




ANNUAL REPORT

January 2022

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SESSION ROSTER

2021 Members and Ministry	2022 Members and Ministry
<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>	<p>Derrick Kikuchi, Communications and Stewardship Sukgi Choi, Christian Education Margaret Ann Fidler, Care & Compassion Karen Huddleston, Worship and Music Mohan Iyer, Community Building Janet Cox, Facilities Cynthia Chin-Lee, Social Justice Karen Huddleston Worship and Music Lee Merkle-Raymond, Finance Mary Alice Thornton, Nominating Committee Martha Maris, 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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'Well done! You are a good and faithful servant. You've been faithful over a little. I'll put you in charge of much. Come, celebrate with me.' — Matthew 25:23

Dear Church,

Approaching the initial shelter-in-place order that took place in March of 2019, it is hard to believe that we are now two years into the pandemic. It is equally hard to believe that I will soon be with you as your pastor for three years. While the pandemic has somehow made time simultaneously speed up and slow down, 2021 has not been lacking in good ministry.

While I know many of us are bone-weary, I do want to make sure that we also acknowledge that despite it all, we have done pretty well as a congregation. We are deeply fortunate to have the resources to continue to support our staff, congregational giving has been extremely generous, and folks have more than hung in there when it comes to the ebbs and flows of our pandemic life together. While we must not let it get to our heads, "Well done us!"

Here are just a few examples of some highlights from 2021:

- We held a series of adult education classes with outside resources including a study on Psalms, a presentation on the New New Testament, and a study on Race and Food.
- We held Lenten groups as a way to connect during Lent and our first year of Pandemic.
- For most of the year we had a Tuesday Breath prayer group and a Thursday fellowship. Choir, Film, Covenant, and various other groups have continued to find ways to meet.
- Our Christian Education has worked with Rev. Kelly Wiant to develop an Advent curriculum and plans for a butterfly garden.
- We have shifted into a robust hybrid worship experience and have brought on worship staff to support the endeavor. There are still tweaks and improvements to be made, but we are slowly finding our groove.
- Our attendance is higher now than pre-pandemic, our legacy fund has grown significantly, and our giving has remained constant.
- The Envisioning our Future Task began its work in earnest and is ready to help Session and the congregation make decisions about its future.
- We held an in-person Christmas Eve service and, after 18+ months, began offering an in-person option for people to attend worship.

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This report would be incomplete without thanking this community for its care and concern during my time with COVID in September and the recovery time that had me out through mid-October. My family and I felt tended to and cared for. Robin and I are deeply grateful.

As we enter 2022, we enter a time that is tender and important. The congregation will determine a new vision for itself, and the church and I will need to discern if there is a mutual call that makes sense to achieve that vision. While we have no idea where God may be leading us, we do know that there are many possible and plausible directions. At the end of the day, what we all want is to make sure that the church makes the best decisions for its future.

As we have done these past 34 months and with no guarantees for what will happen next, I am operating off the assumptions that we will all continue to trust the spirit, adapt as needed, and serve as faithfully as we can.

Peace,

A handwritten signature in black ink that reads "Bruce". The letters are cursive and fluid, with a large initial "B".

Bruce

CARE AND COMPASSION

Chair: Margaret Ann Fidler (mafidler@stanford.edu)

Co-Chair: Margaret Tompkins (Margaremtompkins@gmail.com)

Team Members: Kathy Merkle-Raymond, Courtney Nordlund, Bill Norton, Nancy Patterson, Ted Reller, Scotty Scott, Joy Sleizer, and Gail Thompson

Roles and Responsibilities:

- Maintain contact with congregants individually or as liaisons from CCM to small groups
- Share information, ascertain needs, and lend support and assistance to congregants
- Report status changes and special needs to ministry team and pastor
- Update weekly prayer list, respond to prayers offered in services, and follow up as needed
- Present flowers to congregants to express sympathy, joy and love at Easter and Advent/Christmas
- Maintain the closet of medical equipment available for loan

Highlights in 2021:

