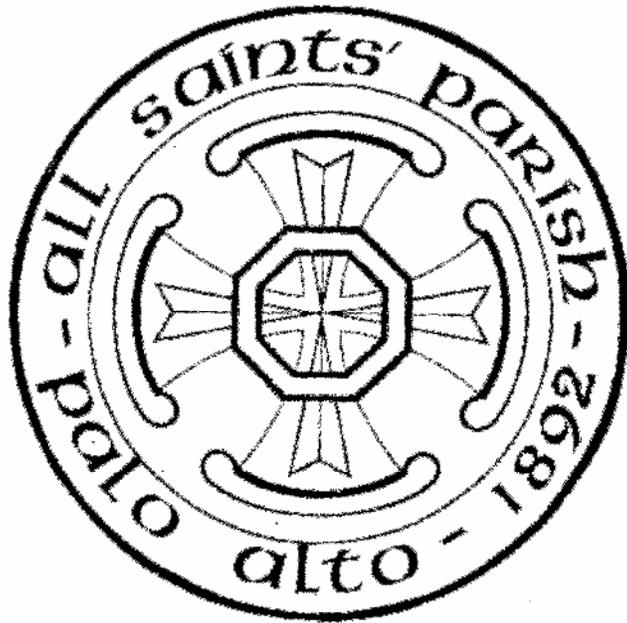


ANNUAL REPORT 2006



Annual Meeting
January 21, 2007
The Third Sunday after the Epiphany

All Saints' Church
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All Saints' Church

Mission Statement

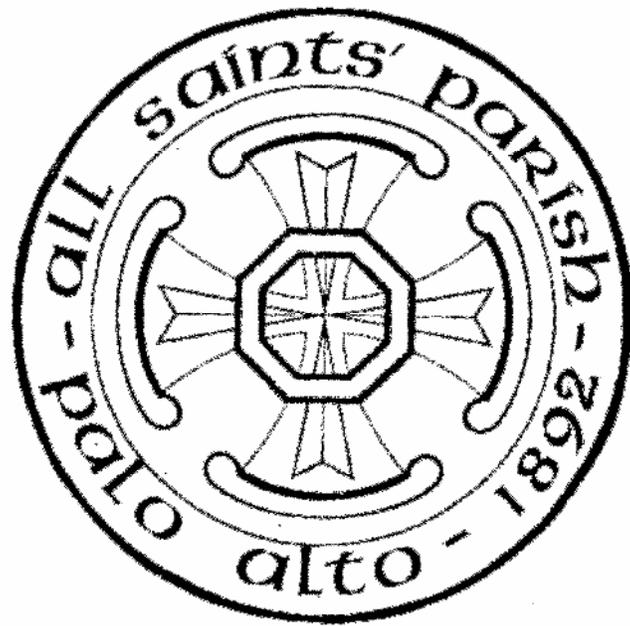
A number of years ago All Saints' developed a Mission Statement. Each year the Vestry, during its annual retreat, reviews the Mission. It is our best, and most enduring attempt at describing our vision for the Parish. It is a touchstone and is presented here to give insight into what we aspire to be.

With Christ at the center of our life together, All Saints' seeks to:

- Be an inviting spiritual center in downtown Palo Alto, sharing the Gospel, and welcoming people into our fellowship;
- Be a community that embraces diversity where everyone is known and valued;
- Help people identify their gifts and encourage their ministry;
- Provide a haven and spiritual leadership for children and youth;
- Be an extended family in our fragmented society;
- Engage in significant outreach to the community;
- Nurture our spirituality through worship, the arts, culture, and play;
- Grow in the knowledge and love of God.

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**Minutes of the Annual Meeting for January 22, 2006
Of All Saints' Episcopal Church, Palo Alto, California**

The Meeting began at 9:20am with a hymn followed by The Rev. Ian Montgomery reading the Invocation and Necrology. Ian then called the meeting to order at 9:28am in the Parish Hall.

The Sr. Warden, Mary Ann Hayward, welcomed everyone to the meeting. Ian began the nominating process by expressing his doubts on the wisdom of having the outgoing Vestry members nominate their successors. He will have the new Vestry look into the nominating process and the size of the Vestry. Ian asked for input on these ideas.

Ray Dempsey, a member of the Nominating Committee, presented the Vestry, with each member introducing him or herself. The Rector thanked them for their service.

Ray then introduced the slate of nominees:

For Vestry – Heather Hadlock, John Sebes, Mary Walker
For Delegate to Diocesan Convention – Barbara Sawka, Wendy Padgett, Katy Dickinson
For Delegate Alternate - John Plocher.

The minutes of the 2005 Annual Meeting were approved.

Stewardship Committee co-chairs, Sally Cadigan and Mary Walker, presented the Stewardship Report. The Rector thanked them for their hard work for a successful campaign.

The Treasurer, Lin Miller, Jr, presented the 2006 budget as approved by the Vestry. There were no questions from the floor.

Sr Warden Mary Ann Hayward received a standing ovation as she began the highlights for 2005. The highlights included,

- Parents of Infants and Toddlers meeting on Friday afternoons,
- The noon organ concerts evolved into First Thursday of the Month concerts,
- The Patio Eucharist was revived this past summer with one being held each summer month. A potluck dinner following the services.
- Topaz put on several concerts with the proceeds going towards the Opportunity Center and Santa Maria Virgen.
- Kathy McAdams provided us with a steady presence and innovative leadership. All Saints' is also blessed with a hardworking staff in Kevin Wilson, Al Campbell, and Jane-Marguerite Russell.
- The high light of 2005 was calling The Reverend Ian Montgomery to be the Rector of All Saints'.

Mary Ann continued her report by reminding the parishioners that we are not in an interim period anymore, that we are in a transitional period. She encouraged people to ask questions and to continue to participate in the activities of All Saints'. Mary Ann concluded by saying she enjoyed being our Sr Warden these past several months.

