




ANNUAL REPORT

January 2021

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SESSION ROSTER

2020 Members and Ministry	2021 Members and Ministry
<p>Cynthia Chin-Lee, Communications Shirley Eglington, Christian Education Margaret Ann Fidler, Care & Compassion Mohan Iyer, Community Building Paul Jones, Facilities Pat Kinney, Social Justice Martha Maris, Worship and Music Lela Noble, Clerk of Session Susan Phinney Silver, Finance Mary Alice Thornton, Nominating Committee Evelyn Wong, Personnel Committee Bruce Reyes-Chow, Pastor, Moderator</p>	<p>Cynthia Chin-Lee, Communications and Stewardship Shirley Eglington, Christian Education Margaret Ann Fidler, Care & Compassion Karen Huddleston, Worship and Music Mohan Iyer, Community Building Paul Jones, Facilities Pat Kinney, Social Justice Martha Maris, Worship and Music Lee Merkle-Raymond, Finance Mary Alice Thornton, Nominating Committee Evelyn Wong, Personnel Committee Lela Noble, Clerk of Session Bruce Reyes-Chow, Pastor, Moderator</p>

PASTORAL REFLECTION

Submitted by Rev. Bruce Reyes-Chow



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Ephesians 3:1, 15

¹*There's an opportune time to do things, a right time for everything on the earth:*

¹⁵*Whatever was, is. Whatever will be, is. That's how it always is with God.*

Dear Church,

The church in Ephesus was beginning to calcify and become stagnant, so Paul reminded them what was important and essential about being followers of Christ. He also reminded them that God's time did not always align with the plans that we humans make.

While we were certainly not standing still in March, the disruption of pandemic forces us to think about, reimagine, and experiment with who we may be becoming in the future. It is also a time it has become painfully obvious that we cannot manage our way out of what has been a trying, emotional, and isolating season of life in our world, politics, and communities.

While I grieve not being able to fully pastor in traditional ways — coffee conversations, hospital visits, and simply seeing one another's faces — together, we have continued to be the church in new and surprising ways. Keeping in mind that the world changes day to day and we have no control over what we do in the day to day, we are being given a chance to operate with discerning urgency as we dream about our journey towards post-pandemic life.

A few areas that I am looking forward to exploring even more . . .

- Growth: Continuing to connect and reconnect with people drawn to our ministry.
- Worship: Discerning our worship gathering future: in-person, remote, or something else.
- Engagement: Creating more opportunities for us to build meaningful relationships.
- Faith: Diving deeper into our progressive and expansive Christian faith.
- Justice: Stepping more boldly into spaces where we can impact social change.
- Care: Seeing people in person for prayer, conversation, and coffee!

These first 18 months as your pastor have been a joy, you have become my people, and I look forward to what God may be revealing before us all.

Bruce

CARE AND COMPASSION

Submitted by Kathy Merkle-Raymond and Margaret Ann Fidler

Chair Name/s and Contact Information:

Kathy Merkle-Raymond: kathymerkleraymond@gmail.com

Margaret Ann Fidler: mafidler@stanford.edu

Team Members: Courtney Nordlund, Bill Norton, Nancy Patterson, Ted and Dorothy Reller, Scotty Scott, Joy Seizer, Margaret Tompkins, and Gail Thompson

Roles and Responsibilities:

- Share information, ascertain needs, and lend support and assistance
- Visit congregants in homes, senior residences, hospitals, or at church
- Report status changes to ministry team leaders and pastor
- Update the weekly prayer list
- Present flowers to congregants to express sympathy, joy, and love at Easter and Christmas
- Maintain the closet of medical equipment available for loan

Here is a summary of our Care and Compassion Ministry (CCM) activities during 2020:

- Our team has dedicated ourselves this year to connecting with those in our congregation who do not regularly use email or have any easy internet connection, including letting them know of changes to our Sunday schedule and later the news about moving to Zoom only services and meetings. We encouraged those who, with some help from our tech deacons or others, could find ways to connect. For others, we keep in touch with phone calls or notes, and we make sure all important church communications are sent to them via the old-fashioned mail. This includes our monthly newsletter and all special letters from Bruce, such as those notifying us of a death, the start of the church year, or announcing the Stewardship Program.
- We have likewise dedicated ourselves to keeping in touch with many who might be feeling isolated during the pandemic, regardless of the ability to use the internet. We have encouraged all in the congregation to do likewise, making special efforts to call each other. Our Church Pals program, an effort to connect folks who wished for a more intentional relationship with one other person, was only requested by a few people, but we are pleased to say it is appreciated by some.
- We developed a new way to keep the idea of a Prayer List going as part of our Zoom worship, and each week Bruce begins our “Prayers of the People” portion of the service, offering prayers for those who have requested them in the course of the week. Prayer requests are always welcome, and Bruce, Kathy, and Margaret Ann can be reached at any time directly or by use of the Prayer Request Prayer.request@fprespa.org email.

