

2025/2026

ANNUAL REPORT



Grace Lutheran Church

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Agenda

Annual Congregational Meeting | August 23, 2026

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| 1. Greeting and Welcome | Joachim Klein,
Council Vice President |
| 2. Opening Prayer | Pastor Matt Smuts |
| 3. Review/Approve Minutes of the August 17, 2025 Congregational Meeting | Joachim Klein |
| 4. Staff/Committee Reports | Pastor Matt |
| 5. Review 2025/2026 Financial Reports
and 2026/2027 Budget Proposal | Eric Brudos,
Treasurer |
| 6. Vote on Proposed Budget | Joachim Klein |
| 7. Report of the Nominating Committee
and Election of Council Members | Joachim Klein |
| 8. Election of Nominating Committee for 2027 | Joachim Klein |
| 9. Closing Prayer | Pastor Friederike Wekel |
| 10. Adjournment | |



Annual Meeting Minutes | August 17, 2025

Greeting, Welcome and Opening Prayer:

Susan Choquette opened the 2025 Annual Congregational Meeting on August 17 at 9:43 AM with a greeting and welcome, then introduced the agenda as printed in the annual report.

Pastor Matt offered a prayer of gratitude and reflection on our past year as a community of faith.

Review of Minutes – Susan Choquette

Marilyn Aden moved to approve the 2024 congregational meeting minutes. Chris Logan seconded, and the meeting minutes were unanimously approved.

Review Council, Staff, Program and Committee Reports – Pastor Matt

- Pr. Matt spoke about the “year in review” photo albums from staff on display on the TVs in the narthex. He introduced Emily King-Nobles in the context of the annual report, and noted that her arrival is helping us to revisit important things involving children, youth, and family ministry at Grace.
- Last year, our giving increased by \$80,000, which was a 11% increase over the 2023/2024 fiscal year. Next year’s budget will be the highest in our 75-year history!
- Staff reports for the year are found on pages 10-11 for Pr. Friederike; Tim Getz on page 12, and the Preschool on pages 14-15.
- Our Children, Youth, and Family Team carried on this year with no director. Our senior ministry activities for the year (Connections Cafe, etc.) are laid out on page 19.
- Our property committee saw through some important steeple repairs, and recent Council approvals for additional capital campaign work were summarized.

- We’re expecting to give another \$120,000 to benevolence from Capital Campaign 4, and the first \$5,000 will go to Holden Village in the mountains of Washington State.
- Grace’s endowment is both sustained and sustainable because of folks like you. Careful estate planning on your part could impact this congregation in huge ways: look at the Joanie Caroon condo and what it’s making possible for us with Emily’s role.
- Reynold Lewke spoke from the congregation, and wanted to thank the whole staff for this last year. He noted that the staff had been one person short all year and had done an amazing job.
- Pr. Matt celebrated the fact that Emily coming is the light at the end of the tunnel, and the graciousness of the congregation has sustained us this past year.

Review 2024/2025 Financial Reports and 2025/2026 Budget Proposal – Treasurer Eric Brudos

Susan Choquette turned over the mic to Eric Brudos, who led the congregation through the financial reports for last year (2024/2025) and the proposed budget for next year (2025/2026.)

- Eric Brudos announced that this year has been one of real uplift and growth, and pointed the congregation to the financial information starting on page 26.
- Allen Simon responded with a question about whether the Capital Campaign 3 remaining balance got rolled over into CC4. Eric responded affirmatively, and added that nearly half of CC4 giving is already in, which is a great sign for its progress.
- Pr. Matt pointed the congregation to page 30 to see sources of revenue, noting that the vast majority is from regular giving, with some from “loose offering” or offering plates.

- Eric noted budgetary changes for the upcoming year, most importantly adding Emily to church staff. There has been a proposal to increase our benevolence giving from 10% of the church budget to 10.5% after dropping it from 11 during the Covid pandemic. The proposed deficit of \$15,678 is small as a percentage of the budget.
- Pr. Matt stated that the budget is a 3.6% increase in expenditure: we have all the ducks, but most are already in their rows. This budget also reflects a 3% increase in staff compensation.
- Brent Sockness asked if our property insurance includes earthquake insurance. Mark Cravens responded that catastrophe coverage is very expensive, but we should pay attention to this and plan for it. Right now, it's such a huge number that we can't really quite work it into an annual budget. Church Mutual has been getting increasingly restrictive on who they cover and why, so the synod has been in conversations with other providers about this issue.
- Pr. Matt mentioned that Grace did a seismic retrofit with Doug Hohbach, and curious members of the congregation can ask him for specifics.

Vote on Proposed Budget

- Susan clarified that Council has already moved to accept the budget, so we now need a second from the congregation. Reynold Lewke moved to approve the budget, and the 2025-26 budget was approved by the congregation.

Report of Nominating Committee and Election of Council Members

- Pr. Friederike thanked **Lee Taubeneck** and **Susan Choquette** for their service on Council. Both members were presented with a card, bouquet, and a Luther Rose cookie press.

- Susan opened the discussion of Council's membership for the upcoming year. **Treasurer Eric Brudos** and **Sumitha Pauli** have both agreed to serve on Council. Pr. Matt explained that treasurer does not have to be a council member as at many churches, but here Eric will wear both hats.
- Ilse Wiechers moved to approve a first Council term for Eric Brudos and Sumitha Pauli, and a second term for Anna Girsén and Eric Mellum. Mark Cravens seconded, and the motion was approved.

Election of Nominating Committee for 2026

Our Council Nominating Committee for next year will be Barbara Pitkin, Lee Taubeneck, and Reynold Lewke, joined by an outgoing member of council. Eric Brudos moved to accept the 2026 nominating committee, and Scot Hanna-Weir seconded. The motion passed by congregational vote.

Adjournment

Closing Prayer: Pr. Friederike closed the meeting in prayer at 10:26 AM in gratitude for our strength as a community and for the contributions of each of our members. She prayed that we remain united in purpose and love.

Motion: Mary Hanna-Weir motioned to adjourn at 10:28. Ilse Wiechers seconded, and the 2025 Congregational Meeting was formally adjourned.

Chris Dunlap, 2025/2026 Council Secretary



Council

25/26 Council

*pictured from top left to
bottom right:*

Yvonne Baur,
Council President

Joachim Klein,
Vice President

Christopher Dunlap,
Secretary

Eric Brudos,
Treasurer

Steve Baird

Tom Cutler

Barbara Erickson

Anna Girsén

Eric Mellum

Sumitha Pauli

Bradley Starleaf

Ilse Wiechers

Dear Grace Friends and Family,

As I look back on this past church year, and on my final year serving on Church Council, I am immensely grateful for all that God continues to do through Grace.

What strikes me most is not even any single thing, but the overall sense of momentum. Everywhere I look, I see people investing in Grace's future through ideas, remarkable generosity, and the many acts of service that turn vision into reality. As we prepare to celebrate Grace's 75th anniversary, we have every reason to look back with gratitude for what has been accomplished while also looking ahead with excitement to all that we have planned and continue to plan for the future.

Speaking of our 75th anniversary, the response to our 75th Anniversary Stewardship Campaign once again demonstrated the remarkable generosity of this congregation. Your support allows Grace to continue offering the ministries, outreach, worship, and fellowship that make our community what it is. Thank you

to everyone who pledged and continues to support the work of Grace.

That momentum has also translated into significant investments in our campus. As Council, we have tried to balance caring for our existing facilities with thoughtfully investing in improvements that will serve Grace for years to come.

In the sanctuary, we moved the organ to its new location, allowing Tim to remain downstairs with the congregation throughout the entire service. We installed a new projector and screen for visual presentations and made a substantial upgrade to our audio-visual system, bringing the technology up to date for many years to come. We also began introducing more flexible seating and are about to receive new pew chairs for the front of the sanctuary. Beyond the sanctuary, we completed numerous maintenance projects to keep our campus in good repair, including roof repairs, replacing a stained-glass window, and updating the office bathrooms. By the time this report reaches you, additional sanctuary improvements



will likely already be underway or completed as part of our 75th anniversary preparations, including replacing the sacristy floor tiles (along with the necessary asbestos abatement), and removing the sanctuary carpet in favor of restored concrete flooring and new tile.

Our Capital Campaign IV landscaping project also continued to make substantial progress. During the year, we moved from conceptual design into detailed construction drawings in preparation for city submission and construction. This coming year, we look forward to seeing the transformed courtyard begin to take shape, starting with demolition in early fall. By next spring, we hope to have completed the improvements, creating an even more welcoming and beautiful courtyard for worship, fellowship, and community life.

We also celebrated the work of our Endowment Committee, which once again awarded grants supporting both Grace ministries and organizations beyond our campus. This year's grants included support for our organ improvements and new folding rocking chairs, as well as gifts to Mt. Cross, ELCA Global Refuge, Manzanita Works, and First Place for Youth. It is wonderful to see our endowment continuing to bless both our congregation and our wider community. I would also be remiss not to mention that our endowment, which began with just \$25 less than twenty years ago, has now grown to more than one million dollars. What an extraordinary development thanks to the generosity and long-term vision of this congregation.

Our staff also had much to celebrate this year. Emily has now completed her first full year as Director of Children, Youth, and Young Adult Ministry, and it has been a joy to see her energy, creativity, and care already making such a positive impact across all age groups. This spring we also celebrated the confirmation of ten confirmands, led by Pastor Friederike before she began her well-earned sabbatical. We look forward to welcoming her back, refreshed and renewed, in time for our annual meeting.

Not every milestone has been an easy one. After faithfully serving children and families for 51 years, Grace Lutheran Preschool concluded its final school year this June. The preschool has been a cherished

part of both our congregation and our neighborhood, and while we are saddened to see it close, we and the many preschool families it has served are deeply grateful for the impact it has made on so many generations of children.

Finally, I would like to recognize the people whose faithful service keeps Grace running so well. Our worship leaders, musicians, committee members serving in finance, property, social ministry, children's ministry and many other areas quietly give countless hours throughout the year. Grace simply would not be Grace without you.

A few special thank-yous are also in order. Barbara Larsen concludes many years of managing our St. Claire rental property, passing the baton to Gerrie Phillips in time for a minor remodel and new tenants this May. I also want to extend a heartfelt thank you to Evelyn Guernsey and Gail Foelsch for their many years of service on the preschool board as it concluded its work, and to Ilse Wiechers as she completes her term on Church Council alongside me.

Serving on Church Council, and especially serving as Council President this past year, has left me with immense gratitude and a deep appreciation for the many people who so often quietly keep Grace thriving. It has deepened my appreciation for this remarkable congregation and for the many ways God's work happens here every day. As we celebrate Grace's 75th anniversary, I look forward with great hope and excitement to what lies ahead.

On behalf of the Church Council, thank you for your continued faith, generosity, and partnership in God's work at Grace.

Peace,

Yvonne Baur

Council President



Yvonne Baur, 2025/2026 Council President

Nominating Committee

Committee Members:

Barbara Pitkin
Lee Taubeneck
Reynold Lewke
Yvonne Baur

The nominating committee actively seeks engaged, thoughtful members for service on our spirit-led church council. Council members are each eligible to serve two consecutive three-year terms.