- As with 2020, special attention has been paid to reaching out to those isolated by the pandemic and encouraging the congregation likewise to reach out. This has been particularly important for those who live alone.
- Every effort has been made to facilitate the prayers of the congregation during Sunday services and at any time by encouraging the use of the prayer.support@fprespa.org email, which reaches the CCM leaders and pastor. Prayers can be offered in advance through the prayer list, during Early Church on Zoom, or at the 10 AM service by personally sharing a prayer at church (when possible) or on Zoom or using the Chat function of Zoom.
- 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. 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, 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.
- Several team members lent special support to family members at memorial services held at our church for Dick Symes and Jean Drummond.
- Kathy Merkle-Raymond served as co-chair of CCM since its inception following her work in a paid role providing communal care. She offered to serve as co-chair for two years, enabling this ministry to get off to a good start. She graciously stayed on for a third year, but during the summer of 2021 she stepped down from a leadership role but remains on our team. We are fortunate that Margaret Tompkins, already a member of our team, became the new co-chair. It is enormously helpful to have a co-chair so that we can provide coverage at all times during the year. Margaret did not replace Kathy – as that would surely be impossible. But we are

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delighted to have her leadership support. So special thanks to Kathy and Margaret are in order.

- Once again, we were fortunate that our entire team remained members of CCM for the current year.

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:

For children and youth: Nurture our congregation's young people, providing them connections to the larger congregation, Christian education, age-appropriate activities, and fellowship.

For families: Provide materials and support as they engage in faith-based practices in their homes.

For adults: Provide meaningful theological education and social justice education experiences.

Highlights of 2021:

- Treat boxes were sent to our church's college students and present families at both Easter and before Christmas.
- Kelly Wiant joined the Christian Education committee (Sally Nordlund, Jim Silver and Shirley Eglington) as a consultant. Over the summer, she interviewed in depth the 3 families who had been active before the covid shutdown began. Of those 3, 2 families have chosen to remain engaged with the church.
- The committee determined that we do not presently have a critical mass for Sunday School and Youth Group as we have known them in the past. We decided it would be best for now to have an ongoing hands-on intergenerational project.
- The intergenerational project is the creation and maintenance of a pollinator garden on the church property (adjacent to TLC). The project lends itself to a rich Biblically-based curriculum for both Advent season (expectation, preparation, waiting) and for Easter season (rebirth). Any time a family with children or youth enters the church, we have a curriculum on-hand to give them and a project in which they can immediately engage. We envision the young people, in addition to working in the garden, photographing each stage of the garden's development and the stages of the monarch's life cycle, with slides to be shared in worship services or at other church events.
- Kelly created an Advent curriculum (appropriate for both children and adults) which was shared with the families, publicized to the congregation, posted on the church website and on social media.
- Preliminary planning for the garden has involved Javier Hernandez, Margaret Rosenbloom of Facilities, and Eleanor Laney of the Palo Alto garden club in addition to the CE committee. The Turner family, Sally, and Jim participated in a work day to cut back shrubs to prepare the site. The Trinklein family intends to participate in the next work day, so far postponed due to covid considerations. In 2022, we intend to draw the larger congregation into the project.

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The Story of 2021:

The ongoing pandemic greatly influenced our choice of the intergenerational project. We felt we needed a project which was out of doors and one in which participants could engage individually, in small pods or, eventually, in larger groups. We felt we needed an educational curriculum to be online so that people could access it safely from home.

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 hosted Fletcher Harper, director of Green Peace, as guest preacher for Earth Day. Valley Presbyterian joined us for this service and for the talk-back session that followed.
- We created a Cool Planet logo to be used when we sign letters to public officials and sign on as co-sponsor of events.
- We co-sponsored with 350 Silicon Valley an event to inform people about switching to electric.
- We put on our annual holiday re-gifting tables as a stand-alone event, in the absence of the Holiday SJ Fair.
- We decided how to distribute the money allotted to us from the Social Justice budget. We donated to faith-based climate groups such as CA Interfaith Power and Light; to local climate organizations such as 350 Silicon Valley; and to environmental justice organizations such as Earth Justice. In addition, this year we donated money from our own Cool Planet budget (accrued mostly through re-gifting table proceeds.) The largest donations went to Honor the Earth, a group supporting Line 3 protesters, and Green Faith.