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- Our community has been saddened by the deaths of a large number of members, friends, or former members. We began the year with David Leith's untimely death and working with his family and many excellent volunteers to plan the memorial service and reception. It is hard to remember a time since then when our church and fellowship hall were full, and there was such an outpouring of good wishes. Unfortunately, our church had to cancel the memorial service and reception for Eileen Burnett less than a week before that planned March event. Since then, there have been warm and inviting Zoom memorial services for several community members. Although we are so very sorry, we have not been able to be together for fellowship following the services. At a minimum, we like to include a short article about a person who has passed away in the church monthly newsletter if family or friends offer to write it.
- We began 2020 committed to reviewing the rather chaotic way we distribute poinsettias following the Christmas Eve Service. Little did we know then that there would be no poinsettias in the sanctuary this Christmas Eve, and anticipating this, we purchased a number of plants in early December and distributed them to those who might otherwise have received one on Christmas Eve – those in assisted living facilities, who suffered a recent loss, or who were in ill health. This way, they could be enjoyed throughout the Advent season.
- We are pleased that our entire CCM Team recommitted for another year of service, and Bruce honored us with a special commissioning in November during a service. This was done because this group is not ordained, and there are no fixed terms, but we are charged to represent the church as we undertake our work.
- Team members reach out to individuals in our congregation when they are hospitalized, ill, or have a loss in the family, and are also available as liaisons to those in small groups within the church, such as the Film Group, Family Covenant Group, Cool Planet, Early Church attendees, Choir, Survivors, Channing House residents, and children and families. In addition, at each quarterly meeting, the CCM team reviews a segment of the Church Directory to identify congregants with whom we can stay in better touch, especially during the pandemic, via notes or phone calls. We work closely with Bruce as we support his pastoral care of the congregation, and he likewise supports us in our work.

As Bruce frequently reminds us, we are a very caring congregation, and our CCM work is enhanced by the strong support of the congregation as we all minister to each other.



CHRISTIAN EDUCATION

Submitted by Shirley Eglington, Chair

Chair Name/s and Contact Information:

Shirley Eglington, shirleyeglington@hotmail.com

Roles and Responsibilities:

To nurture our congregation's young people, providing them connections to the larger congregation, Christian education, age-appropriate activities, and fellowship. A further goal is to support families as they engage in faith-based practices in their homes.

Sunday School Program

Sally Nordlund and Jim Silver alternate in providing Sunday school for our children grades k-8 each week during the school year. Courtney Nordlund serves as an assistant teacher for both teachers, as well as providing child supervision in the back of the sanctuary prior to Sunday School class. (There are two adults present when the children leave the sanctuary to comply with Safe Church policy.) In addition, there are always child-friendly materials at the back of the sanctuary for children who choose to remain for the worship service. These Sunday school teachers have formed a warm bond with the families. One of the challenges for this program is providing an appropriate curriculum to a small pool of children with a significant span of ages.

The Story of 2020

The year began with Sunday School being offered as described above. After the shut-down began, Sally provided the families with online Sunday School lessons and kept in touch via email. After the summer break, Sally and Courtney emailed the families several times to check in and offer online resources. None of the families has chosen to receive those resources. We surmise that one factor might be that children are experiencing online overload due to distance learning. Whereas most of the church programs have transferred nicely to zoom, the children and youth programs have not. They are on hold until in-person church resumes.

In February, a subcommittee comprised of Sally Nordlund, Geoff Browning, Catherine Clover, and Shirley Eglington began work to update the Safe Church policy and to provide Safe Church training. We met with Jane Odell of the Presbytery and obtained as a model the Los Gatos Safe Church policy. We scheduled Chris Hasegawa to present a Safe Church training at our church in May. This was canceled due to the church closure. We decided to put off training, which can also be done online, until closer to the time when people would actually be in contact with children. We intend to continue work on the Safe Church policy in 2021. Since the two committee members from staff (Geoff and Catherine) have left, we hope that Bruce and Chyrise can join Sally and Shirley in this effort.



COMMUNITY BUILDING

Submitted by Mohan S. Iyer

Chair Name/s and Contact Information:

Mohan S. Iyer: miyer99@yahoo.com

Highlights:

- We re-initiated membership classes this year after a long hiatus.
- We updated the directory, and we will transition this to a more durable updating process with Chyrise King having joined us as Director of Operations.

The Story of 2020:

2020 has many stories. However, one holy story we will look back on is how we strengthened community bonds despite the immense community disruption brought by COVID. As other ministry reports will attest, we were a resilient community, finding new ways to connect with each other, whether by Zoom worship, small groups, committee meetings, or other events. We also brought new people into our virtual community. We thought about ways in which each of us, especially new seekers, can plug into the community.

One notable event within this ministry was the resumption of membership classes after a multi-year hiatus. Bruce designed and implemented a two-session class, named “Belonging,” held on two Sundays in November after church earlier this month. ~10 attended one or both sessions, with several members and Elders joining as well. It was jam-packed with theology, polity, community information, and various ways for those interested to commit and plug into our congregation. Going forward, the larger plan is to rotate between “Belonging” (i.e., church membership) class and “Believing” (i.e., faith and belief) classes such that we will have two of each type of class over the course of a year. Stay tuned for the first “Believing” class to be announced in the new year. Three individuals decided to become members this year, either for the first time in a Presbyterian Church or through a letter of transfer.

UPCOMING PLANS AND POSSIBILITIES

- Continue update of the directory.
- Hold two Belonging and two Believing classes over the course of the year.
- Evaluate next version of Small Group Ministries
- Increase outreach and evangelism effort, especially in a hybrid church model



COOL PLANET WORKING GROUP

Submitted by Shirley Eglinton, Session Liaison

Chair Name/s and Contact Information:

Shirley Eglinton, shirleyeglington@hotmail.com

Roles and Responsibilities:

The purpose of Cool Planet is to lead the congregation in a faithful response to the climate crisis. We feel that this work is at the heart of our faith because of our call to be good stewards of Creation and because of our call to work for justice in a warming world that disproportionately affects the poor and marginalized.

