



St. Paul's Episcopal Church

Annual Report

2021



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St. Paul's Vision Statement

At St. Paul's, as followers of Jesus Christ,
we envision a church that provides and supports a loving community of faith:
with our church, with one another, and with our world,

Where all are welcome, no matter where they are on their spiritual journey,
Where activities, events, and opportunities support spiritual growth for people of
all ages and diversities through worship, education, and service,

Where we use our God-given talents, time and treasure
to lift the less fortunate and the vulnerable.

May we all support each other in remembering and creating this vision,
not just in the hours we spend on campus,

but during our daily lives,
as we interact with friends and neighbors,
and as we act as members of our wider communities.

St. Paul's Episcopal Church 13rd Annual Meeting January 23, 2022 | 11:00 am

Agenda

Topic	Presenter
Call to Order & Opening Prayer	The Rev. Krista Fregoso
Registrar's Report for Quorum	Richard Kemink
Minutes from the Annual Meeting: January 24, 2021	The Rev. Krista Fregoso
Celebrating the Retiring Vestry	The Rev. Krista Fregoso
Election of 2021 Vestry & Deanery Delegates	The Rev. Krista Fregoso
Financial report	Lisa Bell Stewart Tom Chaffee
Highlights from 2021: Video Report	
Senior Warden Report	Lisa Bell Stewart
Rector Report	The Rev. Krista Fregoso
General Questions/Comments/Observations	

Nomination for 2022 Vestry



Ken and his wife Linnea visited St. Paul's in mid-May of 1986. The church was hosting a huge Pentecost celebration and BBQ. They were hooked and joined! He and his wife raised a daughter and son here at St. Paul's. Over the years, he has been active in The Holy Spirit Deaf Church, The AV ministry, Men's Retreat, the Deanery and has Coordinated dinner groups at St. Paul's. This will be Ken's second time on Vestry, having first served during our capital campaign in the mid-90s. Ken believes that each member should take a turn on Vestry and be involved in the workings of the church and feels his turn has come again. Ken hopes this next year, we will be able to chart our way through COVID as a church, and he hopes we will be able to restart the Dinner group ministry.

2021-2022 Vestry

Jessica Beerbaum
Susan Burpee
Tom Chaffee
Melanie Corry
Mariane Johnson
Ned Soares

Nomination for 2022 Deanery and Alternatives

Delegates:

Maureen Horton

Phil Webster

Mike Yale

Alternates:

Hugh Harvey

Mary Waddington

Clergy Reports

The Rector's Report: Rev. Krista Fregoso

This year. Like last year but different. Lather, rinse, repeat.

The Washington Post asks its readers to define the year in one word every year. For 2021, some of the words offered were "Relentless, messy and clarifying, fragile and unexpected." See a theme here?

The year before, nine-year-old Clark Smith from Michigan wrote, "2020 was like looking both ways before crossing the street and getting hit by a submarine. Because it's been the craziest year ever."

Well, this year wasn't "the craziest year ever," but it certainly was a rollercoaster. It was as if we learned to look for submarines in the street, but the submarines somehow learned how to fly.

We had our ups and downs, twists and turns.

We slowly and joyfully emerged from being 100% online to something in-between. We reconnected and started celebrating baptisms, weddings, and memorials outside, inside, online, and somewhere in-between.

We reconnected in small groups in backyards, porches, and playgrounds. As more and more people were vaccinated and more people could be inside safely, we started Sunday hybrid worship.

As we looked around the pews, we noticed this pandemic had profoundly changed our community. There were new faces, missing faces, and many older faces. People retired, started new jobs, moved to new communities. We reorganized, restructured, and re-remembered how to be an in-person worshipping community.

2022 requires great flexibility, resilience, and creativity.... Again. Sigh...

Just as we hoped we could go back to being normal, we realized that there is no such thing as normal. Not anymore.

Can we shake hands at the peace? Can we share the cup? Can we take off our masks? Can we sing? Do we need to worship in a wind tunnel with all the doors open, or can we shut a few? Can we sit together, or do we need to social distance? Where do these little glasses go anyway?

It was exhausting.

It was also transformational.

In many ways as all of the COVID guidelines and changes narrowed what we as a community could focus on this year. We focused on the most fundamental parts of our faith community: worship and pray, learn together, and serve the greater community.

We shared in bible studies, compline, morning prayer, we had drive-through food drives, hosted warm winter nights on our campus, and provided virtual and real spaces for nonprofits serving others.

We became who we are called to be, a worshipping people focusing our energies on what God has called us to be. We doubled down on finding more ways to reimagine our services for the people we are today. We shared tears and laughter, worked together, and tried to move forward in this topsy turvy world.

We took a leap of faith and brought in new staff to keep moving with God's mission in Walnut Creek. We welcomed Rev. Lynne, who gave us a plethora of adult education opportunities and organized our pastoral care team. We welcomed Eric Newall, who greeted our choir as we resumed in-person singing and worship.

This next year we will be taking another leap of faith and double down on outreach and ministry. We will orient ourselves to being a space of God's transformation in our lives and the lives around us, thriving in this challenging era by being who God calls us to be.

As we learn how to deal with flying submarines, may we never take our eyes off the path in front of us. May we move into this new world secure in the only thing that can truly ground us: Our mission to live out and be transformed by God's love.

