

GRACE GRACE MEMORIAL EPISCOPAL CHURCH
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107th Annual Meeting of the Parish

January 31, 2016



The Annual Report

Grace Memorial Episcopal Church
Portland, Oregon

Annual Meeting of the Parish



AGENDA

January 31, 2016

Opening Prayer	The Rev. Martin Elfert
Minutes of the 2015 Annual Meeting [Vote required]	Paul St. John Parker
Report of the Vestry Nominating Committee and election of persons to serve on the Vestry [Vote required]	Paul St. John Parker
Rector's Report	The Rev. Martin Elfert
Financial Report and Presentation of the 2015 Budget	George Fleming & Avril Johnson
Acceptance of reports as printed [Vote required]	The Rev. Martin Elfert
Recognitions	The Rev. Martin Elfert
Other business	
Blessing and adjournment	The Rev. Martin Elfert



Grace Memorial Episcopal Church

Portland, Oregon

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Annual Meeting of the Parish

January 25, 2015
Minutes

Opening Prayer

The Annual Meeting was called to order at 11:35 am, by Paul Parker, Senior Warden. The opening prayer was offered by the Reverend Esme Culver.

Minutes of the 2014 Annual Meeting

Paul Parker asked members to review the minutes found in the Annual Meeting package. **Kathleen Chapman moved for the approval of the minutes. Motion was seconded by Larry Snyder. Motion was approved unanimously.**

Report of the Vestry Nominations and Election of Persons to Serve on the Vestry

Paul Parker advised that the protocol for Vestry nominations was changed. The invitation for nominations also included the possibility of self-nomination by parishioners. Kevin Cronin, Avril Johnson, Charlene McGee, and Rebecca Wong were introduced as the slate for new Vestry members. Since Kevin Cronin was unable to attend, the Rev. Esme Culver spoke to his qualifications. **Cathy Gibson moved to elect the slate of new Vestry members as presented. The motion was seconded by Jan Burkholder. The motion was approved unanimously.**

Financial Report for 2014 and Presentation of the 2015 Budget

George Fleming, Treasurer, presented the Financial Reports for the year 2014. He commented on: major swings in the budget vs. actual for 2014, a lack of expected income from the Halsey House, personnel expenses down from budget due to retirement of the rector and associated insurance expenses, and higher than anticipated expenses for the annual auction, which grossed the highest figure yet to date. In response to questions from the floor, he clarified that the diocesan assessment (DPA) is now paid fully at the end of the quarter. Previously, we had an understanding with the Diocese whereby we paid a lower percentage, but this is now raised to the full amount. The repairs and maintenance figure is high due to many major, necessary items undertaken in 2014, including the annual contract on the furnace, refinishing of flooring, replacement of the roofing, downspouts and gutters to the breezeway, work on the electrical panel, plus other expenses. For the exterior painting, a fund-drive generated about half the cost, the rest being found from grants and bequests. The Budget for 2015 was presented. Mr. Fleming noted that the budget process was arduous due to the clergy transition and thanked the Rev. Esme Culver, Paul Parker, and Allie Mount for their work. **Patti Whitey-Wise moved to approve the 2014 Financial Reports and Budget for 2015, as submitted by the Vestry. The motion was seconded by Eddie Miller. The motion was approved unanimously.**

Acceptance of Reports as Printed in Annual Report

Paul Parker presented the reports as found in the Annual Meeting package, suggesting that if anyone has questions or ideas regarding these reports, they should bring such questions/ideas either to the person signing the report or to a member of the Vestry. The Rev. Stephen Whitney-Wise asked that thanks be recorded for the work done by the Wardens during this time of transition. **Larry Snyder moved that the reports as printed in the Annual Report for 2014 be approved and accepted. The motion was seconded by Barbara Leighton. The motion was approved unanimously.**

Recognitions and Report by the Reverend Esme Culver

The Rev. Esme Culver noted that she served as Associate Rector until the end of November 2014, when she became the Interim Rector upon the retirement of the Rev. Stephen V. Schneider. She also serves

as Director of Grace Institute and Grace Art Camps. She gave thanks to the Rev. Schneider for all the opportunities he gave her since her arrival at Grace in 2005.

She also acknowledged and gave thanks for the leaders and individuals of numerous groups, programs, and staff who have helped Grace move through the transition period and for their continuing support and dedication to Grace. She stated that the reason Grace is so dynamic and alive is because our parishioners are involved, willing, and excited about being here. She also thanked the Grace Institute and Grace Foundation Boards for their support and work.

The Rev. Esme Culver thanked the Vestry for their work. She announced that Paul Parker is continuing as Senior Warden and the new Junior Warden is Nancy Entrikin. She also announced that Mary Olson will assume Clerk to the Vestry duties. She thanked Paul Parker for his on-going work. The outgoing Vestry members, Robb Beck, Dan Heuvel, Suzy Jeffreys, and Peggy Panarella, were recognized and thanked. They were presented with copies of Rowan Williams' new book.

The Rev. Esme Culver presented the *Angeline Barry Award* to George Fleming. This award is given in recognition of his outstanding service to Grace and his loyal support of all our efforts to propel Grace to greater involvement in our community and in the world.

She concluded her report by stating what a privilege it is to serve as Interim Rector, and declaring that Grace is on its way to a new and wonderful year, with new discoveries and new beginnings.

Other Business

Paul Parker advised that the search for the new rector is now in the hands of the Search Committee and he understands that applications have been received from strong candidates.

Blessing and Adjournment

The meeting was adjourned with a Blessing from the Rev. Esme Culver at 12:50 pm.

*Respectfully submitted,
Rebecca Wong
Clerk to the Vestry*

Vestry Nominations

Class of 2019

Three Year Term: Gale Beagle

I have been a member of Grace for about 25 years. In 1999 I was elected to the Vestry for three years and served as Junior Warden. During that time I put together a design committee of nine. Among the things we accomplished was getting the current Ella Brown Room carpet, and the remodeling of the basement educational area and blue hallway tiling. The last thing we did was hire a color consultant and contract out for what are the current Sanctuary colors. Last year it was an honor to serve on the Search Committee for our new Rector.

One Year Term: Susan Little

I joined Grace three years ago with my brother, Tom Krausse, and I enjoy being part of the community. During this time I have volunteered at the Friday Community Dinners and I have participated in the Benedictine Way. In my professional life, I lead the Product Marketing team at Viewpoint Construction Software. This keeps me busy with launching new products that help drive efficiencies for construction firms building bridges, roads and buildings worldwide. I am married to Douglas and we live in Northeast Portland with our two charming labs, Birdie and Jazz.

Two Year Term: Sharon Loomis-Malin

I am the Administrative and Human Resources Manager at Research Into Action, a program evaluation and market research consulting firm in the energy efficiency sector. Prior to joining RIA, I was Registrar, Camp Mom and Director of Grace Art Camp for eight years. I helped create and administer the early years of Grace Institute's Arts for Peace Camp. I was Coordinator for Children's Ministry at Grace Memorial in the mid- to late-1990s. I have previously served on the Vestry and the Grace Foundation boards.

I grew up in the Episcopal Church in Davis, California. Along with my husband Rick, daughter Ashley and son Stephan, we have been members of Grace Memorial since fall of 1996. In my free time I enjoy traveling with my family, competitive tennis match play and singing for Grace Memorial's Coventry Choir.

Three Year Term: Steve Lovett

My wife Connie Sullivan, our two children, Patrick and Rosalind, and I have been congregation members since 1999. I am a partner at the law firm Stoel Rives LLP, where I have worked for over 25 years. I am currently on the Board of Directors of Big Brothers Big Sisters of the Columbia Northwest, served eight years as a member of the Board of Trustees at Oregon Episcopal School, including five years as a board officer, and previously served a term on the Grace Memorial Vestry, including two years as Senior Warden.

Three Year Term: Judy Prosper

I am a transplanted New Yorker rooted and thriving in Portland since 2014. My daughter Lucia is a teenager (enough said). My day job includes urging people to "do the right thing" (with mixed success). I grew up in the church and have served various congregations in one capacity or another most of my life – altar girl, Sunday school teacher, committees, commissions, oh my! I am very dedicated to the continued success of Grace's social justice initiatives, especially those that provide for our less fortunate neighbors. I have found a church home at Grace and would like to help keep the house tidy and welcoming for all people. This verse sums up my faith journey.

The King will reply, 'Truly I tell you, whatever you did for one of the least of these brothers and sisters of mine, you did for me.' Matthew 25:40

One Year Term – Youth Representative: Clare Soennichsen

I am fifteen years old, and a sophomore at St. Mary's Academy. I run track and cross country and enjoy drawing, reading, writing, and spending time outdoors. I live here in Northeast Portland with my family. I am a member of the Grace Youth Group and I have been a CIT at Grace Art Camp for the past three years.