The Story of 2021

We continued to meet via zoom with two happy exceptions: an in-person meeting and lunch in July and the re-gifting tables, followed by lunch together, in early Dec. Given the urgency of the climate crisis and the limitations in size and energy of the Cool Planet group, we have discussed possible ways to re-think/restructure Cool Planet. We hope the EFT process, while breathing new life into First Pres, will also breathe new life into our church's efforts to confront the climate emergency.

COMMUNICATIONS

Submitted by Derrick Kikuchi, Chair and Cynthia Chin-Lee, Session Liaison

Chair Name/s and Contact Information:

Derrick Kikuchi, derrickkikuchi@gmail.com

Cynthia Chin-Lee, cynthiachinlee@gmail.com

Team Members:

Ellen Forbes, John Rickford, Bruce Reyes-Chow, Chyrise King

Roles and Responsibilities:

The Ministry is 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:

- Many of the committee members including our former chairs have transitioned into new roles of service. We offer thankfulness for Karen Huddleston, Pat Kinney, Cynthia Chin-Lee, and Edie Irons for their contributions to this committee.
- Pat Kinney has transitioned from maintaining the website and we offer thankfulness for her hours of work in this role. We are thankful for Alec Henderson and Chyrise King in their continuing to update fprespa.org
- We welcomed John Rickford onto the committee in August with thanks.
- Social media posting continues to be updated. Derrick Kikuchi and staff are updating Facebook regularly. Staff is regularly posting to Instagram and Twitter.
- Bruce is posting our sermons/prompts to YouTube, Instagram, and podcast.
- Tech Deacons including Cynthia Chin-Lee, Cindy Jose, and Gordon Craig use the Zoom online chat feature to broadcast relevant links for events relevant to the life of our church during service.
- Interest by our congregation in freshening up the look of our website is temporarily on hold as we are wanting to complete our congregation-wide Envisioning Our Future Together/Mission Study process first.

Future priorities:

In the coming year, our initial priority will be to add members to our committee and to brainstorm and identify barriers to accessing news and information for both our congregation and those outside our community.

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, Janet Cox

Others are welcomed when their special interests are to be discussed.

Roles and Responsibilities:

During the second year that the Church campus has been shut down because of the COVID pandemic, the Facilities Committee has focused its attention on following the HVAC Task Force's recommendations for creating an environmentally friendly campus in addition to routine cleaning and maintaining the campus buildings and grounds.

Alec Henderson led the HVAC work with major support from Javier Hernandez. They began in the boiler room where the boiler was extensively over hauled, the circulating pump and the sump pump were replaced, insulation was fastened to hot water pipes, and the room was generally cleaned and reorganized. They also installed new wires to extend the Church WiFi to remote locations as part of the Church's Alec designed information system. As the year ended, they were working to improve hot air circulation to the Sanctuary.

Under Javier's management, asbestos was removed from the kitchen ceiling and music room. Insulation was installed in the attic spaces of the Administration building, Classrooms, Fellowship Hall, and Lounge. As the only staff member on campus every day, Javier performed a great deal of long overdue heavy maintenance. These projects included a complete rejuvenation of the Youth House: installation of a new roof, removal of the shingle siding, structural repair, as needed, and a new stucco surface for the exterior walls. Javier rebuilt the kitchen plumbing and cabinets and greatly improved the interior finish of the Youth House.

Javier replaced lights in the conference room, kitchen, lounge, and Sanctuary with long lasting LED lights. He also replaced rotting wood separators between walkway slabs with concrete.

TLC asked the Church to pay \$62,000 to replace all of its doors and windows in the rooms that they use to prevent smoke from fires from seeping in and harming the children. Javier saved the Church almost all of that expense by reworking the existing doors and windows, installing weather stripping and fixing or replacing opening hardware.

FINANCE

Submitted by Lee Merkle-Raymond

Chair Name/s and Contact Information:

Finance Chair and Member of Session: Lee Merkle-Raymond, leemerkleraymond@gmail.com

Treasurer: Susan Phinney Silver, phinneysilver@gmail.com

With thanks to:

Kaela Fine, Church Bookkeeper

Julie Barney, Pledge Accountant

2021 Ministry Highlights (followed by more detailed Financial Summary)

Let's celebrate our abundance! Despite the continuation of the COVID pandemic, First Pres Church of Palo Alto had a better-than-expected financial year. We still had a deficit, as we have had for many years, but it was smaller than planned, with lower expenses and higher donations.