The Associate Rector's Report: Rev. Lynne Sharp

It was such a joy to join you in September, slowly getting to know you as we were solely online, then blended, and are online again – all wearing masks. Trying to learn names and histories by looking at your photos in the directory has been *interesting.* I give thanks for the warm welcome and your patience as I have slowly connected with more and more of you.

Liturgy – I share in the preaching and presiding weekly, and it has been a whirlwind of changing formats from online to in-person and hybrid, along with seasonal changes and Christmas. I have enjoyed creating and preaching the monthly Intergenerational Service and finding a variety of ways to connect the congregation with our families. We resumed the Thursday Healing Eucharist, but only for Epiphany.

Pastoral Care – now meets once a month to review the prayer list, review parishioners in need of home visits and communion, and keeping connections with people who have not yet returned to in-person worship. The Good Sams have made meals throughout the year for individuals and families who need a little support. The team also provides rides for medical appointments. I have met many of you who are at home with the support of the Pastoral Care team and look forward to spending time with more of you in the year to come.

Adult Faith Formation – see the report. I thoroughly enjoy walking together as we study Scripture, explore God's ways of reaching out to us, and finding ways to strengthen our relationship with the Divine. St Paul's offered so many ways to connect through study this year.

Staff Reports

Communications: Eileen Mitchell

Closing in at almost two years, under the shadow of a global pandemic, more than ever before, communications has proved vital in keeping us connected as a church and community. The ability to reach out through various platforms such as digital, streaming, and print, has enabled us to stay informed, involved, and engaged under circumstances that are, to say the least, unique and unpredictable. Efforts have included:

Increased communications: Through email, signage, and the bimonthly Epistle Newsletter (alongside our incredible Epistle Team (Rhea Williams, Sheri Grosjean and Ned Soares), we strive to keep the people of St. Paul's informed, interested, and engaged. Whether it's about weekly events, login access information, an upcoming concert, community concerns, or ways to get involved, the goal is to keep the lines of communication open so members feel connected and informed at all times.

Timely Online presence: Our website remains up-to-date with timely posts (under "News & Events") that contain relevant detailed program information, announcements, and messages from our rector and/or the Diocese. The core web team (Richard Kemink, Phil Webster, and myself) meets quarterly, or sooner if needed, to review what's working, what isn't, and consider how we can continue to improve the user experience. On social media, we have an increased presence on Facebook that includes program promotion, inspiring quotes, news from the Diocese, event photos, and more.

Community Engagement: The pandemic continues to impact how we engage with our community, but we've remain connected with resources, such as the City of Walnut Creek, the Rossmoor community, DioCal, and local media outlets. Through these relationships, we invite participation (food drives, pet blessings, holiday services) and increase awareness of St. Paul's as the light and love of Walnut Creek.

During my two+ years at St. Paul's, I've met many wonderful people and have been made to feel welcome and appreciated. Whatever lies ahead, I look forward to always being part of this wonderful community.

Music Ministries: Eric Newell

I am honored to present a summary of St. Paul's Music Ministry in 2021 as our (relatively-new) Director of Music. From my very first experience with the Festival Choir at my interview in early September, it was clear to me that the musicians here are overwhelmingly generous in giving their time and talents in the service of the church and for the glory of God, and I have been grateful time and time again as they continue to do so.

With the flexibility and support of Rev. Krista, I was blessed to begin as director and organist in the middle of September, in the middle of the Ordinary/post-Pentecost season. The choir's return to in-person singing for the 9:30 am service was immediate, and we all felt extremely fortunate to be singing in real time and space with other musicians! Socially-distanced, fully-masked rehearsals around the baptismal font (at first) allowed us to feel more safe as we participated in one of the most "dangerous" activities of our time. The choir brought into Ordinary Time services a variety of lyrical anthems, old and new, some learned in-person in previous years and some learned online in 2020, and performed them all with such spirit that the quality of worship felt substantially elevated. We were also able to bring forth anthems from the Joyful Noise songbook for intergenerational services once per month starting in November, passing out shakers and tambourines to younger members of the congregation and spreading those catchy melodies that truly exhibit joyful noise, no matter how young or old singers of them might be.

The seasons of Advent, Christmas, and Epiphany felt like a whirlwind, as we prepared a hefty number of beautiful carols for our annual *Lessons & Carols* service, in addition to season-appropriate anthems for each Sunday. Lessons & Carols was amplified this year, as in the past, by some of our wonderful brass-playing parishioners: Bill King, Sue Busenius, Jerry Williams, and Tom Stone, euphonium soloist and quartet leader, as well as by Zoe Tcheng, violinist. We were immensely proud, and again, so grateful, to be able to serve the parish in this way for the first time since 2019, being as safe as possible while creating beautiful music in our sanctuary.

Our Music Ministry is very fortunate to have dedicated and extraordinarily *talented* musician-parishioners who assisted us in various ways in 2021. When 11:00 am Joyful Noise services returned late in the year, Carol Langford, Pete Banwell, Deborah Webster, and Anne Benefield provided approachable and spiritually fulfilling music for numerous families. Pete Banwell, in addition to his regular role in Joyful Noise, graciously volunteered to lead all music for 4:00 pm Christmas Eve, Christmas Day, and the 1st Sunday after Christmas services while I traveled east to be with family; this I would like to personally thank, as it was a service of great magnitude and made the music of such significant services possible. Vocal soloists provided yet another dimension to many

services throughout the year, among whom are Pete and Karen Smyth, Marina Tolstova, Deborah Webster, Tom Tcheng, Veronica Takach, and others who stepped up and shared their talents as soloists and/or duettists.