Highlights:

- We presented via zoom a post-Earth Day service panel discussion, attended by approximately 45 people. Panelists represented the local chapter of Sunrise, a youth climate organization, the City of Palo Alto's Sustainability Program, and Transform, a non-profit focusing on green transportation.
- To help the congregation participate in climate action week virtually, we recommended and provided links for webinars, online actions, virtual rallies, etc.
- In October, we presented a 3-week adult study program entitled: "Environmental Racism: 3 case studies." We organized one of Bruce's Wed. webinars on the intersection of plastics, climate, and racism.
- Two members of Cool Planet joined two members of the Facilities Committee to comprise the EV Charger/Solar Working Group. They have made quick progress in engaging the Powerflex company to begin the permitting process with the City of Palo Alto for EV chargers on our site.

The Story of 2020:

We have always sought to work with other ministries at First Pres, such as Social Justice, Facilities, Worship, and Adult Education, so that climate justice remains an integral focus of our church. In 2020, we continued our close collaboration with those working on the church facility, moving our focus from HVAC to EV chargers. (See bullet 4 above.) In presenting the Adult Study program on environmental racism, we intentionally broadened our laser focus on climate to include environmental racism in many forms. We did this in an effort to bridge Cool Planet's work with the Social Justice Ministry's upcoming study of racism.

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Cool Planet receives a portion of the Social Justice budget, which we distribute to well-managed non-profits who share our goal of reducing climate change. In 2020 we donated to faith-based groups such as Presbyterians for Earth Care and CA Interfaith Power and Light. We donated to local organizations such as 350 Silicon Valley and Transform and to climate justice organizations such as EarthJustice and the Amah Mutsun Trust.

COMMUNICATIONS

Submitted by Cynthia Chin-Lee, Chair

Chair Name/s and Contact Information:

Cynthia Chin-Lee, cynthiachinlee@gmail.com

Roles and Responsibilities:

The Ministry was charged with reviewing and improving the church's communication with its members and the outside world. This has required looking carefully at the various ways the church communicates--online, in print, and in public media. Because of the pandemic, communications through online forms, including the website, YouTube, Instagram, Facebook, and Twitter, have become a bigger focus.

Highlights:

- "What's Up at First Pres'" was produced monthly by Pat Kinney, with help from Lela Noble, Holly Brady, and Catherine Clover. It is sent online, and around 50 copies are printed. With Chyrise's hiring, Pat has asked to give up this project, and Chyrise has agreed to take over in Jan 2021. The content and focus of this publication will be looked at.
- The website has been regularly updated by Pat Kinney, Alec Henderson, and staff. New for this year: articles in What's up are now available in HTML (and PDF).
- Social media posting is getting more organized. At this point, we have not focused on outreach, but we are building up content, increasing interaction, and building a foundation of understanding. In 2021 we will come up with a more robust plan for our Social Media outreach.
 - Facebook: Derrick Kikuchi, Holly Brady, and Staff post regularly with Derrick live posting Sunday Service.
 - Instagram: Karen Huddleston posts Sunday Worship Highlights. Staff post IGTV sermons/webinars, stories, and posts. Bruce creates and shares videos.
 - Twitter: Staff posts and retweets on occasion.
 - YouTube: Staff post Sunday services, special service, webinars, pastoral videos. Bruce creates and shares videos.
 - Link-tree: A service used to share multiple links via Twitter, Instagram, etc.

The Story of 2020:

Members (Holly Brady, Ellen Forbes, Pat Kinney, Cynthia Chin-Lee, Derrick Kikuchi, Karen Huddleston, Mary Alice Thornton, Bruce Reyes-Chow, Catherine Clover, Chyrise King) remain concerned about the most effective ways to communicate information to a church community that varies in technological skills and interests. Bruce has merged all the mailing lists into one and will monitor the change. Our online content has expanded greatly due to the many recorded online events by Bruce and other parts of the church, including social justice, the choir, and so on. Bruce has intentionally increased content to attract more people since we are no longer having in-person events.



EV CHARGERS AND SOLAR WORKING GROUP

Submitted by Margaret Rosenbloom, Chair

Chair Name/s and Contact Information:

Chair: Margaret Rosenbloom: mjrosenbloom@comcast.net

Members: Paul Jones, Janet Cox, Trish Hallenbeck

Roles and Responsibilities:

The EV Charger and Solar Working group was formed in June 2020 to follow up on the work initiated by the HVAC committee regarding a) using rebates provided by the City of Palo Alto to install EV Chargers, and b) incorporating solar panels in the Church's energy supply. This work has been done in collaboration with Facilities and under review by Session.

Highlights:

The Working Group has identified a vendor, PowerFlex, who proposes to install 23 EV Chargers across the Lincoln and Kingsley parking lots at no cost to the church either for installation or operation. Funding comes from the City of Palo Alto rebates and State of California Carbon offset funds. With Session approval, PowerFlex is applying to the City of Palo Alto for rebates and permits on our behalf. City approval is expected early in 2021. Meanwhile, the Working Group will develop an operating plan and policies for the EV charging program in order to obtain final Session approval.

