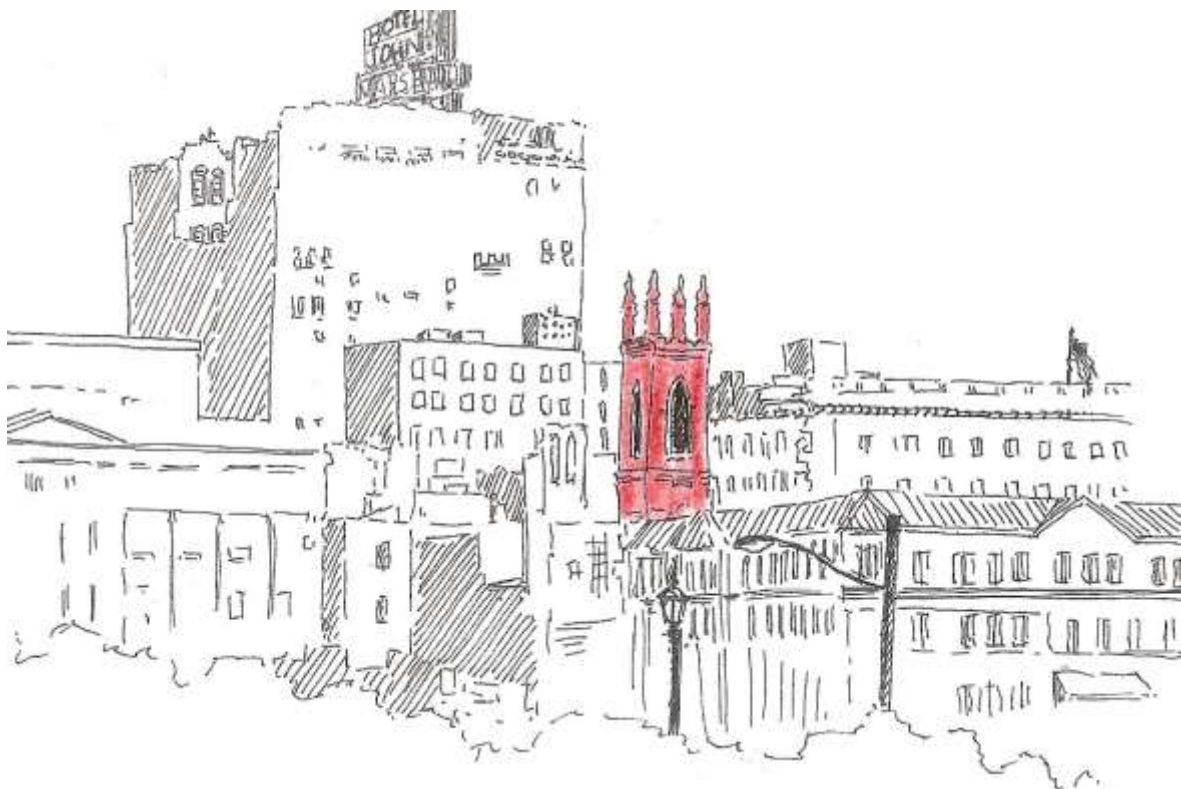


Second Presbyterian Church
5 North Fifth Street
Richmond, Virginia 23219

ANNUAL REPORT 2016



The Session

Alex Evans, Pastor

Kathryn Lester-Bacon, Associate Pastor

Marjorie M. Clark, Clerk of Session

Class of 2017

Sharon Blount (2)

Ben Dendy (2)

Greg Dickie (2)

Tom Flynn

Sheri Highfill (2)

Elva Mapp

Sue Munro (2)

Sloan White

Class of 2018

Steve Allred

Julia Carr

Marjorie Clark (2)

Joani Fergusson

Anne Grier

Philip Hart

Allison Mays (2)

Jeff Wells (2)

Class of 2019

Judy Cutting

Mary Sue Donahue (2)

Don Falls (2)

Franklin Graham (2)

Heather Harvey

Tom Holland (2)

Jacy Jacob

Tom Jefferson (2)

Carolyn Brandt, Treasurer

Donald Falls, Assistant Treasurer

Cherry Peters, Assistant Treasurer

The Board of Deacons

Patrick McDonnell, Moderator

Class of 2017

Kevin Divins

Ginger Hudson

Patrick McDonnell

Mary Millet

Debbie Powers

Dan Ream

Amy Thompson

Carol Womack (2)

Class of 2018

Cindy Bland (2)

Peter Fisher

Sam Highfill (2)

Lori LaVel

Leigh Ann McKelway

Margaret Wade

Frank Wagner

Emilie Webb (2)

Class of 2019

Emily Gilchrist

Carol Graham (2)

Frederick Helm

Chelsea Russell

Beth Stewart (2)

Nancy Updegrave

Mary Warthen

Minor Weisiger

The Trustees

Cherry Peters, Chair

Class of 2017

Tom Jefferson (2)

Ken Powell

Class of 2018

Cherry Peters (2)

Kathy Pryor

Class of 2019

Carolyn Brandt (2)

Jeff Gallagher

NOTE: The persons with a (2) by their name are serving their second consecutive three-year term.