The Rector then presented his report. Ian looks forward to continuing the growth of lay involvement and leadership. He called attention to opportunities for growth, which would be our weak areas, Youth and Children's ministries. All Saints' made the wise decision to hire Krista and Alex. A youth program is possible and will happen.

The diocese is in bad shape. We, along with the rest of the diocese, needs to be part of the solution and not to put our heads in the sand anymore to ignoring the problems.

The physical plant is superb. The church is gorgeous. The Education building is under utilized and in need of renovating or replacing. Ian hopes to use our resources well, and in partnership with other organizations to get grants and loans in order to obtain the moneys required for renovating or replacing. He will look at creative ways to supplement the budget for this expense other than asking us for the money.

The Rector took comments and questions from the floor.

- A request for a committee to evaluate rector housing needs,
- Request for explanation of the restricted funds,
- Suggestion to have parishioners pay postage for CAS for those who wish a hard copy,
- Would like to keep DCC on site – DCC is important to All Saints',
- Sadness about the withering adult forum, but excitement about the Friday evening adult education programs,
- Question about when we would start paying 10% to the diocese (not until 2007, and hopefully the diocese will come up with a better option before then),
- Question about what a well functioning diocese would do for us (being part of the question/solution, having a bishop that is the right fit for us, leadership that is interested in mission, responsible),
- Is there a way to have more of a connection with DCC – story telling, spiritual activities for the parents?

The ballot results were announced. There was one write in candidate. All candidates formally presented to the parish earlier in the meeting were elected.

The Vestry and Diocesan Delegates were commissioned by The Rector and Sr Warden.

The Rector gave the closing prayer, and the meeting was adjourned at 10:27am.

Respectfully submitted,
Robin Poppoff, Clerk of the Vestry

RECTOR'S REPORT

What follows are "bullet points" which will be amplified and expanded in the oral report at the Annual Meeting but give the reader a one page snap shot. The full text will be transcribed and included in post-meeting copies of this report

I. What we've done in 2006

- Liturgy
- Finance
 - Endowment
- Education
 - Children
 - Youth
 - Adults
- Staff
- Membership
- Outreach
 - Opportunity Center
 - Hotel de Zink
- The Episcopal Church
 - New Presiding Bishop
 - Anglican Communion Tension
- The Diocese of El Camino Real
 - Structure
 - Funding
- Hotel de Zink
- Partnership with the Unhoused
- Senior Transportation
- The Episcopal Church
 - Comments on trends in Anglican tensions
- The Diocese of El Camino Real
 - Bishop Search
 - New Deanery Structure
- Buildings & Grounds
 - Education Building
 - Clergy Housing
 - Create Comprehensive Plan
- Evangelism
 - Open up the Church!

II. What we hope to do in 2007

- Liturgy
 - General Principals
 - Music
 - Internally
 - Externally
- Finance
 - Endowment Fund Raising
 - New Revenue Streams
 - Cost Cutting Measures
- Education
 - Children
 - Youth
 - Adults
- Staff
 - Director of Children's Ministry
 - Overall Review of Positions
- Outreach

SENIOR WARDEN'S REPORT

As the familiar saying goes, “the only constant is change”. This has been especially true at All Saints’ in the past year: old friends moving away, new friends joining the All Saints’ community, the community changing under the leadership of Father Montgomery and all of us changing as we grow closer to our Lord and Savior, Jesus Christ.

In the interest of brevity, I will not repeat all the amazing accomplishments at our church in the past year – other sections in the annual report do that with far better eloquence than can I. However, I would like to highlight a few of the themes from my vantage point:

Under Ian’s leadership, the Vestry has been wrestling with how to organize itself to best serve the Parish. We moved from the previous model based on four “Zones” to a model based on six “Commissions”. This has been a learning experience for all of us, and I think the end result is a model that holds great promise. In 2007, there will be a smaller, leaner Vestry responsible for oversight, finances, vision and strategy, working closely with our Rector. The various lay ministries (eg, Outreach) that were somewhat intertwined with the Vestry have been separated and now real opportunities for lay leadership have resulted.

Another special event was calling the Rev. Lori Walton to be our Assistant Priest. Lori brings many spiritual gifts to the community, and it is a real blessing to have her here.

A subcommittee of the Vestry worked with the Rev. Montgomery, reviewing the Rector’s performance in the first eight months of his tenure. Members of the congregation were interviewed and the results were compiled and reviewed with Rev. Montgomery, with Dennis Romley acting as facilitator. This was an excellent opportunity for us to acknowledge the many strengths that Father Montgomery brings to us, as well as to make some mid-course corrections going forward.

The addition of Susan Reaves as AS Office Manager was a great step forward in getting our office and accounting procedures under control. Much work has also been accomplished on supporting infrastructure: new phones, new computers and a new accounting system.

In terms of the financial health of All Saints’, we had a very successful auction and our annual stewardship campaign. And we finally have an Endowment Fund !!

One extremely important aspect of All Saints’ is our commitment to outreach. Our hosting of Hotel de Zink for the homeless was a real hallmark of our care and concern for the under-served in the Palo Alto area.

As my predecessor as Senior Warden, Mary Ann Hayward, concluded in last year’s report:

This has been a year for us to respond “I will” to all of the challenges posed at All Saints’ Church. I am proud of the way we have our new rector’s direction and leadership, All Saints’ will continue to thrive, to grow and to become an even brighter spiritual beacon in downtown Palo Alto.

Though much has changed, Mary Ann’s conclusions still ring true today. Kudos to the many unsung heroes that have responded “I will” in the past year.

Demian Harvill, Senior Warden

PARISH LIFE

This year saw many exciting activities in a very rich parish life at All Saints'. We began the year with a new festival, Epiphany, celebrated with Evensong and a dinner and fellowship. On February 22 we celebrated the new ministry of Ian as our new Rector at All Saints', welcoming back several of our former clergy. Thanks to Margaret Weil for heading this wonderful event. In May we were blessed to have a celebration of Father McLeod's 45th anniversary of his Ordination, and later that year we also celebrated the new ministry of Lori Walton as our new assistant!