Work on the Solar options for the Church will be taken up in 2021.



FACILITIES

Submitted by Paul Jones

Chair Name/s and Contact Information:

Rick Keller, Chair: rick@teamkeller.com

Chair: Rick Keller, members: Scott Brenneman, Margaret Rosenbloom, Gail Thompson, Paul Jones
Others are welcomed when their special interests are to be discussed.

Roles and Responsibilities:

In 2020, the Facilities Committee took advantage of the Church shut down to move forward on the recommendations of the HVAC Task Force for improving the operation of the existing heating plant. Alec Henderson, of the HVACF Task Force, and Javier Hernandez have worked together to make a number of improvements, including careful cleaning and overhaul of the boiler room, replacing faulty relief valves in the hot water circulating lines, and cleaning the Sanctuary hot air registers and vents.

Recognizing potential future uses of the Youth House, the Committee authorized a great deal of restoration work on the House, including installation of a new roof, replacement of the shingles on the exterior walls with stucco, replacing windows, permanently closing unused doors, and putting new drywall on interior walls.

The landscaping company has continued regular service despite lockdowns, so plantings around the Church are flourishing. Even though not seen by most congregants, the plants are certainly enjoyed by our neighbors. We are looking for ways to reduce water use with irrigation improvements.

Javier continued to improve the safety and appearance of the Church property by replacing cracked concrete and rotted wood spacers with new concrete. It should also be noted that Javier's daily presence on the Church property has provided a valuable deterrent to vandalism and misuse of the grounds.

FINANCE

Submitted by Susan Phinney Silver

Chair Name/s and Contact Information:

Finance Chair and Member of Session: Susan Phinney Silver, phinneysilver@gmail.com

Treasurer: Lee Merkle-Raymond, lee.merkle.raymond@gmail.com

With thanks to:

Kaela Fine, Church Bookkeeper

Julie Barney, Pledge Accountant

2020 Ministry Highlights (followed by more detailed Financial Summary)

- Given all the events and uncertainties of 2020, the church's financial picture did not go as expected. Specifically, we had reduced congregational giving of over \$30K, and reduced facilities usage fees of over \$30K, for total income reductions of \$60K.
- Due to expense savings (especially with respect to Facilities costs due to the closure of campus), we ended the year almost exactly on budget.
- To address hardships brought on by the COVID-19 pandemic, we were fortunate to be able to secure a federal CARES Act PPP forgivable loan of \$99,200 through our bank (Comerica Bank). We expect to apply for (and to be eligible for) loan forgiveness in February 2021.
- On a net basis, this meant that we did not require a Legacy Fund Draw in 2020, although the picture will be much more difficult in 2021 as the loss of income (with some increased staffing expenses) takes hold, although the situation, especially with respect to facilities usage, is impossible to predict.
- We are facing significant financial uncertainty as we enter 2021, especially with regard to congregational giving (since we are facing reduced Pledges, partly due to not having an organized Stewardship campaign in 2020) as well as likely significant reductions in tenant rental income (Kara classroom use) and short-term facilities usage until the church campus becomes usable again.
- In addition, there are increased staffing costs of about \$50K on a net basis, which includes about \$27K of one-time transition (overlap) expenses for Director of Operations position, plus some ongoing net increase for the addition of this staff position, a small increase from the increase in Senior Pastor role from 75 to 80%, counteracted by reductions in the Associate Pastor role and In January.
- Session approved a 2021 Budget that assumes reduced facilities income from Kara and short-term facilities users of \$60K total (although this estimate is speculative depending on when campus reopens), with expenses estimated based on info available to date. This resulted in a total Deficit (negative Net Income) of \$174,693, which is the largest deficit since 2014.

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- The current Session-approved 2021 Budget requires a Legacy Fund Draw of \$106,893, or 10.0% of Legacy Fund balance, which is unfortunately not within our 5-8% maximum (although it is =10%), plus in addition, requires the use of \$60,000 of cash balance from 2020. It will be important to find a way to reinstate a balanced Budget for 2022 and forward.
- As a reminder, our policy which was re-established in 2017, is to maintain a balanced annual budget such that our required Legacy Fund Draw does not exceed between 5-8% of the Legacy Fund balance (measured on a rolling 12-quarter basis). This will not be possible in 2021. It is strongly urged that we reinstate this policy for 2022 and forward.
- We completed the transition to a new online donation platform with the Presbyterian Foundation, which allows us to save on fees (at 2% versus the previous 4.5-5.5%).

2021 Goals and Intentions:

- The Finance Ministry aims to continue to be good stewards of our church's financial resources, and to be nimble as well as fiscally responsible especially in light of changes brought on by the COVID-19 pandemic, under the direction of Session.
- We aim to continue budget discipline to the extent possible in 2021, maintaining as close as possible to the approved sustainable 5-8% level of Legacy Draw, but in no case to exceed 10%.
- We commit to good communications with the church community at large.

How to Get Involved:

- Please submit your Pledges (if you have not done so already) to help us plan and maintain a sustainable budget during our current uncertainties and hardships due to COVID-19.
- Review periodic reports in church newsletter.
- Ask any questions of Susan and Lee.