Three Year Term: Gary Voice

Here at Grace Memorial, I serve as a member of the Altar Guild, volunteer for the Friday Community Dinners and participate in the Sunday morning Bible study. At my previous church, St. Pauls Cathedral, I served as Co-Chair of Integrity, graduated from the four year EFM program and served as an EFM Co-Mentor. I was the Director of Finance for UDW/AFSCME Local 3930 which represents 60,000 workers and continue to consult for them.

Rector's Report

The Rev. Martin Elfert

For all that has been: Thanks. For all that will be: Yes.

- Dag Hammarskjöld

I've shared Dag Hammarskjöld's little prayer with you before. And I evoke it again today because, well, it feels like the right place to begin. An annual meeting is one of those occasions on which we look back at what was, on which we name our gratitude for the joys and successes that were and (just maybe) our gratitude as well for the griefs and disappointments that were, for the kind of wisdom that comes only through loss. And an annual meeting is one of those occasions on which we look ahead with holy hope, on which we on which we seek to discern where the dance of the Spirit is leading us.

Remembering the year gone by, there are many things – some hard, some beautiful, some both – for which we might say thanks. We celebrated the lives and mourned the deaths of several long-time members of Grace: David and Colleen Frey, Jennie Hosken, Ruth Bentley, Harriett Janes, and Patricia Patrick. We marked the departure of two beloved leaders, Father Stephen V. Schneider and Mother Esme Culver. And we discerned together that the Spirit was calling you and me to be partners in the joyous and challenging and awesome work of following Jesus here at this parish.

There are lots more things that we did and that we experienced together. Rather than attempting to list everything, I commend to you the many excellent reports in this packet. There is much for which we may be grateful.

For all that has been: Thanks.

Looking ahead, there are but two things that we know with total certainty. First, 2016 will bring us more joy and more grief, more celebration and more tears, more magic and more loss. Second, Jesus will be with us always. The first is the guarantee that comes with being alive. The second is the guarantee of our faith.

While guarantees begin and end with those two points, I am willing to make a few educated guesses (could we say a few prayerful guesses?) about the future. My guess – and my hope – is that the Grace community will focus on several areas in 2016 and beyond. I imagine that we will put significant energy into:

- The campus master plan (i.e., we will pray and plan together about how to best employ the city block in NE Portland of which we are stewards, how to most completely make our real estate into a tool for building up the Kingdom of Heaven);
- Continued excellence in the Sunday Assembly;
- Deepened expressions of beauty, particularly as it is found in the arts;
- Getting even better at welcoming our neighbors into the life of this parish;
- Service and advocacy in response to poverty, racism, and other injustices;
- Having a whole lot of holy fun;

...and still other areas that we will discover together. I can't wait to explore with you, to ask questions with you, to figure out the glorious, messy, wonderful work of discipleship with you.

For all that will be: Yes.

Martin

Grace Memorial Episcopal Church
Statement of Financial Position
January through December 2015

	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>
ASSETS		
Current Assets		
Checking/Savings		
1090 · Petty Cash	116	0
1010 · Checking - Albina - 7385	141,603	97,343
1020 · Savings - Albina - 0479	50	50
1030 · MM - Charles Schwab - 9739	76,993	91,304
Total Checking/Savings	<u>218,762</u>	<u>188,697</u>
Accounts Receivable		
1200 · Accounts Receivable	4,766	59
Total Current Assets	223,529	188,756
Fixed Assets		
1510 · Buildings	450,000	450,000
1530 · Furniture & Equipment	114,169	114,169
Total Fixed Assets	<u>564,169</u>	<u>564,169</u>
TOTAL ASSETS	<u>787,697</u>	<u>752,925</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · ACCOUNTS PAYABLE	3,504	125
Other Current Liabilities		
2110 · Payroll Liabilities	3,473	3,613
2120 · CUSTODIAL ACCOUNTS		
2126 · Labyrinth Guild	1,449	1,523
2121 · Altar Guild	434	0
2122 · St. Mary's Guild	782	900
2123 · Women of Grace (ECW)	7,392	6,170
2124 · Daughters of the King (DOK)	221	159
2125 · Pass-through Gifts	198	430
2127 · Pass-through Events	100	0
2128 · Rector's Discretionary Fund	148	0
Total 2120 · CUSTODIAL ACCOUNTS	<u>10,724</u>	<u>9,182</u>
Total Other Current Liabilities	<u>14,197</u>	<u>12,795</u>
Total Current Liabilities	17,702	12,920

Grace Memorial Episcopal Church
Statement of Financial Position
January through December 2015

	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>
Long Term Liabilities		
2400 · Furnace Loan	44,891	48,063
Total Liabilities	62,593	60,983
Equity		
Total 3100 · Temp. Restricted Net Assets	124,428	88,104
Total 3300 · Unrestricted Net Assets	574,426	592,907
Net Income	26,251	10,931
Total Equity	<u>698,853</u>	<u>681,011</u>
TOTAL LIABILITIES & EQUITY	<u><u>787,697</u></u>	<u><u>752,925</u></u>

Grace Memorial Episcopal Church
Statement of Activities
Budget vs. Actual for January through December 2015

	Jan - Dec 15	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · GENERAL SUPPORT				
4011 · Easter & Christmas	4,934	5,500	-566	89.71%
4021 · Pledges	204,494	200,000	4,494	102.25%
4022 · Loose Plate Offerings	21,973	20,000	1,973	109.87%
Total 4000 · GENERAL SUPPORT	231,402	225,500	5,902	102.62%
4100 · PROGRAM SUPPORT				
4110 · Outreach				
4111 · Community Center Auction	16,239	42,000	-25,761	38.66%
4112 · Community Dinner Income	3,504	3,000	504	116.81%
4113 · Building Use Fees				
41131 · Building Use - Other	6,376	6,000	376	106.26%
41132 · Building Use - PHAME	29,725	29,725	0	100.0%
41134 · Building Use - Grace Institute	21,000	21,000	0	100.0%
Total 4113 · Building Use Fees	57,101	56,725	376	100.66%
Total 4110 · Outreach	76,844	101,725	-24,881	75.54%
4120 · Music Income	0	150	-150	0.0%
4130 · Parish Life Income	570	500	70	113.96%
Total 4100 · PROGRAM SUPPORT	77,414	102,375	-24,961	75.62%
4200 · MANAGEMENT FEE INCOME				
4201 · Management - Grace Institute	68,830	68,830	0	100.0%
4202 · Management - Grace Foundation	8,000	8,000	0	100.0%
Total 4200 · MANAGEMENT FEE INCOME	76,830	76,830	0	100.0%
Total Income	385,646	404,705	-19,059	95.29%
Expense				
5000 · PROGRAM EXPENSES				
5020 · Education & Formation	858	2,000	-1,142	42.88%
5050 · Music & Worship				
5053 · Music Expenses	6,532	7,000	-468	93.32%
5055 · Altar Supplies & Services	1,100	1,100	0	100.0%
Total 5050 · Music & Worship	7,632	8,100	-468	94.23%
5070 · Outreach				
5071 · Community Dinner Expenses	3,504	4,000	-496	87.61%
5072 · Sack Lunch Program Expenses	0	600	-600	0.0%
Total 5070 · Outreach	3,504	4,600	-1,096	76.18%
5080 · Parish Life Expenses				
5081 · Coffee Hour	664			

Grace Memorial Episcopal Church
Statement of Activities
Budget vs. Actual for January through December 2015

	Jan - Dec 15	Budget	\$ Over Budget	% of Budget
5082 · Youth Group Food & Bev	430			
5083 · Adult Education Food & Bev	367			
5084 · Other Parish Life	2,081			
Total 5080 · Parish Life Expenses	3,543	3,400	143	104.19%
Total 5000 · PROGRAM EXPENSES	15,537	18,100	-2,563	85.84%
5090 · INTERIM EXPENSES				
5091 · Priest Associates	1,269	1,500	-231	84.57%
5092 · Search Expenses	3,317	4,315	-998	76.88%
5093 · Ready the Building	5,685	5,685	0	100.0%
Total 5090 · INTERIM EXPENSES	10,271	11,500	-1,229	89.31%
6000 · PERSONNEL				
6010 · Rector				
6011 · Rector's Salary	28,139	34,500	-6,361	81.56%
6014 · Rector's Life Ins. / Pension	5,200	6,000	-800	86.67%
6015 · Rector's Health Insurance	4,308	4,500	-192	95.73%
Total 6010 · Rector	37,647	45,000	-7,353	83.66%
6020 · Associate Rector				
6021 · Associate Rector's Salary	20,800	20,800	0	100.0%
6022 · Associate Rector's Housing	37,200	37,200	0	100.0%
6023 · Associate Rector's Utilities	2,800	2,800	0	100.0%
6024 · Associate Rector's Ins. / Pen.	6,134	5,054	1,080	121.37%
6025 · Associate Rector's Health Insur	8,500	8,544	-44	99.49%
Total 6020 · Associate Rector	75,434	74,398	1,036	101.39%
6030 · Business Manager	15,111	15,380	-269	98.25%
6040 · Communications Coord. & Admin.	14,219	15,380	-1,161	92.45%
6050 · Office Assistant	4,064	4,000	64	101.6%
6060 · Choir Director & Organist	17,798	17,798	0	100.0%
6070 · Nursery Coordinator	1,590	1,560	30	101.92%
6080 · Sexton	14,567	14,350	217	101.51%
6090 · Grace Institute Coordinator	24,386	26,252	-1,866	92.89%
6100 · Payroll Tax Expenses				
6101 · Worker's Comp Insurance (SAIF)	2,171	4,000	-1,829	54.27%
6100 · Payroll Tax Expenses - Other	8,679	14,206	-5,527	61.1%
Total 6100 · Payroll Tax Expenses	10,850	18,206	-7,356	59.6%
Total 6000 · PERSONNEL	215,667	232,325	-16,658	92.83%
6200 · CONTRACTED SERVICES				
6210 · Professional Fees				
6214 · Church School Coordinator	800	800	0	100.0%