- 2021 saw the second year of the COVID pandemic, with a brief reprieve and some in-person worship over the summer, and a move to hybrid services, permitting both in-person and online attendance. Last year the Session approved a 2021 budget including the following assumptions:
 - re-hiring an Associate Pastor,
 - a full return to on-site church programming, including more needs for utilities
 - flat revenue as pledges and rental income were expected to be the same as in 2020, with “work from home” restrictions expected to extend through June 2021
 - Overall: the 2021 Budget forecast a \$175K deficit

- During 2021, we curtailed expenses by \$70K:
 - we did not hire an associate pastor,
 - we did not meet on campus, reducing utilities and program expenses expense

- During 2021, revenues were \$37K higher than planned:
 - All Pledges were paid in full: THANK YOU TO ALL!
 - Unpledged Donations were significantly higher than planned, and higher than ever! THANK YOU for all additional donations!!

We ended 2021 \$107K better than Budget, as a result of the significant savings and additional contributions. We still operated with a \$69K deficit, but a level much better than expected.

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How did we fund the \$69K deficit in 2021?

- \$36k remaining cash from the 2020 federal CARES Act PPP forgivable loan of \$99,200 through our bank (Comerica Bank), for not reducing net staff in 2020. We applied for loan forgiveness per the program, which was received in February 2021. This Federal COVID program provided significant one-time support to our church.
- \$25K Draw from our Legacy fund, a 2.3% draw on the 3-year average balance.

What else did we do in 2021 with our financial resources?

- \$20K withdrawal from the Legacy Fund to support Social Justice partners. The SJ committee recommended 4 meaningful gifts totally \$20K, which Session approved
- Combined with the deficit funding, the total Legal Draw in 2021 was 4.1%, within the 5-7% range of approved fund draws.

Overall, the additional gifts and the lack of programming and staffing created solid 2021 financial performance, which is great, but to be a thriving community we do not want to continue with low levels of in-person interaction and only on-line programming.

2022 Goals and Intentions:

The 2022 Budget: Changes for increased connection and making space for Envisioning The Future

- In January 2022, Session approved a 2022 Budget with a deficit of \$92K, more in line with 2019 and 2020 actual levels. The assumptions for 2022:
 - \$425K in Pledges: The Stewardship target was achieved, THANKS TO ALL!
 - A full year of rental income from all tenants
 - A return to more normal Unpledged Donations
 - A 3.9% Cost of Living Increase for all staff
 - Hybrid church worship, which requires part time tech and worship support staff expense
 - Part-time associate and guest preachers to cover the 20% of Pastor Bruce's 80% time
 - An increase in Social Justice giving back up to 10% of Congregational Giving
 - With \$16K of additional income, and \$40K of additional expenses, the budgeted 2022 deficit is \$23K higher than our actual 2021 results.
 - The projected \$92K deficit is forecast to be covered by a draw from the Legacy Fund equal to 7.0% of the three-year average fund balance, right at the maximum of the permitted 5-7% range.

We continued to use Vanco for online donations, part of the Presbyterian Foundation, which allows us to save on fees (at 2% versus the previous 4.5-5.5%). We appreciate when online donations are rounded up to cover the 2% fees.

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- 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 pandemic, under the direction of Session.
- We aim to continue budget discipline, maintaining as close as possible to the approved sustainable 5-7% level of Legacy Draw.
- We commit to good communications with the church community at large, with financial updates each month in the church newsletter "Back of the Bulletin".

How to Get Involved:

- Please fulfill your Pledges, as we count on the pledged level of income.
- Review periodic reports in church newsletter.
- Ask any questions of Lee and Susan.

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

LEGACY(ENDOWMENT) and PLANNED GIVING

Submitted by Lee Merkle-Raymond (Finance Chair)

Investment Committee Members: Don Fidler, Alec Henderson, Craig Nordlund, and Ed Thompson

Investment Manager: Boston Common Asset Management (BCAM)

Contact: Carol Malnick; in 2022 Carol is retiring and our contact will be Margein Tolson

Planned Giving Coordinators: David Thornton: dgthor@sbcglobal.net

Joan Roy: joan.and.gordon@gmail.com

Planned Giving / Legacy Circle:

As a result of the restrictions of the COVID pandemic, 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 2022.