The nominating committee proposes the following slate of candidates to serve three-year terms (2026-2029):



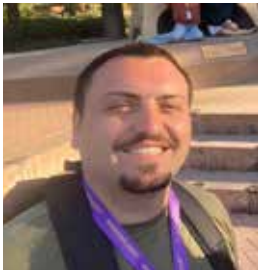
Barbara Erickson ²



Kristin Andruska ¹



Max Siegel ¹



Jared Trubenstein ¹

¹ first term

² second term

Current Council Members

Term Ending 2026

Yvonne Baur ²
Tom Cutler ¹
Barbara Erickson ¹
Ilse Wiechers ²

Term Ending 2027

Steve Baird ¹
Christopher Dunlap ¹
Joachim Klein ¹
Bradley Starleaf ¹

Term Ending 2028

Eric Brudos ¹
Anna Girsén ²
Eric Mellum ²
Sumitha Pauli ¹





The Rev. Matthew Smuts, Senior Pastor

Statistics

2023

Ave Worship Attendance:

122 In-person | 24 Online

Baptisms: 3

Confirmations: 5

New Members: 3

Deaths: 4

Baptized Membership: 352

2024

Ave Worship Attendance:

130 In-person | 21 Online

Baptisms: 2

Confirmations: 5

New Members: 21

Deaths: 5

Baptized Membership: 367

2025

Ave Worship Attendance:

128 In-person | 21 Online

Baptisms: 6

Confirmations: 4

New Members: 12

Deaths: 7

Baptized Membership: 357

Fiscal Year 2023/2024

Pledged: Budgeted: Actual:

\$624,933 \$706,447 \$727,628

Fiscal Year 2024/2025

Pledged: Budgeted: Actual:

\$758,290 \$800,000 \$807,971

Fiscal Year 2025/2026

Pledged: Budgeted: Actual:

\$741,982 \$808,000 \$810,813

75 Years of Grace | Rooted and Rising | 1951-2026

The kingdom of heaven is like a mustard seed that someone took and sowed in his field; it is the smallest of all the seeds, but when it has grown it is the greatest of shrubs and becomes a tree, so that the birds of the air come and make nests in its branches. - Matthew 13:31b-32

This last year and the next one take us to our 75th anniversary and beyond! What a remarkable achievement and another chapter in the story of the Holy Spirit's work in and through this community of faith. The Gospel of Jesus Christ has been proclaimed to and lived by so many from the corner of Loma Verde and Waverley in Palo Alto. There is a lot to celebrate!

This last year saw the arrival of Emily King-Nobles as our new Director of Children, Youth, and Young Adult Ministry as well as sabbatical time for Pr Friederike Wekel, which is winding down as I write here, and 10 confirmands this year!? Tim Getz has cherished the relocation of the organ console to the front of our worship space and the removal of carpeting from the sanctuary in aid of boosting our worship and music life. Serendipitous gifts are allowing sanctuary updates in this celebratory year when we wouldn't have anticipated it. Gretchen continues to make us all look good and is a key part of the team providing passion and art to lift our spirits. We have also seen the real beginning of a young adult ministry here, while we have also sadly closed the doors on Grace Lutheran Preschool after 51 years of faithful ministry in the face of headwinds from California's move to universal four year old kindergarten. This year I also hit key personal milestones of 30 years as an ordained pastor in the ELCA

and 20 years in service with you all here at Grace. So. Many. Things. To. CELEBRATE!!

As if all of that was not enough to fill our hearts, we are on the verge of our main courtyard project from our current capital campaign. We also hope to begin intentional conversations soon that will take us into next year about what the preschool space and yard might become. As a ministry of Grace Lutheran Church, the preschool largely provided no income to the church beyond their expenses, so we are blessed to have the unhurried opportunity to dream a bit.

If you feel like we are seeing new faces, we are! A good example of this is that we are exploring expanding our Sunday school classes from last year which had already included a weekly middle/high school offering for the first time in years. However, as we leave the upheaval of the pandemic further behind we return to some normal measure of Silicon Valley, which has always had more transience than some regions. We see this in both a larger than usual number of new households in the last year as well as a larger than usual number of households relocating out of the region. All of that said, support remains strong and we are optimistic about the year to come. A prime example is our Grace Goes to Mt Cross event coming up soon with more people than last year and likely double or more the number of children

and youth attending. We are also excited about our Wednesday evenings this Fall as Life Together dinners will be accomplished by culinary school trained Gama Santacruz and we are looking at new options for children's music, programming from younger ones, and parent conversations with Pr Matt. We should also see more growth in our Men's program considering our Spring retreat had 33 attendees up from 14 in 2025. It's shaping up to be a good year!

Before closing, I'd like to take a moment to thank Yvonne Baur, our Council President, who concludes

her service after two terms and has been a treasured partner in guiding our mutual ministry over this last year! I'd also like to thank Tom Cutler and Ilse Wiechers as they conclude their service, as well. As a congregation, we can be very proud of the diligence and faithfulness of our leaders.

I treasure being in community with you all!

Peace,

Pastor Matt



Pastor Matt

The Rev. Friederike Wekel, Associate Pastor

As I write this, we are not quite at the end of the programming year, but I have to get everything done before I leave on sabbatical on May 18. By the time you read it, I will have returned. Thanks to your generosity, I am able to take three months this summer away from work. I will definitely report back and share all my adventures.

This year has gone by in a blur. So much happened, so many Sundays with worship and song, community and conversation, so many events, so many things to plan and think about, be creative for and discern...

This year, I taught two confirmation classes again: one online and one in-person, over both classes we were almost up to 20 middle schoolers. The Mentor Program tackled the topic of Grace and engaged in deep conversations and fun activities. In April, ten of the middle schoolers were confirmed.

Connections Café, with its semi-monthly meetings has become a solid program for our seniors: With guest speakers ranging from first responders and police to how to declutter your home and making valentines, caroling with Tim and sharing about childhood Easters, we covered a lot of ground. In September, we were able to go on a field trip to the Cantor Arts Museum at Stanford.

Our Women's Ministry kept to the pattern of two retreats a year, a fall retreat on campus on the topic "Moments" and a synod wide retreat in the spring in collaboration with Mount Cross on the topic "God's Image." Both were well attended. The monthly Women's Night Out covered topics from German Bretzel baking to Mister Rogers, and included social gatherings like an end-of-summer picnic at Mariel Spengler's home, a game night and a biergarten-excursion to Ludwig's Biergarten in Mountain View.

Throughout the year, Pastor Matt, Emily, and I have been rotating weekly story time at the preschool. I will really miss this part of my ministry when the preschool closed.

We were also able to again create two devotionals for our congregation, one for Advent-Epiphany, and one for Lent, as a spiritual guide through these seasons.

I fondly remember the decorations for Advent through Epiphany with the nativity silhouettes moving along the windows of the sanctuary, and the dramatic installations of butterflies during Lent and Easter—they each came with their own challenges, but the results turned out beautifully. A big thank you to all who helped make these decorative visions come to life.

Over the last year, we delivered communion to the homebound on (almost all) the first Sundays of the month. We gladly have a slightly increased number of volunteers who help deliver. However, we also have a growing number of homebound members—who really would love to be visited more than once a month on the doorstep. A dream I have for the next programming year is to start a visitation group to better include our homebound members into our community.

And last, but certainly not least, I want to say thank you for all of you who supported me over the last year as I struggled with my health due to my endometriosis. Thank you for the prayers, kind words, and questions, and especially to Pastor Matt and Emily for taking on my duties while I was recovering from surgery. Thank you all for being a supportive and caring community!

Pastor Friederike



Rislar Tiedelbe

Tim Getz, Director of Music Ministry

It's been a big year for music at Grace Lutheran Church! We continue to grow into what it means to be a singing Lutheran community in our particular time and place, and I think we do that very well indeed.

One noticeable change is that we moved the organ console from the rear loft where it was originally installed in 1971 to the front of our worship space. Though this seems like a simple idea, it was a rather complex project: the console was first dismantled in the loft. Its solid wood exterior was professionally refinished to remove blemishes that had accumulated over the decades, and stained to match the rest of our chancel furnishings. The original analog electrical system inside the console was replaced with state-of-the-art electrical communication technology. A single, thin computer cable now runs from the back of the church to the front, hidden from view. The console was then reassembled and reinstalled at the front of the church, behind the pulpit. A couple of fun added features are that the console now stands on a wheeled platform so that it can be moved within the chancel if necessary, and we have a new bench that can be adjusted up and down to match the height and leg length of any player, essential for playing of organ pedals! Having the organ console in front eliminates my need to run up and down the stairs multiple times during every service, but more importantly, has enabled me to better hear and respond to the singing of the assembly and the overall musical effect in the room. I have loved this result!

Programmatically, we have had huge success this year with Beer and Hymns! The tradition of hymn-singing by a congregation (not just clergy or a trained choir) began at a time before video entertainment and recorded music, when singing together was a typical form of entertainment and builder of community spirit for everyone. It's even commonly thought (but arguable) that the first Lutheran hymns originated as songs sung in taverns. So we've brought back some of that lively good fun of enjoying a beverage with our singing! On each Beer and Hymns evening, we

gather in each other's company, enjoy a beer (or a non-alcoholic beverage) and open up our hymnals. After 30-40 minutes of singing together, we end the evening with a fantastic home-cooked meal. All ages are welcome; it's been a great intergenerational event!

Our choir is a joy-filled group that has a lot of fun together, and sings beautifully besides! We rehearse on Wednesday evenings, September through May and sing in church nearly every Sunday during that time. We have about 20 singers on our roster but are always happy to welcome more. We have more chairs stacked and waiting in the back! A couple of highlights of this year: we sang Kirke Mechem's Seven Joys of Christmas on Christmas Eve, with harp accompaniment, in honor of the 100th birthday of that celebrated Bay Area composer. In May, our annual Spring Concert was one of the most diverse and interesting programs we've had yet. Many thanks as always for the incredible musicianship, warm friendship, and solid dedication from our choral section leaders Mark Tendall and Angelique Zuluaga.

Our handbell ensemble, Praises Ring, is a fun group with a great mix of interesting people as well. We rehearse weekly on Thursdays and add the sounds of bells to the music in worship about once a month at both services.

I enjoyed teaching weekly music classes in our preschool again this year. More than just singing songs, I teach a Musikgarten curriculum that includes listening to music and sounds from nature, movement, playing rhythm instruments, and even some basic music-reading! It was a lot of fun and hopefully began to instill a love of music that our preschool children can carry with them throughout their lives. I will miss the preschool after its closure, and hope to find new ways to share the love of music with children in the coming year.

I sing songs with our Sunday school children during their weekly opening, mostly for fun, but we also shared music with the congregation on four Sundays during the year.

As I have for many years, I continue to do the scheduling for worship leaders: Readers, Usher/Greeters, and Communion Assistants. If you would like to know more about what any of these roles entails, or might be interested in participating, please speak with me or either of the pastors. We're always happy to add more people to the roster, more are especially needed at the 8:30 service!

Our monthly services of Taizé evening prayer have continued on the second Sunday of each month at 7 pm. This is a lovely, quiet, meditative service with lots of singing, a great way to cap off the weekend and prepare for the week ahead.

I look forward with excitement to new challenges and opportunities at Grace in the coming year!



Chris Gay

Emily King-Nobles, Director of Children, Youth, and Young Adult Ministry

Planting Seeds

Matthew 7:24-25

²⁴ Everybody who hears these words of mine and puts them into practice is like a wise builder who built a house on bedrock. ²⁵ The rain fell, the floods came, and the wind blew and beat against that house. It didn't fall because it was firmly set on bedrock.