****Note: Legacy Fund (Endowment), which is also a part of the Finance Ministry, is covered in its own separate section.***

HVAC

Submitted by Margaret Ann Fidler

Co-Chair Name/s and Contact Information:

Margaret Ann Fidler mafidler@stanford.edu

Lee Merkle-Raymond lee.merkle.raymond@gmail.com

Members of the Task Force were Margaret Ann Fidler and Lee Merkle-Raymond, Alec Henderson, Rick Keller, and Melissa Kirven. Susan Phinney Silver and Bruce Reyes-Chow were *ex-officio* members.

The following text, taken from our Report to the Congregation published in the June *What's Up*, is submitted as our Annual Report for 2020. In addition, please note that the Task Force gathered significant details on our heating and electrical systems, and any significant future work on the electric, solar, or heating systems should start by reviewing the HVAC findings and several key reports saved on the Church server. Key reports will also be added to permanent paper Facilities permanent files in the church office.


At its May meeting, Session unanimously approved the final report of the HVAC Task Force and the accompanying motion, with gratitude. This action was taken after the Task Force first shared its finding with Session in March and later presented its motion for a "1st Read" in April. After each of these meetings, summary articles inviting questions were written for the congregation.

The good new news is that a recent boiler examination revealed that with some modest repairs that are being made, our current gas boiler is expected to have a remaining life of at least five years, and quite possibly up to 10 years. This allows for a more leisurely, phased replacement strategy than was originally thought to be the case when the Task Force was appointed last September.

During the remainder of 2020 and into 2021, it is expected that the church will perform recommended boiler repairs plus deferred maintenance on portions of the system which will be maintained for the future; install new controls to make the heating system operate effectively; add insulation to buildings where feasible (excluding the Sanctuary and Chapel) in order to conserve energy, and address some issues with the choir loft and music room. The HVAC portions of the above work should cost an estimated \$84,000.

Following these efforts to stabilize our existing system, the concept of implementing a distributed system of electric-based heat pumps, building by building, during the rest of this decade was approved. This would eventually allow each building to be heated independently of the others, a far more energy-efficient capability, and eventually, the central gas boiler could be retired if all work can be completed. The heat pumps might be 3 to 5 times as efficient in their energy use than our current

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gas boiler. In today's dollars, it is estimated that this work might cost approximately \$287,000. Together with the above projects, the total estimate of \$371,000 spread over 6-10 years is far less than the original estimate of up to \$1 million.

Session further approved the creation of a new Working Group to complete the study of solar and EV charging opportunities, which was started by the Task Force. If such projects are undertaken, it is hoped they will break even financially over the long run.

The motion to Session was written in an effort to find the appropriate balance between (1) seeking a church commitment for some short- and longer-range actions and financial plans, and (2) understanding and supporting the necessity for the church to remain flexible given the uncertainties of our time. It is understood that Session commitments could change over time as the church adjusts to our changing world and considers other church priorities that might emerge. As these future projects are brought forward from the Facilities Committee to Session for approval, the expectation is that they can be funded with existing church financial resources, spread out over many years, avoiding the need for a capital campaign or loan.

The last action Session took was to dissolve the Task Force.

LEGACY(ENDOWMENT)

Submitted by David Thornton and Susan Phinney Silver (Finance Chair)

Co-Chair Name/s and Contact Information: David Thornton mafidler@stanford.edu

Planned Giving Coordinators: David Thornton and Joan Roy

Investment Committee Members: Don Fidler, Alec Henderson, Lee Merkle-Raymond, Craig Nordlund, Susan Phinney Silver, and Ed Thompson

Investment Manager and Contact: Carol Malnick, Boston Common Asset Management (BCAM)

As a result of the restrictions of the COVID-19 pandemic of 2020, the members of the Legacy Circle have not gathered since the Celebration Event in November of 2018, held in the penthouse of Channing House. Hopefully, we will be able to schedule a reunion in 2021.

- Currently, thirty-one living individuals or households are members of the Legacy Circle. These are individuals or families who have made provisions in their estate planning for some level of legacy gift to the First Presbyterian Church of Palo Alto or who have made a direct gift to the Fund. Twenty-one Legacy Circle members are deceased.
- Legacy gifts to the church are placed in the Legacy Fund and treated as endowment gifts to be used for church needs over time. These funds have been essential to the ongoing ministry of First Presbyterian of Palo Alto.

2020 Ministry Highlights:

- As of December 31, 2020, the Legacy Fund stood at \$1,307,956.
- We received generous Legacy Circle donations during 2020 from longstanding church member Judy Dunbar, from the estate of Charles Drekmeier in honor of Margot Drekmeier, and an end-of-year contribution from John Ekstrand in honor of Charla Ekstrand.
- We began the year with \$1,108,552. Total investment activity during 2020 included net investment gains and dividends/interest of \$155K, additions of \$54K, and investment management fees of \$9K. We did not make a Legacy Fund Draw for operating expenses during 2020.
- Our portfolio continues to adhere to our Climate Divestment goal (since October 2018) through the Fossil Free Fund of Boston Common which eliminates investments in all US companies that either develop fossil fuels or that service fossil fuel companies.
- In addition to its socially responsible portfolio selection for our Legacy Fund, Boston Common, as a recognized leader in Environmental, Social and Governance (ESG) focused investing, undertakes a variety of shareholder activism, much of it targeted to corporate activism related to climate change.