- Legacy Circle members 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.
- 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 Church of Palo Alto.

2021 Ministry Highlights:

As of December 31, 2021, the Legacy Fund stood at \$1,807K.

- We received generous Legacy Circle donations during 2021 from the bequests of longstanding church members: Judy Dunbar, Patricia Weiss, and Doreen Leith. These gifts provided the largest donations to the Legacy Fund other than the combined gifts from Ruth English's estate. We are grateful for the donations, but recognize they are bittersweet, with the loss of long-time members of our community.
- We began the year with \$1,307,956. Total investment activity during 2021 included net investment gains and dividends/interest of \$62k, additions of \$377K, draws of \$45K and investment management fees of \$10K.
- Session approved the return to the original draw parameters: 5-7% of the average fund balance for the last three years (12 quarters). In 2018 there was a temporary increase in the permitted draw, to 8-9%, to fund outsized deficits. With the strong market performance and generous donations, the new fund size permits a return to the prudent 5-7% draw range recommended for funds that are expected to provide financial resources over the long term. In addition, Session approved special donations to Social Justice partners in 2021 funded from the draw.

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- 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.

2022 Goals and Intentions:

- Consider Legacy Circle education during worship in 2022.
- Consider a Legacy Circle appreciation event in fall 2022, 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. 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.



NOMINATING COMMITTEE

Submitted by Martha Losch

Chair and Contact Information: Mary Alice Thornton, Martha Losch (loschms@yahoo.com)

Committee Members: Greer Ellison, Martha Losch, and Joy Sleizer

In Gratitude:

With sadness yet fondness I reviewed the emails Mary Alice sent out last year as chair of the nominating committee, in order to compile this report. Mary Alice will not be able to continue working on this committee, and that is a great loss. She kept us on target and motivated, despite the higher-than-average workload for the committee and limitations imposed by the pandemic. She was always cheerful, optimistic we would find a solution, and served as our spiritual role model. Thank you, Mary Alice!

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. In 2021, there were five openings to address.

Accomplishments:

- We nominated three elders, all to the class of 2024. All three have previously served as elders:
Sukgi Choi, Christian Education
Janet Cox, Facilities
Derrick Kikuchi, Communications
- These three were elected by the congregation December 12, 2021, and installed January 16, 2022.
- Lee Merkle-Raymond agreed to stay on as chair of Finance for one more year, and will be nominated at the congregational meeting on January 30, 2022.
- Martha Maris agreed to move to chair of Personnel

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 three-year terms. We met as a group by Zoom monthly, then twice monthly when needed at the end of the year. We updated the job descriptions for the Session committee chairs needing to be filled and posted these job descriptions on the church website and Back of the Bulletin, asking for applicants and nominations. We identified potential candidates, then someone from the committee met with each candidate to discuss their possible participation. We continued this process until our slate was complete. We also held many ancillary conversations with church members regarding their participation in non-candidate roles that would positively influence the decision of our candidates.



PERSONNEL COMMITTEE

Submitted by Evelyn Wong, Chair

Chair Name/s and Contact Information:

Evelyn Wong, eveywong14@gmail.com

Members: Margaret Rosenbloom, Ted Reller, and Trish Hallenbeck

Meetings: First Friday mornings every 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 advisory capacity to the session

Highlights from the year:

- Worked with the Director of Operations, to make sure all state requirements were met. All staff has taken Sexual Harassment Training
- Conducted annual reviews with Pastor, Director of Operations, Director of Music and Sexton. Met with Pledge Accountant and Church Bookkeeper.
- Dealt with issues that arose with Pastor Bruce sick with COVID.

2022 Goals:

- Review position descriptions
- Review and update Personnel Policy
- Create a Physical Plant Supervisor position description

SOCIAL JUSTICE

Submitted by Pat Kinney, Chair (pkinney48235@gmail.com)

Committee Members: Holly Brady, Geoff Browning, Leif Erickson, Evan Hughes, Melissa Kirven, Gail Thompson, Dave Thornton, Marjorie Visser. Joy Sleizer retired in 2021 after many years of service – many thanks for her leadership!!