One more word of thanks toward Deborah Webster and Jessica Beerbaum is much deserved; these two effectively and even joyfully transformed the space of the music library/office into a functional one. Deborah and Jessica volunteered to spend countless hours meticulously paging through anthems, old hymn books and compilation books, organizational file folders, and furniture – and they did so in great spirit over the course of multiple weeks, having a knack for interior design. Thanks also to Pete Banwell, Richard Kemink, and Jim Bell for their helpful efforts in preparing the space for our collective future use.

Our monthly concert series is our primary musical outreach project. This past year found us again offering stellar performances and drawing strong attendance, in-person and online. From organist John Renke to violinist-cellist duo Heeguen Song and Peter Myers to returning harpist Anna Maria Mendieta, we have been fortunate to continue in offering a great variety of high-quality concerts for St. Paul's and all of Walnut Creek. Immense thanks must be given to the Concert Production team, including Marina Tolstova, Pete Smyth, Pete Banwell, Jim Ward, Jessica Beerbaum, Tom Tcheng, and Deborah Webster, as they have persevered in planning this series under the varying circumstances of the past year, bringing professional music to St. Paul's and to our homes alike.

I want to give final thanks to Rev. Krista, Rev. Lynne, and all those who support music at St. Paul's in ways too many to count or name. Thank you, St. Paul's community, for your continuous support and belief in the importance of what we do in music ministry. We are truly blessed in all that we have – our people, experiences, facilities, instruments – and we hope, God willing, to continue sharing all we have been given in 2022.

Vestry Reports

Senior Warden: Lisa Bell Stewart

This last year was our second crucible year in recent memory: what started with a tentative return to school, work, and church, aided by the rising tide of vaccines, a recaptured sense of normalcy. While 2020 was a year of safety and risk mitigation, 2021 was the year where we took tentative steps to reclaim our collective confidence in ourselves walking in God's world.

In last year's Senior Warden's Report, I made this observation, "The one thing that gives me pause as I consider 2021 is our willingness to realize the investment we unknowingly made in 2020. We have innovated, explored, and been challenged; will we make full use of those experiences and find ways to grow in 2021? Or we will chalk up 2020 as a 'rough year' and cocoon ourselves in the status quo?"

Upon successfully arriving at the end of 2021, I found myself feeling like I had just landed after a long transcontinental flight: slightly shell-shocked, preparing to run the gauntlet of customs, and excited to be on a new adventure. I attribute those feelings to the fact that we did a lot of exploration and preparation for innovation in 2021, and that is hard work. St. Paul's did, in microcosm, what many individuals did in 2021: we had a good, hard look in the mirror and contemplated what we'd like the next phase of life to look like. For many people – myself included – that meant a job change (thus the term "Great Resignation") for others, that introspection affirmed that they are on the right course, and no further change is necessary.