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2021 Goals and Intentions:

- Consider Legacy Circle education during worship in spring 2021.
- Consider a Legacy Circle appreciation event in fall 2021, which would be organized by our Planned Giving Committee. (The last one was in November 2018.)

How to get Involved:

- Consider joining the Legacy Circle to support the long-term sustainability of our church's ministries. The Legacy Circle currently includes more than 35 members of our community, of all ages. Please reach out to Dave or Joan if you would like to learn more about simple ways to designate First Pres as a beneficiary in your retirement/investment account estate documents.
- Look for Active Social Investor Updates describing the activities that BCAM undertook on our behalf, available in the church office.

NOMINATING COMMITTEE

Submitted by Mary Alice Thornton, Chair

Chair and Contact Information:

Mary Alice Thornton, 4mat@sbcglobal.net

Committee Members: Greer Ellison, Sally Nordlund & Joy Sleizer

Roles and Responsibilities:

The Nominating Committee is charged with nominating new members of Session (Elders). There are about three positions to fill each year, plus the occasional need to fill partial terms due to resignations.

Highlights

- We nominated one new elder, Karen Huddleston, plus four recurring elders, Margaret Ann Fidler, Paul Jones, Lela Noble, and Mary Alice Thornton, who were elected by the congregation and installed in January.
- We held meaningful conversations with other congregants about ways in which they would like to serve the church.

The Nominating Process:

The Nominating Committee consists of an Elder, who chairs the committee, the pastor, who serves ex officio, and three lay members who serve rotation three-year terms. We met as a group beginning in March and met once a month until August, when we met two times a month. We identify potential candidates, then someone from the committee meets with them, and we continue this until our slate is complete.



PANDEMIC TASK FORCE

Submitted by Scott Brenneman

Chair Name/s and Contact Information:

Scott Brenneman: scott@brenneman.org

Members: Scott Brenneman, Holly Tabor, Evelyn Wong

Roles and Responsibilities:

Convened early in the year, for what we hope is a limited duration, this small team advises Session and Staff on policies related to the SARS-CoV-2/COVID-19 pandemic.

Highlights:

- Supported Session in the development and approval of a pandemic policy for the Church.
- Evaluated requests from existing tenants and prospective users regarding their use of Church facilities, such as:
 - Hotel de Zink
 - Kara
 - Peninsula Bridge
 - Heart and Home Collaborative



PERSONNEL COMMITTEE

Submitted by Evelyn Wong, Chair

Chair Name/s and Contact Information:

Evelyn Wong, eveywong14@gmail.com

Members: Margaret Rosenbloom, Jim Silver, and Trish Hallenbeck

Meetings: First Wednesdays of Month

Purpose of Committee:

- Develop and maintain position descriptions
- Provide oversight for and support of all staff in accordance with the personnel policies of the First Presbyterian Church Palo Alto
- Conduct annual reviews for all church staff
- Provide consultation with individual staff members when requested
- Recommend appropriate compensation for all staff within limits set by Session
- Provide health insurance options annually to staff members
- Encourage professional growth and development for all staff.
- Serve in an advisory capacity to the session.

Three highlights from the year:

- Work with the Pandemic Task Force to set guidelines for the use of facilities and staff working from home or in the office.
- Work with the Staffing Task Force to create the Director of Operations position to replace and expand the Church Administrator/Property Manager position.
- Hired a Director of Operations, Dr. Chyrise King.
- Under the leadership of Rev. Bruce Reyes-Chow, our church transitioned our worship and meeting gatherings into a digital zoom church. This meant all the staff had to adjust and enhance their skills to learn new technology and make changes to their everyday routines. We hired a Director of Operations, Dr. Chyrise King, to handle many of the pastoral, administrative functions. The Personnel Committee will be working with the Director of Operations.

SOCIAL JUSTICE

Submitted by Pat Kinney, Chair

Chair Name/s and Contact Information:

Pat Kinney, pkinney48235@gmail.com

Roles and Responsibilities:

SJM provides opportunities for FPCPA to act out our faith by working for positive change in our world. We take seriously the call of Jesus to take care of “the least of these,” while we also identify and challenge systems of injustice. We affirm that nonviolence and peacemaking are essential to our faith. We work with and support well-managed nonprofit groups that share our social justice values.

Highlights

- We continued, with the help of the Interfaith Movement for Human Integrity, to help a father and son from Guatemala who are applying for asylum. Although he lost his first hearing, we have arranged for financial support for his appeal.
- For the 14th year, we managed volunteers for the Hotel de Zink rotating shelter that we host during the entire month of July, despite the pandemic.
- We were unable to pack meals for refugees with Rise Against Hunger, but we donated to the organization and bought a pallet of rice, which was distributed to local food banks.
- Our annual FPCPA team for the Church World Service Crop Walk walked, socially distanced, and raised \$4960, a quarter of which goes to the Ecumenical Hunger Project.
- We decided to focus on Antiracism as our primary focus in the near future.

The Story of 2020

We try to stay informed about local Social Justice issues and events and publicize them to the FPCPA community so that everyone can be involved. We are happy to see Social Justice issues integrated throughout our congregational life. In 2020, we were unable to do some of our activities but continued to support our partner organizations, many of which changed their missions. Here are our main areas of effort:

- *Solidarity with people at risk.* Our accompaniment team helped our Guatemalan family weather the pandemic, asking our congregation to donate extra money during the summer. We have formally ended our accompaniment as of August, but Tereso is in a stable home and work situation, and his son continues in school.
- We support other groups working with immigrants (such as South Bay Sanctuary Covenant). We also support the LGBTQ+ community (More Light Presbyterians, Trans HeartLine), day workers (Day Worker Center), farmworkers (Puente), refugees (Immanuel House), and local youth at risk (YCS).