Pastor's Report

Alexander W. Evans

The Apostle Paul was so effusive with his gratitude. In so many of his New Testament letters, he speaks from his heart: "I give thanks to God always for you;" "In my prayers for you we always thank God . . . for we have heard of your faith in Christ Jesus and the love that you have for all the saints." Paul spoke these words often because of his gratitude for those churches growing, thriving, and serving God.

What does a thriving church look like? FAITH, WORSHIP, LOVE and MORE:

- ❖ Our WORSHIP is full of FAITH with so much praise and thanks. Hymns and music fill our hearts and frame our lives. Prayers and affirmations flow from us. Our attendance numbers remain strong. Our fantastic choir gives glory to God. Even the numbers who worship with us via our videos are growing, including those watching on live-stream.
- ❖ LOVE ~ All through Paul's letters, LOVE is central to a thriving church. There are many signs of love around our congregation. We keep spreading love through our mission efforts with lots of dollars and volunteers. We keep showing love on our building with faithful care of this sacred and historic facility. We keep seeking to grow in love through our care of one another – led by our Deacons. We continue to grow in love too through our Christian Education programs, fellowship groups, and more.
- ❖ WELCOME ~ Paul often mentions the need to welcome others, to be joyful in sharing the gospel, to practice hospitality. We continue to welcome new members into our midst and we strive to treat all with grace and generosity.
- ❖ HOPE ~ No matter what happens in and around us, the promises and presence of God fill us with HOPE. Even when life becomes difficult, when losses surround us, when despair creeps in, we keep striving to worship and serve, to sing and pray, to live by faith and love. God is our HOPE.
- ❖ SERVANT LEADERS ~ The pages of this Annual Report reflect our call "to know Christ and make Christ known" near and far. All that happens here emerges from servant leaders striving to participate with God in the in-breaking of Christ's reign. I am inspired and encouraged by the SERVANT LEADERS who help to make this church thrive in God's work.
- ❖ SACRIFICE and STEWARDSHIP ~ Our budget remains strong. We are blessed by commitments and generosity that give us good resources to do God's work. We are engaged in an important Capital Campaign to "Shine the Light of God's Grace" as we move toward our 175th anniversary in 2020. We are blessed to be a blessing.

All that happens in and through our church happens because of FAITH. And we have plenty of room for growth in EVERY AREA. God keeps calling us to faithful life and work.

May we keep living and serving with a vibrant FAITH that brings honor to Christ our Lord and promotes the light, love, healing, hope, joy, and justice of God. It continues to be my joy and privilege to serve alongside each of you in FAITH . . . and in ministry.

May God continue to guide us and bless us as we worship and serve God.

Worship Council

Greg Dickie, Chair

In worship, the congregation comes together to praise God. The people come seeking to be connected to God; they gather to be in the company of other members of the worshipping community. The sacraments – baptism and communion – take place in worship.

At Second Presbyterian, the order of worship, outlined in the service bulletin, takes into account the diversity of the church's membership. Worship services seek to promote increasing participation by all church members. The scriptures, prayers, sermon, music, as well as the "Time for Sharing Faith with Children" – are all directed toward fostering spiritual growth in everyone present, regardless of age or background.

The Worship Council, which includes the Pastors and the Director of Music, met regularly during 2016 to review and discuss worship-related matters, provide feedback, and otherwise assist in planning worship that is vital.

We now are live-streaming our worship services each week through our website. This is in addition to the recorded video version that is available in the early part of the week. The live-streaming has been well received.

The Arts Council displayed the Easter banners, the Pentecost mobiles, and the mosaic saints for All Saints Day. The Committee also arranged the World Communion and Advent Crèche displays. Art shows included a winter show displayed at Covenant Woods, the spring portrait show "Faces of Faith," the summer show with guest artist Robert Wynne's "Paintings from Scotland" and the fall photography show "Hidden Places in Virginia."

The choir presented 89 anthems during 2016 to enrich the weekly worship service. The choir was pleased to collaborate with the choir of Ebenezer Baptist Church to provide music for the Maundy Thursday service. In December, the choir offered a Festival of Lessons and Carols on Advent IV with a professional brass quintet to celebrate the nativity of our Lord. Eight section leaders provided valuable ensemble and solo support to the choir's worship leadership: Willa Jacob, Amanda Simon, Laura Carr, Erin Wind, Nathan Bick, Justin Cullum, Clint Miller, and John Ford.

Members of the Worship Council: Greg Dickie, Moderator; Dot Apperson, Marjorie Clark, Lauriston Davis, Mary Flinn, Margaret Wade, Mary Warthen; Mary Millet (Arts Council), Barry Merchant (Communion Coordinator), Dick Gibbons (Flowers), Penny Holladay (Special Events Coordinator), and Tom Flynn (Usher Coordinator). Ministerial and staff support: Alex Evans, Kathryn Lester-Bacon, and Jeff Riehl.