We had a wonderful reinstitution of Maundy Thursday dinner this year with soup to share after services. Easter Brunch was very delicious, with our Men's Group providing the carved ham and all of the parish bringing tasty treats. We had several Dinners Out, including parish visits to Fresh Choice and a crepes restaurant in Menlo Park. During the summer we had 3 well-attended patio eucharists, including treats like the duets of Grace Lane and Sara Wooten, and a Youth Eucharist.

Fall brought back our Kick Off Sunday barbecue, and a new Neighborhood Group was formed for the north of the parish. Any one interested in forming a new group for South Palo Alto and south should let Diane Frankle know. We had a fun celebration of St. Andrew's Day and our Rector's 40th birthday, complete with Montgomery tartans and festive Scottish dancers thanks to Joan and Jodi Sherer! We finished the year with a lovely Christmas Tea, organized by Sally Keep, and Christmas Party, with the latter the big project of the Men's Group. All in all we celebrated many festivals and had lots of time for fellowship in 2006 and we have high hopes for continuation of this tradition in 2007. Special thanks to Laura Biche as our fun hospitality diva.

Diane Holt Frankle

ACOLTYES and LAY ASSISTANTS

Youth between grades 5 and 12 are invited and encouraged to serve as torch bearers and crucifers during the 10:30am Sunday Eucharist, and for special services and Holy Days. During the fall of 2006, we held two separate acolyte training and refresher sessions, with Robin Poppoff being instrumental in organizing and leading one training. Overall, we have fourteen acolytes, including four new recruits (Katy Abbott, Hannah Abbott, Bolton Bailey, Dylan Foster). In addition to crucifers and torch bearers, we trained three new thurifers (Kaitlin Moorhead, J.R. Biche, Robin Poppoff) to assist with services which include incense. Anyone interested in serving as an acolyte should speak with the Reverend Lori Walton.

Lay Assistants serve at both the 8:00am and 10:30am services, assisting the clergy in the administration of the sacraments. We currently have twelve Lay Assistants, most of who also serve as the Master of Ceremonies, helping to make sure that each service runs smoothly. In the fall of 2006, we held a refresher training, and recruited and trained two new Lay Assistants (Marilyn Tinsley and Mimi Dye). Anyone interested in exploring the ministry of Lay Assisting should speak with the Reverend Lori Walton.

ALTAR GUILD

Members of the Altar Guild have the unique responsibility of preparing the church and chapel for worship services. The overall goal of the Altar Guild is to see that the worship space is kept in good order, providing a setting that helps enable the congregation to worship in a meaningful way.

This behind-the-scenes preparation and cleanup includes two services each Sunday, all special days during the liturgical year, baptisms, weddings, funerals and memorials.

The members routinely prepare the altar, Eucharistic vessels, linens, bread and wine for Sunday worship services. They launder and care for the small and large linens, insure that the vestments and altar hangings are kept clean and in readiness for worship, polish the silver, fill the candles and arrange the flowers.

In addition, the Altar Guild manages the visual aspects of the worship services. During Advent they decorate the altar railing with garlands and candles then display the crèche and add poinsettias at Christmas. During Lent the altar cross is draped in purple fabric. For Easter they place lilies and flower baskets throughout the church. The banners next to the organ are changed to coincide with the church calendar.

Open to men and women of all ages, this active group is divided into four teams; each team is on duty one week a month. On months where there are five Sundays, the teams rotate in turn throughout the year. Currently there are 13 active members and 1 substitute. Early in 2006 Jodi Scherer joined the Guild and in August, Carolyn Fox, retired after serving for 15 years.

Preparation takes place on Saturday; then one team member cleans up after the 8:00 a.m. service and the others clean up after the 10:30 a.m. service on Sunday. An illustrated step-by-step manual written by Carolyn Fox, provides procedural assistance and serves as an orientation guide for new members.

We try to utilize everyone's abilities and talents to accomplish the duties of the Altar Guild. Current leadership roles include: flower chair, supply & equipment chair, scheduling & roster chair, and communications chair.

Being on the Altar Guild is an important commitment that provides the opportunity to be an integral part of the worship at All Saints, not to mention the wonderful fellowship members share in getting to know each other and working together. Reminders of who serves on the Altar Guild each week are found in the Sunday bulletin.

CHILDREN'S MINISTRY

Krista Harmon continued to build on and enhance the Church School's successful Godly Play curriculum during winter and spring and collaborated with the teachers and parents on plans for expanding from one to two classrooms (K-2 and 3-5) in Fall 2006. Church School observed its traditional hiatus during the summer.

Children and teachers alike were disappointed when the demands of seminary and a required internship forced Krista to resign her position as Director of Children's Ministry in September. The children and congregation bid Krista farewell at the October 17th 10:30 service. However, she prepared a complete fall Godly Play curriculum and teachers' lesson books for the two classrooms as well as scheduling the teachers through December. She also planned a set of lessons for both classrooms for the winter and spring.

Church school attendance fluctuated over the fall months from as few as two to as many as nine children. Attendance declined during November and December to the extent that we reverted to a single classroom for the most part. The children's Chapel time following Church School was also discontinued with Krista's departure, a loss keenly felt by both children and parents. Instead of the traditional Christmas pageant, teachers Sigrid Pinsky and Susan Bailey helped the children build a crèche, which they all took part in "dramatically" presenting for blessing at the Dec. 17th 10:30 service.

In November, the Church School teachers met with the Rector and Assistant Priest to explore our ideas and hopes for the program and think about the attributes we would like to see in a new Director of Children's Ministry. The search for new leadership for this critical ministry also presents the opportunity to rethink how we can best structure the Church School/Chapel/Church time to insure that our children experience an appropriate and engaging mix of instruction, play, and traditional worship.

Thanks are in order to our dedicated group of teachers who are keeping Church School afloat during this interim period. We all look forward to the hiring of a Director of Children's Ministry who can bring additional energy, vision, and children to our program.