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- *Hunger/homelessness.* We were able to house Hotel de Zink in July and are working to house the Heart and Home women's shelter in early 2021. Our Crop Walk supported the Ecumenical Hunger Project, and we made financial contributions to Rise Against Hunger.
- *Peacemaking efforts.* We support local and national groups such as Peninsula Peace and Justice, Multifaith Voices for Peace and Justice, and the Presbyterian Peace Fellowship, and we encourage other Peace Churches in the PC(USA).
- *Environmental Justice.* We share letter-writing, educational opportunities, and our budget with the Cool Planet group. For the last four years, we've provided funds for low-income people affected by California wildfires.

WORSHIP AND MUSIC MINISTRY

Submitted by Martha Maris, Chair

Chair: Martha Maris (mmaris@sbcglobal.net)

Members: Andy Chislett, Greer Ellison, Tom Ellison, Don Fidler, Karen Fry, Jeff Grinnell,

Martha Maris, Bruce Reyes-Chow, Margaret Tompkins

MINISTRY MISSION AND JOB DESCRIPTION

- To provide a time and space for our congregation to worship God in creative, diverse, and renewing ways – helping people find fulfillment in their quests for justice, equity, community, meaning, spirituality and hope. (During the pandemic, the location of services shifted from our physical sanctuary and chapel to online Zoom services.)
- To support our pastor and music director in planning Communal worship services.
- (The Early Church service focuses on small group discussion of the Lectionary texts, music, and prayers. Leadership rotates among several of the participants: Lela Noble, Betty Howell, Byron Bland, and Evan Hughes.)
- During Zoom services – find, train, and supervise volunteers to serve as greeters, tech deacons, hosts, and liturgists. When back in the sanctuary, volunteers will also include ushers, communion servers, and audio/visual coordinators.
- To make our sanctuary, chapel, and narthex an inviting and divinely-inspired space by decorating it in accordance with the liturgical season.

HIGHLIGHTS FROM 2020

- With COVID-19 restrictions in March, we quickly transitioned to worship services via Zoom, thanks to the technical expertise of our pastor.
- Volunteers were identified to assist with the audio/visual aspects of Zoom as well as serve as greeters, tech deacons, hosts, and liturgists. Guidelines were developed.
- Under the direction of Music Director Andy Chislett, music was provided throughout the year. The choir learned how to make individual recordings that were then turned into virtual anthems through the expertise of Karen Huddleston. These anthems were played at Homecoming, the Presbyterian Peace Fellowship at General Assembly, and on Christmas Eve. Andy also arranged for special music via Zoom throughout the year with musicians from various locations, and Elliott Franks led congregational singing from the choir loft in the sanctuary.
- An Ash Wednesday/Taize service was successful, as was one more Lenten Taize service before the shut-down. Jazz noon-time mid-week services were held during Advent.

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- Special services (Palm Sunday, Easter, Pentecost, Celebrating Graduates, Pride Sunday, Homecoming, All Saint's Day) were held successfully on Zoom.
- We exchanged services with Valley Presbyterian and Sunnyvale Presbyterian during the summer. Trinity Presbyterian in Stockton worshipped with us during an interim time before their new pastor arrived.
- Services have been posted on our church website as well as YouTube and Instagram TV.
- Attendance increased at both Communal and Early Church services.

UPCOMING PLANS AND POSSIBILITIES

- While there is uncertainty as to when we will be able to return to the sanctuary, we will work to determine what aspects of our service we will need to change and what can remain the same.
- Explore hybrid services – having services in the sanctuary with attendees as well as continuing to offer a Zoom experience. Ensure that both experiences are meaningful.
- Determine what is needed in the way of technology to make a hybrid service possible.
- Explore the new ways to be the church – not just a geographic location, but wherever people may be. Expand the Table. Be more creative. Think outside the box. Move beyond our boundaries. Dream big!
- Organize a worship arts group to create beauty in the sanctuary in accordance with the liturgical season. Have a clean-up day to inventory all the banners and various items we have – getting rid of what is outdated and unusable. Possibly bring in an artist and hold a worship arts workshop to help us create some new banners and determine new ways to be creative.
- Develop new and alternative worship experiences such as Chapel Sessions – events that focus on the intersection of progressive Christianity, social justice, and artistic curiosity.
- Partner with local congregations for joint worship services.
- Continue to reflect on worship practices and plan for the future.