Grace Memorial Episcopal Church
Statement of Activities
Budget vs. Actual for January through December 2015

	Jan - Dec 15	Budget	\$ Over Budget	% of Budget
6210 · Professional Fees - Other	605	500	105	120.9%
Total 6210 · Professional Fees	1,405	1,300	105	108.04%
6220 · Payroll Services	377	324	52	116.16%
6230 · Website Services	3,370	1,500	1,870	224.67%
Total 6200 · CONTRACTED SERVICES	5,151	3,124	2,027	164.87%
6300 · GENERAL & ADMINISTRATIVE				
6310 · Advertising	0	300	-300	0.0%
6330 · Clergy & Professional Expenses				
6332 · Associate Rector's Prof. Exp.	833	1,200	-367	69.39%
6331 · Rector's Professional Expenses	821	2,000	-1,179	41.05%
Total 6330 · Clergy & Professional Expenses	1,654	3,200	-1,546	51.68%
6340 · Conferences & Retreats	1,306	1,000	306	130.58%
6350 · Dues & Subscriptions	75	300	-225	25.0%
6360 · Gifts & Honorariums	721	500	221	144.22%
6370 · Licenses, Taxes, Permits, Fees	100	100	0	100.0%
6380 · Office & Program Supplies				
6381 · Office Supplies	4,489	6,000	-1,511	74.81%
6382 · Program Supplies	1,719	1,000	719	171.92%
Total 6380 · Office & Program Supplies	6,208	7,000	-792	88.68%
6390 · Merchant & Bank Fees	2,151	2,300	-149	93.53%
6400 · General & Admin - Other				
6402 · Postage & Delivery	2,052	2,000	52	102.61%
6403 · Printing & Reproduction	16,777	13,200	3,577	127.1%
6404 · Staff Training & New Hire Exp.	10	50	-40	20.0%
6405 · Travel	92	300	-208	30.54%
Total 6400 · General & Admin - Other	18,931	15,550	3,381	121.74%
Total 6300 · GENERAL & ADMINISTRATIVE	31,145	30,250	895	102.96%
6500 · FUNDRAISING				
6510 · Auction Expense	2,803	8,000	-5,197	35.04%
Total 6500 · FUNDRAISING	2,803	8,000	-5,197	35.04%
7000 · OCCUPANCY				
7010 · Utilities				
7011 · Electricity	7,700	8,200	-500	93.9%
7012 · Garbage / Recycling	1,199	1,150	49	104.27%
7013 · Gas	4,590	5,500	-910	83.45%
7014 · DSL/Phone	2,380	2,300	80	103.46%
7015 · Water / Sewer	8,162	6,800	1,362	120.04%
Total 7010 · Utilities	24,031	23,950	81	100.34%

Grace Memorial Episcopal Church
Statement of Activities
Budget vs. Actual for January through December 2015

	<u>Jan - Dec 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
7020 · Furnace Payments				
7021 · Furnace Loan Interest	2,332	2,331	1	100.03%
Total 7020 · Furnace Payments	2,332	2,331	1	100.03%
7030 · Insurance	3,089	3,938	-849	78.44%
7040 · Recurring Maint. & Supplies				
7041 · Building Supplies	6,771			
7042 · Pest Control	720			
7043 · Service Calls & Maintenance	6,083			
7044 · Organ & Piano	935			
Total 7040 · Recurring Maint. & Supplies	14,509	9,500	5,009	152.73%
7050 · Property Taxes	2,434	2,300	134	105.83%
7060 · Buildings & Grounds	10,604	4,500	6,104	235.65%
7070 · Technology	2,594	3,000	-406	86.45%
7080 · Landscaping	660	800	-140	82.46%
Total 7000 · OCCUPANCY	60,253	50,319	9,934	119.74%
9010 · DIOCESAN APPORTIONMENT	47,316	47,316	0	100.0%
Total Expense	388,143	400,934	-12,791	96.81%
Net Ordinary Income	-2,497	3,771	-6,268	-66.23%
Other Income/Expense				
Other Income				
4400 · Restricted Fund Income	62,802			
4510 · Interest Income - Albina	43			
4520 · Dividend & Interest - Schwab	771			
Total Other Income	63,616			
Other Expense				
9020 · Loss in Value of Investments	9,367			
9500 · Restricted Fund Expenses	25,500			
Total Other Expense	34,867			
Net Other Income	28,749			
Net Income	26,251	3,771	22,481	696.19%

Grace Memorial Episcopal Church
Fund Report
January through December 2015

Donor-Restricted Funds

Fund #	Fund Description	2014 Balance	2015 Income	2015 Expenses	2015 Balance
D10	Alice Kelleway Campship	\$ 440.41	\$ 1,212.66	\$ (1,083.93)	\$ 569.14
D12	Altar Flowers	\$ (609.27)	\$ 2,387.00	\$ (1,448.64)	\$ 329.09
D16	Community Dinner	\$ 9,505.08	\$ 1,437.00	\$ (3,504.43)	\$ 7,437.65
D18	Food Pantry	\$ -	\$ 50.00		\$ 50.00
D20	Global Grace	\$ 739.95	\$ 1,132.40	\$ -	\$ 1,872.35
D24	Music				\$ -
	Special Music	\$ 378.23	\$ 300.00	\$ -	\$ 678.23
	Piano Maintenance	\$ 470.00	\$ -	\$ (500.00)	\$ (30.00)
	Organ Fund		\$ 12,265.00	\$ (900.00)	\$ 11,365.00
D28	New Ministry Development	\$ 3,938.16	\$ -	\$ -	\$ 3,938.16
D30	Geared-Up	\$ 1,563.36	\$ -	\$ (1,563.36)	\$ -
D32	Waters of Life	\$ 2,852.47	\$ -	\$ -	\$ 2,852.47
D34	With Love From Grace	\$ 661.85			\$ 661.85
D36	Women's Retreat	\$ (640.60)	\$ 4,146.00	\$ (3,505.40)	\$ -
D38	Capital Improvements				\$ -
	Kiosk	\$ 1,130.44			\$ 1,130.44
	Kitchen	\$ 28,200.00	\$ 25,437.74	\$ -	\$ 53,637.74
	Labyrinth	\$ 5,000.00			\$ 5,000.00
D40	Niche Purchases	\$ 3,500.00	\$ 1,000.00	\$ -	\$ 4,500.00
	Art Project for West Wall	\$ 30,000.00	\$ -	\$ -	\$ 30,000.00
D46	Youth Outreach	\$ 58.97	\$ 457.00	\$ (80.56)	\$ 435.41
	Move Elferts to PDX		\$ 7,500.00	\$ (5,541.14)	
	Total Donor-Restricted Funds:	\$ 88,105.00	\$ 57,324.80	\$ (18,127.46)	\$ 124,427.53

Vestry-Restricted Funds

Fund #	Fund Description	2014 Balance	2015 Income	2015 Expenses	2015 Balance
V11	Bookstore	\$ 6.32	\$ 86.00	\$ (144.80)	\$ (52.48)
V13	Buildings & Grounds	\$ 862.46	\$ 5,391.00	\$ (5,890.03)	\$ 363.43
V15	Healing Ministry	\$ 1,433.92	\$ -	\$ -	\$ 1,433.92
V16	Memorials	\$ 8,296.38	\$ -	\$ (338.00)	\$ 7,958.38
V17	Pastoral Care	\$ 2,101.14	\$ -	\$ (1,000.00)	\$ 1,101.14
	Total Vestry-Restricted Funds:	\$ 12,700.22	\$ 5,477.00	\$ (7,372.83)	\$ 10,804.39