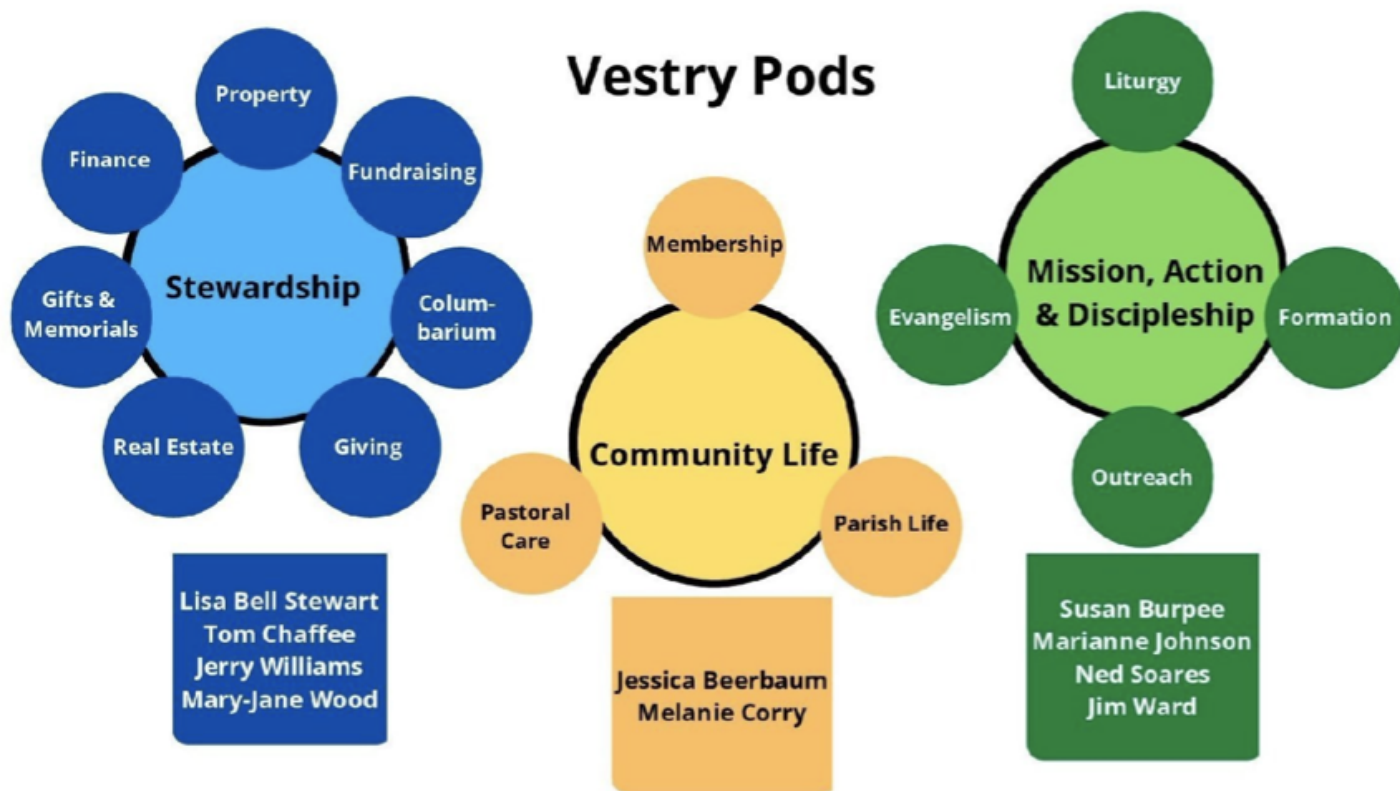
At St. Paul's, I believe our conclusions were a mixed bag: there are some things we affirmed we are on the right track with, such as in-person services and simultaneously electronically broadcasting those services, continuing to prioritize our life-giving music program, and making our space available as part of our outreach ministry. We also decided that it was time to simplify some aspects of church administration that had become a little more complicated than we'd like and took steps to create easier ways of doing things in 2022, such as setting up a different financial management system that automates routine activities. We said goodbye to Rev. Laurie Moyer, Rev. Margaret Mary Staller and Larry Crummer, and welcomed with great joy Noble Learning Academy, Eric Newell, and Rev. Lynne Sharp, into our midst. With each change, small or large, we have remained focused on looking forward and doing the next right thing.

While it is said that change is a constant, it is frequently not easy. Calvin Coolidge said "All growth depends upon activity. There is no development physically or intellectually without effort, and effort means work." I believe it is evidence of God's grace that Vestry members run relays, rather than marathons, as it can be very difficult to sustain the type of work that change requires. I commend the ongoing work of change to 2022's Vestry and look forward to experiencing St. Paul's ongoing metamorphosis from within the pews!

Junior Warden: Susan Burpee

Junior Warden's Report 2021: Susan Burpee

The highlights this year as Junior Warden involved reviewing and redefining the ministry structure at St Paul's. The Vestry achieved this by dividing into pods that addressed each of our ministries.



We began by writing charters for each ministry; considering the amount of good work our congregation does, it was quite the list. We then edited the list to reflect our COVID reality and made an organizational chart to help us:

- define our priorities
- make every ministry an inclusive all parish effort
- budget, communicate, and set goals

We hope this new structure serves as a conduit between our community and the Vestry. We will also use what we have learned to make goals for the future.

It has been a challenging year operating in the midst of a global pandemic while opening, closing, opening, and so on. This is why now, more than ever, the work that St Paul's does in our parish and the larger community is critical and needed. We will use our new pod structure to help us move forward with the amazing work we do.

Ministry Reports

Mission, Action & Discipleship

Adult Faith Formation – Rev. Lynne Sharp

Thursday Bible Study – was instituted by Rev. Laurie during the pandemic and continues to meet and discuss the upcoming Sunday’s lectionary readings. The group continues to use artwork submitted by Jessica Beerbaum to kick off a discussion and to view the Scripture in a new way. Over the years clergy leadership shifted from Rev. Laurie to Rev. Krista, with Rev. Lynne filling in from time to time.

Compline – started almost as soon as COVID shutdowns began and has continued Monday through Friday at 7:00 p.m. Using the format in the Book of Common Prayer and typically lay led, this faithful group continues to hold St Paul’s and individuals in prayer as well as offering a place to deepen faith through prayer and community.

Morning Prayer – continues once a week with a small and faithful group of lay and ordained members of St Paul’s. We have used a variety of resources from the Episcopal tradition and incorporated the holy man or holy woman from the church calendar each Wednesday at 9:00 a.m. Not only do we focus on the Scripture and the person of the day, we include a time of reflection on the readings, and hold each other and our concerns in prayer.

Sunday Morning Formation – started on Advent 1 at 11:00 a.m. with a series on the “Characters of the Nativity Story.” Led by Rev. Lynne, the group took a deeper dive into the main characters of the story exploring how God created a synopsis of the gospels within this one story. We examined the prophets, the men of the story, the women of the story, and then the “others:” angels, wise men, shepherds, etc. This group continues to meet online during the surge and will resume hybrid study with Epiphany stories and insights. Sunday Morning Formation will continue to be an opportunity for exploration and learning throughout the academic year.

