

# 2008 Annual Report

## Grace Episcopal Church

Inclusion ♦ Service ♦ Discovery ♦ Gratitude



## Grace Annual Meeting

Sunday February 8th, 2009

11:00am in the Sanctuary

Please Plan to Attend—

Your Participation Matters!



*Bring along this report  
and join in on the conversation*

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# Grace Church

## 2009 Annual Meeting Agenda

1. Welcome and Opening Prayer
2. Vicar's Remarks
3. Warden's Report
  - Nominating Report
  - Questions and Open Nominations
  - Vote or Acclamation
  - General Report
4. Financial Presentation
  - 2008 Year-end
  - 2008 Annual Giving
  - 2009 Operating Budget
  - Questions and Answers
5. Other BC Reports
6. Warden's Remarks
7. Moment of Gratitude
8. Other Business as Needed
9. Closing Prayer



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# 2008 Annual Report —

Annual Meeting: February 8, 2009

## Grace Episcopal Church

Bainbridge Island , Washington



	2009 Meeting Agenda	Page 2
<b>Warden's Report:</b>	Krista Webb & John Waldo	page 4
<b>Nominating Report:</b>	John Waldo	page 6
<b>Annual Giving:</b>	Jenny Lange	page 8
<b>Financial Report:</b>	Walt Vogdes	page 9
<b>Capital Campaign, More Space for Grace:</b>	Don Warkentin	page 13
<b>Capital Campaign, Webster Chapel:</b>	Susan Morss	page 14
<b>Personnel Group:</b>	Dallas Young	page 14
<b>Faith Formation:</b>	Michele Bombardier	page 15
<b>Liturgy:</b>	Eve Leonard	page 16
<b>Music &amp; Arts:</b>	Ann Strickland	page 17
<b>Parish Life:</b>	Debbie Rimkus	page 17
<b>Place for Grace:</b>	Josh DeWitt	page 18
<b>Membership:</b>	Judy Cozine	page 20
<b>Outreach:</b>	Dorothy Guzzwell	page 21
<b>Communications:</b>	Susan Andersson	page 22

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# Report from the Wardens

by Krista Webb & John Waldo

## Reflections On The Year Gone By

The last year has been a time of significant—indeed, almost incredible—accomplishment. Five years after moving into our Place for Grace, we repaid the construction loan we received from the diocese. Our membership roll now contains more than 1,000 names. The sanctuary and the parking areas seem to be getting a little fuller each month.

At 16 years of age, you could say that Grace is acting like a “normal” teenager, if such a thing exists. We’re growing, we’re changing, we’re optimistic, and we see a future full of limitless possibilities.

We’re also becoming independent ... at least as Episcopalians think of independence. With the retirement of our debt to the Diocese, we’re no longer a “mission” church, dependent at least theoretically—and in our case, only theoretically—upon support from the parent Diocesan organization. We’re now a model of vibrancy—we’re one of the 10 largest (of 93) churches in the Diocese of Olympia, and by far the fastest growing.

That vibrancy is a reflection, in the truest sense, of all of us. We practice our core principles of inclusion, service, discovery and gratitude—practice not just in the sense of consistently exhibiting a set of behaviors, but practice in the sense of working towards an objective, and striving to get better at it. We celebrate on Sunday morning. People

hear, they come to see, and in gratifying numbers, they commit to being part of us.

One especially noteworthy aspect of Grace is the excellence of the programs for young people. The stereotype is of the parents dragging the children to church. At Grace, it’s often the other way around—our children’s program and youth program for middle school and high school students together attract well over 100 attendees each week, and it’s not unusual for the youngsters to entice their parents to Grace. Recognizing the importance both to Grace and to our young people of doing this work well, we added a part-time staff position this year to direct and coordinate our children’s ministries.

In short, there is much good news. Rather than restate it here, we will refer you to the reports from the Bishop’s Committee members and from our staff. Read them and be amazed, impressed, and grateful. Grace happens, often unearned and unexpected. But the dedicated and inspired work of our colleagues is also grace happening in our world. We have much, and we hunger for more.

## The Challenges Ahead

Blessed though we are, these blessings are not completely unmixed. Our growth, both in numbers and in programs, is outpacing our ability to provide staff and clergy support. Fortunately, there is much we can do for ourselves, and to that end, ***the Vicar, wardens and BC envision a parish that is actively and enthusiastically self-governing and self-sustaining.***

One recent manifestation of that objective is an active Personnel Committee that has brought professional expertise and a systematic approach to per-

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sonnel issues. To integrate that work into our overall congregational governance, we are adding a new position to the Bishop's Committee with responsibility for that area.

The Finance Committee is newly energized and is seriously taking on its role of collectively overseeing the financial affairs of the congregation, and advising the BC on financial issues. Much of the emphasis is on the fact that the work is collective rather than individual — we wish to ensure that competence and institutional memory resides with a group rather than with any one person.

Other committees are active as well — outreach and landscape, for example. And here again, we hope for more. We want to expand both the importance and the participation in our ministry area committees. We will invite all members of Grace — and particularly our new members — to involve themselves in one or more of those committees.

Two other efforts this year will further our objective of becoming a self-sustaining and self-perpetuating institution. We will draft and hopefully adopt by-laws, examining thoughtfully our past practices, formalizing those that work, revising those that could stand revisions, and committing the results to writing. We are also working hard to create an on-line archive of relevant documents so that present and future BC members can answer the inevitable “how do we handle this” kind of questions themselves, without needing to find out who to ask.

And now for the elephant in the room. There is nothing we can say about the economy that you don't know. So many of us have been affected individually, and inevitably, Grace has been affected as well. Membership is up, and the number of pledges is up,

but despite the truly heroic and sensitive efforts of our Annual Giving group, dollar volume has fallen slightly below the 2008 results, and somewhat further below the original 2009 budget. Simply put, we are called to do more, and do it with less. The budget reflects some painful choices already made, and we can't ignore the possibility that more painful adjustments may be required as the year unfolds.

We have a big decision to make about our capital spending plan. Can we go ahead with the chapel construction? We are trying to pare costs and see if we can match the construction budget with the pledged funds. And of course, we are not unmindful of the concern that economic circumstances have changed enough since pledges were made that receipts may fall short of what might have been hoped.