Total Funds: \$ 100,805.22 \$ 62,801.80 \$ (25,500.29) \$ 135,231.92

**Grace Memorial Episcopal Church
2016 Budget**

	General Fund 2015 Actuals	General Fund 2016 Budget	Restricted Funds 2016 Budget
INCOME			
4000 · GENERAL SUPPORT			
4011 · Easter & Christmas	4,934	5,000	
4021 · Pledges	204,494	205,000	
4022 · Loose Plate Offerings	21,973	20,000	
Total 4000 · GENERAL SUPPORT	231,402	230,000	
4100 · PROGRAM SUPPORT			
4110 · Outreach			
4111 · Community Center Auction	16,239	42,000	
4112 · Community Dinner Income	3,504	-	3,500
4113 · Building Use Fees			
41131 · Building Use - Other	6,376	6,000	
41132 · Building Use - PHAME	29,725	31,464	
41133 · Maintenance Reserve Funds From PHAME			855
41134 · Building Use - Grace Institute	21,000	24,500	
41134 · Building Use - Halsey House	-	5,000	
4130 · Parish Life Income	570	500	
4140 · Altar Supply Income	-	600	
4150 · Altar Flower Income	-	1,200	
Total 4100 · PROGRAM SUPPORT	77,414	111,264	4,355
4200 · MANAGEMENT FEE INCOME			
4201 · Management - Grace Institute	68,830	-	
4202 · Management - Grace Foundation	8,000	8,500	
Total 4200 · MANAGEMENT FEE INCOME	76,830	8,500	
TOTAL INCOME	385,646	349,764	4,355

EXPENSE

5000 · PROGRAM EXPENSES			
5020 · Education & Formation			
5021 · Adult Education		1,000	
5023 · Youth Group		1,000	
5053 · Music Expenses	6,532	8,000	
5055 · Altar Supplies & Services	1,100	1,800	
5057 · Altar Flowers		1,800	
5070 · Outreach			
5071 · Community Dinner Expenses	3,504	-	3,500
5072 · Sack Lunch Program Expenses	-	500	
5080 · Parish Life Expenses			
5081 · Coffee Hour	664	700	
5084 · Other Parish Life	2,878	2,100	
Total 5000 · PROGRAM EXPENSES	15,537	16,900	3,500
6000 · PERSONNEL			
6010 · Rector			
6011 · Rector's Salary	28,139	79,812	

Grace Memorial Episcopal Church 2016 Budget

	General Fund 2015 Actuals	General Fund 2016 Budget	Restricted Funds 2016 Budget
6014 · Rector's Life Ins. / Pension	5,200	14,688	
6015 · Rector's Health Insurance	4,308	10,740	
Total 6010 · Rector	37,647	105,240	
6030 · Business Manager	15,111	16,149	
6040 · Communications Coord. & Admin.	14,219	16,149	
6050 · Office Assistant	4,064	1,500	
6060 · Choir Director & Organist	17,798	18,690	
6070 · Nursery Coordinator	1,590	1,950	
6080 · Sexton	14,567	15,068	
6100 · Payroll Tax Expenses			
6101 · Worker's Comp Insurance (SAIF)	2,171	3,600	
6100 · Payroll Tax Expenses - Other	8,679	9,450	
Total 6100 · Payroll Tax Expenses	10,850	13,050	
Total 6000 · PERSONNEL	115,846	187,796	
6200 · CONTRACTED SERVICES			
6210 · Professional Fees			
6217 · Supply Priests	-	800	
6210 · Professional Fees - Other	605	500	
6220 · Payroll Services	377	324	
6230 · Website Services	3,370	1,500	
Total 6200 · CONTRACTED SERVICES	4,352	3,124	
6300 · GENERAL & ADMINISTRATIVE			
6310 · Advertising	-	300	
6330 · Professional Expenses			
6331 · Rector's Professional Expenses	2,127	3,000	
6340 · Rector's Continuing Education	-	500	
6350 · Rector's Telephone	-	300	
6355 · Rector's Discretionary Fund	-	2,000	
6360 · Gifts & Honorariums	721	500	
6370 · Licenses/Taxes/Permits/Dues/New Hire Fees	185	400	
6380 · Office & Program Supplies			
6381 · Office Supplies	4,486	5,000	
6382 · Program Supplies	1,719	2,000	
6390 · Merchant & Bank Fees	2,151	2,100	
6400 · Postage & Delivery	2,052	2,000	
6410 · Printing & Reproduction	16,777	13,200	
6420 · Travel	92	600	
Total 6300 · GENERAL & ADMINISTRATIVE	30,310	31,900	
6500 · FUNDRAISING			
6510 · Auction Expense	2,803	8,000	
7000 · OCCUPANCY			
7010 · Utilities			
7011 · Electricity	7,700	8,200	
7012 · Garbage / Recycling	1,199	1,150	

**Grace Memorial Episcopal Church
2016 Budget**

	General Fund 2015 Actuals	General Fund 2016 Budget	Restricted Funds 2016 Budget
7013 · Gas	4,590	5,100	
7014 · DSL/Phone	2,380	2,300	
7015 · Water / Sewer	8,162	7,600	
Total 7010 · Utilities	24,031	24,350	
7020 · Furnace Payments			
7021 · Furnace Loan Interest	2,331	2,169	
7022 · Furnace Loan principal	3,173	3,335	
Total 7020 · Furnace Payments	5,504	5,504	
7030 · Insurance	3,089	3,900	
7040 · Recurring Maint. & Supplies			
7041 · Building Supplies	6,771	6,000	
7043 · Service Calls & Maintenance	6,083	5,500	
7044 · Organ & Piano	935	1,000	
Total 7040 · Recurring Maint. & Supplies	13,789	12,500	
7050 · Property Taxes	2,434	2,500	
7060 · Buildings & Grounds	10,604	4,500	
7065 · Maintenance Reserve	-	7,500	
7070 · Technology	2,594	3,000	
7080 · Landscaping	660	800	
Total 7000 · OCCUPANCY	62,705	60,654	
9010 · DIOCESAN APPORTIONMENT	47,316	33,422	
Total Expense		341,796	3,500
Net Ordinary Income		7,968	855

Treasurer's Report

2015 was a positive and challenging year for Grace Memorial.

Concerning the profit and loss statement—Revenue, both the pledge income and loose plate offering exceeded the budget amount by \$6,000, however overall income fell short of budget by approximately (\$18,500). This was mainly caused by the cancellation of the annual community auction which was projected at \$42,000, but supplemented by our mini or auctions or offerings at various Sunday's following our service generating \$17,000+.

The expense side of the ledger reflected lower than expected salary allowance for our new Priest, Father Elfert, as the Search Committee diligently completed their process in finding the best candidate.

Other expenses impact resulted from; website upgrading, exceeding budget by \$1,800, printing and production caused by extra printing related to our new Rector material \$3,500 over budget & finally recurring maintenance and supplies at nearly \$8,000 over budget used in preserving and fixing our personal property in the parish, Halsey, and Grace Institute houses.

Even though the year ended with a negative \$1,700 (loss) vs. budget of a positive \$598, we survived the extra ordinary expenses associated with preserving our personal and real property assets through the generosity of our parishioners, and reductions in other expenses.

Other Grace Blessings—the Dioceses elected to forgive amounts they had accrued as due and owing from Grace for the years we reduced in our DPA associated with our Covenant of Mutual Ministry, for which we are truly grateful.

The 2013 audit was completed, with the grateful assistance of the committee members, Avril Johnson, Mary Olson, and of course our gifted bookkeeper Allie Mount. The process and clarity of each account used in the day to day bookkeeping will be of great assistance in future audits.

*Respectfully submitted,
George Fleming*

From the Senior Warden

This was a busy year for Grace, and for your Vestry. This report summarizes the major projects and duties that came under the Vestry's area of responsibility. For further details, we encourage parishioners to speak to any Vestry member, or access the Vestry minutes on file in the office.

Calling our new Rector: In May, the Vestry called the Reverend Martin Elfert to become our Rector. This was the culmination of almost a year's intense effort by the parish. The Vestry is immensely grateful to the Parish Search Committee, chaired by Nora McLaughlin, for the hundreds of hours of work they did over several months. We also thank Karen Talus and Maya Crawford, the two Vestry liaisons to the Search Committee. They really did serious "double duty" for us all.

On November 18th Bishop Michael inducted and installed Martin+ as our Rector, and the congregation welcomed him, his wife Phoebe MacRae and their children Amiel, Miriam and Timothy to the Grace community. Laudate Deo.

Thanks and Godspeed to Mother Esme: During the interim, our Associate Rector Mother Esme Culver served as our priest in charge, for which we are deeply grateful. The parish bade farewell to Mother Esme at a wonderful Fare Thee Well Luncheon on October 18th.

Support for Vocation to Ministry: Calling a new Rector depends on there being priests to call! During this past year, Grace Parish has continued its sponsorship of Geoff Sasser in his journey of vocational discernment. We were therefore excited to learn on January 10th 2016 that Geoff has been accepted by the Bishop and the Diocese as a Postulant. He will continue to stay in touch with the Vestry as he pursues his vocation, and be held in the prayers of the parish.