Wednesday Evening Formation – resumed at 6:30 p.m. on Advent 1 with a year-long study of Year C Gospel of Luke. This online study is designed for people who have no experience with Bible Study and including people with decades of study. Led by Rev. Lynne, we are doing a close reading of a story or two from the Gospel each week. We are using a variety of resources to learn more about the peoples, history, geography, faith, and society, then reflect on the ways in which God is still speaking through the Scripture to us and to our society.

Additional Adult Education: Sacred Ground (Rev. Krista) -We started a sacred ground group where we walked through chapters of America's history of race and racism while weaving in threads of family story, economic class, and political and regional identity. It was a 10-part series is built around documentary films and readings that focus on Indigenous, Black, Latino, and Asian/Pacific American histories as they intersect with European American histories. Sacred Ground is part of the Episcopal Church's long-term commitment to racial healing, reconciliation, and justice in our personal lives, our ministries, and our society.

Children's Faith Formation- The Rev. Krista Fregoso

Online Joyful noise featured storybooks, interactive mini-lessons, sharing in prayers and songs, and ending with a favorite moment where we try to blow out the candle through the zoom screen all at the same time.

During the summer we met at a playground and shared eucharist at Heather Farms. We had fun in the sun and enjoyed the fresh air together.

Starting in November we started an intergenerational service that joins Joyful noise with the 9:30 Service. We also moved to a weekly in-person service Sunday's at 11:00.

Worship- The Rev. Krista Fregoso

Worship was over Zoom, live-streamed on Youtube and Facebook, in the park, in our courtyard, in backyards, in our chapel and sanctuary. This year worship was everywhere we could gather.

Some significant moments in our worship life in 2021:

- + Online choir continued to share their incredible music ministry.
- + Ashes-to-go kits for Ash Wednesday.
- + Holy Week and Easter were celebrated online, complete with communion kits that included Easter communion that included blessed bread from our bread bakers.
- + Neighborhood Communion Services, where we gathered and celebrated communion in person for the first time since the pandemic began.
- + A shared online memorial service, remembering all those who we have lost in the past year.
- + In-person services beginning in June, and hybrid services starting in October.

Many thanks to those who helped make our online and in-person services meaningful:

- To our online support crew: Deborah Webster, Tom Tcheng, Richard Kemick, and Jim Ward.
- To our altar guild and bread bakers who worked flexibly and creatively so that we could share communion in many different formats.
- To our staff and seminarian, Jen Crompton, who communicated, jumped through COVID hoops, unwrapped cords, held tripods, and edited films.

Community Life

Parish Life: Jessica Beerbaum and Melanie Corry

Many beloved traditional events at St. Paul's were postponed during 2021 due to the COVID pandemic. Among the missing were: Men's and Women's Retreats, In-Gathering Brunch, Lessons and Carols reception.

However, from June into December, we were able to host Sunday coffee hour, utilizing the recently remodeled kitchen and the wonderful new coffee machines. At coffee hour, we celebrated three retirements in July: Dr. Larry Crummer, Music Director; Rev. Laurie Moyer, Associate Rector; and Rev. Margaretmary Staller, now Deacon Emeritus. We also celebrated Tat Welcome's 100th birthday in December.

The Pastoral Care Ministry has been revitalized under the leadership of Rev. Lynne Sharp. Good Sams has continued throughout the year to deliver food and kindness to those experiencing challenges. The Pastoral Care team has increased phone and e-mail contact with those who are isolated due to health, mobility, or COVID. The Lay Eucharistic Visitors began sharing communion, again, with those unable to physically come to church.

Before the return of in-person worship in June, communion delivery was organized using a neighborhood hub system. Volunteers sorted consecrated communion kits and delivered them to front porches in 15 neighborhoods, from which parishioners picked them up in time for Sunday online worship. Communion was mailed to a number of parishioners living out of state.

In May and June, backyard Eucharistic services were held using the same neighborhood system.

The afternoon and evening book clubs continued to meet monthly via Zoom throughout the year.

The History Committee: Jessica Beerbaum

The History Committee was able to meet again in person and finish sorting and properly storing the historic archival materials of the church. This treasure trove of our past is housed in the Library in the church office wing.

Historic choir pictures were framed and hung in the Music Director's refurbished office.

As the year draws to a close, the committee is forming guidelines for sharing our history with displays in the Parish Hall in anticipation of having coffee hour again.

Stewardship

Real Estate Committee 2021 Report: Tom Chaffee, Lisa Bell Stewart, Pete Smyth, Julie Layne

2021 was another momentous year for St. Paul's real estate as we continued to lean into our ministry of space. As you may recall, in 2020, the Vestry formed the Real Estate Committee (REC) to help manage and oversee the relationships with St. Paul's tenants and campus partners. The REC focuses on issues arising under the leases or other agreements, both at St. Paul's Commons and on our main campus.

In August, we welcomed our new campus partners, Noble Learning Academy (NLA), a nonprofit middle school. In part to help make up for the campus partners that we lost during the height of the Pandemic, the Vestry decided to enter into a lease with NLA. The lease is for a maximum term of three years, however, either party has the option of terminating the lease each year. NLA leases the Family Ministry Center full time seven days a week, and shares the Parish Hall, the Livingston Conference Room, and the rooms in the back of the church with St. Paul's. Their use of these rooms is limited to Monday through Friday from 7:00 am – 5:00 pm.