It is hard to believe it has already been a year since I stepped into this journey as Director of Children, Youth & Young Adult Ministry at Grace. Time truly does fly. As I reflect on this past year, I find myself returning to the image of planting seeds.

This has been a year of planting, both professionally and personally. I uprooted from the Midwest, the only homes I had ever known, to embrace life in the Bay Area. Along the way, I began planting roots in new communities: within Grace, in a running club, in craft groups, and among neighbors. I have also been grateful to connect with other youth directors in our area and to begin a youth ministry course through Youth Ministry Consultants, learning from experts in this field.

At Grace, this year has been devoted to nurturing the programs already bearing fruit while also planting seeds in new areas of ministry. My continued hope is that we give our children and youth the strong foundation Matthew talks about in the verse above. Together, we plant seeds, God waters them and beautiful things begin to grow.

One of the most exciting new seeds has been the launch of our Young Adult ministry. This group has gathered monthly for activities such as Topgolf outings, escape rooms, game nights, Friendsgiving, “PALentine’s,” sporting events, and book clubs. It has been a joy to witness friendships forming and a sense of community taking root. Looking ahead, I hope to continue growing this ministry through regular gatherings, potential retreats, and participation in the Young Adult track of the National Youth Gathering next summer in Minneapolis.

Our children’s ministry has continued to grow, with several new families joining the church and a strong new member class this spring. I am very grateful for our amazing Sunday school teachers this past year—Maria Derrick, Katy Siegel, Kathy Fitzgerald, and Gretchen Leff—for their creativity and commitment to the faith development of our children at Grace. We enjoyed a joyful Christmas pageant in December and were excited to incorporate music with Tim into our Sunday school openings. It has been especially meaningful to have the children singing in worship at various points throughout the year.

Our high school youth group has continued to meet weekly on Wednesday evenings for fellowship, games, and devotions. Highlights from the year include a gingerbread house competition, an ugly sweater contest, scavenger hunts, team-building activities, painting nights, and even a Safeway trip for EHP donations. In addition, our high schoolers also have regular off-campus events such as volunteering, Topgolf, bowling, rock climbing, and retreats. Starting last fall, we added Sunday school for our middle and high schoolers, ensuring that there is now a Sunday School option for every age.

In November, Cory Hallada and I chaperoned eleven of our elementary and middle school students for a weekend at Mt. Cross, led by the Sierra Pacific Synod Youth Committee (many of whom are Grace’s own high schoolers). In the spring, five of our high school students attended the SPSYC retreat, with several being (re)elected to serve on this leadership committee. It is wonderful to watch our youth lead in the Synod and share their creativity and compassion with other students.

We confirmed ten students at the end of April, and they have already become a wonderful addition to our youth group. I am looking forward to continuing meeting weekly with our high schoolers this fall as we dive into Bible stories and topical discussions about the challenges they face today. It is a joy to see the passion they bring to bettering the world and the curiosity they bring in asking meaningful questions.

At the end of June, I had the opportunity to travel to Southern California with six of our high school students and Jared Trubenstein for our summer youth trip. We spent a couple days at Universal Studios, playing silly games in long lines and navigating several forms of public transportation. We then attended the Western States Youth Gathering at Cal Lutheran with 100+ other youth from surrounding areas. The theme was “Faith Odyssey” and the students looked into different factors and roadblocks on their individual faith journeys. We ended the last night with a foam dance party...safe to say it was a success!

The close of our programming year also marked Quilt Sunday, when our amazing quilt guild honored four graduating seniors with the gift of handmade quilts. I am thankful for the impact that Jonah, Aliena, Sara, and Annika have had on the Grace community. We send them with love and prayers as they begin their next adventures.

This has been a full and vibrant year, marked with growth, laughter, fun, and faith! I am looking forward to kicking off our new programming year with “Grace Goes to Mt Cross” and an action-packed Rally Day on September 13. We will continue planting new seeds, including the expansion of our Wednesday “Life Together” dinners with a new chef and additional family programming.

I also hope to continue strengthening our volunteer base within children’s and youth ministry. The adults who invested in me during my own childhood had a lasting impact on my life, and I believe deeply in the importance of surrounding our young people with a community of adults to care for and love them. If you are interested in being a volunteer in our children or youth ministries, please reach out. The impact you can have is tremendous, and you will be blessed in return.

This year has truly been one of planting and tending seeds—trusting that God is at work in and through it all. Thank you for your grace, patience and support as I stepped into this new role. It is a privilege to walk alongside our children, youth, and families here at Grace.

Blessings, Emily







Grace Lutheran Preschool

Preschool Board:

Evelyn Guernsey, chair
Gail Foelsch
Jane Garvey
Ivor Holloway
Eric Mellum
Sumitha Pauli
Pastor Matt Smuts

Staff

Felicity Taylor, codirector
Gina Rogge, codirector
Celina Tracy
Daisy Herrera (spring)
Lidia Rodriguez (fall)

Our School Year Journey

This year's annual report is a reflection of our school year journey. We started our year with carefully planned ideas for the preschool community. Our school year opened in August with an enrollment that included returning friends, new friends, and we added a few siblings along the way.

One of our school year ideas came from the relationship we had built with our grand-friends. We wanted to continue that bond. During the first few months of the school year, we invited the "grand-friends" to come in and join us in the classroom to sing, eat, share, and celebrate. We were blessed to have Mary Carlson, the founder and first director of Grace Lutheran Preschool, lead the children in her preschool song, "I Like You," which she wrote decades ago. The grand-friends shared a few of their favorite childhood toys with us. Marie shared a little toy truck her dad had made for her, and Jan shared a very special storybook that still has her name written in crayon on the inside cover. We enjoyed a snack time together that included some of our friends' favorite treats.

Our grand-friends also dressed up and joined us for our Halloween party. On the evening of the Trunk-or-Treat event, some of the grand-friends showed up, and we had an almost 100% turnout from our preschool families. We even had several alumni families join us. Ms. G and Ms. Felicity decorated their cars as Costco and Trader Joe's.

Our 2025 Christmas dinner and show was a little different than past years. The children sang along with Mr. Tim to traditional holiday songs, and Liv, one of our four-year-olds, read the book "The Christmas Story" aloud to the audience.

Our grand-friends even joined us on stage to sing with the children. We had built a generational relationship that we all drew energy from, with memories that will last a lifetime.

Early in the new year, the news about the closure was out. It was a time filled with mixed emotions for all of us. Our goal was to continue with our school year as planned and ensure that all of our children and families felt our support. We did continue on as planned with our Valentine cookie decorating and our celebration of Dr. Seuss' birthday week, with some tasty homemade green eggs and ham.

For our Annual Spring Art Show, we turned the classroom into an art gallery filled with the children's artistic creations. The church community, preschool board members, grand-friends, and preschool families were all invited to tour through this magical transformation of our environment. We were even visited by a few local preschool administrators. The children were beaming with pride as they walked their loved ones through and showed off what they had been working on in preschool.

Our goal of continuing the school year as planned had reached the final month of May. By this time, we had completed our spring conferences, which included working closely with parents to ensure that all of our enrolled children had secured placement at other local preschools or T-K/Kindergarten for the 2026-27 school year. This month began the clean-up process, and we enjoyed some of our last weekly visits with Mr. Tim for our weekly music time. Mr. Tim ended the school year with a visit to the sanctuary for all of us to see the piano and organ

he plays for Sunday services. Each week, Pastor Matt, Pastor Friederike, or Ms. Emily took a turn coming in for storytime.

We took a field-trip walk to visit the labyrinth maze and headed back to the classroom via the front church office to say hi to Gretchen.

Our last day in May was a celebration. We had visits from former teachers, the office team, grand-friends, board members, and our current families. Together we sang Mary's special Grace Lutheran Preschool song, "I Like You." It was this moment that cherished memories were shared, and hugs and prayers filled the room and play yard. It was not only the end of our school year, but it was also the end of an era, the end of a place in time that had given so much joy, love, and learning to over five decades of children, families, and the Grace Lutheran Church community. As an added bonus, we did have a one-week summer camp in June for some of the children to align with the PAUSD school year calendar. A few more days of play.

We would like to thank everyone who has supported our journey at the Grace Lutheran Preschool. Your support was appreciated, and we could not have done any of this without you.

Thank you to the church staff: Pastor Matt, Pastor Friederike, Mr. Tim, and Ms. Emily for our weekly story time and music, and Ms. Gretchen for administrative support.

Thank you to the Preschool Board members who met with us monthly. Evelyn Guernsey, our board president; Gail Foelsch, our preschool bookkeeper and treasurer; additional members: Jane Garvey, Ivor Holloway, Sumitha Pauli, Pastor Matt Smuts, and Eric Mellum. The past two years in the classroom and at board meetings was invaluable to us.

Let us be bound together in our shared connection to this special place. May we always remember our time together and our memories of Grace Lutheran Preschool: "Growing Together in Grace"

With gratitude,
Felicity Taylor and Gina Rogge
Co-Directors







Children, Youth, and Family Team (CYFT)

Committee Members:

Maria Derrick (chair)
Kathy FitzGerald
Anna Girsén (Council Liaison)
Emily King-Nobles
Katy Siegel

Sunday School Teachers

Elementary:

Kathy FitzGerald
Gretchen Leff

Little Lutherans:

Maria Derrick

Middle/High School:

Emily King-Nobles

Substitute Teachers:

Katy Siegel
Pastor Friederike
Pastor Matt

Middle School Mentors:

Pastor Friederike
and lots of **mentors**(!)

Confirmation Class:

Pastor Friederike/Pastor Matt

High School Youth:

Emily King-Nobles
with support from
Cory Hallada
Chris Dunlap
Paige Dunlap

Opening Music:

Tim Getz

Cradle Roll:

Lois Holl

College Care Packages:

Mariel Spengler
Gerrie Phillips

Christmas Pageant Support:

an army of **parents**!

Youth Trip Chaperones:

Emily King-Nobles
Jared Trubenstein
*with logistical support from Pastor
Matt Smuts and Mariel Spengler*

CYFT provides support to the Director of Children, Youth, and Young Adult Ministries

The best thing that happened this year was the arrival of Emily King-Nobles as our now not-so-new Director of Children, Youth, and Family Ministry. Emily brings energy, enthusiasm, and new ideas, and we are thrilled that she has joined the Grace staff.

CYFT (Children, Youth, and Family Team) met almost monthly to plan and execute various activities for Grace's children, youth, and families. As always, many of these events were not the sole responsibility of CYFT, and in fact, we were often small contributors at best, but nonetheless these events/activities positively impacted the ministry to children, youth and families at Grace.

- **Sunday School** – We had three regular Sunday School classes this year: Little Lutherans for the 0-5 group, a class for elementary-aged children (K-5th), and a middle/high school class.
- **Confirmation Class** – Ten youth celebrated their Rite of Confirmation on Sunday, April 19, 2026. Confirmation class, taught by Pastor Friederike and Pastor Matt, was offered twice weekly (virtually on Wednesday afternoons, and in-person on Wednesday evenings).
- **Middle School Mentor Program** – The Mentor Program this year was coordinated by Pastor Friederike.
- **Youth Group** – Youth group met weekly on Wednesday evenings, in addition to holding occasional (roughly monthly) outings.
- **Children's Choir** – Tim Getz led music for Sunday School Opening. He taught the children three songs during the year which they shared with the congregation during worship.
- **Blessing of Bikes and Backpacks** – As has been our tradition for many years, children and youth beginning the new school year, along with others who commute by bike/scooter, were blessed during our outdoor service on August 10, 2025.
- **Rally Day** – The programming year started in earnest with the usual Rally Day festivities on Sunday, September 7, 2025. Many thanks to Church Council, who provided the food.
- **Apple Fest** – An all-church event, Apple Fest, was held on Sunday, September 28. Members brought apple-containing food for a potluck, and we celebrated all things apple with apple tasting, games and other activities.
- **Halloween Trunk-or-Treating** – Church and preschool families joined together for trunk-or-treating in the parking lot on Friday, October 24, 2025. Trunk-or-treaters visited about fifteen decorated cars, did guessing jars, ate lots of pizza, and generally had fun.