2020 STATISTICAL/MEMBERSHIP REPORT

Submitted by Lela Noble, Clerk of Session

TOTALS AS OF DECEMBER 31, 2019:

- Active Members: 140
- Affiliate Members¹: 0
- Baptized Members²: (Children and Youth): 10
- Inactive Members³: 0
- Total Adherents: 150
- Friends of the Church: 80

ADDITION TO CHURCH ROLLS:

- Active Members Added by Transfer of Membership: 2

TOTAL ACTIVE MEMBERS ADDED: 2

REMOVALS FROM CHURCH ROLLS:

Deaths of Active Members: 7

- David Leith January 2, 2020
- Margaret Nicholin January 19, 2020
- Eileen Burnett February 27, 2020
- Pat Levin March 9, 2020
- Judith Dunbar October 18, 2020
- Charla Ekstrand November 22, 2020
- Jean Drummond December 14, 2020

Deaths of Friends and Former Members: 7

- Sarah Johnson April 18, 2020
- Donna Ambrogi June 8, 2020
- Bonita Morley June 29, 2020
- Mary McLean August 3, 2020
- Ella Kikuchi August 12, 2020
- Charles Drekmeier August 25, 2020
- Margaret Anderson September 25, 2020

Deaths of Former Staff: 3

- Richard Symes April 3, 2020
- James Bisbing May 2020
- Richard Roe June 8, 2020

TOTAL ACTIVE MEMBERS REMOVED: 7

FIRST PRESBYTERIAN CHURCH OF PALO ALTO

TOTALS AS OF DECEMBER 31, 2020:

- Active Members: 135
- Affiliate Members¹: 0
- Baptized Members²: (Children and Youth): 10
- Inactive Members³: 0
- Total Adherents: 145
- Friends of the Church 80

¹ From the Book of Order: “An Affiliate Member is a member of another congregation...who has temporarily moved from the community where the congregation of membership is situated...and has been received by the Session as an affiliate member. An affiliate member may participate in the life of the congregation in the same manner as an active member except that an affiliate member may not vote in congregational meetings or be elected to an ordered ministry or another office in the congregation.”

² From the Book of Order: “Baptized Member is a person who has received the Sacrament of Baptism, whether in this congregation or elsewhere, and who has been enrolled as a baptized member by the Session but who has not made a profession of faith in Jesus Christ as Lord and Savior. Such baptized members receive the pastoral care and instruction of the church and may participate in the Sacrament of the Lord’s Supper.

(We have chosen to count as Baptized Members only baptized children and youth who have not yet participated in a confirmation class or are still living with their parents.)

³ The PC(USA) no longer recognizes the category of Inactive Members and has asked churches to either reinstate Inactive Members as Active Members or remove them from the Membership Rolls.

ACTUAL 2020 AND BUDGET 2021 REPORT

Submitted by Susan Phinney-Silver, Finance Chair

	2020 Actual	2020 Budget	Difference	2021 Budget	Notes
INCOME					
Pledges and donations	\$416,263	\$449,500	(\$33,238)	\$434,845	Pledge payments ran significantly behind budget in 2020.
Facility usage	\$312,685	\$344,364	(\$31,679)	\$295,702	Due primarily to discontinuance of short-term facilities users because of campus closure.
Other income	\$3,899	\$2,000	\$1899	\$2,000	
TOTAL INCOME	\$732,847	\$795,864	(\$63,018)	\$732,547	Resulted in a \$63K income deficit in 2020. Note: Excludes Legacy Fund draw (See Below)
EXPENSES					
Staffing	\$502,424	\$514,553	(12,522)	\$567,769	Savings due to early end of Associate Pastor position, counteracted by addition of DoO position and pastor bonus.
Facilities Ministry (incl Westminster House and the Manse)	\$181,073	\$231,429	(\$50,358)	\$202,579	One-time Facilities project costs and utilities expenses were both below budget due to closure of campus. No HVAC loan (\$18,750 savings).
Church Giving and Social Justice	\$58,965	\$40,700	\$18,265	\$ 40,700	Session approved in April one-time \$15K in COVID-19 contributions. And \$3K for accompaniment rolled over from 2019 to 2020.
All Other Ministries	\$24,671	\$43,960	(\$20,289)	\$51,250	Due largely to being online, not in-person.
Admin and Other	\$47,834	\$ 42,689	\$5,145	\$45,020	
TOTAL EXPENSES	\$814,967	\$873,331	(\$59,759)	\$907,318	
TOTAL NET INCOME	(\$ 82,120)	(\$77,467)	(\$3259)	(\$174,771)	
LEGACY FUND DRAW	\$ -	\$69,667		\$106,971	Federal PPP COVID19 loan assistance was applied towards the 2020 deficit due to the pandemic. 2021 Budget relies on use of \$60K of Cash Balance in addition to Legacy Fund Draw.

2021 PASTORAL TERMS OF CALL

Submitted by Susan Phinney-Silver, Finance Chair

The Designated Pastor will be employed 80% time* and compensated for pastoral services.

Effective Salary Items	Amount (\$)
Cash Salary	\$64,704
Housing	\$10,000
In-Kind Manse	\$50,000
403(b) – employer match	\$ 3,000
Social Security up to 50% of FICA	\$9,900
Total Effective Salary (S.S. offset not included)	\$127,704
Total Medical/Pension/Disability Dues based on \$127,704 (37% X Total Effective Salary 2021)	\$47,250
Church Reimbursable Allowances	
Manse/Housing Expenses	\$2,000
Vision/Dental	\$500
Study Allowance	\$2,500
Auto/Professional Expense Allowance	\$2,000
Total Church Reimbursable Allowances	\$7,000
Total of Effective Salary + Pension + Allowances	\$181,954

Compensation Includes:

- Vacation – Four weeks
- Study Leave – Two weeks
- Sick Leave – Accrues 8 hours

* This is an increase from 75% in 2019 and 2020. This Part Time arrangement is at the request of Bruce for him to pursue non-congregational projects and passions.