Buildings and Grounds: Campus maintenance and enhancement is an integral part of the Vestry's work. This year saw no major new projects, but under Junior Warden Nancy Entrikin's intrepid leadership we dealt with and paid for several unexpected events. In particular, Grace was required by the City of Portland to repair our sidewalks. Nancy successfully negotiated with Tri Met to share the costs of repairing the sidewalk and curb around the bus stop area. Thank you, Nancy!

The Campus Master Plan: Despite this being a year of transition, the Vestry kept the Campus Master Plan on the Vestry agenda. Vestry member Kevin Cronin started and led an ad hoc Kitchen Renovation Committee, until he had to leave the parish to take a job in Astoria. Both wardens have briefed the Rector on the Plan, and held informational meetings with qualified experts to learn more about the City of Portland's Planning and Development conditions that apply to the Grace campus.

Halsey House: This valuable parish resource, which is used intensively each summer by Grace Art Camp, found a new use in fall 2015 as the temporary home of the Elfert family! We are grateful to parishioners for contributing funds to make it habitable, and, though the Elferts vacated in January, this experience gives encouragement to the Vestry to seek acceptable ways to optimize this and other parish facilities to the benefit of our mission, in close cooperation with Grace Institute and our other partners.

The 1971 Casavant Organ: The organ is urgently in need of repair. With Music Director Sue Jensen's energetic help, the Vestry has appointed a Parish Committee chaired by Warren Burkholder to launch a capital campaign to restore the organ. We are grateful to those who have agreed to serve. This project will gather momentum in 2016.

The parish's finances – revenue and expenses: Revenue remains remarkably healthy, considering the amount of transition that has occurred this year. After careful consideration the Vestry decided not to hold the annual auction this year, instead substituting a series of “auctionettes” and a “virtual” paddle raise, which have raised over \$17,000 to date. The Rector and Vestry do intend to restart the Grace Auction tradition in 2016 with added gusto! Meanwhile, pledges for 2016 have already exceeded both 2015's pledge total and the 2016 budget projections.

The past three years have seen a variety of unanticipated expenses for buildings and maintenance. All of them have been resolved, but the lesson is clear: responsible stewardship calls us to be ready for the unexpected. Under the Rector's leadership, the Vestry has created a line item for a Building Reserve, to be funded by planned contributions from the revenues of the parish, including our partner agencies with whom we have contracts and other sources that may be identified over time.

Over the past few years the paid staff of Grace has grown to keep pace with the ever-increasing amount of work done in and by the parish. In reviewing staff compensation, it became apparent to the Vestry that there was a need for some adjustment to wages, in order to be equitable. The Rector and Vestry are therefore moving towards a model of reimbursement that is based on principles of social equity reflecting Grace's values, as well as market rates.

The Diocesan Program Assessment (DPA): For some years, Grace paid a portion of its DPA through a Diocesan-sponsored program whereby parishes provide in-kind services to other parishes. When that program was terminated, the Diocese found that Grace was in arrears, due to confusion regarding that understanding between the two bodies. The Vestry instructed the Senior Warden and interim Rector to resolve the issue with the Diocese's Congregational Relations/DPA committee. I am pleased to report that Grace's outstanding debt of \$91,816.00 is being canceled on a pro-rated annual basis with no penalty, under the terms of our agreement. Grace is now paying our full DPA contribution, and the entire debt will be forgiven without cost to Grace on July 31st 2017. The Diocese's letter (9/29/15) to this effect is on file at the parish office.

Partnerships and collaborations: Grace Vestry greatly values the work of Grace Institute and the fiscal stewardship of Grace Foundation, and also the people and programs that come to us through PHAME. We welcome the Friday Dinner partnership with Westminster Presbyterian Church, and are glad to offer the campus as a meeting place for the several 12-step groups that come here. To that end, we are currently negotiating an extension of our agreement with PHAME, which will come before the Vestry for ratification in due course.

The work of the Vestry depends on the enthusiastic integration of many skills, areas of expertise and diverse perspectives, all shared in a spirit of goodwill and cooperation for a common cause. I am very pleased to attest to the fine work of your 2015 Vestry team, and also Grace's other essential Parish officers, Treasurer George Fleming and Clerk to the Vestry Alicia Lehrle - who also serves by Canon Law as Clerk to the Parish.

So to end as I began: this was indeed a busy year for Grace, and for your Vestry. May 2016 be likewise!

*Respectfully submitted,
Paul St. John Parker
Senior Warden*

From the Junior Warden

What an interesting and eventful year we have had in 2015. So much was accomplished as you may have already read in the Sr. Warden's report.

Serving as your Jr. Warden has been rewarding and eye-opening. Here are some of the things we were able to accomplish this past year:

- New shades were installed in the Parish Hall thanks to the Women of Grace.
- The courtyard fountain is up and running with many thanks to Frank Schramling and to parishioner Rich Soennichsen for fixing the electrical.
- A new rug was installed in the breezeway courtesy of Dan Heuvel, my predecessor.
- After a leak was discovered in the Parish Hall ceiling, we had the leaves cleaned from the roof and the problem was solved.
- Frank and I managed a major rose pruning and fertilizing last spring and I do think the roses were very beautiful this summer. We are going to tackle the rhododendrons early this spring.
- With the help of a mighty crew, the Sacristy storage and the stage were cleaned and organized.
- Fall Parish Work day was a success. Martin, Ami, Mimi, Timo and I repainted the church sign on the corner of Wielder and 17th. Windows were washed, the kitchen was cleaned, Rick Malin brought an amazing tool and we dug out all the stumps in the courtyard. Look for new plantings this spring!
- Before Grace Art Camp 2015, we restriped the parking lot with big bold stripes, arrows and no parking signs and apparently it helped with the congestion of dropping/picking up kids. We parishioners also know where to park our cars.
- Another mighty crew cleaned, sorted and organized the nursery. Sally Fraser spent many hours painting the walls and window frames (and the floorboards in the Sanctuary).
- We conducted a rat eradication in the Sacristy. Many were involved and the rat has gone on to a better place. It will henceforth be known as the Sacristy Rat. RIP rat.
- A sewage back-up problem was fixed in the Grace House.
- This fall, Grace received a notice from the City of Portland that the sidewalks around our block needed to be brought up to code. That work has now been completed.

So these were the highlights of what went on in 2015. Looking forward to 2016, I will be presenting a number of various maintenance bids for the church and the two houses to the Vestry at our March meeting with some recommendation about priorities. Our church is old and wonderful, but that means that there will always be many exciting things happening in the life of the Jr. Warden.

*Respectfully submitted,
Nancy Entrikin
Junior Warden*

Altar Guild

This morning, the Altar Guild is hosting its annual Silver Tea in conjunction with the Annual Meeting of the Parish. We thank you for your support as this is our ministry's primary fundraiser with proceeds directed to meet expenses for the essential furnishings for services at Grace Memorial including linens, candles, communion wafers, and wine.

Each weekend, Altar Guild members serve in teams to clean and straighten the Sanctuary, and then prepare the necessary items for the celebration of the Eucharist. On Sunday morning, the team sets up for the two worship services including weekly communion in the Chapel, holidays, baptisms, weddings, funerals, and memorial services, assisting the clergy with any special needs.

Our special efforts this year have included attending to the transition from the interim rector to the new rector. We served at the Induction service for Father Martin in November and look forward to serving with him in the year to come. The Guild continues to care for the vestments and oversee cleaning them as needed. Co-Directresses met each month to plan. They are working on an update of the handbook. The Guild members shared several potluck dinners as they prepared for the seasons of Lent, Easter, Advent, and Christmas.

During this year our ministry welcomed Gary Voice as a Sacristan. All of our members consider it a privilege to serve, care for the things that symbolize God's love and presence, and prepare for the worship space for Holy Eucharist services. We are looking forward to welcoming more new members in this wonderful ministry in 2016.

*Respectfully submitted,
Alicia Cash and Nancy McCusker
Co-Directresses*

Church School

The following report covers 2015 from the beginning of fall. Kristin Koop became the Church School Coordinator (for children in Kindergarten – Grade 5) in early November. Thanks to Melanie Marcus for her leadership in Church School in the spring.

My goal as the new Church School Coordinator is to make Church School a welcoming and fun learning environment with concentrations in art and stewardship. I would like to give many thanks to Becky Wong, Mariann Koop-McMahon, Kirstin Greene and Charlene McGee for their help and support. I would also like to make a shout out to Fr. Martin for putting his trust in me! And, thank you to Grace Institute for lending tools and providing supplies for many projects.

At the beginning of each Church School Sunday, we gather around our mini-altar in the Mason Burnham Room. We have a mini-liturgy where we light a candle/s. Most often the Collect of the Day and or a seasonal prayer is read. We then discuss and or review what the current season is about and start the project.