Responsibilities

The Social Justice Ministry provides opportunities for FPCPA to act out our faith. Our goal is for Social Justice to be integrated throughout our congregational life. 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 started a second accompaniment team, with the help of the Interfaith Movement for Human Integrity (IM4HI), some people from All Saints Episcopal and a couple who invited our asylum-seeker to stay in a studio apartment on their property. This young woman from Honduras was very determined and, in our six months together, improved her English, received her work permit and her driver’s license, got a job at Tesla and moved into a shared-living situation in Fremont. She is now “giving back” by being a part of a new accompaniment team that we have just formed for a young man from El Salvador.
- Despite the pandemic, we hosted and delivered meals for the Hotel de Zink rotating shelter during the entire month of July. We also hosted a women’s cold-weather shelter run by the Heart and Home Collaborative for five weeks in January and February.
- We urged our Session to send letters to President Biden and to our Senators opposing funding for Line 3. We wrote a statement saying that our Session supports and joins a 2016 PC(USA) Confession of Complicity with regards to the church’s historical treatment of Native American peoples. Our Session supported both of these initiatives.
- Our annual FPCPA team for the Church World Service Crop Walk raised a record \$7500, a quarter of which goes to the Ecumenical Hunger Project.
- We urged our congregation to support four holiday drives, and encouraged our Session to make a one-time year-end disbursement of \$20K from the Legacy Fund to support the Day Worker Center, Adolescent Counseling Services, No More Deaths, and the International Rescue Committee NorCal Soft Landing Fund.

The Story of 2021

We tried to stay informed about local Social Justice issues and events and to publicize them to the FPCPA community. In 2021, although some in-person activities had to be cancelled, we were able to modify others, and we continued to support our partner organizations.

Here are our main areas of effort:

- Solidarity **with people at risk**. We support groups working with immigrants (such as South Bay Sanctuary Covenant, IM4HI, Day Worker Center and Puente. We also support the LGBTQIA+ community (More Light Presbyterians, Trans HeartLine), refugees (Immanuel House), local Ohlone organizations (Ramaytush and Amah Mutsun), and local youth at risk (YCS, Project Safety Net.)
- Hunger / **homelessness**. We support groups such as LifeMoves and the Ecumenical Hunger Project, use our Fellowship Hall to house local shelter programs, and walk to raise money for Church World Service hunger programs. We hope to resume Rise Against Hunger meal-packing events in the near future.
- 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 educational opportunities and about 10% of our budget with the Cool Planet group. This year we supported GreenFaith, who sent delegations opposing the Line 3 Pipeline in Minnesota, and cold-weather/holiday drives for a group of Lakota Sioux in South Dakota.

STEWARDSHIP

Submitted by Cynthia Chin-Lee, Chair

Chair: Cynthia Chin-Lee cynthiachinlee@gmail.com

Members: Lee Merkle-Raymond, Cynthia Chin-Lee, Melissa Kirven, Gordon Craig, Chyrise King, Bruce Reyes-Chow

Roles and Responsibilities:

The Ministry organizes the annual stewardship campaign for the church and reports financial information to the congregation.

Highlights:

- The team was new for 2021 as no team was active in 2020. The team reviewed the Vandersall Consultants report and has tried to make finance more visible and transparent. The team also tried to thank each sustaining (pledging) family individually.
- The team produced 4 videos that were posted on the church's social media channels, and a few were excerpted and played during service. They included Gordon Craig interviewing Helene Butler, Cynthia Chin-Lee interviewing Leif Erickson, Lee Merkle-Raymond interviewing Craig Wiesner and his puppet Magic Pig and Cindy Jose's puppet, and Melissa Kirven interviewing Sukgi Choi.
- The team called over 20 families to follow up on pledges that were not submitted on time.
- The team also hand wrote thank you notes to every pledging family.
- Lee Merkle-Raymond gave a financial update during worship service on Jan. 9, 2022 and submitted a summary for the Back of the Bulletin.
- For 2022, we have reached \$425k in pledges from 65 pledging individuals or households, with a few folks who did not pledge in the past. We have hit our baseline target which reinstates our Social Justice spending at 10% of congregational giving. Last year we had 74 families pledged for a total of \$419,000.
- For Feb. 2022, Derrick Kikuchi takes leadership of the team as Cyndi Chin-Lee will transition to Social Justice.