One avenue of relief we are actively pursuing is a growth-opportunity grant from the diocese. Historically, the diocese has dedicated some of its resources to aiding new or struggling congregations. Bishop Rickel recognizes, though, that it also makes sense to invest in congregations that are growing, and to help them deal with exactly the dilemma confronting Grace, namely, the lag between membership and program growth and the resources to properly manage those opportunities. As the “poster-child” of a thriving, growing congregation, we believe Grace can make an appealing and we hope convincing case for such an investment in our future.

To paraphrase our favorite Christmas hymnist, John Lennon, so this is our annual meeting, and what have we done? We have continued to thrive and grow. We are challenged, but we are not without resources. We are people of hope. Grace happens, and Grace will keep happening.

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# Nominating Report

by John Waldo

The Nominating Committee offers the following names for consideration at the Annual Meeting. Nominations may be made from the floor with the understanding that those nominated must be willing to serve. If there are no additional nominations this slate will be elected by acclamation.

## Bishop's Committee: New members

Personnel	Dallas Young	2009-12
Outreach	Mark Kruse	2009-12
Finance	Walt Vogdes	2009-11 (to fill unexpired term)

## Bishop's Committee: Continuing members

Warden	Krista Webb	2007-2010
Warden	John Waldo	2008-2011
Parish Life	Debbie Rimkus	2007-2010
Place for Grace	Josh DeWitt	2007-2010
Membership	Judy Cozine	2008-2011
Faith Development	Michele Bombardier	2008-2011
Clerk	Mary Kay Dolejsi	
Chancellor	Chuck Ekberg	

The proposed slate reflects several changes that we believe will contribute to our objective of nurturing self-sustaining lay governance as Grace continues to grow.

1. We propose to extend the Warden terms from two to three years. As the governance of Grace increases in complexity, it has become apparent that it is challenging for a new Warden to become competent with the operations of Grace and the BC. The present two-year term leaves a Warden feeling that they are only really effective for the second year. The BC has approved extending the terms from two to three years, and both incumbent wardens have agreed to serve a third year.

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2. Now that we have a fully functioning Personnel Committee, we believe it is important for that committee to have a direct connection to the BC, and vice versa. For that reason, the BC has approved having a BC representative for Personnel. We further believe that the Nominating Committee should solicit and strongly consider input from that committee in selecting the BC member. At the recommendation of that committee, PC chair Dallas Young is proposed as BC member.

3. While we envision moving towards a structure in which our ministry areas take on more responsibility for directing and implementing program areas under the overall supervision of the BC, we also recognize that Liturgy may not fit tidily into such a model because it is so uniquely both the responsibility and reflection of the particular gifts of our clergy and staff. The process of restructuring the committee and the job description indicated that Liturgy is a function that need not, and perhaps ought not, have lay oversight. Because we are adding one function and one member to the BC and because the incumbent has literally proved irreplaceable, we recommend retiring this position, at least on a trial basis.

**Diocesan Delegates:**

Eric Matthews  
Ruth Blaney Matthews  
Dallas Young  
Dick Shryock

**Endowment Fund Board of Trustees:**

Tom Ringo (through 2012)  
Tim Kussie (through 2012)  
Florrie Munat (through 2011)  
Chris Russell (through 2011)  
Nancy Blakey (through 2010)

**Alternates:**

Eve Leonard  
John Waldo

Two members of the BC are retiring after three years of dedicated service. Dorothy Guzzwell helped create a more systematic approach to Outreach's grant-giving function, and has assembled an active committee that produced an eager successor committed to expanding the role of Outreach in our lives.

Eve Leonard contributed grace, beauty, and efficiency to the Liturgy ministry. Working closely with Bill and Ann, she created a process for many people to contribute, participate, and be involved in liturgy and our special services. She was creative, tireless and active in her leadership on the BC and will be greatly missed.

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# Annual Giving

by Jenny Lange

Annual Giving Committee

“Why do we give? Just to meet a budget? Just because we’re asked? Or for something deeper?”

The Annual Giving Committee asked these questions during the fall campaign to raise funds for the operating budget for 2009. And we listened. From speaking with you and reading hand-written notes on leaves, we learned that Grace is a centering point for many—a nurturing, even inspiring place, with gifts to offer all ages. And our growth continues. Over 40 families who had not pledged in 2008 made a financial commitment to Grace for 2009. And nearly 50 families increased their pledge over the amount they’d pledged last year.

We also heard, very clearly, that the economic downturn is having an effect on our community. We were asked to seek an 8% increase in dollars pledged to Grace. While we are very pleased that the campaign did achieve an increase in the total number of families pledging, the final results show a small decrease in the total dollars pledged over 2008.

We feel grateful for the sacrifices that so many Grace members are making, and will continue to make, to sustain our ministries and programs in 2009. We thank everyone who participated in Annual Giving, and express our sincere appreciation for the opportunity to have served Grace in this way.

Jenny & John Lange, Jim Quitslund and Bowen King

2009 Draft Budget Proposal	\$503,350
Pledge Commitments	\$464,273
Variance	-\$39,077

	<b>2008</b>	<b>2009</b>
Pledge Commitments	\$466,065	\$464,273
Total Pledging Families	214	225
Average Pledge	\$2,178	\$2,063
New Pledges	43	45
Pledges of Increased Amount	86	49
Pledges of Same Amount	69	86
Pledges of Decreased Amount	16	45
Pledges Not Renewed From Prior Year	23	34

*(includes a small number of families who left Grace)*

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# Financial Reports: Notes and Narrative

by Walt Vogdes, Acting Finance Director

## A Perspective of Operating Income and Expense

Historically, about 92% of Grace income is derived from current year pledge receipts. Pledged amounts are normally discounted by 3% (the “shrinkage” factor) to arrive at budgeted pledge income. Other significant elements of income include plate offerings, prior year pledge receipts and rental income.

On the expense side of Operations, the largest single elements of cost are salaries, benefits and payroll taxes for the four-person staff (27%) and for the Vicar (22%), the Diocesan Assessment (13%), Utilities, Insurance and Building Operations (13%) and Outreach (10%).

## 2008 Financial Highlights

*From a financial perspective,  
2008 was...well, “interesting.”*

You will read elsewhere in this report about the successful Capital Campaign to obtain funds to retire the debt, to construct a chapel and complete long range landscaping improvements. With funds from those pledges we have paid off the Diocesan loan (mortgage) completely, and redeemed a significant portion of our bond debt. Debt service was the top priority of the Campaign, and as additional pledges are received, the remaining debt will be retired (\$101,300 entering 2009).