Christian Education

Ginger Evans, Director of Christian Education and Sue Munro, CE Chair

What a wonderful year 2016 has been! Our children continue to bless us by sharing their faith with us as they sing together in the Children's Choir led by Laura Carr and supported by Emily Powers. Debbie Powers handmade beautiful robes for them to wear and they love wearing them as they lead in worship. The younger children have been taught by Debbie Powers and Nancy Foltz while the older children have been in a Preparation for Worship Class with Ginger Evans. Emily Powers taught our Godly Play Class during the second half of worship.

The Youth this year have again been led by Emily and Gray Gilchrist who serve as volunteer Youth Advisors. They work with our Seminary Youth Ministers, Eric Koenig, Alex Abdalla, and Elizabeth Baril. Waffles are prepared each Sunday morning by the Youth and that is a big draw on sleepy mornings for all! Youth Sunday was held on February 14 and we were all moved by the sermon delivered by senior Lanjino Lomeling.

Adult Church School enjoyed a class on Hymns and Prayers of the Church led by Annette and Ben Sparks, a class on the Acts of Faith Festival and this season's plays led by Bruce Miller and Phil Crosby, and a class on Charity Detox: What Charity Would Look Like If We Cared About Results, a book by Robert Lupton, led by Alex Evans and Kathryn Lester-Bacon. The Fall began with a Mission Forum in the Dining Room hearing reports from each of the Ministries we support with Mission dollars; Franklin Reding leading a very compelling Bible Study, Faith and Literature, and Kathryn Lester-Bacon starting a new class on Christian Parenting for young families. Small groups for adults continue: Radical Women, Kerygma, The Day Book Group, The Literary Circle.

The Christian Education Committee held a fun Rally Day Celebration on September 13 to kick off the Fall Season and an Advent Festival on November 27 to help the congregation prepare for the Advent Season. Scarves were made for the homeless, extra wreaths were made for the home bound, and crafts were made by all.

Membership Report

Prepared by Sloan White

Summary

2016 was another strong year for membership at Second Presbyterian. We welcomed 20 new members who were a diverse group of involved and talented individuals. These new members represent multiple generations and were brand new faces as well as some family and familiar visitors. We continued to greet visitors every Sunday and brainstormed new ideas for 2017.

We held a 2016 new member reception in conjunction with Second Sunday lunch on January 8, 2017. The event was coordinated by Lucretia McCulley with support from Ele Bigger, Dorothy DeJong, & Ginger Evans. The event was beautifully organized, but garnered low attendance due to a snow/ice storm the day before.

The visitor and membership program at Second is well established and 2016 was a year of continuing to execute on the proven components we know work. From visitor to member, there is a reliable order of events in place consisting of greeting, contact from a Pastor, New Inquirers Class, Church tour, and Called Session meeting. We did not implement any new ideas but have some strong recommendations for the coming year.

Council Members

Michael Bacon, Kyle Russell, Chelsea Russell, Carol Graham, Anne Jefferson, Lucretia McCulley, Bryan Tims, Jeff Wells, and Anne Grier. In addition, Patrick McDonnell continued to be a visitor greeter. Lucretia McCulley and Ginger Evans stepped in as interim chairwomen during Sloan White's maternity leave and extended absence.

New Members and Sponsors

Erica Wheeler (*Barbara Alexander*)

Christopher and Hannah Speaks (*Sloan & John White*)

Luke Spangler (*John White*)

Margaret Pence (*Jeff Wells & Mac Pence*)

Todd Schindler and Toni Grant (*Anne & Patrick McDonnell*)

Chris Tanner and Lisa Yanushefski (*Chelsea & Kyle Russell*)

Bob Murphy (*Cheryl & Webb Moore*)

Kathleen Murphy (*Jacy Jacob*)

Cindy Doran (*Cherry Peters*)

Cliff and June Henderson (*Anne & Tom Jefferson*)

Chris Reina (*Jeff Wells*)

Don and Anne Looney (*Julie & Bryan Carr*)

Jay Morgan (*Kyle Russell*)

Carol Fitzgerald (*Mary Corley*)

Gayle White

Baptisms

Adam Emmanuel Dela Cruz, April 17
Arthur Graham Rordam and Henry Fitzgerald Evans, May 29
Malachi Fox McElwaine, June 5
Marie Louise Waton, July 3
Charles Shepherd Turner, August 21
Eliza Mae Howle, October 16
Ann Kathryn Stone, November 20

Marriages

Gregory Michael Kowalski & Virginia Randolph Evans, May 28
Luke MacFarlane Harton & Rachael Catharine Hillmar, June 4
Robert Nathan Lazerow & Mary Cabell Jonas, June 11
Christopher Robert Tanner & Lisa Ruth Yanushefski, August 13
Charles Candler McConnell & Amanda Maxwell Sheets Healy, September 24
James Hardy Patterson, Jr. & Michelle Estrada Miller, December 17

Transfers

Faith Harmon and Ned Moore & Tina Egge to New Hanover Presbyterian Church

Deaths

Violette Scherer Zutz, February 9
Mary Aylette Creath Payne, March 1
Kathleen Buchanan Cabell, April 3
Bertie Sue Martin Selvey, September 7
David Joy Herrell, October 1
Nancy Hawkins Neale Gatewood, October 25
Betsy Ross Fleshman MacCord, December 14
Louis Stapleton Carter, December 25