Respectfully submitted,
Barbara Sawka for the Church School Teachers
Susan Bailey
Dorsey Bass
Sigrid Pinsky
Marianne Witscher

SMALL SAINTS

As we move into 2007, we are working hard to transform the Sunday time with our youngest members from simply daycare to a more intentional focus of Christian Formation for infants and toddlers. We envision this as involving Christian story and song as well as the beginning learnings of prayer. We are currently in the process of looking for someone to hire in order to lead this group on Sunday mornings. If you know of someone who might be suited for teaching very young children in a Christian context, please let Lori Walton or Ian Montgomery know.

The Small Saints playgroup has run its course for the moment. While it ran: Infants, toddlers, and pre-schoolers and their parents would gather every Friday afternoon. Parents (mothers and fathers) visited and shared ideas while their children enjoyed playing together. ≈3:00-5:30pm. The start time varied (close to 3:00pm) when the first parents and children arrive after the little ones wake up from their naps.

Ellen Ford

LIBRARY COMMITTEE

Chairs: Katy Dickinson and Barbara Sawka. Members: Fran Bickford, Dorothy Dewing, Jessica Dickinson Goodman, and Ann Lane. Computer Consultant: John Plocher.

Library Committee projects this year included:

The Book Sale continues to be a big success both as a money maker and as an outreach opportunity. In 2006, we again sold a record number of books and gave away hundreds of All Saints' book marks. For the second year, the Library Committee donated 10% of the proceeds from the annual book sale back to All Saints'. Here is the 3 year book sale income history:

2006 book sale: \$1117-

2005 book sale: \$1009-

2004 book sale: \$643

Collection: continued to purchase new volumes of the Anchor Bible dictionaries.

Expanded new collections: music books, scores, recordings, popular videos.

Fran and Dorothy have been expanding and organizing the All Saints' photo archives. A banner and a 3 drawer file cabinet were donated to the library. Most of the Pew Players stuff was removed so the library was able to use that storage area for the book sale. Data entry on the collection continued. There are almost 2000 volumes now in the library.

Major Book Categories: Music, Anglicanism, Bibles, Biography, Children's Books, Christian Church Work, Church History, Comparative Religion, Death and Dying, Denominations and Sects, General Fiction, Hymnals, Jesus, Liturgy, Pastoral Care, Prayer, Psychology, Reference, Theology, Recordings and Videos.

Event: We are planning to hold our 2nd Library Open House in early 2007.

Jessica's 2005 essay: "Why I am a Librarian" was reprinted in both the Church & Synagogue Libraries Association Newsletter and in The Harker School Winged Post newspaper. The essay also won an award from the Soroptimists.

Current Uses include: Adult Education program support, Bible reading and book group support, Children's Ministry program support, committee and public meeting location, reference and research, quiet reading spot.

We encourage suggestions for additions to the collection: Please fill out a yellow suggestion form available in the back of the church and in the library.

The library is staffed Sunday mornings between services (9:00 to 10:30 a.m.) and is also open by request to the clergy, the parish administrator, or to a Library Committee member. Please come by and check out our collection! We welcome new members to the Library Committee. We meet on the 2nd Sunday of each month at 9:15 a.m. in the Library.

Katy Dickinson and Barbara Sawka

MUSIC

Week-by-week the choir adds spiritual depth to our services of worship. Even with a slightly smaller choir, they present their musical Offerings to God with beauty and dignity.

Special services include those for Advent Lessons and Carols, Christmas Eve (Charpentier: *Messe Minuit pour Noel*) with professional strings, Easter Vigil, and Easter morning with a professional wind quintet.

We have also offered a Mozart *Missa Brevis* with string accompaniment as the Ordinary of the Mass.

For community outreach, we continue with the monthly First-Thursday-of-the-month Noontime Organ Concerts; regular concerts (3) by the Topaz ensemble, led by our own Mimi Dye; and regular concerts by the California Bach Society (4).

This year we have also added concerts by the St. Petersburg Men's Ensemble and the San Francisco Concert Chorale. We are becoming more and more a desirable and popular venue for all types of musical concerts.

Al Campbell, Music Director

TOPAZ CONCERT BENEFITS

TOPAZ presented three concerts at All Saints in 2006: one each in January, May and November. All concerts were well attended, and the concert attendance in May was close to capacity (250 people.) The TOPAZ committee was formed in the spring of 2006 and includes members and non-members of All Saints. TOPAZ has become more multi-cultural in our programming, including musicians and performing organizations from the Persian, Phillipino and Chinese communities. TOPAZ donated \$1,500 (our net proceeds) to the Outreach Ministries of All Saints in 2006.

Respectfully submitted,
Mimi Dye, Artistic Director of TOPAZ

PRACTICAL SUPPORT

Let's face it--accidents seem to happen when we're least prepared. Every once in awhile we find ourselves temporarily unable to drive, cook, or do normal chores and errands. The All Saints Practical Support Team is here to help. We can:

- Prepare and deliver meals
- Drive you to and from doctor's appointments
- Pick up and deliver groceries
- Help with household chores
- Drive you to and from church services

If you need help, call Ian or Lori first and explain your disability, its approximate duration, and exactly what you need. They will call us, and we will contact the names on our volunteer list.

Last year we delivered approximately ten meals and provided about fifteen rides.

Susan Barkan and Laurie Jarrett

BOOK LOVERS' GROUP

All Saints' Book Lovers meet about every other month in the church library on Sunday at 12:15. Our selections, nearly always current best-sellers of high readability, include both fiction and non-fiction and usually raise moral, ethical, or artistic questions. Our discussions are lively, free-wheeling, and fun! Book announcements may be found on the church website and in the e-notes--both the ones e-mailed on Thursdays and reprinted on Sundays.