We began 2008 with a tight Operating budget, funded in part by prior years’ surplus. Although 2008 pledge receipts fell some \$3,000 short of budget, prior year pledge receipts, plate offerings, fund-raisers and rental income all exceeded budget, providing a net of \$14,000 income in excess of budget (+3%). At the same time, expenses were managed to a year-end figure which is within \$1000 of budget (+0.2%). As a result, the reliance on prior years’ surplus (carry-forward) was reduced from the budgeted figure by \$13,000.

As we entered the last quarter of 2009 the effects of the economic downturn began to be seen. The rate at which 2008 pledges were received began to taper off, and by year-end the “shrinkage” in pledges rose from its historic level of 3% to 5% for the full year. At the same time, the Annual Giving team (see report elsewhere) noted a number of 2008 pledges which were either decreased for 2009 or not renewed at all. ***(It must be emphasized that this falloff in pledges is not viewed as an indicator of declining commitment to Grace, but rather a result of economic strain.)*** New and increased pledges partially made up for this decrease, but in total, the pledge commitments for 2009 fell almost \$2,000 short of the 2008 total. As a result, the draft 2009 budget had to undergo significant revision (see Exhibit F2b).

*(please turn the page)*

## The Proposed 2009 Budget

Revisions to the Annual Giving Campaign Budget involved changes to both income and expense. First, in recognition of the 5% shrinkage in pledge receipts experienced in 2008, and recognizing that this effect may increase in 2009, total pledge amounts for 2009 were discounted by 8%. Year-over-year plate offerings were increased by 10%, prior year pledge collections were increased to the level of 2008 actuals, and an \$8,000 target was set for fund-raisers. With these changes, budgeted income for 2009 is some \$1,400 below actual income for 2008.

On the expense side, the budgets were scrubbed—and reduced—with the most significant reductions being made in Utilities and Insurance (\$7,100), Building Operations (\$9,700) and Personnel (\$5,000).

Funding for Sabbatical, Operations and Capital Improvement reserves is retained in the proposed budget, although there is an operating deficit of \$37,600, before applying Prior Years' Surplus of \$26,748. At the bottom line, there is a shortfall of \$10,849. The Bishop's Committee has considered options to resolve this, and if additional income does not materialize, or if expense cannot be further reduced, has decided to reduce funding of reserve accounts as necessary to cover this deficit.

Budgeted Sources of Funds		Budgeted Expense	
Pledge Commitments	\$431,961	Operating costs	\$513,808
Plate, rental and other receipts	\$63,250	Additions to reserves	\$19,000
Prior years' Surplus	\$26,748		
<b>Total Budgeted Funds</b>	<b>\$521,959</b>	<b>Total Budgeted Expense</b>	<b>\$532,808</b>

## Uncertainty and Risk

There are many uncertainties as we enter 2009, particularly as regards the duration of the economic downturn and its effect on our estimates of income. The 8% discount to pledge levels is higher than we have ever experienced, and is felt to be conservative. The forecast increase in plate offerings reflects the indication that some parishioners have decided to forego pledging in favor of weekly offerings. The addition of fund-raising income simply recognizes an additional opportunity for operating income.

On the expense side, our current budget assumes that oil prices will remain reasonable throughout 2009, consistent with current industry forecasts. Cuts in Building Operations include reducing the frequency of some services (e.g., window washing) and postponement of other selected services.

This budget will be closely monitored by the BC on a monthly basis throughout the year, and corrections made as necessary.

Exhibit F1a - 2009 Budget Compared to 2008 Actual (& Budget) and 2007 Actual

Exhibit F2a - Balance Sheet and Debt-Financing Information

Exhibit F2b - Reconciliation between Stewardship Campaign Budget and Proposed Budget

Members of the 2008 Finance Committee: Bill Anderson, Ted Cozine, Bowen King, Tom Ringo, John Sinclair, Walt Vogdes, Dallas Young and John Waldo

Exhibit F1 - 2009 Budget Compared to 2008 Actual (& Budget) and 2007 Actual

	<b>A</b> <b>2007</b> <b>ACTUALS</b>	<b>B</b> <b>2008</b> <b>BUDGET</b>	<b>C</b> <b>2008</b> <b>ACTUALS</b>	<b>D</b> <b>2009</b> <b>BUDGET</b>	<b>E</b> <b>CHANGE</b> <b>(D MINUS C)</b>	<b>F</b> <b>% CHG</b>
<b>Receipts</b>						
Pledges - Current Year	\$414,134	\$445,800	\$442,669	\$431,961	(\$10,708)	-2.4%
Pledges - Prior Year	8,825	6,000	12,932	13,000	68	0.5%
Plate	29,071	25,000	27,864	30,000	2,136	7.7%
Fundraisers	-	-	2,033	8,000	5,967	293.5%
Rental Income	6,525	5,000	10,700	12,000	1,300	12.1%
Interest and Other Income	7,198	500	402	250	(152)	-37.8%
<b>Total Receipts</b>	<b>\$465,753</b>	<b>\$482,300</b>	<b>\$496,600</b>	<b>\$495,211</b>	<b>(\$1,389)</b>	<b>-0.3%</b>
<b>Operating Expenditures</b>						
<b>Salaries/Wages/Benefits</b>						
Clergy Salary	\$84,600	\$87,138	\$86,199	\$90,624	\$4,425	5.1%
Administrative Staff Wages	32,086	33,543	33,975	34,698	723	2.1%
Communication Coordinator	28,006	29,277	29,654	30,285	631	2.1%
Sexton Salary & Supplemental Wages	13,110	14,420	12,468	16,018	3,550	28.5%
Music Director Salary	33,775	34,000	34,290	35,350	1,060	3.1%
Children's Ministry Coordinator	-	-	3,667	10,400	6,733	183.6%
Nursery Wages	2,483	3,200	3,026	3,200	174	5.8%
Clergy Support and Supply	6,200	10,000	4,842	3,000	(1,842)	-38.0%
Interpretive Support	2,275	2,000	1,856	2,000	144	7.8%
Accounting Services	9,655	10,100	10,920	11,520	600	5.5%
Benefits	24,874	42,132	40,645	41,413	768	1.9%
Payroll Taxes	10,031	10,800	11,326	11,795	469	4.1%
<b>Total Salaries/Wages/Benefits</b>	<b>\$247,095</b>	<b>\$276,610</b>	<b>\$272,868</b>	<b>\$290,303</b>	<b>\$17,435</b>	<b>6.4%</b>
<b>Administration</b>	<b>\$29,994</b>	<b>\$30,400</b>	<b>\$39,850</b>	<b>\$28,700</b>	<b>(\$11,150)</b>	<b>-28.0%</b>
<b>Diocesan Assessment</b>	<b>\$47,213</b>	<b>\$64,640</b>	<b>\$65,106</b>	<b>\$74,400</b>	<b>\$9,294</b>	<b>14.3%</b>
<b>Ministry</b>						
Outreach Expense	\$38,776	\$44,700	\$44,712	\$47,080	\$2,368	5.3%
Liturgy and Music	6,199	5,000	3,966	4,200	234	5.9%
Adult Faith	831	2,400	1,296	4,400	3,104	239.5%
Youth Development	3,180	3,300	2,011	3,900	1,889	93.9%
Parish Life	4,282	6,600	9,049	5,000	(4,049)	-44.7%
Membership	60	1,000	749	650	(99)	-13.2%
<b>Total Ministry</b>	<b>\$53,328</b>	<b>\$63,000</b>	<b>\$61,783</b>	<b>\$65,230</b>	<b>\$3,447</b>	<b>5.6%</b>
<b>Utilities and Insurance</b>	<b>\$14,736</b>	<b>\$31,135</b>	<b>\$29,437</b>	<b>\$30,400</b>	<b>\$963</b>	<b>3.3%</b>
<b>Building Maintenance and Repair</b>	<b>\$28,075</b>	<b>\$32,000</b>	<b>\$29,761</b>	<b>\$24,775</b>	<b>(\$4,986)</b>	<b>-16.8%</b>
<b>Operating Costs</b>	<b>\$420,441</b>	<b>\$497,785</b>	<b>\$498,805</b>	<b>\$513,808</b>	<b>\$15,003</b>	<b>3.0%</b>
<b>Additions to Reserves</b>						
Sabbatical Reserve	2,000	2,000	2,000	2,000	-	
Operating Reserve	5,000	5,000	5,000	5,000	-	
Capital Improvements Reserve	12,000	12,000	12,000	12,000	-	
Compensation Contingency	20,000	-	-	-	-	
Bond Sinking Fund	2,271	-	-	-	-	
<b>Total Contributions to Reserves</b>	<b>41,271</b>	<b>19,000</b>	<b>19,000</b>	<b>19,000</b>	<b>0</b>	
Prior Years' Surplus	40,123	44,164	44,164	22,959	(21,205)	
Prior Years' Surplus - Outreach	-	-	-	3,789	-	
<b>NET SURPLUS AFTER RESERVES</b>	<b>\$44,164</b>	<b>\$9,679</b>	<b>\$22,959</b>	<b>(\$10,849)</b>	<b>(\$33,808)</b>	