WORSHIP AND MUSIC MINISTRY

Submitted by Karen Huddleston, Chair

Chair: Karen Huddleston (kare.huddleston@gmail.com)

Members: Andy Chislett, Greer Ellison, Tom Ellison, Don Fidler, Karen Fry, Jeff Grinnell,
Martha Losch, 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.
- 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 2021

- We continued online worship via Zoom for much of 2021 due to continuing Covid-19 restrictions. Our records show that attendance for online worship has been higher on average than our pre-pandemic attendance and we have had a number of people able to join us from far away locations.
- We created a task force for studying hybrid worship options that would allow us to keep our online worship and blend it with in-person worship.
- We provided support to bring in guest preachers and keep worship running smoothly while Bruce was out with Covid for nearly 2 months.
- We began running Hybrid worship services towards the end of the year and hired two new staff members – Mitchell and Sabrina – to help run the new worship format.
- Music Director Andy Chislett continued to arrange engaging music for our worship services and Elliot Franks continued leading singing during worship. The choir created several more virtual choir pieces, we started having a small group from the choir and a chimes choir perform live in worship, we had a number of remote musical guests during worship, we had a First Pres Jazz Band with more guest musicians.
- We continued to manage volunteers for worship services including tech deacons, liturgists, guest preachers, and ushers. Our liturgist team developed a new method of having liturgists on a regular rotation to simplify the process of finding volunteers.

FIRST PRESBYTERIAN CHURCH OF PALO ALTO



- We hosted or participated in a number of special services via Zoom such as Beyonce Mass, Palm Sunday, Good Friday, Earth Day, and Christmas Eve.

UPCOMING PLANS AND POSSIBILITIES

- We began running hybrid worship towards the end of the year so there is still a lot we could learn. We plan to continue running the format and experimenting to continuously improve.
- We are looking into investing in new audio and visual technology to better facilitate hybrid worship.
- 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!
- Have a clean-up day to inventory all the banners and various items we have – getting rid of what is outdated and unusable. Possibly invest in new refreshed decorations to make our sanctuary beautiful for the liturgical season.
- We will continue to monitor local safety guidelines and adjust our worship plans to ensure our worship experience remains safe and spiritually fulfilling for the congregation.
- We look forward to the results of the Envisioning our Future Together process to see if they come up with new ideas for the worship experience.



2021 STATISTICAL/MEMBERSHIP REPORT

Submitted by Lela Noble, Clerk of Session

TOTALS AS OF DECEMBER 31, 2020

- Active Members: 135
- Baptized Members (Children and Youth) : 10
- Total Adherents: 145
- Friends of the Church: 79

REMOVALS FROM CHURCH ROLLS

Deaths of Active Members: 5

- Marilyn McDonald, January 20, 2021
- Crystal Gamage, February 18, 2021
- Richard Keady, March 28, 2021
- Holly Newman, June 2021
- Minako Sano, September 15, 2021

Deaths of Friend and Former Member: 2

- William MacMaster, May 27, 2021
- Noble Hancock, August 21, 2021

Deaths of Former Staff: 1

- George Wilson, February 18, 2021

TOTAL ACTIVE MEMBERS REMOVED: 5

TOTALS AS OF DECEMBER 31, 2021:

- Active Members: 130
- Baptized Members (Children and Youth): 10
- Total Adherents: 141
- Friends of the Church: 79