In 2006 our selections were truly global; our characters were from

- England, where the highly successful neurosurgeon of Ian McEwan's **Saturday** finds his family and his whole way of life threatened by a minor car accident,
- Cambodia, where the strong beliefs of immigrant Hmong tribespeople living in Merced come in conflict with modern American medical practices and values in Anne Fadiman's **The Spirit Catches You and You Fall Down**,
- Italy, where Mary Doria Russell's **A Thread of Grace** describes the heroic deeds of ordinary Italians from all walks of life to save their Jewish neighbors from the invading Nazis,
- Iran, where **Funny in Farsi** by Firozeh Dumas describes the bittersweet experiences of an Iranian family who moves to the United States, and
- Shanghai, the cherished childhood home of a young woman who comes to a deeper understanding of her charismatic father, in Bo Caldwell's **The Distant Land of my Father**. This meeting was graced by the presence of the author, who answered all of our questions with wit and patience.

Susan Barkan

HEALING GROUP

The Healing Group offers healing prayer and laying on hands during Communion at the 10:30 am service. We also meet monthly for study and sharing. Early in the year we studied the book *Stretch Out Your Hand: Exploring Healing Prayer*, by Tilda Norberg. Recently, we have focused on viewing and discussing a video about medicine and the mind, and on discussing stories of Jesus' healing miracles from the Gospels. Members of this ministry include Scott Barsky, Barbara Duke, Mimi Dye, Mel Kelm, Robin Popoff, Howard Swinehart, and Marilyn Tinsley. We bid farewell this year to longtime members Paula Baldwin and Bev Benson. We thank them for their participation and inspiration. Anyone interested in learning more about prayer, specifically healing prayer, is welcome to contact members of the group or to join us at our monthly meetings.

Respectfully submitted,
Marilyn Tinsley

MEN'S BREAKFAST GROUP

The Men's Breakfast Group completed its seventh year as a forum for men in the congregation to share experiences and spiritual growth with one another. This past year the group has been blessed with several new regular members who energized and deepened the strength of our fellowship.

In addition to sharing a hearty meal together, each meeting includes a spiritual component led by one of the members. For example, this past year members read spiritually-inspired poetry, offered Father's Day reflections on our Fathers and discussed the details of going on a group retreat.

The group also regularly assists in activities of Parish Life. As in past years, the group prepared the main dishes for both the Christmas dinner and Easter brunch.

The group meets regularly on the first and third Thursday mornings of each month from 7:00-8:30am. We invite you to join. If you are interested in participating, please contact John Tinsley (650-329-4928) or the church (650-322-4528).

WOMEN'S GROUP

The women's group met throughout the first ten months of 2006, and opted to temporarily disband. However, there is still a need for small group gatherings for women, which can take many forms – such as a book study group, a discernment circle, a lecture series, a monthly brunch, etcetera. If you are interested in leading and organizing a new group geared primarily towards women, please contact Lori Walton.

YOUTH MINISTRY

Youth Group has progressed from only a few kids to a solid group of kids. On average we get 10 kids and have hit numbers as high as 25 on one event. Crazy I guess would describe what youth group is all about. Over the course of the last year, the youth group has gone on a beach clean up trip which was partially lead by Jack Eastburn who did it for eagle credits, went to Disneyland with a few other churches, created a massive haunted house that was open to the public, worked together with other churches to create youth events that both excite and grow the youth in their faith.

The biggest highlight of 2006 was the mission trip. 7 kids from All Saints and Trinity went on a mission trip to Ceres Center which is operated by hunger heifer. They learned about poverty first hand as they slept in huts, had to walk a ¼ mile for food, eat under 800 calories a day (some of them looked like they were going to turn on the counselors), not have any hair products or showers for 4 days. This was intense, but provided a lesson that one will not forget and to this day they do not forget it. I am so excited for the mission trip this year. It will be to New Orleans and woo that's going to be a lot of fun as we make it a multi-generational event.

Other events that we have done include service projects like collecting cans for the homeless or giving presents out to the homeless on Christmas or doing the famous teepeeing the town, where we collect toiletries for the homeless. The youth ministry is dedicated to serving those of the less fortunate. Recently we teamed up with a few other churches to start a high school leadership event similar to the East bay's God Squad. We are called by God to serve with our hands and feet.

Another program that we have started is the Youth Leadership, where each youth in the program learns what it means to be a leader in today's society. We are looking to develop kids who will spiritually lead the rest of the group to a stronger and better place as well as bonding them together. It takes a huge commitment from the teens and it benefits the church as well as the teens. To be a leader one must be a servant and that is what these teens become.

The Lord has blessed the Youth Ministry with an incredible Youth Commission that helps to make sure everything gets done. Without the Youth Commission the youth group would not be where it is today.

As the youth ministry pushes forward we look forward at the events to come such as the New Orleans Mission Trip, Ski Trips, A Study in Pluralism, Developing Stronger Leaders, and a whole lot more.

YOUTH GROUP

Purpose of Group:

To Reach out to all Youth with God's love.

Mission:

Setting Souls on Fire, One Seed at a Time!

Our Values:

Imagine Love Acceptance Understanding GOD Helping-Others

Alex Hardt, Youth Director

COMPUTER AND TECHNICAL SUPPORT

2006 was the year that we finally got going on our long-hoped-for computer and technology upgrade for the All Saints' office and campus. Much has been accomplished, yet there are still activities to complete in 2006 before we can say the entire project is completed.

Using monies from our Capital Fund (which are available for use on Vestry-approved infrastructure projects), we hired a computer consultant, Joe Durand, and then used both purchased and donated computers so that every office and staff member at All Saints' has a much-improved computer setup. Our office manager Susan Reaves and our accountant Arlynn Peavey led the project to replace our antiquated accounting system -- which was a significant effort and continues into 2007. Much gratitude to Joe, Susan and Arlynn for all their work!

A very special thank-you goes out to parishioner Jim McVey, a talented computer networking professional, who donated valuable equipment and well over a full week of his time to completely rewire the All Saints' campus -- including putting in the wiring that will support a much-improved phone system, as well as wireless Internet access in the conference room and eventually in the All Saints' courtyard. Jim's generous gifts of time and money saved All Saints' from \$10-20,000 that we would otherwise have had to spend for networking consulting and equipment. God bless you, Jim!