Welcoming NLA has brought a sense of energy to the campus. We have benefited from the hours of work that NLA put in to get their space ready for the students, such as painting and a refresh of the bathroom in the back of the Church. In turn, the space at St. Paul's has nurtured the NLA students in ways that NLA did not anticipate. While St. Paul's may lack a traditional schoolyard, NLA's leaders have told the REC that our space has helped facilitate the development of organic friendships and a strong sense of community. The feedback from the parents regarding St. Paul's has been extremely positive, and we look forward to a continued partnership with NLA in the years to come.

Next door, at St. Paul's Commons (SPC), much of 2021 was spent facilitating repairs on the meeting rooms after a small fire on the second floor of the Commons (in February 2021) caused water damage from the fire sprinklers. Following months of negotiations with insurance companies and the contractor, we are pleased to report that the repairs are almost complete, and the meeting rooms will be functional again soon. Once the repairs are finished, we intend to use the meeting rooms as a space for small nonprofits. They will also be used for our Winter Nights guests in February and March of this year.

We continue to work with Trinity Center to strengthen our partnership as we both navigate and adjust to living under the many agreements that govern St. Paul's Commons. As with any relationship, there were some bumps in the road. However, both St. Paul's and Trinity Center are committed to working through any issues, and we are confident that we will emerge with both a stronger partnership and a clearer understanding of everyone's roles and responsibilities.

While recognizing that 2022 will continue to have its challenges, the REC and the Vestry believe that this will be a year of strengthening our relationships with our campus partners and formalizing St. Paul's ministry of space.

Financial Report- The Finance Committee

The finance report this year is a compilation of financial meeting minutes with additions from The Rev. Krista Fregoso, Richard Kemink, Tom Chaffee, and Lisa Bell Stewart.

We recognize and are incredibly grateful to Jennifer Machado for her expertise and countless hours working with the Vestry and finance team to provide helpful reports and advice through many years of service as CFO. Her retirement is bittersweet, as she has been an incredible asset to our community, and we recognize leadership changes are an essential part of healthy church leadership.

It has been another incredible year. So many offer their time and talent to keep St. Paul's running in so many ways. Many thanks to all those who:

- serve in leadership roles
- work to make sure our worship is available to us in person and online
- maintain and improve buildings and our beautiful grounds,
- preserve and build connections with members,
- contribute professional expertise in a multitude of ways
- coordinate outreach projects
- and much more

The contributions of our members' time, talents and treasure are so appreciated, and it's highlighted here because – while some of these activities are reflected in the financial reports – many do not. If it weren't for the generosity of the parish, our expenses would be much higher than they are. And so, to our generous, talented, wonderful members, thank you.

Highlights of 2021 Finances:

- We continued our remote work to ensure that incoming donations were processed promptly and paid bills with all proper financial controls. We have functioned with the goal of being audit-ready at all times.
- St. Paul's received PPP loan forgiveness of \$107,681, creating a significant one-time income stream
- Signed a lease with NLA in August, anticipating approximately \$60,000 income per year
- Hired and retired six staff members
- Implemented QuickBooks Online to improve the efficiency of financial processes & reporting

Summary of 2021 Operating Fund Activity

The operating fund includes most expenses for administering the parish, such as personnel costs, property maintenance expenses, diocesan assessment, and insurance. This also consists of the Pimlico rectory expense, and the final stages of the kitchen remodel funded with designated donations.

Total Operating Income	\$675,893 <i>includes \$107,681 PPP loan forgiveness</i>
Total Operating Expenses	<u>\$585,548</u>
Total surplus 2021	\$ 90,345

A few notes about 2021 financial results

- **OVERALL:** St. Paul's ended the year with a surplus due to careful cash management and recognition of two PPP loans as income. Thus, we ended 2021 with better financial results than we might have had, and planned to use these surplus funds to fund the position of Associate Rector to support our growing ministries.
- **INCOME:** 2021 revenue was split roughly two-thirds member contributions and one-third rental income, with the addition of NLA as a tenant.
- **EXPENSES:** Most of our operating expenses are fixed, with payroll and benefits costs representing the most significant portion - and sole variable - expense. Other key expense categories include:
 - Diocesan Assessment. This fund contributes to the Bishop and diocesan staff and helps the diocese provide services to this parish and others. Assessment

normally accounts for about 17% of expenses and is calculated by the diocese as a percentage of core operating costs.

- Property costs. This category accounts for repairs and maintenance, utilities, and non-capital expenses. Our 2021 utilities and repair work were much lower than in previous years. As always, these figures would be much higher if not for the huge amount of property-related maintenance, repair, and landscaping labor that is done by our group of dedicated volunteers.

Balance Sheet

The balance sheet shows \$583,845 in operating cash. There is also a balance of \$492,372 in the endowment fund, of which only the gains (\$283,160) can be spent under certain circumstances.

The primary physical assets of the congregation are the following properties:

1. the church, chapel, office, preschool, and parish hall
2. the parking lot
3. house next door at 1944 Trinity (clergy housing)
4. the land under the new St. Paul's Commons project
5. 345 Pimlico (clergy housing)

Debt consists of two government loans totaling \$1,287,613 for the tenant improvements in St. Paul's Commons. Those two loans convert to grants provided that Trinity Center or another similar organization leases St. Paul's Commons for a total of five years (minimum), as is our plan; occupancy began in May 2020.