- **Advent Festival** – Advent Festival was held on Sunday, November 30, 2025. We ate soup, assembled Advent wreaths and care packages for college students, created lots of crafts, and enjoyed lefse made by high school youth.
- **Sunday School Christmas Program – A Very Mixed Up Christmas Pageant**, our Sunday School Christmas program coordinated by Emily and Pastor Friederike, was presented during the worship service on Sunday, December 14, 2025.
- **First Communion Class** – Emily hosted a First Communion Class for six children on April 12, 2026.
- **Easter Breakfast/Easter Egg Hunt** – Emily coordinated the Easter Breakfast and Easter Egg Hunt on Easter Sunday, April 5, 2026. Since a number of high school and middle school youth who usually help with the breakfast and egg hunt, respectively, were not available due to Spring Break, we are grateful for the extra help from the congregation, and especially the Young Adult group, who stepped in to fill the need.
- **Senior Quilt Sunday** – Four high school seniors were recognized on May 31, 2026 with the gift of a quilt lovingly designed specifically for them by our amazing quilting group.
- **Mt Cross Retreats/Camp** – Eleven elementary and middle school kids attended a retreat at Mt Cross November 14-16, 2025, and five high school youth attended the Senior High Retreat at Mt Cross in March 6-8, 2026. Both retreats were run by the Sierra Pacific Synod Youth Committee (SPSYC) Board, which included six of our youth (Saana Ahonen, Sophia Buttler, Margaret Choquette, Hannah Dias, Annika Kulawik, and Sara VanValkenburg). At the high school retreat, Saana Ahonen, Sophia Buttler, Margaret Choquette, and Hannah Dias were re-elected, and Drew Cutler was elected to the SPSYC Board for 2026-2027. Three children attended an amazing, fun-filled week of camp at Mt Cross during the week of June 14-19
- **High School Summer Trip** – Six high school youth traveled at the end of June to Thousand Oaks for the Western States Youth Gathering.



Senior Ministries

Committee Members:

Kay Marie Ferguson, Chair

Pastor Friederike Wekel

Lee Taubeneck

Geri Horsma

Marjorie Khosrovi

It was another lovely year for seniors and retirees at Grace. Connections Café continued to meet twice a month on the second and fourth Thursdays in the Emmaus Room for healthy and sweet snacks along with coffee, tea, and an array of interesting speakers and field trips.

In September we hosted Emily King-Nobles our wonderful new Children, Youth, and Young Adults Director (CYYA) and got to know her!

In October, our guest speaker was Sgt. Mike Kan from Palo Alto Police Department. He gave a talk on scamming prevention - from computer scams to phone scams and ways to stay safe in an increasingly complicated digital climate. We then heard from the PAFD (Palo Alto Fire Department) at our Café for a presentation on Fire safety. These were such informative talks where we learned so much about our personal safety.

In November, as we once again experienced the dreaded time change and the season of darkness, we had a discussion on self-care, featuring meditation and yoga teacher, Fon Churat. She gave a wonderful slide show on the benefits of meditation for seniors and all ages where we were able to practice various techniques. It was very timely for that time of year, when it can be more difficult to stay mentally healthy due to shorter days and poor weather.

We took a break for Thanksgiving, but in December we welcomed Tim Getz, Music Minister, for caroling and Christmas treats! It was literally a treat to have him and have that time for singing together.

In January, we got together just to socialize and reconnect after the holidays - it truly is a Connections Café! After this gathering, we met again, each of us with a personal

childhood photo to guess which photo belonged to whom. Grace staff were so excited, they brought their pictures in, too. We had a great time trying to match everyone up to their portraits and reminiscing about different styles of dress, and home décor!

In February, we made Valentine cards for the Grace Lutheran Preschool students, the women at Heart and Home Collaborative women's shelter and for seniors who stay at home or at senior living communities. It was such a pleasure to see folks create and visit while making something meaningful for our community. We followed this up with our second meeting of the month with speakers Laura Becker-Lewke and Reynold Lewke give an incredibly interesting talk on the history of Labyrinths. We then all took a turn walking the Grace Labyrinth! We were the first group to walk it, too.

In March we had a decluttering expert from "Caring Transitions" Silicon Valley come discuss ways to off-load all those treasures collecting dust in our attics, basements, and about the house - super helpful topic!!! Closer to Holy Week, Pastor Friederike invited us to share Easter traditions from our childhood. Some of us brought items in from that tradition and we divided into groups to discuss and present. Everyone became quite involved and it was truly enlightening to hear about other's experiences. Another terrific topic, thanks to Pastor F!

In April, we put together Medical Emergency Binders, that included everything you might needed paramedic care in your home or were transported to the hospital, such as, your full name and medical problem list, list of medications, emergency contact information, and insurance information. If you don't have this type of binder in your home, see Kay for more information.

As you can imagine, we had many fantastic speakers and events on campus, but that was not all. In the fall, we had a field trip to the Cantor Arts Museum with a private docent followed by a trip to Tootsie's Café for delicious desserts and drinks. Tootsie's is connected to the museum and has amazing Italian "Nutella"-filled doughnuts. In the Spring we went to Gamble Gardens in Palo Alto, which was another fun time for outdoor friendship and community.

Watch for more field trips next programming year as Connections Cafe will host a new group of speakers on many relevant topics such as Pastor Friederike's Sabbatical Adventures, "Vital Nutrition for Aging

Well", Funeral and Memorial Service planning, Lenten Discussions, and "Volunteering in the Later Years." However, as in these past two years, we will not remain in the Campus confines! We will venture out for a Forest Bathing Experience to Shoup Park in Los Altos, and take a docent led trip to Memorial Church at Stanford! We look forward to having you join us for connecting and community events at Connections Café.

Yours in Community,

Kay Marie Ferguson, RN, BSN, MEd



Stewardship

Committee Members:

- Marilyn Aden, co-chair
- Carol Ezrati, co-chair
- Susan Koepfgen
- Don McElravy
- Eric Mellum
- Erik Rausch
- Pastor Matt Smuts

Rooted and Rising

The Stewardship Committee’s major activity is the yearly pledge campaign. Pledging allows the Finance Committee to more accurately predict and budget for the coming program year, which begins on July 1.

The Pledge Campaign for 2026-27 was amazing. We had significantly more new increased pledges and significantly fewer lower pledges. We have experienced some volatility with an unusually high number moving out of the area. However, the number was fewer than our new pledging units. We are optimistic that we can put together a budget that contains all of our hopes for the new year!



2026/2027 Stewardship Program

Priorities for 2026-27 include:

- Staff increase in compensation
- Significant upgrade to our Wednesday community life meals program
- Continued investment in our music program
- Sustaining our benevolence with last year’s increase

The Stewardship Committee is also focused on education and service of our Christian community.

A discipline of stewardship is observable everyday through time and talent generously given by Grace members in service to Grace. The Stewardship Committee continues to be energized by and thankful for the sense of excitement, anticipation, participation and caring here at Grace.

2026-27 Operating Fund Pledging

	New	Up	Same	Down	Removed	Total/Net
Giving Units	12	47	30	9	7	98
Change in # of Pledges & Total \$'s from Previous FY	Up 8 & \$1.5K	Up 9 & \$11K	Down 11	Down 3 & \$4K Better	Up 4 & \$13K Worse	Up 3 Pledges & \$4K Net
Net Change	\$18,350	\$64,321	\$0	(\$35,940)	(\$28,600)	\$18,131

Social Ministry

Team Members:

Bruce FitzGerald, chair
Christopher Dunlap
Mary Hanna-Weir
Dale Loepp
Martha Meyer
John Sullivan
Lee Taubeneck
Pastor Matt Smuts

Time, Talent, and Treasure

Grace's Social Ministries touch many areas of need through our gifts of time, talent, and treasure. Thank you to all the members of Grace as we work to help others beyond our church campus!

Through our volunteer hours, donations of food and supplies, and financial support from the Annual Budget, Capital Campaign and Endowment Fund, we provide vital support for these local, national, and global mission partners:

The local community

- Ecumenical Hunger Program
- Heart & Home Collaborative
- South Palo Alto Food Closet
- Canopy
- Silicon Valley Pride
- Silicon Valley Allied for the Common Good

The nation

- Reconciling Works
- Bread for the World
- CROP Hunger Walk

The world

- Global Refuge
- Dar al-Kalima University / Bright Stars of Bethlehem
- Lutheran Center & Clinic in Juba South Sudan
- Plastics and battery recycling

The ELCA family

- ELCA Sierra Pacific Synod
- Mt. Cross
- Holden Village
- California Lutheran University
- Pacific Lutheran Theological Seminary

Thank you Members of Grace!



Grace Outdoors

Committee Members:

Ann Alexander, *emeritus*

Chris Dunlap

Paige Dunlap

Grace Outdoors, now over three years old, successfully sponsored multiple well-attended hikes and other outdoor activities this year, attracting an increasingly broad spectrum of Grace members and friends.

Almost every event this year had at least one first-timer in the group, and we would love to see that trend continue in 2026-27!

This coming year, we are seeking to further expand the accessibility and range of difficulty levels available to those who join our events from short moderate hikes to more challenging climbs. We're certainly open to cycling and other ways to experience the outdoors as well, so please drop us a note if you'd like to help us plan next year's outings!



Here is a recap of our 2025-26 adventures:

- **September 2025: Stanford Dish.** The Dish is a Grace Outdoors fan favorite, and our third installment of this hike brought in ten members and friends for our closest-to-Palo-Alto event of the year!
- **October 2025: Crystal Springs bike ride.** A Grace Outdoors first and a resounding success: Ann Alexander led a group of cyclists along Cañada Road to the Crystal Springs Reservoir. Despite the drizzly day, our spirits stayed high as we finished the 30-mile ride at iconic Rossotti's Alpine Inn in Portola Valley.
- **November 2025: Huddart Park.** We took in the beautiful fall colors of Woodside's incredible Huddart Park in our third event of the year.
- **December 2025: Purisima Creek Park.** Perhaps our most strenuous adventure of the year, this famous down-and-up trail rewards hikers with dense redwood forests and sweeping ocean views. We'll be back here soon!
- **January 2026: Windy Hill Preserve.** Lee Taubeneck led a hardy group to the top of Windy Hill with 360-degree views of the San Francisco Bay on the descent.
- **February 2026: Castle Rock State Park.** An intrepid band of hikers scrambled up a couple rocky passes and climbed over 1,000 feet before returning to the trailhead via a gorgeous overlook from the ridgeline. This was a bittersweet hike for us, as Ann Alexander, founder and co-leader of Grace Outdoors from its inception to this spring, joined us for her last GO event (at least for a while) before moving to Seattle.
- **March 2026:** A small but mighty crew started off in the towering redwoods and traversed peaceful meadows on a quiet, clear morning in Portola Redwoods State Park.