The benefits of this overall project are many and include: a much more robust accounting system; easier financial reporting; opportunities for All Saints' to begin to take advantage of more up-to-date tools for email management, document production,

and other tasks; opportunities to improve our flawed phone system; and in the future, wireless internet access (with appropriate security) in the conference room (for our meeting attendees) and eventually in the courtyard (a wireless "hot spot" for use by parishioners and visitors alike).

WEBSITE

The All Saints' website at www.asaints.org continues to be a primary way newcomers find their way to us. This past year we have improved the ability of the web site to represent our current activities right on the home page by displaying the upcoming two weeks' activities automatically pulled from our new online calendar, and also including links to the monthly online calendar from the home page.

In addition, significant work was done to gather "recipes" for producing nearly all of the regular annual events that All Saints' puts on. The recipes were written by event organizers, and are now online to help future event organizers know what it takes to host an event. In addition, there are also general recipes for how to publicize an event.

A major task that has not been accomplished is to find some way to regularly (at least annually) refresh (edit, rewrite, fact-check) the pages about the many groups that people can participate in. Some of these pages (e.g., the women's group, the healing prayer group) haven't been edited since they were first written nearly two years ago. Others (such as the Book Lovers Group) are more regularly updated.

The web site continues to act as the channel for several hundred dollars of income each year via purchases that All Saints' web site visitors make at Amazon and Kepler's, once they click on those logos on the All Saints' home page.

John Sack

OUTREACH

The Outreach Committee of All Saints had a very active year helping administer the several outreach programs that are a hallmark of All Saints. The committee continues to serve as liaison to Urban Ministry/Innvision in the operation of both the Food Closet and the Friday Breaking Bread Programs at All Saints. An innovation this year was the development of email announcement system so that parishioners would be informed about the needs in the Food Closet and our weekly contributions could match these needs. This system has worked well. Several All Saints parishioners work regular shifts in the Food Closet. The Thursday and Friday Breaking Bread program continues to run successfully. Approximately 150 meals are served weekly at All Saints. All Saints has a team of volunteers that works the Friday meal, once per month on a regular shift. Both the Food Closet and the Friday Breaking Bread programs need ongoing volunteers.

Another major outreach program is Hotel de Zink, an Urban Ministry shelter program which revolves to 12 Bay Area churches once per month. All Saints actually served two months this year—in March to assist First Congregational Church of Palo Alto which was renovating its parish hall, and in October, which will become our regular rotation month upon Vestry approval. Providing shelter, food, and hospitality for the 15 Hotel de Zink residents is an all-parish event. Over 100 people provided their time, talent, or

treasure to make Hotel de Zink possible, not just once but twice this past year! In the future this would only be once per year.

The Outreach Committee is also maintaining ties with Peninsula Interfaith Action (PIA). While we are not engaged currently in PIA “actions” we are fully paid members of PIA and are actively listening for topics that we think would be of interest to large portions of our congregation.

The Outreach Committee was also responsible for organizing the Lemonade Stand and Book Fair which was another huge success this year with hundreds of people enticed on to our campus by sweet lemonade and great books donated by parishioners. In addition thanks go to Mimi Dye and Topaz, whose concerts benefited outreach programs.

The Outreach Committee continued to provide end of year gifts to three organizations it feels are central to our local outreach ministry, namely Urban Ministry, The Opportunity Center, and Santa Maria Virgen.

The Outreach Committee has two new initiatives currently in the development stage. We want to find creative ways to reach out to seniors in our community, and once our outreach is successful to have transportation to All Saints for Sunday services and other events. Finally our committee has embraced the position of the Episcopal national church and our local diocese that local parishes should endeavor to contribute .7% share of its annual budget to the Millenium Development Goals. We are seeking new ways to do outreach beyond our local community through this program.

The Outreach Committee meets the last Thursday of every month from 6:00 pm to 7:30 pm. We invite you to join our exciting meetings

Jake Warde

PENINSULA INTERFAITH ACTION (PIA)

This was a year of celebration and rejoicing for the 31 peninsula member congregations of PIA, who saw the opening of the Opportunity Center take place in September. All Saints and First Presbyterian Churches in Palo Alto were the two parishes that initiated the action for this project of care and shelter for the homeless, which was then brought to fruition by the efforts of many individuals, groups and organizations.

PIA is active in our area with many projects striving to create solutions to community-based needs. Affordable housing, universal healthcare, afterschool childcare are some of the other issues, which have been a part of PIA’s efforts.

All Saints is an affiliate member of PIA at this time, although members of our Outreach Committee are continuing to monitor how best our outreach activities can be matched with PIA.

On January 29th, PIA will celebrate its tenth anniversary of action in the midpeninsula and it is hoped that many from All Saints will be a part of this gala event. Those wishing to attend may arrange carpools through Jeff Rensch (jrensch@yahoo.com) or Sally Cadigan (Sallybc@pacbell.net).

Mary Burt Blume

THE OPPORTUNITY CENTER IS LAUNCHED

After more than 8 years of planning, prayers, fund-raising and activism, the Opportunity Center opened to serve the local unhoused and "at risk" community in September 2006. This event, singled out by local press as the highlight of the year, was an especially joyous moment for the many All Saints' members who have been working to "build the dream" since the first community meeting in our sanctuary in May 1998. Our former Rector Margaret Irwin came from Wisconsin with her family to see the fruits of her hard work, and Larry Brown (a key fundraiser for the Center) came with Wendy from Minnesota. David Mann, Director of Peninsula Interfaith Action (PIA), the organization that provided the seed for this building, came to All Saints' the day of the opening to offer a moving sermon of hope and fellowship.

Now the Center is fully operational, with 88 apartments offering permanent housing for families and singles. (There are some 22 children living in the Center now!) InnVision is offering important services such as case management to visitors and residents, while Opportunity Health Partners provides crucial medical support. The Family Services Center has opened its doors to families in the community. Although the building itself is fully funded, the services offered will need continuing financial and volunteer support from the community. For more information on the Center's history (including many photographs from John Sack), check the website OpportunityCenter.org. For a useful sheet of frequently asked questions about the Center, see the website InnVision.org.