## Exhibit F2a - Balance Sheet and Debt-Financing Information

	2007	2008
<b>KEY BALANCE SHEET ITEMS (@ YEAR-END)</b>		
Cash & Money Market	679,922	531,891
Fixed Assets	2,777,267	2,728,656
Long Term Diocesan Loan	222,595	0
Bonds Payable	224,950	101,287
<b>Reserved and Restricted Accounts</b>		
Place for Grace	74,963	0
Debt Repayment	45,365	0
Capital Campaign	330,668	325,494
Memorial Wall	22,891	6,627
Capital Improvements	31,887	31,100
Compensation Contingency	20,000	20,000
Operating Contingency	18,163	23,163
<b>DEBT FINANCING</b>		
<b>Debt Service Reserve Beginning Balance</b>	145,835	120,328
Contributions to Debt Service Reserve		
Pledge Receipts (PFG I and PFG II)	34,835	250,760
From Operating Budget	2,271	0
Interest Income	3,721	846
Debt payment	(66,334)	(330,757)
<b>Debt Service Reserve Ending Balance</b>	120,328	41,178

## Exhibit F2b - RECONCILIATION BETWEEN STEWARDSHIP CAMPAIGN BUDGET AND PROPOSED BUDGET

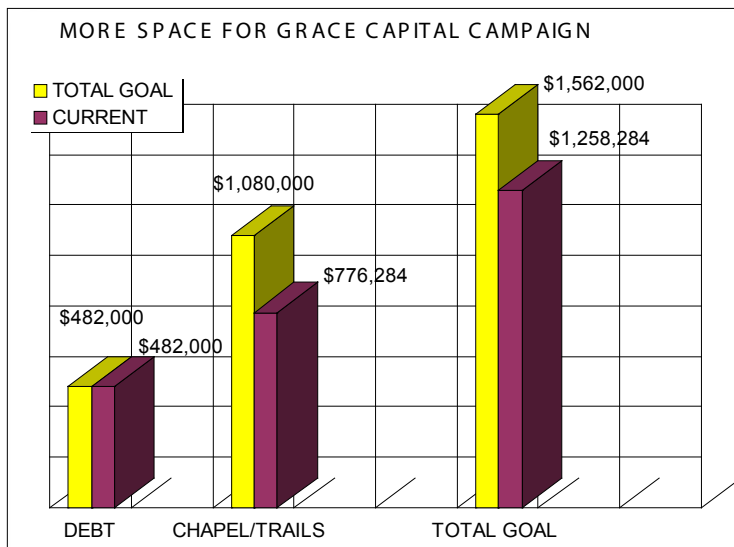
	Annual Giving Campaign Budget	February '09 Proposed Budget
<b>BUDGETED EXPENDITURES</b>		
Operating Expenses (excluding debt service)	(540,073)	(513,808)
<b>BUDGETED ADD'S TO RESERVES IN 2008</b>		
Sabbatical Reserve	(2,000)	(2,000)
Compensation Contingency Reserve		
Capital Improvement Reserve	(12,000)	(12,000)
Operating Reserve	(5,000)	(5,000)
<b>BUDGETED EXPENDITURES &amp; Reserve Funding</b>	(559,073)	(532,808)
<b>FUNDING SOURCES</b>		
Annual Giving Pledge Drive Results	503,350	464,273
Additional pledges anticipated		5,250
Less Shrinkage	(15,100)	(37,562)
Plate	27,000	30,000
Prior year pledge fulfillment	7,000	13,000
Rental income	12,000	12,000
Interest Income		250
Fundraisers		8,000
Carryforward operating surplus	25,117	22,959
Carryforward Outreach surplus		3,789
<b>Total funding sources</b>	559,367	521,959
<b>Net Surplus(deficit)</b>	294	(10,849)

# Capital Campaign: Two Key Updates — More Space for Grace & Webster Chapel

## More Space for Grace

by Don Warkentin  
Space for Grace Committee

The 2008 Capital Campaign - More Space for Grace - was launched in April. The 22 members of the Campaign's pledge team had the opportunity to speak with over 250 Grace families, sharing stories of what Grace means in our lives. 173 Grace households made a gift or a pledge to More Space for Grace. Of these, more than 100 are giving to a Grace Capital Campaign for the first time. Our results to date are summarized in this graph:



The first goal of More Space for Grace was to eliminate the debt from the original Campaign to build the church, and to complete some critical landscape, drainage, and irrigation projects. The budget for this is \$482,000. We have sufficient pledges to fully meet this goal when all 2008 pledges are received.

