



July 15, 2022

Dear Grace Commons family,

**RE: Some context for the Trustees' Report**

On the next page you'll be able to read the Trustees' report looking back over the past Ministry Year. Some context may be helpful.

For generations the Trustees and Elders have worked together as stewards of the mission and vision of Grace Commons. Over the past 7 months they have worked together to refine and expand the charter for the Trustees. That charter was approved by the Trustees and then Session approved it at their June 2022 meeting. You can read it [here](#).

Over the past ten years both the Session and the Trustees have seen trends that concerned them in membership and giving patterns, trends that we share with most churches in North America. This, combined with the realization that our aging facilities have deferred maintenance that needs to be addressed in the next decade led both bodies to develop a plan to discern ways to develop our properties. This was wise stewardship on your behalf. They have developed plans for our future that have the promise of providing long term revenue streams from our prime center city location to strengthen our ability to pay for ongoing maintenance and overhead while freeing up donation income for our ministry in Boulder and beyond. That long term insight that began over a decade ago soon led to a strategic planning process, a denominational and name change, and a refined vision, mission and strategic plan. Of course, the bulk of that strategic plan addresses strengthening our ministry and reaching every generation with the gospel, but it also addresses one of our primary tools for that ministry to happen, our buildings and campus. I will be reporting in the next couple of months with more of a focus on the Session's ministry plans for the year ahead. For now, I want to conclude with my heartfelt appreciation for the crucial work of the Trustees.

The Trustees annual report is a wonderful summary of the actions and activities of this Board of Grace Commons. It also addresses the very latest information on the three-part Boulder Vision Project; a project that both Session and Trustees have reaffirmed in the past 12 months. I could say more but I'm already testing your attention span, so I refer you to their report for the details.

I am thankful for each one of them, especially our immediate past president, Alan Williams; outgoing president, Jack Fellows; and incoming president, Gene Koch.

In Christ,

Randy Bare  
Transitional Pastor  
Grace Commons Church

# Grace Commons Church

## Trustees Report

July 11, 2022

The Grace Commons Church Mission is “**to build a flourishing church that makes disciples of Jesus Christ.**” To focus on that mission and engage the Congregation, Session delegates the financial, legal, and facility matters to the Trustees. One other important Trustee responsibility is to periodically report to the congregation on these matters. Given that, this report is focused on providing the Congregation an update on recent Trustee activities. All of these activities were undertaken in close collaboration with Session. To ensure that collaboration is effective, there is a Session Liaison on Trustees (Elder Mike Scott) and the Trustee President (Jack Fellows) attends Session meetings.

It is our honor to serve in this Trustee role and provide the following report to the Congregation:

- **Membership.** Two Trustees, Jeff Elliot and Don Otero, have resigned before their terms expired. Both resignations were due to changing family needs. We thank them for their excellent service and wish them the best in these new chapters. These vacancies were referred to the recent T.E.D Team (our nominating committee which stands for Trustees, Elders, Deacons) and nominations to fill their terms will be presented to the Congregation on July 17, 2022, along with a new class of Trustees. We look forward to working with the new trustees. The new class of Trustees will result in a total of nine Trustees for the coming year. We thank those who volunteered for these important positions. We also thank the outgoing Class of 2022 Trustees: JP Clark, Alan Williams, and Tom Wilger for their faithful service.
- **Fiscal Assets.** Trustees take the management and investment of the various Grace Commons Church fiscal assets very seriously on the Congregation’s behalf. First, we seek to always honor donors’ wishes in any designated funds. Second, any funds that are deemed long term or legacy in nature have been transferred to the Grace Commons Foundation for management and investment decisions by the Foundation Board. Grace Commons Church funds with an expected use in the five year or longer time frame are temporarily invested by the Foundation Investment Committee but remain available to Grace Commons Church should they be needed in an emergency. Thirdly, Trustees are reviewing and updating an existing Grace Commons Church investment policy for investments shorter than five years.
- **Budget and Operations.** Earlier this year, the Trustees forwarded a budget recommendation to Session which was adopted with some revisions and recently reported to the Congregation by Randy Bare. Despite some staff attrition and a 20% across-the-board reduction in program costs, the total Ministry Year 2023 (MY23) expense budget is projected to be \$2.821M. This leaves a projected shortfall in MY23 of \$171K. We believe this shortfall will be met by continuing our ministry of stewardship throughout MY23. If not, the Trustees will need to explore other options to fund a shortfall. After roughly 15 years, Business Administrator, Cathy Marquis, retired on June 30, 2022. Amy Nelson also stepped down from her accounting responsibilities. The Trustees would like to express our gratitude and thanks to Cathy and Amy for years of

faithful service to the Trustees and this congregation. Larry Drees has stepped in as interim Director of Administration and Operations and has been attending Trustees meetings. To meet the recently adopted budget for the upcoming years, we are exploring outsourcing some elements of the Grace Commons Church financial operations to increase the focus on ministry and to improve our operational resiliency. This is a direction that many organizations are moving and takes advantage of the tremendous financial tools available in the private sector.