Mission Council

Mary Sue Donahue and Sharon Blount, Co-Chairs

Members: Mary Sue Donahue, Sharon Blount, Tom Edmonds, John Marriner, Ann Foster Marriner, Carol Fisher, Marian English, Nancy Updegrave, Kathleen Murphy, Cathy Howard, Amanda Healy, Mary Jane Winter, Julie Bilodeau, Roy Fauber, Roberta Fauber, June Henderson and Cliff Henderson

The work of Mission at Second continues to be strong and vibrant through numerous activities and agencies in and outside the church. Here are some Mission Council highlights from 2016:

Second hosted **CARITAS** from June 11-18, providing food and shelter to 32 women in the area. More than 100 volunteers helped with meals, set-up, clean-up, laundry, activity nights and much more. The 2017 dates are April 22-29. We will be expanding to host our guests on Sunday and look forward to having our CARITAS visitors worship with us. Be on the lookout for opportunities to volunteer.

Cindy Corell is our mission co-worker to Haiti, serving the Presbyterian Church (U.S.A.) World Mission and greatly funded by the Presbytery of the James. During her visit back to the United States this summer, Mission Council hosted a dessert reception for Cindy at Westminster Canterbury where she explained the exciting and rewarding work she is doing in Haiti.

Open Table is a ministry that gathers members of a congregation (8 to 10 persons) to help a single brother or sister in need. Second has signed the licensing agreement and is taking steps to initiate this effort in the coming months. John Marriner is our contact person and is organizing training for the congregation. The plan is to have interested individuals trained by early spring.

With the cessation of breakfast and dinner services by the Salvation Army, the **Walk-In Ministry** program provided, and continues to provide, guests with a bag supper on Mondays. The contents of the bags are provided by Second and partner churches. Our 2017 budget reflects a \$5000.00 increase to support this initiative. Walk-In continues to serve lunches every Monday for as many as 200 guests with volunteers from Second and 12 other churches. We also have a clothing ministry and provide travel sized toiletries. Look for opportunities in the coming months to support this effort.

Second hosted a **Youth Mission Group** from Colesville, Maryland, the week of July 17. Mary Jane Winter and Elva Mapp planned service activities for each day of the week including a lecture from John Moeser on the history of the city. The group also prepared clean up buckets for flood relief in West Virginia.

A **Mission Council Retreat** was held on Saturday, September 10, and ideas discussed included ways that the Council might educate and engage the congregation in mission opportunities at Second. Plans are to use the "Minute for Mission" and the coffee hour to increase awareness of Second's deep involvement with community mission partners. We also plan to enact an annual review of our mission partners to assure funds from Second are being invested in significant ways that align with our long term goals.

Second is actively working with other downtown churches to support IRC (International Rescue Committee) to help **Syrian refugees**. We will be collecting items for refugee families, as well as asking for volunteers to be directly involved with the families as they begin a new life in Richmond.

The **Social Justice Advocacy** subcommittee of Mission Council, chaired by Lucretia McCulley, met regularly in 2016 to identify and carry out several faith-based advocacy initiatives.

Members: Lucretia McCulley, Kathy Pryor, Jim Payne, John Marriner, Ann Foster Marriner, Jack Ackerley, Joani Ferguson, John Moeser, Eric Schellenberger, Carmen Martinez, Emily Griffey, Leigh Ann McKelway and Tom Edmonds.

Most efforts focused on health care and metro transit issues. Here are a few highlights:

The committee connected with Kim Bobo, the new director of the Virginia Interfaith Center for Public Policy, to discuss the Center's plans for advocating **Medicaid Expansion in Virginia** and how we can collaborate with VICPP on advocacy issues. In early September, the committee sponsored a church school class on Medicaid Expansion featuring Jill Hanken (Virginia Poverty Law Center). Afterwards, there was an opportunity to write letters in support of the expansion. The annual "Day for All People" in late January also offered the opportunity to talk with state delegates.

In early June, the committee sponsored an open forum on the **Faith Movement for RVA Transit**. Nelson Reveley (Co-Chair, Metro Richmond Clergy Committee for Rapid Transit) spoke to a group of 35 church members and encouraged advocating the expansion of metro transit service in the city and counties. Session was asked to sign on to the Civic Statement of Support and both Alex and Kathryn signed the Clergy Statement of Support for Rapid Transit in Metropolitan Richmond.

Plans were made to offer a four-week bible study in January 2017, entitled *Corridors for the Kingdom: Thinking Theologically about Public Transportation*. We hope this study will result in further support and actions from church members.

Five members from Second Presbyterian attended the **"Speaking Truth: Advocacy Training for People of Faith"** workshop on November 13 at Union Presbyterian Seminary. This workshop was sponsored by the Presbytery of the James Purpose Group on Public Policy.

Changes were made in late 2016 for the advocacy subcommittee to join the monthly meeting of Mission Council. This change will allow a larger group of people in the church to stay informed about advocacy efforts and to align our advocacy initiatives with church missions.

Lastly, Lucretia McCulley is administering an **"Advocacy@2ndPres" email list** to alert members to faith-based advocacy actions and learning opportunities. 36 members are currently on the list and we seek further involvement from the congregation.