The second goal of More Space for Grace was to raise the funds we need to construct a chapel — part of the original master plan—that is important to expanding the ministry of the Church, and to add office space and a walking trail around Graceland. The budget for these enhancements to our current facilities is \$1,080,000. Pledges for these projects total \$776,284 (72% of our target).

The Bishop's Committee has approved the following course of action:

1. As soon as possible, pay off the debt (at the beginning of the campaign, this amount of this debt was \$440,000). Roughly half of this debt was in the form of a loan from the Diocese of Olympia, all of which has now been repaid. The balance of the debt was in the form of bonds held by Grace families, two-thirds of which has been repaid. The remaining \$75,000 of these bonds will be repaid as 2008 pledge payments are received.
2. As soon as possible, complete critical landscape infrastructure projects (\$42,000).
3. Revisit the cost estimates for the Chapel/office expansion project. With a slow construction market and the constraints of our available funds, The Chapel Committee is re-examining the Chapel project with the objective of reducing construction cost.
4. Proceed in 2009 with constructing the trail system.

5. Continue to believe in the generosity of the family of Grace. History has shown that generous gifts come to Grace from time to time. When received, these will be added to the More Space for Grace fund. The day will come when the size of the fund is sufficient to build the Chapel and expand our office space.

Once again, the people of Grace have demonstrated their faith and their generosity when asked to do so. On behalf of the entire More Space for Grace team, we would like again to express our deepest thanks to all for supporting More Space for Grace.

## Webster Chapel

by Susan Morss  
Chapel Planning Committee

### Chapel Planning: Moving Forward as We Can

Our recent capital campaign has given us a foundation to continue forward with our plans for Webster Chapel and our office renovation, while also giving us the time we need to plan well—and to adapt our plans to changing circumstances. We'd like to summarize our present circumstances, while also acknowledging that we are not yet ready to bring formal recommendations for next steps.

I. In spite of the success of the capital campaign we recognize that there is a shortfall between dollars gifted and pledged and the initial cost estimates. We have worked with the architects to trim costs, and are currently considering how else we might bring costs in line with the money raised. The present shortfall is in

the range of \$200,000 for the entire project.

2. We are actively assessing whether or not this current economic climate creates an opportunity for more competitive bidding now. And, in turn, how the economy might hinder our near-term planning.

3. We still want to consider building plans and strategies that would help us build “green”—and how we might be able to bring some further environmental considerations to our overall building. In short, we have taken preliminary steps to consider geothermal heating for both the Chapel and for Grace itself.

It is fair to say that we are moving slowly—and trying to be deliberate. We also know that while the need for the Chapel and office space re-configuration remains high, we want to take steps that are prudent today. We plan to bring a formal report to the Bishop's Committee this Spring.

We are grateful for the chance to serve Grace through the stewardship of this ministry.



## Ministries of Grace

### Personnel

Dallas Young  
Personnel Committee

During 2008, our second year of operation, the committee:

- Assisted Faith Development folks in developing a job description, recruiting, interviewing and hiring a part-time Children's Ministry Coordinator. Debbie Rimkus joined the staff in September.
- Strengthened recognition and benefits for our staff by initiating a retirement savings plan for the Music and Arts Director,

- Worked with staff members to implement a goal setting and progress review process.
- Worked with the Finance Committee to recommend 2009 personnel costs for the budget.

The committee lost a founding member, Marty Steyer, at the end of 2008 after two years of great service and was joined by two new volunteers for 2009. The committee members are Peg Hubbard, Craig Merrill, Marilyn Price Mitchell, Theresa Torseth and Dallas Young. Warden Krista Webb has regularly attended and contributed to our meetings and we appreciate her support. We look forward to continuing to serve the Grace community through working with staff to assist them in carrying out their missions.



## Faith Formation

by Michele Bombardier  
Bishop's Committee

This past year, Grace Church boldly set out to deepen and support the practice of faith within our community with the theme of Getting to the Heart of Grace. The resultant increased programming has had significant impact on the life of our community. There are more faith enhancing activities available for all ages at Grace Church.

**Children's Ministry:** The biggest news is the hiring of a Children's Ministry Coordinator this past fall which has been expertly fulfilled by Debbie Rimkus. Under her tutelage, the nursery and Godly Play programs have continued to flourish with increased numbers of children attending. Every Sunday, the classrooms are packed, the volunteers are well-trained and supported, and families are happy. We are seeing greater number

of young families come to Grace and jump in to join our community.

**Youth Program:** The junior high and high school youth programs, led by Bill Harper, Kathy McCarthy and Sara Hayward, continue to be outrageously successful. Every week, besides Grace kids, dozens of teenagers come to Grace Church for food and fellowship who have no church home or church experience. Grace Church provides a huge community service in this important ministry. This year, the youth leaders even ministered to the parents of teens with a series of evening programs to help connect and support parents during this challenging time. There is more: Bill and crew are gearing up for another backpacking pilgrimage this summer.

**Soul School:** *If it's Tuesday, we know we'll be going to SoulSchool@Grace.* This fall, under Patty Molloy and Mickie Stowell's capable leadership, Soul School ventured into weekly programming for adults — with unabashed success! *Tuesdays with Grace* offered numerous learning opportunities. 2008 programs were:

- Debra Jarvis, former chaplain at Seattle Cancer Care Alliance and author of *It's Not about the Hair* spoke about living a life of faith in the face of huge events.
- Jenny DeWitt shared her experiences visiting the Dominican Republic to learn about cacao growing and fair trade practices.
- The Reverend Dr. James Wellman, University of Washington, was our guest for two evenings, speaking about *Religion, Politics and Living in the Real World*.
- Martha and Dick Middleton offered three insightful sessions about how to make reading the Bible a vital part of our spiritual journey. Dick also offered three sessions on *The Parables of Jesus*.

