



ANNUAL REPORT

2015 — 2016

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PASTOR'S REPORT

Bob Zurinsky, Senior Pastor & Leadership Team Member

Has it really been a year since our last report? In my experience, these past twelve months have flown by, but looking back on where we've been, I realize just how much we've accomplished together as we've prayerfully tried to discern the leading of God's Spirit for our church.

As your pastor, I'm very conscious of the unique role that I play within this community. My work on behalf of the body spans a wide range of duties, from administrative and operational details to pastoral care and teaching. In this report I would like to give you a glimpse of the story of Emmanuel in 2015-2016 from my perspective.

ADMINISTRATIVE AND OPERATIONAL

While not necessarily glamorous or highly visible, the operational aspects of an organization like ours help to create the conditions in which our community takes shape. And this has been a year of significant development in terms of staffing, finance, and procedures.

With the exception of our wonderful worship directors, Katie and Luke Clum, Emmanuel has an almost entirely new staff this year, which has given us the opportunity to re-think positions and responsibilities and streamline our operations. John Yoshiki Jarman joined the team as Administrator, and has done excellent work representing us with an unusual combination of professionalism, competence, humor, and true care for people. Laura Ann Martin became our first-ever Ministry Teams Coordinator, a role that she is uniquely suited for as both a highly organized and genuinely pastoral presence in our community. Our new facilities managers, Sharis and Tony Kevin, have brought a consistency and attentiveness to our building operations that has effectively protected our assets and raised our credibility level with tenants and guests.

Some of our most significant changes this year have been related to how we use money. This time last year, the congregation voted to approve a budget that included an almost \$50,000 annual deficit. No one thought this was an ideal scenario, but most of us were resigned to the fact that a balanced budget just didn't seem possible. Our administrative team has done a lot of behind-the-scenes work in these last twelve months to address those conditions, including more complete and effective rental of our facilities along with major spending cuts, and the result will be a final balance sheet this year that is much closer to breaking even. Perhaps most astonishingly, we are now proposing a budget for 2016-2017 that is "in the black" for the first time in Emmanuel's recent history.

There are many factors that contribute to this, including both increased income and reduced expenses, but the amount of effort and stewardship that has brought us to this point cannot go unnoticed – I sincerely give thanks to our staff, Finance Team, and Leadership Team for their work. This doesn't mean that changes don't need to take place going forward (for example, we don't have room in our budget for some of the major building upgrades that we believe are necessary), but it does mean that we are organizationally in a much healthier place than we have been. As we continue to talk together this year about how we want to invest our time and resources going forward, we can now do that from a place of stability rather than a place of fear, letting our values drive the conversation instead of a sense of imminent doom.

Finally, one aspect of my organizational work includes participating in the life of our denomination and representing our community among the other members of The Evangelical Covenant Church nationally. My formal ordination process with the denomination is entering "finalization year" this month. Over the course of this past year I've done a series of interviews, psychological evaluations, graduate courses, national conferences, and meetings with our regional leaders. I now have just one more course to complete in Minneapolis this fall, national-level interviews in Louisville in the winter, and a final ordination ceremony next summer. I'm proud to represent our congregation in these spaces, and I am also increasingly impressed with the quality of the denomination as a whole.

COMMUNITY LIFE

At the heart of Emmanuel's identity is our commitment to live together as a new kind of family. From the first time I spoke with leaders of this church, it was this commitment to an intimate, devoted community of care that stood out to me as a defining characteristic of who we are and who we want to become. When I speak with leaders and members of this congregation, there is a remarkable amount of unanimity among us on this point: we want to focus on depth and quality of teaching and relationship, rather than simply getting as many people as possible in the door.

And that changes how we do things, and potentially sets us apart from the methods of some other churches. People at Emmanuel aren't opposed to numerical growth, but they also don't obsess over it. As a result, in the last few years we've basically done no advertising, and what growth we do experience comes from organic and relational connections that our members have with people in their lives (although we are going to get a new exterior sign this year, so at least people in the neighborhood will know that we exist). Given that this is how we're set up, I'd like to encourage you to be thinking about the folks that you know outside of this place who would benefit from experiencing life among us – and just invite them!

That said, we have expanded this year. 25 individuals formally joined the church in 2015-2016 by attending a membership class, submitting a written application and testimony, and interviewing with a selection of Leadership Team members. Our formal membership now stands at 64. Our highest attendance this year was, not surprisingly, on Easter Sunday when we had 125 in worship, although most weeks we have significantly fewer people with us (especially in vacation season...and especially when 20 of you all go on vacation together!).

We've gone a long way toward organizing our ministry around our values of deep education and family this year. We've developed consistent rhythms and regularity in our worship, including the recruiting and organizing of a highly skilled team of A/V technicians and musical leaders, and the building of a comprehensive process for designing our weekly liturgy. We've embraced the sacrament of communion in a new way, gathering around the Lord's Table together every two weeks. We've more intentionally connected ourselves with the great cloud of witnesses by participating in aspects of the global church calendar like Ash Wednesday, Lent, Good Friday, Easter, and Advent. In our teachings we've focused on long-term growth and depth in our biblical and theological education, including that massive 50-week series through the whole narrative of the Bible and a three-month exploration of the teachings of Christ.

