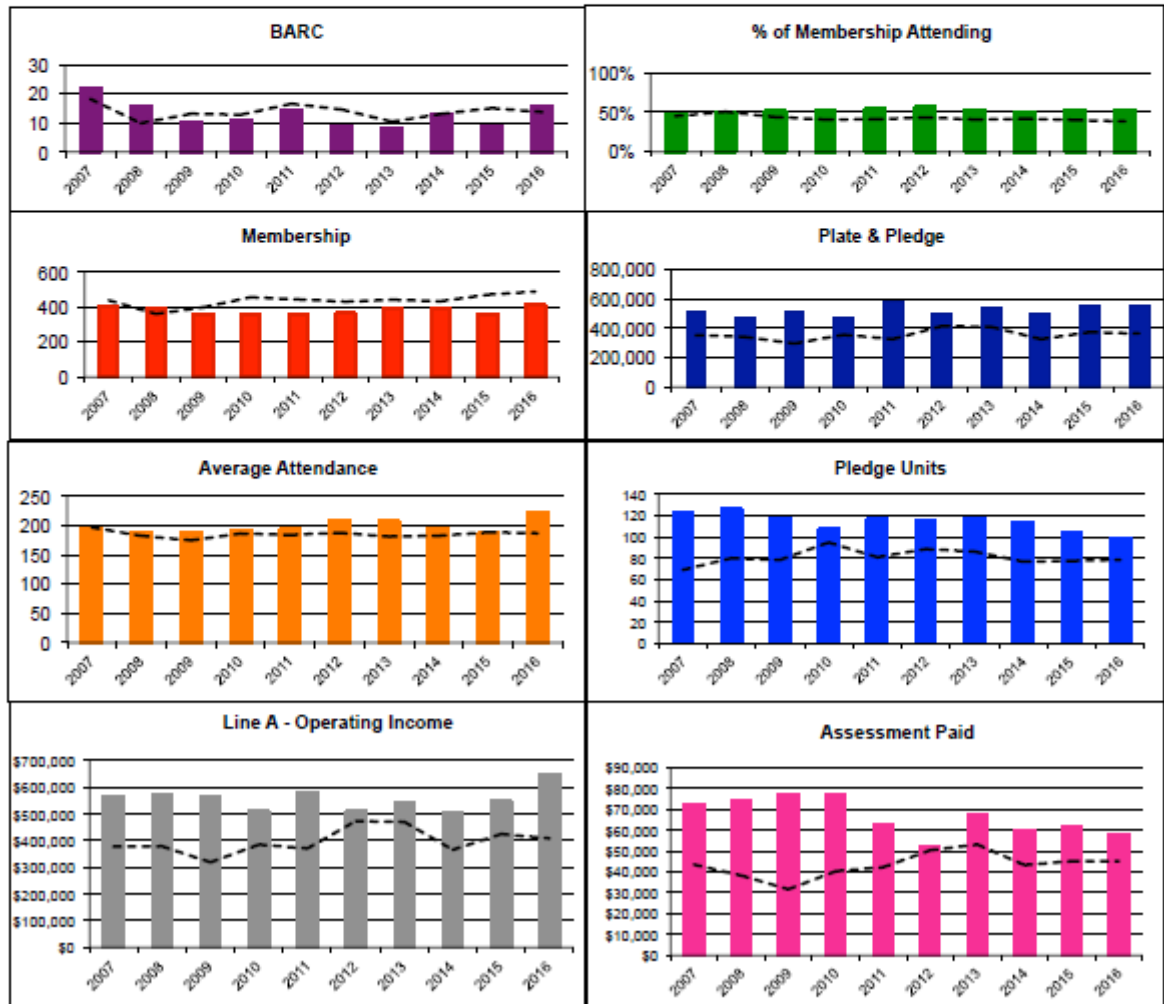
St. James'
Dallas

Transitional

BARC = Adult Baptisms + All Receptions + All Confirmed

December 31, 2016 Membership = 414

Year	BARC	Membership	ASA	% Attending	Plate & Pledge	Operating In/Out	Operating Income	Diocesan Assistance	Assessment Paid
1997	29	467	252	54%	300,005	-\$43,549	\$303,391	\$0	\$28,917
1998	23	549	258	47%	326,533	\$34,143	\$341,454	\$0	\$34,872
1999	20	609	296	49%	367,890	-\$57,890	\$370,408	\$0	\$44,269
2000	42	701	298	43%	423,823	-\$19,730	\$428,059	\$21,000	\$45,375
2001	37	758	289	38%	433,912	-\$23,434	\$437,796	\$0	\$47,537
2002	20	595	249	42%	369,670	\$30,689	\$412,770	\$8,339	\$31,046
2003	15	546	263	48%	470,012	\$86,559	\$519,956	\$0	\$30,628
2004	18	508	263	52%	469,954	-\$23,276	\$496,224	\$0	\$68,193
2005	14	482	237	49%	485,935	-\$50,834	\$578,543	\$0	\$36,547
2006	4	434	222	51%	498,333	\$5,488	\$560,328	\$0	\$64,779
2007	22	407	196	48%	511,244	\$0	\$565,427	\$0	\$72,294
2008	16	387	189	49%	475,254	-\$1,009	\$569,020	\$10,000	\$74,124
2009	10	362	189	52%	514,574	-\$5,029	\$562,258	\$10,000	\$77,256
2010	11	359	192	53%	468,179	-\$86,010	\$509,985	\$22,500	\$76,830
2011	14	359	194	54%	578,551	\$61,563	\$580,851	\$45,000	\$63,050
2012	9	367	207	56%	507,962	\$1,313	\$509,812	\$22,500	\$51,683
2013	8	387	207	53%	541,560	\$27,446	\$541,560	\$0	\$67,314
2014	13	397	195	49%	506,627	-\$65,169	\$507,777	\$0	\$59,581
2015	9	361	187	52%	548,341	\$13,192	\$548,841	\$0	\$61,652
2016	16	414	222	54%	549,754	-\$14,570	\$646,490	\$0	\$58,266
5 Yr Change	14.3%	15.3%	14.4%	n/a	-5.0%	n/a	11.3%	-100.0%	-7.6%



Dashed lines are Averages for That Size Parish