*(please turn the page)*

- Demi Allen facilitated an evening of *Fireside Readings* reflecting on our spiritual connection to the earth and the renewing power of nature.
- Andrew Himes, film producer and advocate, shared his work, *Voices in Wartime*, underscoring the trauma of war and imagining a culture of peace.
- Three evenings during Advent, we gathered to listen, share hope in darkness, and ways to cope with the stress of the holiday season.

**Earth & Spirit**, coordinated by Marcy Lagerloef, helps us connect care for creation with Christian faith. This year, Grace was designated as a *Greening Congregation* by Earth Ministry, meaning that, within our congregation, we look for ways to conserve resources and engage in community outreach.

Soul School's ongoing programs include the following:

- *Wednesday Bible Study Group*
- *Discernment Training and Practice*
- *Women's Book Discussion Group*
- *Knitting Into the Mystery.*

The Faith Development Committee has been formed this past year to support and sustain the above programs. This committee meets as needed, prays for the faith ministries of Grace, and works to help and enhance the programs so important to deepen and sustain our faith community.



## Liturgy Report

by Eve Leonard  
Bishop's Committee

Liturgy at Grace is blessed by the tireless generosity of so many who seamlessly create our services each Sunday and Wednesday mornings, the first Thursday evening healing service, and on holy days throughout the liturgical calendar. We follow the Episcopal lectionary and Book of Common Prayer, but building on the themes of those readings and on that structure, we offer creative worship that deepens our connection to God and to each other.

- Our Vicar Bill Harper is the primary Grace liturgist. He sets the tone with prayers, poems, themes, homilies and the celebration of the Eucharist. He is assisted on occasion by other clergy and ministers who have made Grace their parish home.
- Grace Music Director, Ann Strickland, another gifted liturgist, brings creativity and music to all our services. She directs the Music Circle, Grace singers and musicians, as well as the children's music groups.
- The B.C. liturgy director works with Bill and Ann, and with other Grace members to create our worship experiences.
- Team Flower, led by Jan Jeffcoat and Ann Sieverston, prepares the floral bouquets that adorn our sanctuary each week, as well as the extraordinary decorations for every holy day and season.
- Grace Eucharistic Ministers, GEMs, led by Ruth Blaney Matthews, are trained and licensed members who serve the chalice during Eucharist and tend to the Eucharistic and altar elements. They also bring "Home Communion," to those not physically able to be at Grace.
- So many others deserve credit and thanks. Kathy

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McCarthy joins Ann Strickland to lead the Thursday evening healing service they created. Scott Lawrence maintains our sound system. Tribe members led by Andy Houser perform essential roles each Sunday morning. Candee Heald and Susan Marie Andersson prepare our bulletins and programs that are folded and stapled by the Friday morning group.

We look forward to the upcoming year as the wonderful and comforting liturgical calendar unfolds again in our unique Graceful style. We also hope to expand the opportunities for members to be involved in our liturgical celebrations.



## Music & Arts

by Ann Strickland  
Grace Staff

Many graceful collaborations make music and arts happen at Grace including the careful guidance of the Liturgy group, working closely with Candee in the office, Susan in communications and the Parish Life, Soul School and Godly Play groups.

### Here are the 2008 highlights:

Grace Kids Sing opened the MLK Sing Out and sang for the Dalai Lama at the University of Washington. Ann Strickland & the Grace Music Circle led the North Kitsap Interfaith Music Festival. The Pomona College Glee Club filled Grace with song and spirit. The Grace Music Circle went on a field trip to the Eagle Harbor Congregational Church and they did the same here at Grace. The Concert for Bangladesh Film Night was a fun musical flashback that benefited Dennis and Beulah's programs in Ethiopia. The annual St. Martin's Night Lantern Walk and Spiral of Light was another magical evening of song and light. The Gallery at Grace hosted five exhibits by artists from the Grace community and beyond.

The Grace Music Circle expanded their repertoire this year adding the O Antiphon chants in their entirety, "Love in My Soul" by Caroline Clucas and Kathie McCarthy and MLK by U2.

Kids Sing met faithfully on Thursday nights and this year saw the addition of several middle-school musicians (The Keenagers!) who help accompany the Kids Sing group and also offer their own interpretations for Sunday services.

Thank you to the many Grace members who offer their musical and organizational gifts for special celebration days, at the family retreat or during Sunday services. Special thanks to Scott Lawrence and Sarah Rimkus for all they do to make all sorts of Grace music happen.



## Parish Life

by Debbie Rimkus  
Bishop's Committee

An important part of any church community is the opportunity for fellowship. At Grace Church, 2008 was rich with opportunities for sharing experiences, offering support and nurturing friendships.

### Major Events In 2008 Include:

**Shrove Tuesday Pancake Supper:** Held on February 6<sup>th</sup>. Doug Ferguson acted as head chef and supervisor as the Men of Grace prepared and served a delicious pancake supper.

**Second Annual Family Campout:** Over 80 people gathered on Friday, June 13<sup>th</sup> to pitch tents, grill dinner, toast marshmallows and sing around a campfire as we celebrated the end of the school year with a great Grace sleep over. (please turn the page)

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**Men's Italian Dinner:** The Men of Grace cooked-up a delicious Italian dinner, served with style and grace.

**Picnic on the Patio:** Having begun the summer with a campout, we ended with an old-fashioned picnic this year on Sunday, August 17<sup>th</sup>. A Sunday morning picnic after worship allowed for a lovely, multi-generational celebration. Doug Ferguson and his talented team manned the grills, with fabulous grilled salmon as the featured entrée and the remainder of the menu rounded out by potluck.

**Annual Giving Candlelight Dinner:** We celebrated the generosity of our parish with an elegant, candlelit dinner prepared and served by the Men of Grace.

**Retreats:** Both the men and the women of Grace held retreats this year. The men went once again to St. Andrew's House on the Hood Canal, with Jeff Sells as presenter. The women's retreat took place in March here at Grace, focusing on *Awakening to the Mystery in our Lives*, led by Martha Middleton and Bev Gaines. The parish retreat took place once again at Fort Worden the weekend of October 19<sup>th</sup>-21<sup>st</sup>. Over 150 people attended the event with special children's activities led by Colleen Austin and Vicki Milander. This year we explored the theme of *Getting to the Heart of Grace*, with adult faith programming led by Bill Harper. Highlights of the weekend included the beautiful worship services planned by the Liturgy group and the Saturday evening dinner coordinated by John Kydd.