- **April 2026:** Guest leader Andy Ferguson showed us some of his favorite paths that we shared with some speedy but friendly trail runners in another lovely iteration of what has quickly become a perennial “must-do” among Grace Outdoors folks.
- **May 2026:** We did it! We finally crossed the Golden Gate Bridge! A dozen Grace Outdoors members and friends took on the misty SCA Trail in the Marin Headlands before crossing the bridge on foot on a cloudless afternoon in our 2025-26 capstone event.

Grace Outdoors is a lot of fun, and we’re always looking for new adventures and folks to share them with! Please message Chris or Paige Dunlap to take part in our planning committee.



Property Committee

Committee Members:

Mary Cravens (co-chair)

Mark Cravens (co-chair)

Tom Cutler

Doug Hohbach

Barbara Larsen

Don McElravy

Tim Perkins

Gerrie Phillips

Lee Taubeneck

Pastor Matt Smuts

2025 and 2026 have been quite busy for the Property Committee! The Grace community has continued to invest in some deferred maintenance, plus a series of updates and upgrades, thanks to the congregation's ongoing generosity. Along with general maintenance and upkeep on the campus, some of the meatier projects we've completed over the past twelve months include:

- Grace has completed updating the roofing for every building on campus—the oldest roof we have is now only 11 years old!
- Refurbishing and updating the condominium Joanie Caroon graciously gifted to Grace, providing living space for Emily
- Refurbishing and updating the rental property Grace owns on St. Claire street in Palo Alto, prior to leasing it to new tenants
- Resurfacing and repainting the parking lot on campus
- New heating and air-conditioning for the church office (much needed!)
- Refurbishing the bathrooms in the church office—including adding hot water!
- Repainting Brown Hall and hanging the mobile art

Looking forward, we are excited to start the courtyard relandscaping this fall! In addition, we are moving forward with significant updates to the sanctuary, thanks largely to several very generous gifts for the organ console relocation, exploration of seating options and configurations, much-needed upgrades to the audio-visual equipment, and removal of the aging carpet!

None of this would have been possible without your stewardship and generosity. The Property Committee is blessed to be able to take on all this work—our deepest thanks to the entire congregation! Onwards! The Property Committee would like to take this opportunity to express our deep gratitude to the congregation for all your participation and support. We are truly blessed to be able to carry out this work and ministry with your unflagging backing. Thank you all!

Endowment

Committee Members:

Barbara Erickson (chair)
Steve Baird (council rep)
Joachim Klein
Chris Logan
Erik Rausch
Pastor Matt Smuts

The Legacy Society:

Autumn and Gary* Bea
Barbara Behling*
Amrette and Jerry Butler**
Joanie Caroon*
Miriam Casey
Mary and Mark Cravens
Kathy and Bruce FitzGerald
Marianna and Robert Kraus**
Chris and Dan* Logan
Andrew Mellows
Martha Meyer
Dr. Norman Olson*
Dr. Donald Ostrus*
Gretchen Rauch
Aarika and Ryan Riddle
Rev. Cora Scheel*
Carol and Donald Scifres**
Jim Thissell*
Ans and David* Vroom
Hylke Wiersma*
Karin and Rev Randall* Wilburn
Janet and Stewart Wobber**
Barbara and Donald* Zepp

*deceased

The Endowment Fund is meant to be visionary, supporting the mission of Grace Lutheran Church now and for the long term. Our fund is invested with the ELCA Endowment Fund Pooled Trust. The valuation of our fund as of June 30, 2026 was \$1,071,325.26, up from the June 30, 2025 valuation of \$949,687 based on market appreciation.

Each year the Endowment Committee calculates the available funding for grants, which is not to exceed 5% of the past three years quarterly average market values for our fund. Under the Council approved guidelines 50% of the available grant goes to the Grace Operating Budget and up to 25% goes to internal Grace-related grants and up to 25% to external party one off grants sponsored by the ELCA or Grace members. This year we distributed \$21,923 to the Operating Budget, \$8932 to internal grants and \$10,000 to external grants. The grant submission was through MyGrace online. We will be requesting feedback from the internal and external grant recipients by December 31, 2026 on the use of the funds received.

The internal grants were:

- **\$2000**—for AED (defibrillator) and basic first aid supplies
- **\$5200**—for the second organ regulator replacement
- **\$750**—for Connection Café speaker fees and field trips (available only if the 2026/27 Operating Budget does not cover this programming expense)
- **\$982**—purchase of 10 collapsable rockers for offsite fellowship gatherings
- A residual of **\$2029** was available and is being used to paydown the church mortgage in accordance with the council approved endowment policy

The external grants were:

- **\$2500** First Place for Youth for living skills to foster kids (C. Ezrati)—2nd grant
- **\$2500** Mt. Cross purchase of safety equipment—lifeguard chairs, rescue equipment, CPR training (A. Templeton)
- **\$2500** Manzanita Works (Philanthropic Ventures Fdn) for 10 Essential Kicks vouchers for shoes and commute counseling support (L. Taubeneck)—2nd grant
- **\$2500** to ELCA Global Refuge (B.Erickson)
- A residual of **\$961** was available and will remain in the ELCA Pooled Investment Fund

We are most blessed for this opportunity to serve Grace Lutheran Church and our community with these gifts.

The Legacy Society is named for the group of people who have or intend to contribute to the Grace Lutheran Church Endowment Fund. To join the Legacy Society please inform a member of the Endowment Committee, or the church office of your intention to include Grace Lutheran Church in your estate plan.



Audio/Video Update

A/V Team:

Brandon Aitken
Andrew Mellows

Audio and Video in the Sanctuary at Grace

A wonderful gift has allowed us to purchase all new equipment for audio and video in the sanctuary at Grace. Our system was old and had increasingly frequent failures. It was difficult to repair because of the lack of available spare parts.

The company from whom we purchased the new equipment is local and will provide support through the warrantee period and beyond.

At the time of writing, the new cameras and other video equipment have been installed and are in use. The new wireless microphones are also installed and in use. The remaining tasks are connecting the new audio amplifiers and removing various old cables. If all goes well, we expect to be finished in August.

Andrew and Brandon



Financial Reports: 2025/2026 Fiscal Year

Committee Members:

Eric Brudos, Treasurer

Bruce FitzGerald

Yvonne Baur

Max Siegel

Russ Yarp

Pr. Matt Smuts



	2025/2026 Fiscal Year End Total				2026/2027
	Actual	Budget	over (under) Budget	% of Budget	Proposed Budget
Revenue					
40 Regular Income	827,462.82	827,250.00	212.82	100.03%	830,250.00
41 Other Income	45,525.47	40,500.00	5,025.47	112.41%	50,200.00
Total Revenue	\$ 872,988.29	\$ 867,750.00	\$ 5,238.29	100.60%	\$ 880,450.00
Expenditures					
50 Pastoral Ministry	272,568.96	273,909.05	-1,340.1	99.51%	282,120.00
51 Administration	117,160.32	120,970.00	-3,809.7	96.85%	121,669.00
52 Building & Grounds	134,324.46	140,224.00	-5,899.5	95.79%	136,500.00
53 Worship & Music	159,691.13	156,840.00	2,851.1	101.82%	161,263.00
54 Education	11,435.98	10,500.00	936.0	108.91%	9,000.00
55 Additional Programs & Ministry*	85,835.53	78,526.00	7,309.5	109.31%	73,045.00
56 Other Expenses	15,147.33	15,600.00	-452.7	97.10%	16,061.00
57 Budgeted Missions	88,133.00	86,861.00	1,272.0	101.46%	87,176.00
Total Expenditures	\$ 884,296.71	\$ 883,430.05	\$ 866.66	100.10%	\$ 886,834.00
Net Operating Revenue	\$ -11,308.42	\$ -15,680.05	\$ 4,371.63	72.12%	\$ -6,384.00
* Totals shown above for Additional Programs & Ministry include off-budget support from designated funds:	27,460.00	37,500.00	\$ -10,040.00		37,500.00
Thursday, Jul 30, 2026 08:43:58 AM GMT-7 - Cash Basis					

	Total
Assets	
Current Assets	
Bank Accounts	
1000 Checking/Wells Fargo	300,793.20
1101 Wells Fargo Business Savings	13,063.93
1110 Chase	0.00
1115 ELCA Federal Credit Union - Checking	84,846.28
1120 ELCA Federal Credit Union - Savings	265,137.78
Total for Bank Accounts	\$663,841.19
Other Current Assets	
1200 ELCA Foundation Fund	1,071,325.26
1205 Accounts receivable misc.	0.00
1206 Prepaid Expenditures	6,725.32
Total for Other Current Assets	\$1,078,050.58
Total for Current Assets	\$1,741,891.77
Fixed Assets	
1400 Land	19,249.08
1450 Buildings	471,976.85
1460 Narthex & Parking lot (2017-18)	3,244,967.77
1500 Parsonage	1,329,539.12
1550 Furniture & Fixtures	39,882.93
1600 Pipe Organ	39,709.93
1650 Grand Piano - sanctuary	17,244.22
1700 Carillon Bells	6,365.07
1750 Technology Equipment	10,734.47
1800 Improvements - Phase I	161,697.83
1850 Improvements - Phase II/Patio	85,003.00
Total for Fixed Assets	\$5,426,370.27
Other Assets	
1250 Mission Investment Fund	52,537.05
Total for Other Assets	\$52,537.05
Total for Assets	\$7,220,799.09
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	\$0.00
Credit Cards	\$2,915.88
Other Current Liabilities	\$0.00
Total for Current Liabilities	\$2,915.88

	Total
Long-term Liabilities	
2100 Mortgage	1,950,065.03
2120 Pre-paid next year pledge	75,487.79
25 Designated Funds	\$0.00
2500 Social Ministry Funds	\$0.00
2500.1 Social Ministry - General	311.92
2500.2 ELCA Disaster Fund	0.00
2500.3 So. Palo Alto Food Closet	0.00
2500.4 World Hunger ELCA	0.00
2500.5 Palestine	0.00
2500.7 Mission Investment Income	7,011.77
2500.8 International Relationship Fund	366.87
2500.9 ELCA Malaria	0.00
Total for 2500 Social Ministry Funds	\$7,690.56
2501 Ostrus Family Trust Fund	40,050.41
2504 Parsonage Rental Exp Fund	0.00
2505 Sabbatical Savings Fund	-1,768.11
2508 Rental Deposit Fund	7,345.46
2510 Maintenance Contingency Fund	7,307.97
2520 Music Fund	8,845.82
2526 Children, Youth, & Family Funds	\$0.00
2526.1 General Youth Fund	3,128.93
2526.2 Annual Youth Trip	0.00
2526.3 Youth Retreats	0.00
2526.4 Sunday School Fund	696.38
2526.5 Day Camp	70.82
2526.6 CYF Postition Fund	33,074.59
2526.7 Condo Income Tax Fund	8,547.80
Total for 2526 Children, Youth, & Family Funds	\$45,518.52
2528 Pastors' Fund	0.00
2529 Fellowship Fund	0.00
2532 Seminary Scholarship Fund	\$10,353.22
2533 Lutheran College Scholarships	0.00
2535 Special Projects	\$0.00
2535.6 Labyrinth Fund	0.00
2535.7 Organ Fund	0.00
2535.8 Schlatter Fund	34,674.80
2535.9 Butler Fund	99,000.00
Total for 2535 Special Projects	\$133,674.80
2536 Audio / Visual Fund	\$5,258.02
2536.1 Lighting-CMT	141.80
2536.2 A/V Upgrade Fund	3,584.63