Key Aspects of the 2022 Budget

One of the key parts of St. Paul's mission is to provide a space for nonprofit organizations in our community. We host a variety of nonprofit organizations like AA, AARP tax preparation, Trinity Center, and NLA middle school. This is a fundamental outreach to our community. In order to keep this as a fundamental focus of St. Pauls and to make this outreach sustainable, it is important to see the at times hidden costs of such a ministry. Some examples are facility management from the staff, utilities, and upkeep and maintenance. This year you will notice we have organized the budget to have a clearer sense of what these costs look like and list them as "ministry of space".

We have also added a 10,000 dollar line item for Outreach. This money is designed for projects and partnerships the parish wishes to support and nurture. In the past, there have been separate fundraisers such as the rummage sale to support different ministries; this year, it is included in the budget.

The 2022 budget shown below relies on higher levels of cash giving than in 2021.

Key points about next year's budget:

- A fundraiser is included in this budget. The fundraiser will be directed to the Ministry of Space and outreach projects of the parish and will be directed to the wider community.
- Built into the operational budget are some rebound costs for liturgy, music, faith formation, and family ministry after a partial year of low spending due to minimal in-person activity.
- We anticipate some expenses for St. Paul's Commons as the parish shares a portion of operating costs for the building's first floor. The expenses are shared with Trinity Center and include utilities, insurance, maintenance, security, property taxes, and supplies.
- No capital expenses are included in this budget, and the Vestry will work to determine the priority and funding plan for key capital and equipment expenses from non-operational sources. One capital project that was approved in the January Vestry meeting was an audiovisual upgrade to support hybrid worship. Currently, our system is from borrowed equipment and requires lots of time for the AV team to set up. This project will help us have our own equipment and to automate some aspects of the work. Work is to begin in a few weeks.

BUDGET SUMMARY - Operating Fund

OPERATING FUND INCOME AND COSTS	WITH PPP		
	ACTUAL 2020	FINAL 2021	APPROVED 2022
Pledge Income and cash gifts	416,793	409,824	437,000
Facility use and parking fees	60,208	21,030	35,000
My Spanish Village use fees	77,880	77,880	80,606
1944 Trinity (house) rent	11,900	23,800	
Trinity Center use fees	7,082	11,628	11,977
NLA		19,200	58,032
<i>Transfers from restr or designated funds</i>	46,390	5,207	5,000
PPP GRANTS		107,200	-
Misc income	104	124	
INCOME	620,357	675,893	627,615
Community Engagement/Outreach			10,000
SPC Ministry of Space	7,222	1,839	8,600
Payroll and benefits (incl work comp and sab accrual)	313,416	341,572	378,207
Pimlico property	7,969	7,749	9,200
Property, utilities, and solar	59,677	72,679	87,561
Security patrol			16,680
Kitchen	46,105		
Diocesan assessment	90,140	75,657	69,053
Diocesan assessment relief	(50,000)		
Administrative and office	31,971	37,773	53,230
Insurance	36,131	38,985	40,831
Rector search and moving			
Liturgy, Music, Programs, Leader	2,094	9,294	16,050
Misc	0		
EXPENSES	537,503	585,548	689,412
OPERATING FUND SURPLUS/(DEFICIT)	82,854	90,345	(61,798)
<i>USE 2021 Surplus</i>			90,345
NET			28,547

Communicate with Your Financial Team

The Vestry and Finance Committee are committed to handling finances in a responsible way, balancing a cost-conscious approach while funding a vital and active ministry to Walnut Creek and beyond. We work hard to be good stewards of your money and your parish resources, and they are always available to answer your questions.

Annual Meeting Minutes

January 24, 2021

Topic	Discussion	Outcome
Call to Order	The Reverend Krista Fregoso called the meeting to order at 11:30 am.	Informational
Opening Prayer	The Rev. Krista said a prayer for the Church	
Registrars Report for Quorum	Richard Kemink confirmed that there was a quorum. Ronnie Marty as Clerk took notes.	
Minutes of Annual Meeting Jan 26, 2020	It was moved that the Minutes from the January 26, 2020 Annual Meeting be accepted as corrected, noting that Leslie Gleason is ‘Director’ of Trinity Center and not a volunteer. The Rev. Krista remarked that we had just passed our first vote in an Annual Meeting on Zoom.	Moved: Pete Smyth Seconded: Laura Williams Approved by Acclamation as corrected
Vestry Recognition	Rev. Krista thanked the out-going Vestry members, Julie Layne and Rhea Williams for their dedicated service. She also thanked all the Vestry members for their service this past during the pandemic.	
Nominating Committee Report	The Nominating committee of Peter Banwell, Walt Busenius, Julie Layne, Lynn Yale and Rhea Williams, who reported, that 3 candidates were standing for 3-year terms each for the Vestry: Susan Burpee, Melanie Corry and Ned Soares.	Informational
2021 Election of Vestry & Alternates and Deanery Delegate	Rhea continued to report that due to the pandemic the Alternates for 2020 will serve 2021. They are: Nancy Falkenstine, Phil Webster, Mary-Jane Wood and Mike Yale. Deanery Delegates nominated: Pat Baxter, Nancy Earle, Gretchen Rothrock and Manny Trillo. A motion was made to accept all Vestry, Alternates and Deanery Delegations nominated, by acclamation.	Moved: Emily Hopkins Seconded: Hugh Harvey Approved: By Acclamation
Chief Financial Officer Report	Jennifer Machado, CFO, reported that we had a total operating income of \$620,357, total operating expense of \$594,725 leaving an operating surplus of \$75,632, which includes an assessment relief from the Diocese of \$50,000. The Finance Committee had expected a loss of \$56,113 but ended up with a surplus due mainly to not hiring an associate, the campus being closed much of the year and to our very generous donors, plus all those who trimmed expenditures.	Informational