### Ongoing Activities Include:

**Men's Group:** The Men's Group has been very active this year. Programs included book discussions led by Bill Harper, dinners, and discussion forums for the parish. Eric Matthews serves as coordinator for the group. All men are welcome.

**Graceful Ladies:** The Graceful Ladies meet on the third Tuesday for a luncheon and program. This year's programs have included a cooking demonstration with

Barbara Jeantrout, flower arrangements with Franci McKinnon, and reflections with Martha Middleton. Ann Sievertson serves as coordinator for the group and all women are welcome.

**Grace Dinner Groups:** Groups of eight to ten are formed each fall and then meet for a meal and fellowship several times through out the year. This may be over dinner, brunch or even a picnic on the beach. The Grace Dinner Group program is coordinated by Donna Greenawalt.

**Kids In/Parents Out:** Kids In provides an opportunity for the kids to come and experience a fun-filled evening at Grace while the parents get a well-earned evening out. This program is coordinated by Debbie Rimkus and offered several times throughout the school year.

**Logo Wear:** Warm fleece blankets, vests, jackets, hats, adjustable-strap chef's apron's and our very own Grace Cookbook all available in the "LogoWear" shop in the Narthex. Logo wear is coordinated by Ruth Blaney Matthews.



## Place for Grace

by Josh DeWitt  
Bishop's Committee

The Place for Grace committee is responsible for all aspects of buildings and grounds. These responsibilities touch everything from the landscaping master plan to mouse traps, Fire Marshal inspections to property insurance, heating oil to broken chairs, road paving to cobweb patrol. We are responsible for building and grounds development improvements, construction projects and troubleshooting. We have a beautiful building and a wonderful setting, both of which require much love and care to keep them functioning and presentable.

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**The year 2008** was an exceptionally busy one for the Place for Grace team. We made progress toward developing our long-term vision by completing several large projects. We have new lighting for the parking lot, a lovely memorial garden, and a new door from the nursery to the playground. All of this was completed while maintaining our lovely building and grounds with help from both volunteer and professional support.

**The Landscape Committee**, headed by Jim Culver, is the steward of the master landscape plan, and continues to provide assistance and guidance to other groups as they evolve our outdoor “sanctuary”. This includes assisting the Memorial Garden Committee, and other project specific teams as they manage their individual initiatives. This core group provides the continuity of vision we need to ensure we meet our long term landscaping goals.

In addition to vision, the Landscape Committee provides a good portion of the muscle and sweat needed to maintain our landscaping via the **Grace Grounds and Garden Group** (aka 4Gs) which has grown to some 30 members strong, and is ably lead by Bill Anderson. There are many hours of work put in on any given Saturday morning from spring through fall. On occasion we find ourselves in need of professional help for larger maintenance projects such as field mowing and brush clearing as well as the surprise need for snow removal before Christmas.

**The Memorial Wall and Garden Committee** led by Sarah Wallace and Della Ferguson has wrapped up their development of our memorial garden. Lush Japanese Maples, rustling grasses and colorful Irises all complement the fountain in a setting where one can now sit or stroll in quite contemplation while being soothed by the fountain gurgling and bubbling. (Keep your eye out for the pair of tree frogs that have made this their

home!). It will be a treat to watch the garden mature in the coming years. The hard work and dedication of the Memorial Garden Committee and the Landscape committee have lead from vision to reality in a way that is uniquely our own here at Grace.

**In the 2007 annual report** we hoped to replace the original parking lot lighting with a more rugged, and illuminating design. This was in response to the capital campaign survey that indicated parking lot lighting was a concern for the congregation. Through the vision and leadership of Nate Thomas, the hard work of a few stout volunteers and a judicious use of capital reserves we were able to accomplish this goal in an expedited fashion without having to tap into the Capital Campaign funds.

**In 2006-2007** the playground was completed with hopes for a safe, fun area for our little ones to play. With the addition of the new door from the nursery to the playground this area is now more accessible and more easily monitored by the nursery staff. If you haven't seen it yet, pop in for a quick peek. I think you will agree that the work is top notch and matches the existing design very well. Special thanks goes to Chuck Bombardier for stepping in to manage the project.

**Looking forward to 2009**, our sights are set on kicking off a few of the landscape elements targeted in the Capital Campaign. You may recall our overall goals were to complete longer term infrastructure planning, project completion, entrance circle completion, entrance gate replacement, and finally pathway installation and improvement. The Capital Campaign Committee has provided a recommendation that we focus on infrastructure planning, project complete, and the entrance circle and gate work.

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The Landscape Committee will be taking on the planning aspects of these projects in the coming months.

**We wrapped up 2008** with a sense of relief in having dodged most of the high heating oil prices during the summer season allowing us stay closer to budget than we anticipated. We have the recognition that the building is aging and routine maintenance continues to evolve from very minor servicing to more significant repair and replacement. But most importantly we leave 2008 with a real sense of accomplishment in having completed three major projects. I am continually impressed with how much this community accomplishes in its “spare time”. Well done!



## Membership

Judy Cozine  
Bishop's Committee

**A**t Grace Church, people sometimes say that the only criterion for membership is “the desire to belong.” It is true: we value and unconditionally welcome all who wish to share our table.

Our role is to help facilitate a warm, welcoming and friendly introduction to Grace. We start by inviting newcomers to the Welcome Table where they can sign up for the newsletters, enroll in the directory, request name tags, and pick up program information. Florrie Munat has done a great job of organizing the Welcome Table and volunteers who host it. This year we set up a permanent spot which is highlighted by a “Welcome” banner making it easier to find the Welcome Table. Once signed up at the Welcome Table, newcomers receive personal follow up, so that they have the opportunity to ask questions and learn more about life at

Grace. Susan Lick has a gracious and amazing ability to make this contact and it has been invaluable. The newcomers are also invited to gatherings to provide a forum to get to know our Vicar, Bill Harper and members of the Bishop's Committee and Membership Committee. This is yet another way to provide connections. Mickie Stowell is responsible for ensuring that these enjoyable and successful get-togethers take place every few months.

Besides welcoming newcomers to Grace, the Membership Committee wants to ensure that existing members of Grace continue to have the feeling of inclusion that is so important to Grace. One way that is accomplished is through tribe involvement. This year Andy Houser took over the responsibility of tribe coordinator. Also tribes moved from under the umbrella of parish life to membership so that there is the benefit of shared communication. This has proven to be most helpful in staying up to date with members.