Property Council

Franklin Graham, Chairman

The Property Council is responsible for the security and maintenance of the Second Presbyterian physical campus, including the 168-year old church sanctuary. The Session allocated a budget of \$206,500 for Property Council in 2016. The Council was about \$20,000 under budget through deferral of several projects and cost management efforts.

The past year has been one of the busiest and 2017 promises to be more so. Highlights of 2016 include:

- ❖ Replacement of the 30-year old kitchen convection oven with a double-oven.
- ❖ “Deep” cleaning of the kitchen and preliminary discussions on re-design and renovation of the kitchen and serving areas.
- ❖ Installation of sophisticated audio-visual presentation equipment in the Dining Room for use in Worship, Christian Education, and other activities.
- ❖ Renovation of the Choir Room to enhance the music program’s practice and dressing facilities.
- ❖ Removal of an infestation of termites and institution of an annual termite extermination program.
- ❖ Re-carpeting and floor repair in the office manager’s office.
- ❖ Installation of an irrigation system for the North and South Courtyards.
- ❖ Repair and/or replacement of several exterior doors.
- ❖ Development of a \$115,000 replacement program for many of the campus HVAC systems (15) which are 25-30 years old. That request is currently before Session for action.

The Council deferred several other projects until 2017 for various reasons, including painting of window trim on the sanctuary building and repair and painting of the north and south Narthex doors.

The Council’s Sanctuary Renovation Committee began activities that will lead to fulfilling the Session approval of a \$1.5 million renovation of the sanctuary, according to a plan developed by the Property Council in 2015. In addition to decorative updates like painting and new carpeting, the project includes an extensive replacement and upgrade to the lighting system, replacement of the 30-year old HVAC systems in the sanctuary and chapel, modernizing interior doors leading to the Parking Garage, and updating the 50-year old fire sprinkler system. Century Construction was hired as the Project Manager. Most of the work will occur between May and August of 2017 which will force Sunday worship services to an alternate location.

Finally, Second Presbyterian Church has benefited from the weekly work of the Tuesday Work Group under the guidance of Ralph Rhudy and Building Administrator Rob Fergusson. The Tuesday Work Group included Chanson Finney, Peter Fisher, Tom Flynn, Sam Highfill and Ralph Rhudy. Members of the Tuesday Work Group were at the Church some 390 total hours. Roughly, 330 of these hours were devoted to active physical work activities and the other 60 hours were devoted to planning and conversational endeavors. Had this volunteer work been contracted out to private firms at a conservative figure of \$50 per hour, the church would have expended some \$19,500 in 2016 in additional funds for operational expenditures.

Parking Deck Task Force

Tom Jefferson, Chairman

Members of this committee are Jack Spain, Webb Moore, Mac Pence, Elizabeth Scott Turner, Tom Flynn, Bill Flowers, Franklin Graham and Tom Jefferson, Chairman.

Valuable additional support came early on from Heather Harvey, Sheri Highfill, Philip Hart and Greg Dickie (who provided enormous support regarding insurance issues). During the phase when we were seeking long-term financial support, Major Reynolds and our Endowment Fund Trustees were significant in their assistance.

Our Committee started about three years ago. At that time we were experiencing for the first time weekend parkers. This began to occur when the apartments at the John Marshall opened. Prior to that time, we had only business week parkers and an empty garage on Sundays. As we focused on that circumstance we also began to assess the maintenance issues and were disturbed by the deteriorating condition of elements of the garage, like the staircase presently being worked on. The more we focused on maintenance, we realized we needed professional help and got Session's approval to hire an engineer. Let me briefly explain that for about 25 years we have owned the land the garage sits on and have had a lease allowing the tenant to build and operate the garage, with the Church having some use during the week and full use on weekends.

When we got the engineer's assessment about two years ago, we learned that we were faced with work needed in the range of a half million dollars. For a number of months we tried to get the operator to abide by the lease and do the proper maintenance required by the lease. We gradually realized our best hope for proper performance would only be achieved by a lawsuit. Session gave permission for this and late in 2015 the operator realized we were serious. At that point he suggested we buy him out of the remaining years on the lease. After negotiations, we did buy him out, paying off his loan of a little over a million dollars, knowing we would have a half million in expected repair expense.

Since April (2016), when the purchase was consummated, we initiated operations and started repairs. There have been numerous surprises (mostly additional repair problems). Session has decided that for the present, and as we learn to operate and focus on repairs, that the parking deck will be handled separately from the church's finances. There is a ten-year loan for the purchase of the deck with a line of credit loan for repairs. Interest and principal on these loans is paid by the income from rental of spaces there. Some day we anticipate the monthly cash flow will have supported all needed repairs and proper maintenance and will also eventually allow the loans to be paid off. Until that time, the Session is counting on the deck being its own business and not interfering with Church finances.