- **Facilities.** There are a number of important facilities issues to report. In Ministry Year 2022, Grace Commons Church experienced two major leaks due to freezing. One affected worship by damaging the organ and the other caused extensive damage to the kitchen. These highlight the importance of keeping current on maintenance of our heating and cooling infrastructure. To that end, the Trustees are engaging a new company with an excellent and more comprehensive heating and cooling maintenance program that should extend the life of these systems. We have also deferred consideration of any new heating and cooling requirements which may arise from the Main Campus redevelopment. Sadly, the Chapel stained glass windows and windows in the Annex were broken by vandals. These issues were ultimately covered by insurance but required us to cover the deductibles. Trustees approved strengthening the exterior protection for the stained glass during the repairs. These are just a few of the myriad of issues that Facilities Manager, Richard Rapisardi, the Work Krew and the custodial staff address throughout the year to make sure Grace Commons Church ministries can continue effectively in our aging facility. Trustees acknowledge that the present budget does not set aside funds for facility reserves. The Congregation needs to realize that this is not ideal and may lead to a situation such as the recent kitchen freeze that impacted operations. In view of our responsibility to help Session and Grace Commons Church staff provide for weekly worship and ministry, Trustees are exploring options to ensure the resiliency of our facilities (e.g., setting up a line of credit for repairs).
- **Boulder Vision Project (BVP).** The BVP elements are the Preschool, Annex, and Main Campus. We are pleased to report that Pathways Learning Academy Preschool enrollment in the school is exceeding expectations despite delays in construction, permits and licensing. This is a crucial element in Grace Commons Church's goal of introducing new families to Grace Commons Church. The Trustees ask the Congregation to welcome the families of these little ones and to encourage anyone you can think of to enroll.

During Ministry Year 2022, Grace Commons Church received approval from the City to proceed with our proposed redevelopment of the Annex and Main Campus. This entitlement by and large approves the exterior of the proposed redevelopments. Receiving this approval is a significant accomplishment. Thanks to all who worked tirelessly to get this approval. At this juncture, it has been decided to focus on the Annex project first. The Main Campus will follow the Annex which gives time for the preschool to further prove itself and pay back start-up costs.

During our April 2022 meeting, Trustees received an update from the Boulder Vision Team (BVT) on the Annex planning and status of funding from third party sources. Due

to the pandemic and supply chain issues, construction costs have gone up significantly, and some of the potential funding sources have taken longer than anticipated. In view of the increased costs and funding risks, Trustees formally authorized the BVT to explore additional alternatives to the approved Annex design. Session agreed with Trustees as well as adding some additional ideas. The BVT is presently exploring several options for the Annex and will report out with detailed information as it becomes available. Session and Trustees will evaluate this information and share it with the Congregation once the picture is more complete.

The BVP plan has always had the Main Campus redesign trailing the successful launch of the preschool and the Annex redevelopment. In view of that timeline, Trustees are working with Grace Commons Church staff to make minor changes to meet the Grace Commons Church missional needs and make the building more welcoming while the long-term BVP elements are progressing. In addition, Trustees and the facilities team are making maintenance decisions with the current building in mind while simultaneously ensuring that maintenance decisions now do not have a negative impact on potential future upgrades.

It is our honor to serve Session, staff and the congregation as Trustees. **This report is provided to inform you of recent activities and actions taken by the Trustees to support the mission of Grace Commons Church.** We welcome any questions you might have regarding this report either by discussing them with a Trustee or via [Trustees@gracecommons.org](mailto:Trustees@gracecommons.org) email address.

Jack D. Fellows (President and Class of 2023)

Gene Koch (President-Elect and Class of 2024)

Alan Williams (Interim-Secretary and Class of 2022)

Warner Andrews (Class of 2022 and nominated for one additional year)

Gary Johnson (Class of 2022 and nominated for an additional three-year term)

J.P. Clark (Class of 2022)

Tom Wilger (Class of 2022)

John Tucker (Class of 2023)

Don Culver (Class of 2023)

Doug Scheetz (Class of 2023)