Our Projects

September 13, 20, 27 and October 11: Little Church Community Art Project

Led by the Rev. Esme, children discussed what church means to us, what our church community/communities look like, and what we do in church. The art project was led by Kristin Koop. Using watercolor pencils and watercolor crayons, children illustrated scenes from Grace on paper cut out in the shape of a traditional church with folded doors that open and close to reveal their paintings. Supplies lent by Grace Institute. Some materials donated.

November 15: Stewardship and Art Project Mural

The children discussed stewardship and how welcoming Fr. Martin is a part of our stewardship at Grace. A large collaborative mural was painted by the children for Fr. Martin's induction reception. It read, "Welcome and Congratulations Fr. Martin!" with fall colors as the color palette.

November 22: Thanksgiving Books

With Thanksgiving coming up, the children discussed what they were thankful and grateful for. They each made their own Thanksgiving Book in which each page had a word. (Ex. family, food, art, music, Grace Memorial, Earth, etc.) Alphabet stamps and markers were used to decorate their books.

November 29: Handmade Christmas Cards for Homebound Parishioners

For the first Sunday of Advent, the children discussed the meaning of Advent and how we can prepare for Christmas. Each child made at least one Christmas card specifically for the homebound parishioners of Grace. They also discussed how this is a kind of stewardship. Supplies donated by Mariann Koop-McMahon and Kristin Koop.

December 6, 13: Clay Nativity Sets

Using air-dry clay, children sculpted and painted small characters for their own nativity sets. An audio recording of the book, "The Christmas Miracle of Jonathan Toomey" by Susan Wojciechowski was played while the kids worked. This was a popular project and the nativities turned out so well! Supplies cost: \$31.98. Because many were unfinished, on Saturday December 19, children were welcome to finish their nativities after their practice for the Pageant.

December 20: Pageant led by Fr. Martin.

January 10, 17: Epiphany Fused Glass Stars led by Mariann Koop-McMahon

Children learned about Epiphany and using light as inspiration, they composed pieces of glass together to make a star based on the ancient mandala form. When fired in the kiln, the glass stars became “fused.” All materials generously donated by Grace Institute. [Special note of gratitude to Ashley Smith, GI Arts Camps Director.]

*Respectfully Submitted,
Kristin Koop*

Lectionary Study

Lectionary Study meets at 9:00 am on Sundays in the Ella Brown Room, just off the Parish Hall and the kitchen. During the year, it is very small group and only three or four people attend. In the summer, our ranks are swelled by some choir members. We depend on a subscription to a service that was formerly called "Bible Workbench", but is now called "Reading Between the Lines". The readings consist of Bible verses, historical background readings, personal responses from the staff at "Reading Between the Lines", and relevant readings drawn from history and literature. The few people who attend find the experience informative and enjoyable, but I question whether it should continue, given the low attendance and the copious opportunities Grace offers for other group activities. The subscription to "Reading Between the Lines" costs a few hundred dollars a year and I have been xeroxing weekly copies out of my own pocket. I think the intellectual approach of "Reading Between the Lines" is a good one -- it encourages both personal inquiry and intellectual growth. However, I question its relevance to Grace today. We have a Rector who is personally corresponding with lectors about their readings, we have an active Benedictine group, we welcome newcomers formally, there is a Catechumenate, and we have many evening activities. Those who attend this group are also often people who have conflicting duties on Sunday mornings and need to arrive late or leave early. I have enjoyed this aspect of my service to Grace, but I wonder if we need it.

*Respectfully submitted,
Karen Talus*

The Daughters of the King Daughters of Grace

(Las Flores de Jesus – The Flowers of Jesus)

Daughters of Grace, Las Flores de Jesus, has had a good year. During 2015 we said good-bye to Mother Esme and welcomed Father Martin.

Handmade cards were sent to the homebound members for Easter and Christmas. We made bookmarks and distributed them on Mother's Day. The Daughters have also hosted coffee hours.

During 2015 our study has been on the Parables of Jesus.

*Respectfully submitted,
Demetria Keck*

Women of Grace

(Formerly Episcopal Church Women)

The Women of Grace is connected with the Oregon Episcopal Church Women and includes all women who attend Grace Memorial Episcopal Church. We strongly encourage all women to attend our meetings and become involved in making the Women of Grace an active part of the Grace Community. We are continuing to pay our annual dues to the ECW of Oregon so we can participate in their activities.

This year the Women of Grace bought new blinds for the Parish Hall. The Women of Grace also makes grants to parish programs and other organizations. Our budget for this is based on the amount raised each year. These grants are divided into three main designations: Church, Clergy and Parish House, Service for Parishioners and Gifts to the Community.

Our main fundraising event continues to be the Holiday Art Faire & Bazaar held on the first Saturday in December. Last year it was held on December 5 and included 20 artists from our own parish and the wider Grace community. A portion of the artists' sales goes directly to the Women of Grace account. A high point of the bazaar is the food booth where nearly all proceeds benefit Women of Grace. The St. Mary's Guild offered a beautiful quilt, which raised over \$880. It was lovely to see the quilt go home with Charlene McGee. The net profit for the Women of Grace was a little over \$3,800. This annual event has been ECW's main source of income since the 1940s.

In 2015, the Women of Grace fundraising specifically supported Women's Retreat scholarships, Grace Art Camp scholarships, St. Mary's Guild and a Clergy Discretionary Fund. Our budget also allows us to replenish some supplies for the kitchen.

Again, we would love to have all women of Grace attend the meetings. We would also appreciate feedback on how we can better serve the needs of all the women of Grace.

*Respectfully submitted by the Leadership Team,
Susan Germundson, Sharon Loomis-Malin and Connie Sullivan*

Friday Community Dinners

In 2015, Grace Memorial Episcopal Church and Westminster Presbyterian together served approximately 3,000 meals to low-income single people, families, older retired folks, and the homeless, all of whom enjoyed the freshly cooked, wholesome food, socializing with friends and the pleasure of being waited on.

A dedicated group of volunteers, both members of Grace as well as “friends” of Grace, served the food, washed the dishes and cleaned up afterwards. The cooks, in particular, are due generous thanks for all the work they do, shopping for the food and preparing the meals. It can easily take eight or more hours to prepare a meal. Listed below are the cooks for 2016:

Bob Zimmer
Dan & Ann Heuvel
Eddie Miller
Corbet Clark
Hale McMahon
Kelly & Dave Goodrich
Nora McLaughlin
Sally Fraser
Yetunde Laniran

On several occasions, students from Oregon Episcopal School spent a morning preparing and baking apple pies. Our guests greatly enjoyed the pies and appreciated the fact that they were made by a group of young students.

Even though the church did not have an auction in September, members who in the past have generously supported the Friday Community Dinners have continued to support it. As a result, we now have sufficient funds for the coming year.

In addition, an anonymous \$25,000 “matching” gift has been given to update the kitchen - work estimated to cost \$125,000-\$150,000. Since there is already \$60,000 set aside for kitchen updating, we will be able to go ahead with this project as soon as the “matching” of the \$25,000 is complete.

*Respectfully,
Hale McMahon and Judy Prosper
Coordinators*

Grace Campus Usage

During 2015, the Grace campus continued to cultivate partnerships with many local non-profits.

Four days a week from mid-January until mid-June and mid-September until mid-December, Grace shared its space with PHAME, Portland region's fine and performing arts organization serving adults with developmental disabilities. PHAME students filled Grace with laughter and energy as they creatively expressed themselves through a variety of classes and workshops throughout the Grace campus while the PHAME staff used the Grace House as office space.

The Grace campus continued its partnership with local community organizations, like Sullivan's Gulch Neighborhood Association.

Twelve-step groups were also part of the Grace campus' dynamic with Women's AA, Overeaters Anonymous, Al-Anon 5+, and Gamblers Anonymous, to name a few.

Many other outside groups held meetings and events at Grace such as: American Friends of the Episcopal Diocese of Jerusalem, Camp Blue Spruce, Allegro Investment Group, and the Nigerian Community in Oregon & Southwest Washington.

The Grace campus also continued to offer space for religious groups including the Presbyterian Prayer Group.

Once again, the Grace campus hosted a wide range of non-profit organizations and 12-step meetings enriching the Grace environment and allowing us to continue our mission to serve the larger community.

*Respectfully submitted,
Ellie Martin*

The Grace Labyrinth Guild

In 2015, the Labyrinth Guild continued to provide opportunities for the parish and local community to make use of this unique prayerful tool. The Guild strives to integrate the labyrinth into the seasons of our Christian life as well as to welcome people of all faiths and walks of life to find healing, nurture, peace and inspiration through this ancient spiritual experience.