Your Parking Deck Task Force has handled unusual and complicated tasks of understanding repairs, operations of a parking deck, selecting an operator, arranging loans, not to mention managing a complicated lease purchase. All of our members have not just attended monthly meetings, but have accepted tasks that have taken significant hours of work away from their personal and sometimes work hours. They have been a magnificent group. All of us have been forced to think and plan just how to make this odd business venture become a lasting valuable asset for our church for many years to come. We believe we are doing all the proper things to achieve that outcome. Generations after us will decide if we were right.

The Administration Committee
Sheri Highfill and Jeff Wells, Co-Chairs

While mostly behind the scenes, it was our privilege to work with the staff and to develop two important guidelines for their use.

The first was on Document Retention and provides for the systematic review, retention, and destruction of documents regardless of physical form; offer guidelines for how long certain documents should be kept and guidelines for how certain documents should be destroyed. These guidelines are designed to eliminate accidental or innocent destruction of records and to facilitate operations by promoting efficiency and freeing up valuable storage space.

The second were guidelines around Data Security to provide for the protection of church data and data systems. Dangers include incidental or accidental disclosure of data or data access passwords, misuse of data, and attacks on church data systems. Protection is important for maintaining the public's trust, protecting members and staff from dangers like identity theft, and preventing malicious damage that can be catastrophic and expensive to correct. Federal and state laws apply to the protection of some types of information. Special attention must be given to sensitive operational data of the church ("sensitive data") and data containing personal information ("personal data").

These two projects were our main focus in 2016 in addition to providing incidental support for the smooth functioning of our administrative staff.

Media Technology Report

Bo Jacob, Technical Director

Second Presbyterian “is a dynamic, downtown, historic church, with a huge heart for mission to the city and into the world.” A few of the ways we strive to achieve this mission is through our media technology.

We currently offer the following media services:

- ❖ Our website, 2presrichmond.org, offers the latest news and happenings involving the church, and is a portal to our “Sunday Morning Worship Live” and “Videos of Worship” selections. Members of the church, and people from around the world, can access (“livestream”) our worship service live each Sunday morning. If they cannot view our service in real time, we also offer an archive of past services, so they can view in an “on-demand” format.
- ❖ We have recently launched a Church App for mobile devices: 2ndPresRVA. This is another way to livestream Sunday morning worship, and to also access videos of past worship services on-demand.
- ❖ Late last year, 2016, I oversaw the installation of a state-of-the-art presentation system in our Dining Room. This system allows presenters and group leaders to display audio-visual aids to the attendees. It also has the capability of displaying worship services and/or special events that are held in our Sanctuary in real time. Advantages of this capability include use of the dining room as an overflow room, or even a “cry room” for families with young children.

The media team also includes Gregg Hillmar, David Bailey, and Charlie Adams.

We are proud of the media services that we offer at Second. We appreciate the unique history of the church as we embrace the future, and are grateful for the support of the church, its members and staff.

Stewardship Council

Julia Carr and Ben Dendy, Co-chairs

Committee Members: Julia Carr, Ben Dendy, Tom Jefferson, Tom Holland, Alex Evans

As a community of Christ we are called to something more than to raise a budget. We are called to become a people of generous hearts who day in and day out love one another and serve God as fully as we are able with all that we have – time, talent, money and love.

The Stewardship Season for 2016 began in the fall of 2015, when through personal testimonies, sermons and letters, the Stewardship Council challenged and invited the congregation to focus not on the budget, but on the valuable role that stewardship plays in our individual and collective journeys of faith.

In August, Julia Carr, Ben Dendy and Alex Evans met with the new Associate for Stewardship of the Presbytery of the James, Deborah Rexrode, to introduce ourselves and develop a relationship as we consider growing our committee in a meaningful way over the next year. In September, Ginger Evans designed a beautiful brochure celebrating our life together in photos and words and reaffirming who we are and what our ministries are at Second Church.

For three Sundays during Stewardship season, members testified about the impact of a ministry of Second Church on the community and on their lives. The Committee Co-chairs sent a letter to the congregation on October 15th, asking for consideration of pledges and gifts to the stewardship campaign. A second letter was sent to the congregation on October 27th from our Pastor.

On November 8th, Dedication Sunday, the entire congregation brought forth as an offering our pledges of financial support and time and talents to support the work of the church in the year ahead.

The results, 188 members gave a total of \$815,288. A slight decrease from the prior year, but an overall impressive number considering the death of one of our largest contributors, and the parallel Capital Campaign that is on-going. We are grateful for our generous congregation.

You may say to yourself, "My power and the strength of my hands have produced this wealth for me. But remember the LORD your God, for it is he who gives you the ability to produce wealth, and so confirms his covenant, which he swore to your forefathers, as it is today. Deuteronomy 8:17-18.

Capital Campaign Committee Report

Following up on two 2013 Session retreats, the Session approved the April 2016 launch of a three-year \$5 million capital campaign to enhance our church's endeavor to be a "shining beacon for Christ" in our own community on Fifth Street, in the city of Richmond, and around the world. As of January 2017, the "Shining the Light of God's Grace" capital campaign has accumulated gifts and pledges totaling \$3,777,328 (75% of our goal) from 137 donors.