	Total
Total for 2536 Audio / Visual Fund	\$8,984.45
2537 Capital Campaign Funds	\$0.00
2537.1 Capital Campaign Fund I	0.00
2537.2 Capital Campaign Fund II	0.00
2537.3 Capital Campaign Fund III	-\$0.00
2537.4 Capital Campaign Fund IV	
2537.41 Capital Campaign 4 - Income	
2537.411 Capital Campaign 4 - Giving	757,986.69
2537.412 Capital Campaign 4 - St. Claire Rental Income	100,897.00
2537.413 Capital Campaign 4 - CC3 Balance	28,087.18
Total for 2537.41 Capital Campaign 4 - Income	\$886,970.87
2537.42 CC4 - Benevolence	-25,000.00
2537.43 CC4 Debt Servicing	-253,650.00
2537.44 CC4 - Projects	
2537.4415 CC4 Labyrinth	-1,621.69
2537.441 CC4 Courtyard Landscaping	-14,800.00
2537.442515 CC4 Towle Attic 2025 \$15K	-1,755.20
2537.44251 CC4 HVAC Project 2025 \$17k	-17,507.74
2537.44252 CC4 Steeple 2025 14K	-12,764.51
2537.442531 CC4 Office Membrane Roof 2025 18K	-23,340.00
2537.442542 CC4 Ed Bldg Gas Pipe Reroute 2025 18K	-16,200.00
2537.442543 CC4 Ed Bldg Shingle Roof 2025 50K	-36,655.00
2537.442544 CC4 Brown Hall Shingle Roof 2025 13K	-12,700.00
2537.44255 CC4 Brown Hall Interior Paint 2025 6K	-5,100.00
2537.44256 CC4 Parking Lot Maintenance 2025 20K	-10,070.00
2537.44257 CC4 Office Bathrooms 2025 15K	-16,590.78
2537.44258 CC4 Towle Projects 2026	-2,539.00
2537.44259 CC4 Elec Panel 2026	-7,479.00
2537.44262 CC4 St Claire 2026	-45,835.68
Total for 2537.44 CC4 - Projects	-\$224,958.60
2537.46 St. Claire Expenses	-32,481.43
2537.47 Campaign Expenses	-54,932.79
Total for 2537.4 Capital Campaign Fund IV	\$295,948.05
Total for 2537 Capital Campaign Funds	\$295,948.05
2538 Memorial Fund	0.00
2546 Preschool In and Out	\$0.00
2548 Retreats, Events, Trips	\$0.00
2548.1 Retreats	0.00
2548.2 Events	887.30
2548.3 Trips	0.00

	Total
Total for 2548 Retreats, Events, Trips	\$887.30
2550 Misc. In & Out	\$0.00
2550.10 Special Gift Fund	0.00
2550.1 Misc	11,253.40
2550.4 Seasonal	0.00
2550.5 Quilts for Grads	0.00
2550.6 Endowment Grants In & Out	1,138.26
Total for 2550 Misc. In & Out	\$12,391.66
2554 CMT In & Out	0.00
Total for 25 Designated Funds	\$577,230.11
2600 Other Funds	
2601 Mission Investment Fund	50,064.97
2602 Endowment Fund	\$1,071,325.26
Total for 2600 Other Funds	\$1,121,390.23
Total for Long-term Liabilities	\$3,724,173.16
Total for Liabilities	\$3,727,089.04
Equity	
3000 Undesignated Funds	-\$1,000.00
3450 Opening Bal Equity	3,512,147.79
3010 Unrestrict (retained earnings)	-6,129.32
Net Income	-11,308.42
Total for Equity	\$3,493,710.05
Total for Liabilities and Equity	\$7,220,799.09

	2024/2025 Budget	2024/2025 Actual	2025/2026 Budget	2025/2026 Actual	2026/2027 Proposed Budget	% increase (decrease)
Revenue						102.8%
40 Regular Income						
4000 Member/Pledged Giving	\$ 800,000	\$ 807,971	\$ 808,000	\$ 810,813	\$ 811,000	0.4%
4010 Non-member Giving	\$ 16,000	\$ 13,668	\$ 16,000	\$ 12,533	\$ 16,000	
4030 Lent	\$ 250	\$ 340	\$ 250	\$ 607	\$ 250	
4040 Easter	\$ 1,500	\$ 1,320	\$ 1,500	\$ 1,320	\$ 1,500	
4050 Thanksgiving	\$ 250	\$ 200	\$ 250	\$ 370	\$ 250	
4060 Christmas	\$ 1,250	\$ 600	\$ 1,250	\$ 1,820	\$ 1,250	
Total 40 Regular Income	\$ 819,250	\$ 824,099	\$ 827,250	\$ 827,463	\$ 830,250	0.4%
41 Other Income						
4140 Other Revenue						
4140.2 Thrivent Choice	\$ 1,500	\$ 1,945	\$ 2,000	\$ 2,582	\$ 2,500	25.0%
4140.4 ENDOWMENT GRANT	\$ 15,500	\$ 15,909	\$ 17,000	\$ 21,923	\$ 25,000	47.1%
Total 4140 Misc. revenue	\$ 17,000	\$ 17,854	\$ 19,000	\$ 24,505	\$ 27,500	44.7%
4160 Facility Use						
4160.1 Regular Facility Use	\$ 12,000	\$ 13,390	\$ 14,000	\$ 13,460	\$ 14,000	
4160.2 Special Facility Use	\$ 6,000	\$ 5,500	\$ 7,000	\$ 6,844	\$ 8,000	14.3%
Total 4160 Facility Use	\$ 18,000	\$ 18,890	\$ 21,000	\$ 20,304	\$ 22,000	4.8%
4170 Interest Income	\$ 50	\$ 433	\$ 500	\$ 716	\$ 700	40.0%
Total 41 Other Income	\$ 35,050	\$ 37,177	\$ 40,500	\$ 45,525	\$ 50,200	24.0%
Total Revenue	\$ 854,300	\$ 861,276	\$ 867,750	\$ 872,988	\$ 880,450	1.5%
Expenditures						
50 Pastoral Ministry						
5000 Senior Pastor						
5005 Salaries / Housing / SS Allow	\$ 137,787	\$ 137,787	\$ 141,921	\$ 141,921	\$ 145,895	2.8%
5010 Pensions / Medical & Dental	\$ 46,602	\$ 47,390	\$ 48,000	\$ 49,252	\$ 50,631	5.5%
5020 Auto/Cell Phone Reimburse	\$ 2,100	\$ 600	\$ 1,100	\$ 196	\$ 1,000	-9.1%
5020.1 Auto expenses						
5020.2 Cell Phone expense						
Total 5020 Auto/Cell Phone Reimburse	\$ 2,100	\$ 600	\$ 1,100	\$ 796	\$ 1,000	-9.1%
5030 Professional Expenses	\$ 800		\$ 800	\$ 316	\$ 800	
5050 Continuing Education	\$ 1,000		\$ 1,000	\$ 769	\$ 1,000	
5051 Equity Fund Expense	\$ 5,258	\$ 5,258	\$ 5,416	\$ 5,416	\$ 5,568	2.8%
Total 5000 Senior Pastor	\$ 193,547	\$ 191,034	\$ 199,337	\$ 198,470	\$ 205,893	3.3%
5055 SABBATICAL FUND	\$ 3,600	\$ 3,600	\$ 2,400	\$ 2,400	\$ 2,400	

	2024/2025 Budget	2024/2025 Actual	2025/2026 Budget	2025/2026 Actual	2026/2027 Proposed Budget	% increase (decrease)
5060 Guest Preachers	\$ 1,300	\$ 1,065	\$ 1,300	\$ 1,141	\$ 1,200	-7.7%
5080 Associate Pastor						
5080.1 Assoc Pastor Salary/Housing	\$ 61,902	\$ 61,902	\$ 63,759	\$ 63,759	\$ 65,544	2.8%
5080.2 Assoc Pastor Benefits	\$ 6,809	\$ 6,654	\$ 7,013	\$ 6,695	\$ 6,882	-1.9%
5080.3 Professional Expenses/Cont Ed	\$ 1,200	\$ 500	\$ 1,200	\$ 105	\$ 1,200	
Total 5080 Associate Pastor	\$ 69,911	\$ 69,056	\$ 71,972	\$ 70,559	\$ 73,627	2.3%
Total 50 Pastoral Ministry	\$ 268,358	\$ 264,756	\$ 273,909	\$ 272,569	\$ 282,120	3.0%
51 Administration						
5100 Salary/Admin. Manager						
5100.1 Admin. Manager	\$ 63,958	\$ 64,726	\$ 65,877	\$ 65,895	\$ 62,583	-5.0%
5105 FICA/Admin. Manager	\$ 4,893	\$ 4,755	\$ 5,040	\$ 4,990	\$ 4,788	-5.0%
5106 Benefits/Admin. Manager	\$ 21,426	\$ 22,293	\$ 12,524	\$ 11,943	\$ 11,898	-5.0%
Total 5100 Salary/Admin. Manager	\$ 90,277	\$ 91,774	\$ 83,441	\$ 82,828	\$ 79,269	-5.0%
5109 Payroll Service Fees	\$ 4,250	\$ 4,700	\$ 4,800	\$ 4,716	\$ 4,800	
5115 Office Supplies	\$ 5,000	\$ 4,598	\$ 5,000	\$ 3,986	\$ 4,500	-10.0%
5120 Copier						
5121 Copier Maintenance/Supplies	\$ 500	\$ 631	\$ 500	\$ 1,266	\$ 750	50.0%
5122 Copier Lease	\$ 9,250	\$ 9,182	\$ 9,250	\$ 9,169	\$ 9,250	
Total 5120 Copier	\$ 9,750	\$ 9,813	\$ 9,750	\$ 10,434	\$ 10,000	2.6%
5130 Postage	\$ 3,000	\$ 3,582	\$ 3,000	\$ 3,155	\$ 3,000	
5140 Advertising	\$ 3,000	\$ 1,377	\$ 3,000	\$ 866	\$ 3,000	
5150 Computer/Communication Expenses						
5150.1 Internet/Phone	\$ 4,300	\$ 4,624	\$ 4,700	\$ 4,742	\$ 4,700	
5150.2 Software	\$ 3,150	\$ 2,209	\$ 2,500	\$ 3,550	\$ 2,500	
5150.3 Hardware	\$ 1,500	\$ 3,132	\$ 1,500		\$ 1,500	
5150.4 Audio/Visual	\$ 1,200	\$ 921	\$ 1,000	\$ 745	\$ 1,000	
Total 5150 Computer Expenses	\$ 10,150	\$ 10,887	\$ 9,700	\$ 9,037	\$ 9,700	
5180 Dues & Fees	\$ 400		\$ 400	\$ 152	\$ 400	
5190 Misc. Expenses						
5190.1 Bank Fees	\$ 7,000	\$ 6,147	\$ 7,000	\$ 5,970	\$ 7,000	
5190.2 Misc. Office Expenses		\$ 563		\$ 1,136		
Total 5190 Misc. Expenses	\$ 7,000	\$ 6,710	\$ 7,000	\$ 7,106	\$ 7,000	
5195 Admin Cost Share-Preschool	\$ (4,800)	\$ (4,700)	\$ (5,121)	\$ (5,120)		-100.0%
Total 51 Administration	\$ 128,027	\$ 128,741	\$ 120,970	\$ 117,160	\$ 121,669	0.6%
52 Building & Grounds						
5200 Janitorial Services	\$ 16,000	\$ 13,485	\$ 16,000	\$ 18,035	\$ 18,000	12.5%
5230 Garden / Landscape Maint	\$ 10,000	\$ 10,280	\$ 10,500	\$ 10,824	\$ 11,000	4.8%