ACTUAL 2021 AND BUDGET 2022 REPORT

Submitted by Lee Merkle-Raymond, Finance Chair

	2021 Actual	2021 Budget	Difference	2022 Budget
INCOME				
Pledges and donations	\$483,482	\$434,845	\$47,637	\$447,000
Facility usage	\$283,823	\$295,780	\$11,957	\$337,040
Other income	\$2,299	\$2,000	\$(299)	\$2,000
TOTAL INCOME	\$769,604	\$732,625	\$36,979	\$786,040
EXPENSES				
Staffing	\$523,177	\$567,769	\$(44,592)	\$547,215
Facilities Ministry	\$197,184	\$202,579	\$(5,395)	\$201,900
Church Giving and Social Justice	\$37,333	\$40,700	\$(3,367)	\$40,500
All Other Ministries	\$36,913	\$51,250	\$(14,337)	\$40,150
Admin and Other	\$43,872	\$45,020	\$(1,148)	\$44,783
TOTAL EXPENSES	\$838,478	\$907,718	\$(69,240)	\$878,503
TOTAL NET INCOME	\$(68,874)	\$(175,093)	\$(106,219)	\$(92,463)
LEGACY FUND DRAW	\$107,293	\$25,000		\$84,633

Summary Points

- 2021 Income \$37K more than budgeted due to higher unpledged donations
- 2021 Expenses \$70K below budget due to no associate pastor, lower than expected utilities, lower than expected Ministry spending
- 2021 Deficit \$107K less than budgeted
- 2022 Income Budget \$17K more than 2021 actual. Assumes \$425k in Pledges, return to \$18K unpledged donations, and full year of rental income
- 2022 Expenses Budget \$40K more than 2021 Actual, Use Assoc Pastor budget for Hybrid Worship & Guest Preachers; increase Social Justice back to 10% of Congregational Giving
- 2022 Deficit Budget deficit of \$92K. If income is \$24K higher than expected (more unpledged donations) the deficit would shrink in line with 2021 actual.
- 2022 Budget Draw. As proposed, the draw is 7% of the Legacy Draw maximum. Includes Hybrid Worship team for six months, Kelly Wiant for six months, including Lent. Also assumes return to in-person worship, community coffees, utilities.
- 2022 Envisioning the Future (EFT) \$8K available for Guest Preachers, additional programming.

As proposed, revenue and expenses create a Legacy Fund draw of \$85K, at the 7% maximum draw. Session could increase expenses if pledges increase above \$425K or other donations increase above \$18K.

A copy of the full budget is available. For a copy please email Lee Merkle-Raymond, leemerkleraymond@gmail.com

2022 PASTORAL TERMS OF CALL

Submitted by Lee Merkle-Raymond, Finance Chair

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

Salary/Housing	Amount
Cash Salary (increased by 3.9% Cost Of Living)	\$67,227
Housing	\$10,000
In-Kind Manse (non-cash)	\$50,000
403(b) – employer match	\$ 3,000
Social Security offset up to 50% of FICA	\$10,000
Total Effective Salary	\$140,227
Total Pension (8.5% of \$140,227)	\$11,920
Medical/ Disability	\$36,300
(34% X Total Effective Salary 2022)	\$48,220
Church Reimbursable Allowances	
Manse/Housing Expenses	\$1,000
Discretionary Medical	\$500
Study Allowance	\$2,500
Auto/Professional Expense Allowance	\$2,000
Total Church Reimbursable Allowances	\$6,000
Total of Effective Salary+Pension+Allowances	\$194,447
Cash portion of total effective salary (as listed in the budget)	\$144,447

Compensation Includes:

- Vacation – Four weeks; all leave accrued through Dec 2021 has been used, no carry-over
- Study Leave – Two weeks; all leave accrued through Dec 2021 has been used, no carry-over
- Service to the Church – Two Weeks
- Sick Leave – Accrues 8 hours/month up to 160 hours max. (per Personnel Policy)

Clarifications and Explanations:

- MANSE/HOUSING EXPENSES: This goes towards any repairs or cosmetic upgrades that can happen without going through the Facilities Committee.
- THE 20%: The 80% pastor position was done at the request of Bruce so he could continue to coach, consult, write, and speak.
- WEEKLY HOURS: Bruce's hours will be spread out over six days with Friday being his day off.
- SUNDAYS AWAY: Bruce will not miss more than eight Sundays per year.
- PREACHING: Will preach at least 40 Sundays a year with sermons to be covered by guest preachers. For 2022: Six Sundays to be covered by Rev. Kelly Wiant and the other six Sundays by Parish Associates, Ruling Elders, and other Guest Preachers as designated by Bruce.
- IN-KIND HOUSING: The church owns a house where the pastor has traditionally lived.