The capital campaign committee is co-chaired by Jeff Wells and Mac Pence and Allison and Vernon Mays. The members of the committee are: Greg Dickie, Tom Jefferson, Don Falls, Marjorie Clark, Mary Sue Donahue, Julia Carr, and Tom Holland. This committee has met monthly in 2016 to map our way forward and to raise \$5 million to:

- ❖ Enhance our sanctuary, which is much in need of basic refurbishment, in accord with its historic heritage but to 21st century standards.
- ❖ Improve our building in other ways so that it will better support and serve our mission endeavors. This would include making our building more welcoming and accessible at its entrance points; improving and enlarging our choir room; remodeling our restrooms; and enhancing spaces in the Hawes Building to better serve those in need in our neighborhood.
- ❖ Support local missions in our own city and global missions in Guatemala, Africa or other places in meaningful, transformative ways.

Our goal is to continue the legacy of Second Presbyterian Church as we thrive in the 21st Century and move towards our 175th Anniversary in 2020. Some of the building improvements (such as HVAC upgrades and choir room enhancements) are already underway.

**REPORT OF TRUSTEES OF SECOND PRESBYTERIAN CHURCH
TO THE SESSION AND CONGREGATION FOR THE TWELVE MONTHS
ENDING DECEMBER 31, 2016**

The Trustees are charged under the Book of Order of the PCUSA and the laws of the Commonwealth of Virginia with the ownership and management of the real, tangible personal and intangible property of the Church, subject to the ultimate direction of the Session. Under a resolution of the Session, the Property Council handles maintenance of all Church real property. Pursuant to provisions of The Book of Order and the laws of the Commonwealth of Virginia, the real property of the Church is owned by Second Presbyterian Church of Richmond, Inc. (the “Corporation”), a Virginia corporation chartered by the Church in December, 2008. Pursuant to the Corporation’s Articles of Incorporation, the members of the Corporation are the current, active members of the Church. The directors of the Corporation are the Church’s then-current Trustees. The Church’s real property is owned by the Corporation for the benefit and on behalf of the Church and consists of all the Church structures and the land on which they are situated, as well as all the contents of the structures. Intangible personal property includes funds, securities and receivables held in the Church’s General Endowment Fund (“GEF”), as well as such items contained in several other special purpose endowment accounts.

The Trustees meet at least quarterly with the Pastor, the Church’s financial manager and representatives of The Colony Group, the Church’s fee-based investment advisor. Under an investment policy and an asset allocation model developed by the Trustees with the advice and counsel of our investment advisors, the GEF is invested in a mix of large cap, small cap, index, growth, value, international and fixed income mutual funds, all with solid performance records, recommended by the advisor and approved by the Trustees. This mix of investments is designed to minimize both risk and volatility, while maximizing return.

For the past three years, the December 31 balances in the Church’s endowment accounts, including (i) a Capital Endowment Reserve Fund created in 2006 to provide resources when needed for unanticipated repairs or improvements to the Church’s physical plant that cannot be covered by the operating budget of the Property Council, and (ii) an Organ Maintenance Fund created in 2008 with a restricted gift for that purpose, were as follows:

	12/31/14	12/31/15	12/31/16
General Endowment Fund	\$5,376,698	\$5,278,525	\$5,501,780
Toms Music Fund	\$20,274	\$17,702	\$15,883
Manse Fund	\$190,980	\$189,394	\$195,805
Capital Endowment Reserve Fund	\$151,900	\$151,338	\$190,697
Organ Maintenance Fund	\$39,700	\$39,370	\$40,294

The GEF received a total of \$233,935 in gifts and bequests during 2016.

The invested portion of the GEF is maintained in custodial accounts with Charles Schwab. During 2016, the church paid \$1,041,073 to buyout / terminate the lease agreement with the outside operator of the parking deck. To accomplish this, and to make necessary repairs to the deck, the church borrowed \$1,300,000, which is secured by a “pledged” account held by Schwab, with a fair market value of \$1,906,353 at December 31, 2016. Subsequent to the buyout of the lease, a line of credit was secured to cover additional repairs, which is secured by a separate pledged account at Schwab, with a fair market value of \$828,421 at December 31, 2016. The remaining \$3,128,977 of the investment portfolio is held in an unpledged account at Schwab.

The GEF contributes on a quarterly basis to the Church’s annual operating budget. During 2016, the GEF contributed a total of \$186,000 to support the Church’s operations.

Earnings on the Toms Music Fund provide money for special music projects, and the Manse Fund is the source from which the Church may lend money to its pastors to assist in the purchase and upkeep of housing.

Our investments, which are fairly conservative in nature, have performed relatively well and in a fairly stable manner during the volatility of the past six years. Earnings (or declines) on each of the special purpose endowment accounts are posted on the church’s books back to the corpus of that account, so that all of these will continue to grow (or decline) to the same extent the overall endowment grows (or declines).