	2024/2025 Budget	2024/2025 Actual	2025/2026 Budget	2025/2026 Actual	2026/2027 Proposed Budget	% increase (decrease)
5240 Insurance						
5240.1 Workers Comp	\$ 2,000	\$ 3,835	\$ 4,000	\$ (2,878)	\$ 4,750	18.8%
5240.2 Liability Insurance	\$ 28,000	\$ 28,203	\$ 34,652	\$ 34,444	\$ 26,500	-23.5%
Total 5240 Insurance	\$ 30,000	\$ 32,038	\$ 38,652	\$ 31,566	\$ 31,250	-19.2%
5250 Janitorial Supplies	\$ 4,000	\$ 2,808	\$ 3,500	\$ 1,427	\$ 2,500	-28.6%
5260 Property Taxes	\$ 1,750	\$ 1,581	\$ 1,750	\$ 1,769	\$ 1,750	
5270 Repairs & Maintenance	\$ 21,000	\$ 21,000	\$ 22,000	\$ 18,754	\$ 22,000	
5280 Utilities	\$ 51,500	\$ 51,898	\$ 53,000	\$ 57,129	\$ 50,000	-5.7%
5299.1 B & G Cost Share-Preschool	\$ (4,800)	\$ (4,700)	\$ (5,178)	\$ (5,180)		-100.0%
Total 52 Building & Grounds	\$ 129,450	\$ 128,390	\$ 140,224	\$ 134,324	\$ 136,500	-2.7%
53 Worship & Music						
5300 Director of Music						
5300.1 Salary/Director-Music Ministry	\$ 67,779	\$ 70,040	\$ 83,577	\$ 83,577	\$ 85,917	2.8%
5300.2 Salary/Dir-Music w/Chld&Youth	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	
Total 5300 Salaries	\$ 76,779	\$ 79,040	\$ 92,577	\$ 92,577	\$ 94,917	2.5%
5305 FICA / Worship & Music						
5305.1 FICA/Director - Music Ministry	\$ 5,185	\$ 5,264	\$ 6,394	\$ 6,417	\$ 6,573	2.8%
5305.2 FICA/Director - Music w/Chld Youth	\$ 689	\$ 689	\$ 689	\$ 689	\$ 689	
Total 5305 FICA / Worship & Music	\$ 5,874	\$ 5,952	\$ 7,082	\$ 7,106	\$ 7,261	2.5%
5306 Benefits/Dir-Music Ministry	\$ 36,286	\$ 34,664	\$ 24,180	\$ 25,374	\$ 26,084	7.9%
5310 Continuing Education	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	
5300 Director of Music	\$ 119,939	\$ 120,655	\$ 124,839	\$ 126,057	\$ 129,263	3.5%
5320 Music	\$ 1,500	\$ 1,484	\$ 1,500	\$ 536	\$ 1,500	
5330 Organ, Piano & Carillon	\$ 2,500	\$ 4,314	\$ 3,000	\$ 4,172	\$ 3,000	
5340 Bulletins & Printed Materials	\$ 1,100	\$ 1,638	\$ 1,500	\$ 654	\$ 1,500	
5350 Altar Guild Supplies	\$ 750	\$ 689	\$ 750	\$ 817	\$ 750	
5370 Special Worship Materials	\$ 2,200	\$ 2,876	\$ 2,500	\$ 2,904	\$ 2,500	
5372 Audio/Visual Support	\$ 2,800	\$ 3,472	\$ 5,000	\$ 5,388	\$ 5,000	
5375 Substitute Musician	\$ 1,000	\$ 475	\$ 1,000	\$ 1,000	\$ 1,000	
5380 Instrumentalists	\$ 2,000	\$ 1,800	\$ 2,250	\$ 2,250	\$ 2,250	
5382 Sunday Child Care	\$ 3,300	\$ 3,769	\$ 3,750	\$ 3,374	\$ 3,750	
5383 Choir Section Leaders						
5383.1 Choir Section Leader	\$ 14,652	\$ 12,936	\$ 14,500	\$ 12,540	\$ 14,500	
5383.2 Music Fund Offset	\$ (4,320)	\$ (2,604)	\$ (3,750)		\$ (3,750)	
Total 5383 Choir Section Leader	\$ 10,332	\$ 10,332	\$ 10,750	\$ 12,540	\$ 10,750	
Total 53 Worship & Music	\$ 147,421	\$ 151,505	\$ 156,839	\$ 159,691	\$ 161,263	2.8%
54 Education						

	2024/2025 Budget	2024/2025 Actual	2025/2026 Budget	2025/2026 Actual	2026/2027 Proposed Budget	% increase (decrease)
5400 Children's Education						
5400.1 Confirmation Ministry Safe	\$ 500	\$ 429	\$ 750	\$ 1,874	\$ 750	
5400.2 Children's Education						
Total 5400 Children's Education	\$ 4,000	\$ 4,416	\$ 4,500	\$ 3,926	\$ 4,000	-11.1%
5415 Retreats	\$ 4,500	\$ 4,845	\$ 5,250	\$ 5,799	\$ 5,250	
5420 Adult Education			\$ 1,000	\$ 2,870	\$ 1,000	
5430 Devotional Material	\$ 1,000	\$ 1,749	\$ 1,000	\$ 509	\$ 750	-25.0%
5440 Library	\$ 750	\$ 1,131	\$ 1,000	\$ 2,218	\$ 1,000	
Total 54 Education	\$ 2,250	\$ 100	\$ 2,250	\$ 40	\$ 1,000	-55.6%
	\$ 8,500	\$ 7,825	\$ 10,500	\$ 11,436	\$ 9,000	-14.3%
55 Additional Programs & Ministry						
5500 Fellowship						
5500.1 Event Support	\$ 3,300	\$ 4,578	\$ 3,300	\$ 3,374	\$ 3,300	
5500.2 Food - Regular	\$ 9,000	\$ 9,849	\$ 9,000	\$ 14,536	\$ 17,000	88.9%
5500.3 Food - Special	\$ 1,000	\$ 3,075	\$ 1,000	\$ 2,349	\$ 1,000	
5500.4 Supplies	\$ 1,500	\$ 1,823	\$ 1,500	\$ 2,393	\$ 1,500	
5500.5 Other	\$ 700	\$ 582	\$ 700	\$ 166	\$ 700	
5500.6 Fellowship Fund - Offset	\$ (5,500)	\$ (5,500)	\$ (5,500)	\$ (6,195)	\$ (14,000)	154.5%
Total 5500 Fellowship	\$ 10,000	\$ 14,408	\$ 10,000	\$ 16,624	\$ 9,500	-5.0%
5505 Social Ministry	\$ 250	\$ 40	\$ 250	\$ 300	\$ 250	
5520 Pastor's Discretionary Fund						
5525 Endowment	\$ 500		\$ 500		\$ 500	
5530 Stewardship	\$ 1,500	\$ 1,529	\$ 1,500	\$ 850	\$ 750	-50.0%
5544 Young Adult Ministry					\$ 500	
5546 Youth Ministry	\$ 4,000	\$ 7,847	\$ 4,000	\$ 3,921	\$ 3,500	-12.5%
5547 Youth Trip Chaperones	\$ 1,000	\$ 1,000	\$ 1,250	\$ 1,250	\$ 1,250	
5548 Youth Worker \$25/hr	\$ 48,000	\$ 48,000		\$ 8,000		
5550 Director Children, Youth & Young Adult Ministry						
5550.1 Salary/Dir. Children, Youth & Young Adult	\$ 5,822	\$ 5,822	\$ 48,000	\$ 40,000	\$ 49,344	2.8%
5550.2 Benefits / DCYYAM	\$ 1,594	\$ 1,579	\$ 11,500	\$ 9,302	\$ 11,822	2.8%
5550.3 FICA / DCYYAM	\$ 445	\$ 445	\$ 6,426	\$ 3,148	\$ 6,529	1.6%
5550.4 Cell Phone Reimburse / DCYYAM			\$ 600	\$ 550	\$ 600	
5550.5 Continuing Ed/Extravaganza / DCYYAM			\$ 1,500	\$ 1,233	\$ 1,500	
5550.6 Condo HOA & Property Taxes			\$ 18,500	\$ 18,117	\$ 18,500	
5550.7 Condo Income Tax Offset			\$ 12,000	\$ 10,000	\$ 6,000	-50.0%
Total 5550 Dir. Children, Youth & Young Adult Ministry	\$ 7,861	\$ 7,846	\$ 98,526	\$ 82,350	\$ 94,295	-4.3%
5550.8 DCYYAM Position Fund Offset			\$ (18,500)	\$ (15,420)	\$ (18,500)	
5550.9 Ostrus Parsonage Fund Offset			\$ (19,000)	\$ (12,040)	\$ (19,000)	

	2024/2025 Budget	2024/2025 Actual	2025/2026 Budget	2025/2026 Actual	2026/2027 Proposed Budget	% increase (decrease)
Total 55 Additional Programs & Ministry	\$ 73,111	\$ 80,670	\$ 78,526	\$ 85,836	\$ 73,045	-7.0%
56 Other Expenses						
5605 Parsonage Property Taxes	\$ 978	\$ 1,041	\$ 1,100	\$ 1,061	\$ 1,061	-3.6%
5610 Parsonage / Maint & Repairs	\$ 4,000	\$ 6,560	\$ 4,500	\$ 4,500	\$ 4,500	
5611 Parsonage Utilities	\$ 6,000	\$ 6,349	\$ 6,500	\$ 7,035	\$ 7,000	7.7%
5635 Conference Fees	\$ 5,000	\$ 1,039	\$ 3,500	\$ 2,552	\$ 3,500	
Total 56 Other Expenses	\$ 15,978	\$ 14,990	\$ 15,600	\$ 15,147	\$ 16,061	3.0%
57 Budgeted Missions						
5700 ELCA	\$ 81,925	\$ 82,408	\$ 86,861		\$ 87,176	0.4%
5715 Bread For the World				\$ 57,347		
5720 South Palo Alto Food Closet				\$ 3,723		
5735 Ecumenical Hunger Program				\$ 3,723		
5746 ReconcilingWorks				\$ 3,723		
5750 Mt. Cross Camp				\$ 2,989		
5762 California Lutheran University				\$ 868		
5763 PLTS				\$ 868		
5775 Bright Stars of Bethlehem				\$ 3,723		
5780 Global Refuge				\$ 3,723		
5786 Heart & Home				\$ 3,723		
Total 57 Budgeted Missions	\$ 81,925	\$ 82,408	\$ 86,861	\$ 88,133	\$ 87,176	0.4%
Total Expenditures	\$ 852,770	\$ 859,285	\$ 883,429	\$ 884,297	\$ 886,833	0.4%
Net Operating Revenue	\$ 1,530	\$ 1,991	\$(15,679)	\$(11,309)	\$(6,383)	