Jeff Rensch

BUILDING AND GROUNDS

2006 was a year to maintain our Parish Hall, which was suffering from a leaky roof and some surface cracks in exterior walls.

This year we resealed the wood floor, repaired the roof, and painted the exterior of the building. We should be in good shape for several years to come.

To prepare for an evaluation of the education building Christian Pease, Mary Cloutier, Tom and Margaret Wooten and Demian Harvill cleared out the room upstairs where all the Pew Players sets and costumes were stored. The focus of BUGS this year will be to assess the education building to see whether it can be restored to provide better rental space for our present tenants and for prospective new tenants.

Two redwood benches were installed by the food closet to help our ministry there and to make it comfortable for food closet clients to stay on that side of our campus.

We had a successful grounds work day in the spring to ready our grounds for Easter. Quite a number of people participated. Marianne Witscher loaded her pickup truck with redwood bark and that was spread throughout the garden beds, particularly in front of the meditation garden. The meditation garden and memorial gardens were weeded and replanted in some areas.

Marianne Witscher and Laurie Jarrett have kept the beds in front of the breezeway weeded and planted for each season.

Robbin Poppoff has received a bid to improve the lighting in the courtyard and choir rooms and within the church. This is another project that really needs to get done for safety. Hopefully we can complete this project the first part of 2007. We were “tagged” several times this year and Kevin has had to spend quite a bit of time repainting. Lighting is one way we hope will discourage this activity.

Carol Hubenthal, Christian Pease, Bob Tatum, Marianne Witscher make up the committee for building and grounds.

DIOCESAN CONVENTION/DEANERY DELEGATES

All Saints' has five convention delegates who are also its elected representatives to the West Valley Deanery (WVD): Mary Cloutier, Nicci Prentice, Dorothy Dewing, Barbara Sawka, Katy Dickinson, and (alternate) John Plocher.

There are two big discussion topics in the diocese this year: finding and calling a new Bishop, and changing the diocesan financial and organizational structure. El Camino Real's annual convention was held in 2 parts to reset its schedule from January to October. The first meeting was in January 2006 and the second was in October 2006.

There were also many additional deanery, tri-deanery, and diocesan hearings this year because of the complexity of the topics before us. Dorothy, Katy, and John were unable to attend the January 2006 convention but all delegates were present at the October 2006 convention.

Bishop Search: The diocese has been searching for its third bishop. Fifty-seven nominees submitted applications, and as of December 2006, the Bishop Search Committee has selected applicants for the first round of interviews. There will be a special diocesan meeting in June 2006 to elect the new Bishop. The Rt. Rev. Sylvestre Romero-Palma will continue as our Assisting Bishop until the new bishop is elected. The October 2006 diocesan convention passed the following with regard to the Bishop Search process:

Resolution E: Bishop Search Process –passed. This resolution states that "convention of the Diocese of El Camino real requests the Search Committee for the Third Bishop of El Camino Real and the Electing Convention give equal consideration to all qualified candidates without regard to their sexual orientation After discussion, reflection on the impact of this resolution and a period of prayer, the motion was passed.

Diocesan Structure and Funding: Here are 2 key excerpts on these complex topics from the "Synopsis of the 26th Annual Convention, Session 2" dated 21 October 2006:

Structure:

In the culmination of multiple committees' work over the last two years, convention members discussed and then overwhelmingly selected the collaborative model on the first ballot as the model for future diocesan structure. Convention was reminded that in this convention we are electing to fill positions in keeping with our current structure and that 2007 will be a year of transition as we flesh out the newly chosen model, make necessary constitution and canon changes in support of it.

At the next diocesan convention in October 2007 we will elect leadership to fully establish the Collaborative model. Details on the structure models can be viewed at <http://www.edecr.org/f/DESC-StructureSummariesFinal.pdf>.

Funding:

Funding formula selection was the next issue for discussion (for the full text of original Resolution B see <http://www.edecr.org/f/DC2006B-Resolutions-A-B.pdf>). An amendment to add an annual Cost of Living Adjustment (COLA) of 3% (unless convention selects a different rate) to Resolution B was proposed and accepted by convention. This addition of a COLA adjustment to Resolution B is applicable to funding formulae B, C & D. In the first round of balloting a majority of votes were cast for funding model D which calls for each parish and mission to contribute 10% of the first \$178,000.00 of their NBDI (Net Budgeted Disposable Income) and 20% of anything in excess of \$178,000.00. This resolution also changes the period upon which the contribution is calculated to the prior month of the current year.

Other decisions made at the October 2006 diocesan convention included passing the 2007 budget based on funding model D (see above), and election of diocesan leaders, plus canonical changes establish consequences for fair share non-payment and shortfall, and for late parochial reports. One of the few resolutions which did not address diocesan funding or structure was about the United Nations' Millennium Development Goals:

Resolution F: Support of Millennium Development Goals-passed. This resolution urges each congregation and each parishioner to give 0.7% of their income to work that supports the United Nations Millennium Development Goals (MDGs). An amendment to request 0.7% of the diocesan income in the 2008 diocesan budget also be committed to MDGs was proposed but failed.

Again in 2006, All Saints' was represented in diocesan offices by Nancy Cohen who served as Diocesan Chancellor, and Katy Dickinson who served as DIEM Convener.

Respectfully,
Katy Dickinson,
All Saints' Convention Delegate, and
West Valley Deanery Representative

FINANCE COMMITTEE

The Finance Committee had an interesting year in 2006, charting a financial course through a number of exciting changes in 2006, and planning for 2007 with those changes in place. 2006 ended well, and we're well positioned to sustain the current course for 2007.