Respectfully submitted,

The Trustees of Second Presbyterian Church

Carolyn R. Brandt

Jeff Gallagher

Thomas Jefferson, III

Greta B. “Cherry” Peters

Ken Powell

Kathryn L. Pryor

	2015 Budget Operating Fund	2016 Budget Operating Fund
REVENUES		
SUPPORT		
Pledges	842,000	863,200
OTHER CONTRIBUTIONS		
Prior Year Pledge Payments	1,200	1,125
Plate Offerings	42,600	42,000
Draw from Endowment	178,000	186,000
Contribution from Special Gift	30,000	30,000
Total Contributions and Other Support	1,093,800	1,122,325
OTHER INCOME		
Transfer - Special Gifts	6,000	3,700
Cole Trust Fund Earnings	2,000	2,000
Facilities Use	600	600
VA Building Net Rental Income	40,000	56,000
Investment Income	600	600
Total Other Income	49,200	62,900
TOTAL REVENUE	1,143,000	1,185,225
EXPENSES		
MISSION COUNCIL		
Council Request		161,070
Assisting Families of Inmates Rent		4,400
Total Mission	151,320	165,470
WORSHIP COUNCIL		
Total Worship & Music	33,508	40,255
CHRISTIAN EDUCATION COUNCIL		
Total Christian Education	29,100	29,100
ADMINISTRATION COUNCIL		
Total Administration	57,000	57,000
STEWARDSHIP COUNCIL		
Total Stewardship	1,200	1,200
MEMBERSHIP COUNCIL		
Total Membership Council	4,200	5,200
BOARD OF DEACONS		
Total Board of Deacons	1,000	2,000
KITCHEN OPERATION		
Total Kitchen Operation	5,500	5,500
PROPERTY COUNCIL		
Total Property Council	206,172	206,500
PERSONNEL COUNCIL		
Total Personnel	654,000	673,000
TOTAL EXPENSES	1,143,000	1,185,225

Second Presbyterian Church 2017 Budget - Operating Fund

	2014 Actual	2015 Actual	2016 Actual	Approved 2017 Budget
SUPPORT and REVENUE				
CONTRIBUTIONS				
Pledged Contributions	\$865,266	\$854,095	\$842,615	\$840,000
Prior Year Pledge Payments	287	3,962	3,012	3,000
Plate Offerings	47,019	53,383	46,821	45,000
Subtotal Contributions	912,572	911,440	892,448	888,000
OTHER SUPPORT and REVENUE				
Special Gifts Transfer - Trust	9,283	6,000	3,700	-
Cole Trust Fund Earnings	2,010	2,400	2,472	2,400
Investment income	2,115	3,196	2,954	2,000
Facilities Use	490	300	240	500
VA Building Net Income Transfer	29,000	40,000	56,000	60,000
Endowment Transfer	155,300	178,000	186,000	188,000
Contribution from Special gifts	-	30,000	-	42,615
Allocation of prior accumulated surplus	-	-	-	16,560
Subtotal Other Income	198,198	259,896	251,336	312,075
TOTAL SUPPORT & REVENUE	1,110,770	1,171,336	1,143,814	1,200,075
EXPENSES				
MISSION	136,684	150,499	154,760	176,120
WORSHIP & MUSIC	29,072	33,705	36,470	40,255
CHRISTIAN EDUCATION	17,017	21,960	21,099	27,800
ADMINISTRATION	48,565	42,665	56,839	59,500
STEWARDSHIP	-	144	34	1,200
MEMBERSHIP COUNCIL	5,123	7,097	512	5,200
BOARD OF DEACONS	657	720	2,383	3,500
KITCHEN OPERATION	5,589	6,281	6,473	6,000
PROPERTY	183,922	195,699	188,364	198,500
LS video; phone sys	20,163	17,216	3,930	
PERSONNEL	615,759	656,745	646,032	682,000
TOTAL EXPENSES	1,062,551	1,115,515	1,116,896	1,200,075
CHANGE IN NET ASSETS	\$ 48,219	\$ 5,821	\$ 26,918	\$ -

Church Staff

Ministers: All members of the congregation

Pastor: Alex Evans

Associate Pastor: Kathryn Lester-Bacon

Parish Associate: Sam Adams

Director of Christian Education: Ginger Evans

Director of Music: Jeffrey Riehl

Organist: Michael Simpson

Building Administrator: Rob Fergusson

Seminary Intern: Becca Cummings

Youth Ministers: Alex Abdalla, Elizabeth Baril, Eric Koenig

UKirk Campus Minister: Molly Spangler

Office Manager: Dorothy DeJong

Financial Manager: Terry Sherman

Administrative Assistant: Willa Jacob

Walk-In Coordinator: Elva Mapp

Child Care Center Director: Eboni Brickhouse

Sextons: Kerry Randolph, Cliff Anderson

Production Director: Bo Jacob

Missionaries: Karla Koll, San Jose, Costa Rica

Cindy Corell, Haiti

Leslie Vogel, CEDEPCA, Guatemala

Our missionaries are partially supported by the regular benevolent giving of our church.



Second Presbyterian Church

OF RICHMOND VIRGINIA

ESTABLISHED 1845

5 NORTH FIFTH STREET | RICHMOND, VIRGINIA 23219

804 649 9148 | WWW.2PRESRICHMOND.ORG

PC(USA)

We welcome all whom God calls into the life, worship, work, and leadership of this church without regard to gender, cultural heritage, skin color, socio-economic status, circumstances, or sexual orientation.