During 2015, the Guild's activities included the following two events:

New Year's Day Labyrinth Peace Walk: For over eight years, the Labyrinth Guild has offered the local community the opportunity to begin the new year with a meditative walk for peace on either of the Guild's two labyrinths — the Chartres style or the classical. On January 1, 2015 the Guild held a three-hour walk open to the public which was well attended. The instrumental accompanists were flutist Laila Murphy and harpist Kim Swennes. We were fortunate to again close the event with prayerful dances led by sacred dance instructor Jane Rickenbaugh.

Holy Saturday Silent Walk: The labyrinth was available for the Grace community to be able to walk prayerfully during the preparation for Easter.

The Guild's activities this year were guided by the contributions of founding members, current members, and new volunteers. We look forward to joining with new members in 2016 to continue this unique and important ministry.

*Respectfully,
The Grace Labyrinth Guild*

Music at Grace

I would like to extend a note of thanks on behalf of the congregation and Vestry to all the musicians of our parish who have so loyally contributed their gifts of time and talent through music ministry to the glory of God in our worship services.

Special thanks to our dedicated and hard-working Coventry Choir – who joyfully sing and help to lead music at fifty-plus services a year. Coventry Choir members are a diverse group of dedicated people: librarians, educators, computer specialists, pharmacists, homemakers, retirees and others, some with music training, some not. What we have in common is a love of music and the desire to praise God. The motto of J.S. Bach: “To God alone be the glory” is the foundation of the choir; in all that we do, in all that we sing, our intent is to glorify God. The choir is a group of people who have become a family; who work hard together and play together. The choir continued to have terrific brunches, parties, and social gatherings throughout the year. From Byrd to Bach, Britten, spirituals and global music, the Coventry Choir sings and performs great sacred music of all ages. I am grateful for the choir’s hard work, love of sacred choral music, dedication, loyalty and commitment. They are at the foundation of the music ministry of Grace. I am grateful for the many new faces in the choir this past year – and we always welcome more! Many thanks to Phoebe MacRae, Debbie McDuffee, Connie Sullivan and Aage Nielsen for their leadership in cantor and solo roles. A special THANK YOU to Emmy Ageros and other members of the choir who dutifully organize and maintain the Choir Library.

Other special musical highlights have included special music and solos by Phoebe MacRae, soprano, Jonathon Johnson, trumpet & brass; a string quartet (from Portland Baroque Orchestra) at the Installation services of Rev. Martin Elfert, and Renaissance music by Bruce and Gwyneth Van Buskirk at Christmas Eve and Epiphany services.

A special thank you to our Grace BellRingers who have helped to enrich our worship ministry through their gift of ringing handbells on special feast days. Many thanks to Alicia Lehrle (Bell Captain), Connie Sullivan, Debbie McDuffee and other volunteers who helped to ring bells at special services.

Lastly, a special note of thanks to Amiel Elfert - with his enthusiasm for music and joyful marketing efforts, we now have 10 children singing in the Youth Choir. They sang at both the Advent 4 service and at the 4:00 pm Christmas Eve service and plans are in the works to sing for Lent & Easter.

At the end of the 10:00 am service on Sunday, November 22nd, the congregation, choir and clergy processed to the Chapel to dedicate a generous and fabulous gift of a 4 rank portative tracker pipe organ built by Karl Wilhelm, Inc., of Quebec, Canada (Opus 52, built in 1977). It was given to Grace Memorial by Nan Bode, a long time parishioner and organist at Ascension Parish, and we are very delighted at this spectacular and generous gift to the Music Ministry Program and to the chapel at Grace.

In the spring of 2015, the Vestry approved the formation of an Organ Committee to spearhead the long overdue project of substantial maintenance and completion of the Casavant organ in the Sanctuary. A committee of six was formed in the fall (Cynthia Doran, Connie Sullivan, Sally Fraser, Jan Burkholder, and Warren Burkholder (chair)), and progress is being made with fundraising and planning efforts.

The Sanctuary continues to become a musical mecca for some of the best musicians in the city to perform concert offerings. Concerts this past year included English Master 1550-1650 (Portland Viol Consort); *Riches d’Amour: French music of the Middle Ages and Renaissance* with Dulcina;

Night Songs with Janice Johnson, soprano, Kira Whiting, piano, David Eby, cello and Arnica String Quartet; and *Yule Be Merry!* in the chapel with Phoebe MacRae, soprano, Vicki Gunn, viola d'amore, Aage Nielsen, douçaine, Sue Jensen, organ.

We welcome members to this joyful community of faith, fellowship and music ministry and to come sing in the Coventry Choir, play Dutch liturgical handbells, participate in a seasonal Youth Choir, and contribute in all ways that give you a voice of song to glorify God and bring beauty to your day.

Thank you all for your wonderful, kind and generous support in the music ministry at Grace.

*Blessings to you,
Susan Jensen
Choir Director/Organist*

The Guild of St. Mary

Working with the support of the Episcopal Church Women of Grace, the Guild of St. Mary gathers most Saturdays each month to sew, quilt, crochet and knit projects for outreach. The group also gathers to work on individual projects or to learn new skills. Anyone interested in learning how to make a quilt is most welcome to come and visit or attend one of our learning workshops. (Watch for our 2016 schedule flier!)

There are several components to the Guild that make it integral to the life of our parish and an example of the many different and creative ways we do ministry and outreach at Grace.

We make quilts and blankets to give to those who need them. Since 2003, we have been making quilts and blankets to give to Bradley Angle House, a program that provides shelter and related services for women and children escaping domestic violence. After a special blessing during the 10:00 am service on December 6, 2015, about 40 new and unique quilts and blankets were presented to Bradley Angle just in time for Christmas.

We sponsor a quilt project for Grace's annual Grace Art Faire & Holiday Bazaar. This quilt project is a multi-faceted work of art involving collaboration and creative challenge. It is raffled off at the December Grace Art Faire & Bazaar.

In 2015, the annual quilt "This Fragile Earth – Our Island Home" featured traditional Pacific Island paper cutout designs in batik in contemporary purples and greens with light stars in the sashing. The inspiration comes from Eucharistic Prayer C in the Book of Common Prayer. The long-arm quilting was completed by master quilter Pat Roche in a Celtic lattice design to support overall concept.

In 2015, the group also made a smaller rose-themed quilt a Grace Auctionette.

We treasure our relationships with one another. Having just completed our twelfth year, we find that getting together to work on outreach quilts, joint projects or on our own tasks in the company of others who represent a wide range of age groups is a great blessing and joy! We meet most Saturdays in the Mason Burnham Room at Grace, and we have had the pleasure of welcoming several new and returning quilters this past year for a total of about 15 members. St. Mary's welcomes women of all ages and skill levels to join us, and, if you are a beginner, we will teach you what you need to know! It is also a very welcoming place for mothers and daughters.

In January and February of 2015 we offered our first "Pray. Learn to Quilt. Laugh. Eat. Repeat Workshops" to help us jump start our 2015 project. Both events were great fun, well attended and even attracted some new members! We will definitely be hosting similar events again in 2016!

In 2015, our work was greatly assisted by donated materials. (We do welcome donations of 100% quilt weight cotton fabric or 100% cotton flannel, and it is important to note that we believe there is almost no such thing as ugly fabric.) Cash donations, including a generous \$500 grant from ECW, were used to purchase additional supplies such as thread, and quilt batting as well as backing and finishing fabrics.

*Respectfully submitted,
Mariann Koop-McMahon
Coordinator*

Weekday Sack Lunch Ministry

In 2015, the Grace Sack Lunch Ministry distributed over 1,500 sack lunches, 225 pairs of socks, and many hats and gloves to homeless and low-income individuals who came to our door. For well over 20 years, Grace has regularly distributed food items during the week to people coming to us in need.

The program is primarily dependent upon food donations from parishioners. Sack lunches are made up of a selection of nutritious non-perishable items including pop-top cans of pork and beans, pop-top soups, pop-top hearty stews, tuna lunches, Vienna sausages, pudding cups, fruit cups, small packets of dried fruit and nuts, granola bars and small juice cartons. We strive to provide hearty and healthy meals containing protein, fruit, fiber and calcium. Our recipients are appreciative of the donated hats, gloves and particularly the socks that are so critical to good health and comfort, particularly to those on the streets. Donations of toiletries such as shampoo, soap, toothbrushes and toothpaste are also appreciated.

The Church School hosted the third annual food labyrinth in October, which resulted in a generous supply of food for many meals. This food labyrinth has played an important part in raising parish awareness of needed donations and sustaining the Sack Lunch Ministry. Many thanks to the volunteers who distribute the lunches and to the many parishioners who faithfully provide food for those who come to us in need of a nutritious lunch and place of welcome.

*Respectfully submitted,
Sally Fraser*

Grace Foundation



The Grace Foundation continued in 2015 working with our Investment manager, Trillium Asset Management. As of December 31, 2015 the Foundation's portfolio was valued at \$961,505. After grants in the amount of \$15,500 to the Grace Institute and \$8,000 to Grace Memorial Episcopal Church for administrative costs in 2015, the Foundation showed a decrease of \$37,537 for the year.