Currently the Membership Committee is busy with updating the handbooks and the new photo directory. Grace has grown so much since the last photo directory that we are excited to be able to provide a way to connect all the names with faces. Marcy Lagerloef has spearheaded this enormous job of getting the new photo directory accomplished.

The focus for 2009 will remain on welcoming newcomers, keeping the membership directory updated, and finding ways to have members stay connected to Grace and each other. I am most grateful for the incredible volunteers of the Membership Committee and all they do.



# Outreach

by Dorothy Guzzwell  
Bishop's Committee

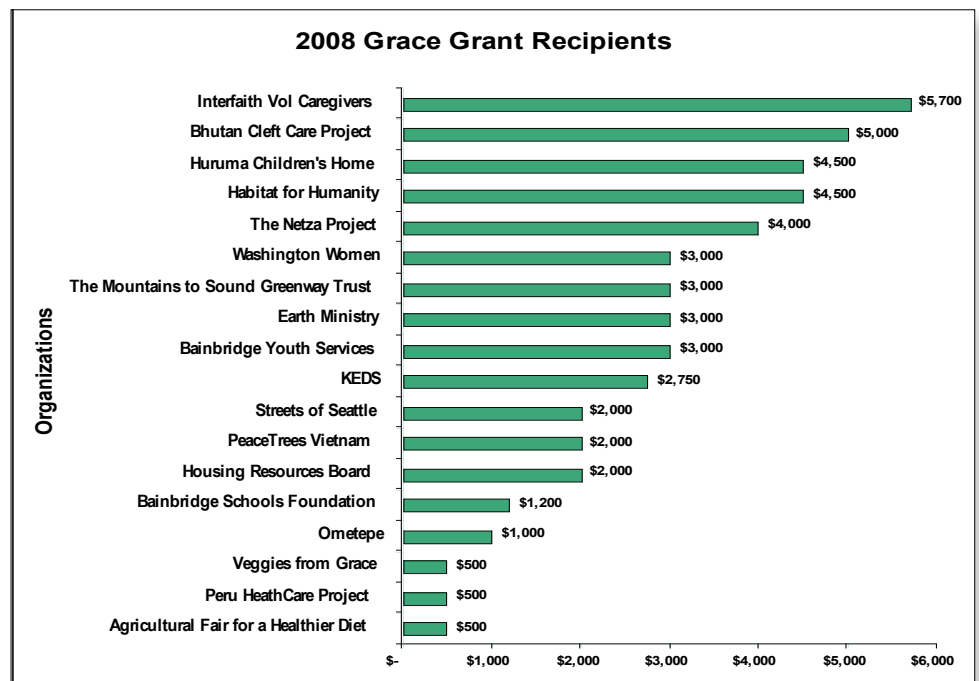
The Outreach Ministry represents 10% of our plate and pledge income making Grace a place where commitment and stewardship work hand in hand to reach out to those in need. Outreach programs have widespread influence at local, national, and international levels. We, the people of Grace, truly are making a difference in this world through our financial contributions to the Outreach Ministry programs.

As we grow into 2009 and beyond we look to see how our commitment to serve can evolve. Now that the grant process has been refined we look towards a future where Grace people of all ages can find volunteer opportunities within the many and varied programs we fund. Extending our time; being willing to stretch ourselves into a new situation; lets the Light that comes from helping others into our hearts.

It is Grace itself to serve others. Watch for Outreach announcements in Grace's communication network for volunteer opportunities that interests or intrigue you. The need is there. And so are we...

## Accomplishments:

- Increased program grants from 2007 to 2008 by over **29%** (\$37,300 to \$48,150)
- **Increased total number of programs** funded from 16 to 18
- Advocated, promoted, and achieved **greater program diversity**, based on constituencies served, geographic coverage, and programmatic purpose.
- **Refreshed the grant process** and accompanying documentation to assist program applicants in clearly proposing their intentions, goals, and agendas.
- **Formalized a "2008 second act" grantee cycle** by requesting and approving additional grant proposals in the latter half of the year
- ... **Helped Grace help – a lot of people – in a lot of places!**



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# Communications

by Susan Marie Andersson  
Grace Staff

*“Our world and culture are changing rapidly and the ways that we as churches communicate our values and identity need to change too in order to be relevant”*

—Christine Sine, CEO, Mustard Seed Associates, Seattle

Five years ago publications at Grace consisted of an 8 to 12 page newsletter that was mailed to 150 households about six times per year and a web site of sorts with a single page that was rarely updated. Today we use many and varied tools to express who we are, what we value and what is happening at Grace day to day, week-to-week and month-to-month. As Grace grows and technologies emerge we are learning and growing as well. I am grateful to work with an A+ team at Grace and could not get the work done without the help of our amazing and efficient Candee Heald and the guidance of Bill Harper, Ann Strickland and Debbie Rimkus.

## **2008 National Episcopal Communicators Conference in Seattle**

In the spring of 2008 I had the wonderful opportunity to attend the National Episcopal Communicators Annual Meeting held in Seattle for the first time. The theme for this three-day conference was a timely *“Emerging Communications for an Emerging Church.”* Workshops covered various aspects of new communications such as social networking, streaming video and podcasting, audio slide shows and more. “Message and Content” sessions covered topics on theology and communications, the emerging church and modernism vs. Post-modernism. The Right Rev. Greg Rickel, Bishop of Olympia was the speaker at the opening banquet held at the nearby *Burke Museum of Natural History and Culture* and the keynote address was by author Diana Butler Bass. Both

spoke on the importance and relevance of reaching out to our congregations with new technologies in communication. Talking to other communicators at the conference proved to be extremely helpful in navigating the new technology waters/tools. Over the last year many of us have stayed in touch with a group email board where we can exchange a variety of ideas for better communications.

## **Here is an overview of our communications in 2008:**

- Upgraded our website with over 45 pages of information on Grace ministries and programs, a blog for our vicar Bill, calendars, current event blogs, dozens of photos, and archives of recent newsletters and important documents.
- Emailed our weekly “eNews” to over 400 households.
- Mailed our monthly newsletter to over 300 households.
- Emailed our monthly newsletter electronically to 150 subscribers of our “no snail-mail” list.
- Produced a weekly bulletin insert for current programming and events.
- Printed a variety of special publications including the Annual Giving package, a Grace brochure for new members, posters and promotion material for various programs, concerts, Grace gallery shows, and retreats as well as the Grace annual report.
- Began the process of examining more cost efficient ways to communicate by utilizing more emerging technologies.



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# Notes

# Grace Episcopal Church

Inclusion • Service • Discovery • Gratitude



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