2024-2027 Capital Campaign 4

Growing Together in Grace

	2024/2025	2025/2026	CC4 Totals
Total Pledges: \$1,199,865			
Receipts:			
Gifts Received	460,153.62	297,833.07	757,986.69
St. Claire Rental Income	37,450.00	63,447.00	100,897.00
Transferred from CC3	28,087.18		28,087.18
Total Receipts	\$ 525,690.80	\$ 361,280.07	\$ 886,970.87
Disbursements:			
Benevolence	5,200.00	19,800.00	25,000.00
MIF Mortgage	93,450.00	160,200.00	253,650.00
Projects	54,932.79	170,025.81	224,958.60
St. Claire Maint/Repairs	2,480.77	7,451.79	9,932.56
St. Claire Property Tax	7,312.35	15,236.52	22,548.87
Campaign Costs	54,932.79		54,932.79
Other			
Total Disbursements	\$ 218,308.70	\$ 372,714.12	\$ 591,022.82
	Capital Campaign Funds		\$ 295,948.05



Bank Account Balance as of 7/1/25							\$72,400.17						
							TOTAL						
							Jul '25 - Jun 26	Budget	\$ Over Budget	% of Budget			
		Income											
		1-Tuition											
		1-Tuition - Annual		5,717.50			0.00	5,717.50	100.0%				
		1-Tuition - Monthly		139,796.50			237,420.00	-97,623.50	58.88%				
		1-Tuition - Quarterly		0.00			0.00	0.00	0.0%				
		2-Advance Tuition - Current		17,169.75			26,380.00	-9,210.25	65.09%				
		Total 1-Tuition		162,683.75			263,800.00	-101,116.25	61.67%				
		2-Summer Camp		2,110.00			31,950.00	-29,840.00	6.6%				
		3-Registration Fees - Current		990.00			1,600.00	-610.00	61.88%				
		3-Registration Fees - Summer		0.00			0.00	0.00	0.0%				
		6-Donations		500.00			0.00	500.00	100.0%				
		7-Fundraisers											
		1-eScrip		0.43			0.00	0.43	100.0%				
		Total 7-Fundraisers		0.43			0.00	0.43	100.0%				
		8-Interest Income											
		Checking Interest		1.01			0.00	1.01	100.0%				
		Savings Interest		33.55			0.00	33.55	100.0%				
		Total 8-Interest Income		34.56			0.00	34.56	100.0%				
		8-Tuition Express Offset-Curren		375.00			450.00	-75.00	83.33%				
		9-Miscellaneous Income		3,026.79			0.00	3,026.79	100.0%	\$3,000 Donation to Grace			
		Other Income		1,455.48			0.00	1,455.48	100.0%	Preschool Fair Income			
		Total Income		171,176.01			297,800.00	-126,623.99	57.48%				
		Expense											
		1-Compensation											
		1-Co-Director/Teacher (FT)											
		A-Co-Director Salary (FT)		9,360.00			9,360.00	0.00	100.0%				
		B-Teacher Salary (FT)		60,007.06			52,140.00	7,867.06	115.09%				
		C-Benefits (FT)		18,056.95			19,500.00	-1,443.05	92.6%				
		D-FICA (FT)		5,332.42			4,909.67	422.75	108.61%				
		Total 1-Co-Director/Teacher (FT)		92,756.43			85,909.67	6,846.76	107.97%				
		2-Co-Director/Teacher (30 hrs)											
		A-Co-Director Salary (30 Hrs)		9,360.00			9,360.00	0.00	100.0%				
		B-Teacher Salary (30 Hrs)		43,199.97			34,560.00	8,639.97	125.0%				
		C-Co-Director Benefits (30 hrs)		5,573.11			3,600.00	1,973.11	154.81%				
		D-FICA (30 Hrs)		4,056.71			3,709.67	347.04	109.36%				
		Total 2-Co-Director/Teacher (30 hrs)		62,189.79			51,229.67	10,960.12	121.39%				
		3-Teachers											
		A-Teacher Salaries-Full Time		0.00			0.00	0.00	0.0%				
		B-Teacher Salary (20 Hrs)		0.00			26,400.00	-26,400.00	0.0%				
		D-FICA (20 Hrs)		0.00			2,020.00	-2,020.00	0.0%				
		Total 3-Teachers		0.00			28,420.00	-28,420.00	0.0%				
		4-Summer Camp											
		A-Summer Teacher Full Time		0.00			4,740.00	-4,740.00	0.0%				

Grace Lutheran Preschool
Profit & Loss Budget vs. Actual
 July 2025 through June 2026

				TOTAL						
				Jul '25 - Jun 26	Budget	\$ Over Budget	% of Budget			
			B-Summer Teacher (30 Hrs)	0.00	3,141.82	-3,141.82	0.0%			
			C-Summer Teacher (20 hrs)	0.00	2,640.00	-2,640.00	0.0%			
			D-Summer Camp Subs	0.00	745.00	-745.00	0.0%			
			E-FICA	0.00	905.00	-905.00	0.0%			
			4-Summer Camp - Other	0.00	0.00	0.00	0.0%			
			Total 4-Summer Camp	0.00	12,171.82	-12,171.82	0.0%			
			5-Treasurer							
			A-Treasurer	4,200.00	4,200.00	0.00	100.0%			
			B-FICA	321.36	360.00	-38.64	89.27%			
			5-Treasurer - Other	0.00	0.00	0.00	0.0%			
			Total 5-Treasurer	4,521.36	4,560.00	-38.64	99.15%			
			6-Workers' Comp	6,187.03	9,600.00	-3,412.97	64.45%			
			7-Substitutes							
			A-Substitute Pay	17,417.50	11,000.00	6,417.50	158.34%			
			B-FICA	1,332.48	880.00	452.48	151.42%			
			Total 7-Substitutes	18,749.98	11,880.00	6,869.98	157.83%			
			8-3% EOY Bonus	0.00	4,400.00	-4,400.00	0.0%			
			Payroll Expenses	1,232.00	1,450.00	-218.00	84.97%			
			Setup	0.00	1,700.00	-1,700.00	0.0%			
			Total 1-Compensation	185,636.59	211,321.16	-25,684.57	87.85%			
			2-ProCare	1,058.00	960.00	98.00	110.21%			
			3-Administrative Support	4,593.37	5,120.04	-526.67	89.71%			
			3-Grace Buildings & Grounds	4,848.37	5,180.04	-331.67	93.6%			
			4-Supplies							
			1-Classroom Supplies	1,261.78	10,000.00	-8,738.22	12.62%			
			2-Parent Coffee	329.92	1,300.00	-970.08	25.38%			
			3-Grandfriend Events	185.04	300.00	-114.96	61.68%			
			4-Office Supplies	313.43	780.00	-466.57	40.18%			
			5-First Aid/Emergency Supplies	30.53	270.00	-239.47	11.31%			
			6-Summer Camp Supplies	131.55	1,500.00	-1,368.45	8.77%			
			Total 4-Supplies	2,252.25	14,150.00	-11,897.75	15.92%			
			4-Tuition Express Fees	1,347.23	600.00	747.23	224.54%			
			6-Advertising/Marketing	0.00	3,000.00	-3,000.00	0.0%			
			7-Equipment/Appliances							
			Classroom/Office Equipment	501.97	1,000.00	-498.03	50.2%			
			Playground Equipment	461.21	1,150.00	-688.79	40.11%			
			Total 7-Equipment/Appliances	963.18	2,150.00	-1,186.82	44.8%			
			8-Capital Improvements	0.00	6,000.00	-6,000.00	0.0%			
			9-Licensing							
			Fingerprinting	0.00	300.00	-300.00	0.0%			
			Licensing Fees	242.00	1,200.00	-958.00	20.17%			
			Total 9-Licensing	242.00	1,500.00	-1,258.00	16.13%			
			Gifts/Appreciation							
			Gifts	0.00	0.00	0.00	0.0%			
			Gifts/Appreciation - Other	0.00	0.00	0.00	0.0%			

Grace Lutheran Preschool
Profit & Loss Budget vs. Actual
 July 2025 through June 2026

					TOTAL						
					Jul '25 - Jun 26	Budget	\$ Over Budget	% of Budget			
				Total Gifts/Appreciation	0.00	0.00	0.00	0.0%			
				Memberships/Subscriptions	489.99	400.00	89.99	122.5%			
				Miscellaneous	3,002.24	0.00	3,002.24	100.0%	\$3,000 Donation for Grace		
				Other Expenses	1,179.08	0.00	1,179.08	100.0%	Preschool Fair Expenses		
				Professional Development							
				Classes/Conferences	0.00	600.00	-600.00	0.0%			
				CPR	0.00	600.00	-600.00	0.0%			
				Total Professional Development	0.00	1,200.00	-1,200.00	0.0%			
				Repairs/Maintenance							
				Gardeners	2,200.00	2,400.00	-200.00	91.67%			
				Janitorial Fees	14,175.00	15,120.00	-945.00	93.75%			
				Pest Control	0.00	500.00	-500.00	0.0%			
				Repairs	532.57	3,000.00	-2,467.43	17.75%			
				Total Repairs/Maintenance	16,907.57	21,020.00	-4,112.43	80.44%			
				School Events	215.23	300.00	-84.77	71.74%			
				Staff Planning Lunches	0.00	600.00	-600.00	0.0%			
				Telephone	353.23	300.00	53.23	117.74%			
				Total Expense	223,088.33	273,836.24	-50,747.91	81.47%			
				Net Income	-51,912.32	23,963.76	-75,876.08	-216.63%			
				Bank Account Balance as of 6/30/2026	\$8,093.23	Note: When the bank accounts are					
						closed out this money will be given to					
						Grace					

Identity & Guiding Principles

When they saw him, *they worshipped him*; but some doubted. And Jesus came and said to them, “All authority in heaven and on earth has been given to me. *Go therefore and make disciples of all nations, baptizing them in the name of the Father and the Son and of the Holy Spirit, and teaching them to obey everything that I have commanded you. And remember, I am with you always, to the end of the age.*”

MATTHEW 28:17-20

Identity

Grace Lutheran Church is called to be an inviting and diverse Christian community, embracing our Lutheran tradition in ways that are faithful and innovative, that makes disciples through worship, education, and service to all creation.

Guiding Principles

- **Worship**—Grace Lutheran Church is called to be, first and foremost, engaged in Christ-centered worship. Worship is the common experience in our community that leads us toward lives of grace. Our sacramental and liturgical worship engages all of our senses and embodies the best of our tradition. We seek to bring all of these values to bear in ways that are inspired, relevant, and respect our past.
- **Evangelism**—Grace Lutheran Church is called to embody Christ-like hospitality in all that we do. We seek to always be open to the neighbor and the stranger. We are called to actively reach out to the wider community in all of its diversity with the good news of Christ, and go beyond simple greetings to make a place in our midst for all.
- **Discipleship**—Grace Lutheran Church is called to make people of all backgrounds disciples of Christ. Each individual's faith journey is nurtured in community through spiritual formation, education, and fellowship. This pilgrimage is undertaken by disciples of all ages and stages here at Grace and shared with the wider church and world.
- **Social Ministry**—Grace Lutheran Church is called to participate in God's life-changing work with our hands, our resources, and our voices. God's love compels us to action that benefits people, communities, and creation from our backyard to all the world. As a congregation, we seek to engage our sisters and brothers of other faith traditions to join us in this work.