As in the past, the Foundation has assisted the Grace Institute by funding specific projects to support Institute programs and efforts. In October 2015 the Foundation approved the Grace Institute's grant proposal for 2016 in the amount of \$26,000. This grant includes:

- A. \$8,000 Scholarships for Grace Art Camp
- B. \$1,000 Scholarships for Peace Camp
- C. \$1,000 Scholarships for Spring Camp
- D. \$1,000 Special Needs Children (Coleen Cavin Fund) all camps
- E. \$1,000 Development funds for Bridges to Peace and Understanding Art Camp
- F. \$4,000 Funding to seed GMEC/GI Youth Leadership Orientation Project
- G. \$5,000 Funding to seed relationship building for 2017 Outreach Camp Project
- H. \$5,000 Website upgrade and development

*Respectfully submitted,
Larry L. Snyder
President*

Trustees for 2015:

Maya Crawford

George Fleming (ex officio, Parish Treasurer)

Sally Fraser, Secretary

Susan Little

Larry Snyder, President

Stephen V. Schneider (ex officio, Rector)

Kari Stanley

Jeremy Thiessen

Grace Institute

This past year for Grace Institute has been about transitions, especially for outgoing Executive Director and Art Camps Director, Esme Jo Culver, and incoming Art Camps Director, Ashley Smith. We owe a very special thank you to Mother Esme as she has left behind a financially sound, vibrant and successful structure for Grace Art Camps with ties to international camps based on our model.

As a professional visual artist, designer, and educator, Ashley brings to her new role at Grace Institute, twenty-five years of experience in education and the arts working with fellow artists and students of all ages, including thirteen years as a Grace Art Camp artist. She is also the resident costume designer and adjunct professor of Costume Design studies in the Theatre Program at Portland Community College Sylvania. As a professionally trained stage designer, where theatre is driven by story and culture, Ashley embraces cultural awareness through creative artistic expression. She has designed and produced costumes and scenery, both locally and nationally, for over thirty productions, managing budgets, timelines, and people.

Grace Institute's primary goal for 2016 will be to support the three main Grace Art Camps (summer, winter and spring) in order to minimize ripples as we move from one Camp Director to another and transition GI leadership to the Executive Committee.

Spring Break Camp: *Saving Spring* March 23, 24, and 25, 2015

This three-day Spring Break Camp is designed to annually introduce young campers to classic stories of renewal and creation, often in the context of the natural world. *Saving Spring!* offered a magical, adventurous tale of bravery and ingenuity with some exciting opportunities for age-appropriate real-world conversations. Rotating through five studios, a record 81 campers in kindergarten through Grade 6 interpreted the story's themes in Theatre, Fibre Arts, Visual Arts, Sculpture, and Illustration.

Grace Art Camp: *South Sea Island Tales* June - August, 2015 (Eight weeks)

In its 19th year, Grace Art Camp 2015, *South Sea Island Tales* continued to grow and to solidify strong relationships between the camp and the parish. Repeating the successful enrollment patterns over the past three years, the camp filled to capacity in a new record time (less than 3 weeks), bringing over 1,250 children, as well as an additional 40 parents, grandparents and children for the special week, onto the Grace campus last summer. Unfortunately this left about 200 families on the waitlist.

During our first-ever three-day intergenerational week at Grace Art Camp, 25 artists and counselors volunteered their time to raise funds for *Quechua Benefit's* construction of a chapel and community school house at Casa Chapi, in Peru. About 40 children and adults participated as campers in "sets" of two or three at this short but very full version of summer camp, which was based on the classic Hawaiian story – *The Shark God*. Approximately \$8,000 was raised and contributed.

Peace Camp: *The Shape of Peace* December 21, 22 and 23, 2015

Grace Institute offered its fifth annual three-day Peace Camp during winter break in 2015. At its heart, Peace Camp is different from the other camps in that the focus is on how we might find connection within ourselves and expand that outwardly into the world, through the arts. Based on this principle, we started the camp as one big glass mandala studio in the Parish Hall, bringing the camp to a resolution on Wednesday with the whole group folding circles together. We moved the camp to the beginning of the

week of Christmas with the idea that more children would be in town during that part of the holidays. *Peace Camp* will continue to grow as part of our regular roster of camps.

Grace Institute Art Classes and Workshops:

Grace Institute offered fused glass art classes to the community, during the winter holiday season, and, in response to requests, has begun to hold art class birthday parties. We look forward to growing our glass program in 2016.

Grace Parish and Grace Institute

Grace Institute artists and campers contributed pieces of art to the Grace Community Center Auctionette this year in 2015, as well as space for artists to offer auction events. Grace Institute also contributed glass studio space, tools, kiln firings and materials (glass!) to the Parish's Church School program and adult education offerings. In addition, GI offers similar support to New City Initiative, a non-profit social service agency, which is also supported by the Parish. Financially, GI assisted the Parish with moving expenses for the new rector and his family.

GI extends its heartfelt thanks to the many parishioners who have volunteered in a myriad of ways throughout the year. Grace Art Camps would not happen as smoothly and happily without this consistent support, in ways from security and snacks, to assisting in the studios. We look forward to the Parish's continued support and enthusiasm while we continue Grace Institute's strong art camp programs and venture onward with new programming.

Come join us, take a class, volunteer at camp, and enjoy this amazing organization you helped to create – Grace Institute!

Local Outreach: Scholarships for Campers and Leadership Training Scholarships for Counselors

With sincere thanks to Grace Memorial Episcopal Church Foundation's annual grants, the Women of Grace and family donors, we invited and offered **52** scholarships to children from less-advantaged homes to participate in camps this past year. These donations, as well as generous donations offered by individuals and GAC families, also made it possible for **5** young people who have shown leadership capabilities elsewhere, the opportunity to train and work as counselors in the camp.

International Outreach: Follow up on Grace Art Camp in Peru

In 2014, Grace Institute sponsored a team of 15 artists and counselors to replicate Grace Art Camp at *Casa Chapi*, in Chivay, Peru. The camp was embraced by local artists and educators devoted to the Quechua culture. In fall 2015, Esme Culver and Ashley Smith (outgoing and incoming Grace Art Camp Directors, respectively) returned to Peru with the purpose of providing feedback and support for two art camps based on the Grace Art Camp model. Their observations of these camps will inform how Grace Institute might approach similar future outreach projects.

The two art camps took place at *Casa Chapi* and at a public school located in an impoverished community near Arequipa. Regardless of differences in culture, organization, planning, resources, or environment, artists, children, parents, and teachers, at both camps, were thrilled with their art camp experience. While the camp at the Arequipa school was not identical to what we know here in Portland, something special happened between the children, artists, and teachers.

Grace Institute has successfully and in unexpected ways, reached out to another culture with its unique one-of-a-kind art camp. *Quechua Benefit*, who built *Casa Chapi* had a vested interest in seeing this year's art camp succeed at their school and orphanage. They intend to use the art camp model to further their social services and justice work with the *Quechua* people. Using their medical mission model and infrastructure, they plan to incorporate "art camp" into the organization's future plans around social

services. Additionally, *Quechua Benefit* plans on using the art camp model at a private school in Bend, Oregon, in order to help fund and sponsor art camps in the rest of the Colca Valley in Peru.

It appears that Grace Institute's work in Peru is complete. Art Camp in Peru has been seeded and all financial donations made by the Grace communities (GMEC, GI, and GAC families) to *Quechua Benefit* have been put directly into new buildings at *Casa Chapi*; the chapel and the community center are more than half way to being completed. Grace Institute plans to continue to promote interest by following future *Quechua Benefit/Casa Chapi* art camps and to celebrate their successes through annual updates on Grace Institute's website. The doors remain open for the Grace communities to volunteer through *Quechua Benefit* or to visit *Casa Chapi*.

The GI Board is deeply appreciative of the excellent staff at Grace Institute, without whom we would not be able to accomplish our vision for the development of programs and events! Special thanks go to Mariann Koop-McMahon, Operations Manager and Registrar, and to Linda McQuery, Business Manager. None of this could be accomplished without their significant expertise and skill, not to mention their knowledge, dedication, flexibility and solid support! GI is also indebted to a highly talented and experienced camp staff of artists and counselors.

Current Grace Institute Board of Directors:

Patty Walhood (President)
Karen Talus (Acting President)
Cathy Gibson (Secretary)
Alicia (Treasurer)
Becky (Vestry-GI Liaison)
Stephen Weeks
Shelley Stoffer
Martin Elfert (Rector, Grace Memorial Episcopal Church)
Ashley Smith (Director, Grace Art Camps)

*Respectfully submitted by,
The Executive Committee of Grace Institute
Patty Walhood
Karen Talus
Ashley Smith*