The overall result for 2006 is more positive than anticipated, though the exact numbers remain to be determined as we finalize the books for 2006. The original 2006 budget included a small budgeted deficit of about \$20,000, but as in most years this has turned out in practice to be breakeven or perhaps a small surplus of a few hundreds or thousands of dollars. Similarly, in 2007 we budgeting a budget deficit as a gap that we expect to close during the year with a variety of

modest expense reductions and income increases. In fact, this type of fine tuning is a significant goal for the Finance Committee to pursue more aggressively in 2007 following the changes in 2006. However, that 2007 gap is a few thousand larger than 2006, with some current uncertainty because over a dozen folks that pledged last year have not yet pledged or declined to do so. We'll finalize that soon, however, as well as the final result for 2006, and report back shortly

What are the highlights of those changes in 2006? and how do they relate to the 2007 budget? Well, perhaps the most pervasive change is in personnel. The most obvious such change is our ability to hire Rev. Lori Walton as our Assistant Priest! All Saints' has traditionally been a 2-priest parish, and Vestry felt that returning to that norm was essential for All Saints' to be a growing parish.

Through the generosity of an anonymous donor, we established the "Venture Fund" as a source of funding for new activities in All Saints' that need "seed funding" for growth. The first use of the Venture Fund was to partly fund the Assistant Priest position by using Venture Fund funds to fill the budget gap in 2006 and allow us to fill the position, and likewise to sustain it in 2007. This "venture" concept is that with two clerical heads being better than one, our dynamic duo can help foster the growth of the All Saints' community to be able to financially support two priests, and over time to replenish the Venture Fund for use as a second growth-seeding effort of some kind in the future.

The other change in personnel is closely related to a shift in financial operations. In early 2006, we were admirably served by J-M as the Parish Administrator, spending about half time or more working with a cumbersome and antiquated financial system and software with able volunteer help, while also doing a variety of publications duties and rota management as well. J-M's decision to leave All Saints' was both a quandary and an opportunity for change. At the end of 2006, we are now very fortunate to have Susan Reaves as a half-time Parish Administrator spending much, much less time on routine finances, thanks to a new software package and some regular and on-going professional book-keeping assistance from contractor Arlynn Peavey. Many thanks to Susan and Arlynn for the heavy labor of converting to a new system that is already reducing labor and streamlining operations to focus less on book-keeping and more on financial operations per se. Many thanks also to Mary Walker and many others for significant efforts in a computer and network upgrade that enabled both the new financial system and the ability of the Assistant Priest to take on the rota management and some of the publications work, without taking too much time away from pastoral and other activities. And thanks again to all who contributed to the Capital Fund, which makes these kinds of capital improvements possible.

Another big change in 2006 was the establishment of an Endowment that will provide a new opportunity for capital giving, and generate income to serve as a new source of operational income. Many thanks for many hours of time reviewing and improving the legal documents for the Endowment by Finance Committee members and other volunteers notably including Margaret Weil.

So where does that leave us in 2007? Our 2007 budget differs from 2006 in the following main ways:

- New personnel expenses from the personnel changes described above, offset by the use of the Venture Fund;
- A modest decrease in our Diocesan contribution, as a result of the recent Diocesan Convention's change in the way that parish's Diocesan contribution is calculated;
- Significant increases in existing personnel expenses mainly from benefits, partly offset by the reduction in Diocesan contribution;
- Little change or perhaps even decrease in pledge income;
- Slight increase in other income, including from the Endowment;
- Modest increase in operating expenses such insurance, audits, utilities, etc., partly offset by increases in non-pledge income;
- Overall generally flat or reduced spending on Parish Programs, with the exception of increased budget for Parish Outreach.

Overall, 2006 was a year of several successful and beneficial financial and operational changes that have set us up well for 2007.

Respectfully submitted by: John Sebes and Joe Baldwin.

STEWARDSHIP

We modified our **stewardship** approach somewhat for this past 2006 year.

We intentionally decided to shorten the stewardship season and be more low-key in our reminders and appeals to the parish. For example, we did not do any phone-a-thon nights, as we have in past years, and we had fewer announcements during services.

This lower-key approach had a couple of consequences. It did save a great deal of time from the parishioners and Vestry who organize the stewardship season; however, it did result in slower and lower returns of pledge sheets, and a resultant need to do more follow-up after the official end of pledge season. Please, if you have not turned in a pledge sheet, please contact Sally, Mary or Susan, so they can get you a pledge packet.

As of January 17, All Saints' has received total of 104 pledges in the amount of \$384,543.

We did not have a matching challenge grant this year (like we did in 2005).

As always, in addition to formal pledging, there are many other ways that parishioners contributed to the financial health of All Saints'. Many people continue to give quietly on an ad-hoc basis, when they see a need; this is beyond their regular pledging, and often is given anonymously with no thought of recognition. Many people give in the plate every Sunday. The annual Book Sale continued to bring many visitors to our campus, with the proceeds supporting the Library.

Of especial mention is the establishment of our new All Saints Endowment, which already has seed pledges of over \$100,000. This Endowment will be an ongoing fund from which All Saints' can use the income as needed. The Endowment is probably the one biggest thing we can support to ensure All Saints' financial health into the far future. A number of people contributed to the writing of the Endowment Fund legal documents, with special thanks due to Margaret Weil and Nancy Cohen.

We encourage everyone to consider making a gift to the new Endowment Fund, or to contact the All Saints' office for information around making a bequest or including All Saints' in your financial planning.

We thank God for the continuing financial support of so many parishioners; your contributions make good things happen for our church family and the wider community.

Sally Cadigan and Mary Walker, Co-Chairs for Stewardship

FUNDRAISING

The All Saints Auction in support of our ministry of outreach -- which includes so much of who we are and what we do as a congregation from the Sexton who mops up after the Breaking Bread Lunch to the kitchen used to prepare it and so much more -- was held in November. Beautiful decorations, intriguing items, fabulous entertainment, and an amazing meal all combined together to provide a fun evening for all. Over 100 people showed up to socialize, bid and buy items as diverse as a homemade pie to Tiffany silver.

Thank you to all of the donors and to all of the buyers. Together we had a net income of over \$10,000 at the end of the night. Special thanks to Ken Van Bree, John Sebes, Joe Baldwin, Diana Romley, and all others who helped pitched in to make this Auction a great success.

Barbara Coll, Mary Ann Hayward and Margaret Weil
Auction Co-Chairs