Interim Associate Rector	<p>Interim Associate Rector Laurie Moyer reported on her three main roles:</p> <ol style="list-style-type: none"> 1. Ministry, helping with the Sunday Services, often giving the sermon, plus all details that are included in ministering. 2. Compline, new this year Monday – Friday she led a Compline service at 7 pm praying for the sick, for the Church, for the World, for COVID to end and for each other. 3. Also new, she conducted a Thursday Bible study group, studying the readings for Sunday’s service. She also mentioned Jessica Beerbaum would do research and introduced ‘Art’ that reflected the Bible study for that week. 	Informational
History Committee / Parish Life	<p>Jessica Beerbaum:</p> <ol style="list-style-type: none"> 1. The History Committee published 16 stories this past year centering on “Inspiring Service”, our Church Community, Civic Community and Country, they will be continuing with these stories in 2021. 2. She led the committee to sponsor Meadow Homes School in Concord. In November the Church held a drive-through for school supplies and collected about \$2,000 worth of supplies and also, partnering with Cornerstone Fellowship members of St. Paul’s tutored second graders attending Meadow Homes. 	Informational
Virtual Music	<p>Deborah Webster reported that while Dr. Larry Crummer was on sabbatical that she, with help from Tom Stone, filled in as choir directors, then the pandemic happened. She did a lot of research and working with Tom Tcheng they were able to put together the virtual choir. Without the total dedication from the choir, it would have been almost impossible, one hymn took 4-5 weeks from start to finish with the whole choir all singing solo from home and then, their voices were all combined for one hymn.</p> <p>Dr. Larry Crummer returned from his sabbatical to a virtual choir where the process was already put in place. He said that St. Paul’s was very lucky to have Deborah and Tom, it was a learning experience for all involved.</p>	Informational
Senior Warden’s Report	<p>Lisa Bell-Stewart:</p> <p>This has been a critical year, and there have been some changes that we have learned. Change, is good, learning what we really need and what we can do without; being one in the body of Christ.</p> <p>Lisa reminded us of Rev. Krista’s goal’s “Worship”, “Formation” and “Leadership” that will continue in 2021 and beyond. There are many ways to accomplish these goals being of one body together, learning together, making decisions together in a community of faith.</p> <p>In outreach we are a community center in Walnut Creek, we have opened our campus to AA groups, Day care center and other community groups.</p> <p>The Vestry has been challenged this past year and Lisa’s hope is that this coming year the Vestry will continue to grow inter-acting being of one body and spirit inside and outside the Church walls.</p>	Informational
Rector’s Report	<p>Rev. Krista expressed her thanks to all her staff for their help this past year. Especially Eileen Mitchell for her wisdom,</p>	Informational

Rector's report cont.	<p>direction and time. To Tom Stone and Deborah Webster who volunteered to keep the choir together and made sure that they practiced every week virtually, and Dr. Larry Crummer returning from his trip for all his energy and enthusiasm so we were able to have a virtually choir for Sunday services every week.</p> <p>The Wardens, Lisa Bell-Stewart, we are incredibly lucky to have her, she is an outstanding leadership coach, and she has agreed to continue as Senior Warden for 2021. Julie Layne for her wisdom, her time, networking ability and energy.</p> <p>The Vestry for their hard work through the pandemic; her producer each Sunday, Tom Tcheng; Margaretmary Stellar for her pastoral care and prayers; The Rev. Laurie Moyer; and last but not least, the congregation for being together and working together.</p> <p>This past year Rev. Krista put forth 3 areas of vision, "Be a good neighbor", "Be one community" and "Learn together". Plans were already in place for opening of St. Paul's Commons, Trinity Center on campus, finish our new kitchen and hire a new Associate Rector. Some happened and some did not, all due to the pandemic and the new world it created. She continued by reminding us how we have thrived in spite of the grief the pandemic has created. We are a people of God; our faith will open doors in a new way. We can do amazing things through our faith to keep moving forward. Some of the goals for 2021 will include hiring a full-time associate rector and upgrading our audio/visual equipment.</p> <p>Rev. Krista reported that we lost two tenants, St. Peter and Paul have moved to Martinez and Open Door has closed.</p>	Informational
Parishioners Comments	None	
Meeting Adjournment	Rev. Krista adjourned the meeting at 12:15 pm	Moved: Lyle Morton Seconded: Hugh Harvey Approved: by Acclamation

Respectfully submitted,

Ronnie Marty
Vestry Clerk