We've also committed to caring for people in a new way. Outside of our body, we served the residents at the Phinney Ridge Men's Shelter. Although there are still a few people who do far more than others in that ministry, we greatly increased the number of Emmanuelites who spent time serving in the shelter and donating food and supplies this year. And by all accounts, it was the smoothest year of shelter operations yet. As we move forward I hope that we will continue this vital work with the shelter, but also discover new areas of local ministry that we can begin investing ourselves in.

Within the body, we've been creating systems to even more effectively love and serve one another, including the new Congregational Care team and a whole host of volunteer service teams that take care of our space and create a welcoming environment for the neighborhood and our guests. And the growth and participation in our small groups program has exceeded my expectations by far – almost every member of this community is an active part of one or more small groups, and some of our groups have grown so large we've had to talk about splitting them up. This shows me that there is serious investment in each other's lives going on here, and a hunger for relationships that go beyond the surface-level.

CONTINUED PASTOR'S REPORT
Bob Zurinsky, Senior Pastor & Leadership Team Member

And don't even get me started about the women's retreat on Whidbey Island... some of the stories you came back with blew my mind. In light of the passion that just seemed to overflow out of that weekend, we'll be doubling our retreat offerings next year.

One of the things I've witnessed and am most proud of among you this year is your ability to welcome and embrace all kinds of people. I've said it many times, but my dream is that Emmanuel would become known as a community that is truly diverse in all categories – a place where people experience unity without being pressured into uniformity. A place where people from all walks of life and all worldviews can come together and love each other, bound together by nothing more than our common love of God and people. I'm convinced that we're already doing this well in many ways, and you can be sure that I'll keep talking about how we press forward in that mission even more as time goes by.

Keep it up team!
I'm loving you more and more all the time.

BOB ZURINSKY

BUDGET & FINANCES

Patricia Kloster, Leadership Team Treasurer & Finance Chair

One would think being in the treasurer role would be an easy transition for me since I have done this 2 or 3 times in the past at Emmanuel, but it has taken a bit of adjustment to wrap my head around numbers again! And Emmanuel is a far different church than in the past. We have gained new partners in ministry who lease parts of our building; we have grown into a church which is diverse in age, but is now predominantly younger, which is a good thing for the future! We are also focusing on the future: what does our neighborhood need and how can we meet that need or needs? God hasn't moved us from this place yet – we need to listen to Him for answers.

2015-16

As I review the past 2-3 years of Emmanuel's finances, the dramatic transformation is amazing. We have "righted the ship" so to speak and are presenting a balanced budget to you for the fiscal year 2016-17. Both our tithing and rental incomes have grown in the past year which is encouraging. Our year end expenses will be under budget (not including the sprinkler system on the south side of the building) and teamed with our budgeted income over our projected level this puts us in a stable financial situation at this time.

2016-17

While our financial picture is currently stable, we are challenged as a finance team to balance optimism and reality! If I have learned nothing else in this role, our God is a creative God! As a church family we are still faced with some daunting challenges and major decisions:

- Do we stay in this building on Phinney Ridge? If so, how do we sustain and maintain the facility and what is our ministry?
- Do we sell and relocate? If yes, where do we move? And the question still exists – what is our ministry?
- Last year, a building inspection was done and approximately \$70,000 worth of repairs were identified as necessary maintenance – the finance team has been charged by the Leadership Team to research and make a recommendation as to whether we proceed with these facility repairs in the next fiscal year. These would be seen as capital improvements out of our savings/reserve funds rather than out of the operating budget.

One of our primary leasing entities, Mosaic Church, is planning on purchasing their own facility by April 1, 2017 which we have planned for in the proposed budget. That leaves a vacancy for a new tenant or tenants, a new ministry – a matter of prayer for us as a body. They have been a huge partner with us in the ministry of the Men's Shelter as well.

Much of what I have written so far, was also highlighted in Aaron McConkey's financial report last year. We have made progress as a church, God has been faithful and Emmanuel is still a ministry on Phinney Ridge. As mentioned in the pastor's report, both the leadership and finance teams are excited to focus on the future with our vision as a church driving us, not our financial crisis. I look forward to where God leads us, as He has brought together an amazing family at Emmanuel.

By God's provision, we have a great team supporting this ministry:

Luke Clum, John Jarman and newest member, Chris Kyle
Aaron McConkey & Bob Zurinsky have also supported this team as well

PATRICIA KLOSTER

ADMINISTRATIVE REPORT

John Yoshiki Jarmane, Church Administrator

DEAR FAMILY,

And oh do I love to call you my church family! It has been quite an exciting year here on Phinney Ridge. This year was focused around solid operation and replicable practice. Just a year ago I was the Associated Students of Seattle Pacific President. I was not a visionary dreamer or an aspiring legend. I focused my energy on consistency and support. I learned that people appreciate responsibility, accountability, and simple honest work. I adopted that same operating framework in my 9 months with Emmanuel so far. We had budgeted ourselves to lose forty six thousand this last fiscal year. As you have seen, or will see, we did not lose nearly that much. This resulted from diligently making additional rental income as well as being strict with our expenses. This does not mean that the budget last year was wrong. The finance team allocates the money for our different budgets with careful discernment. In my first 9 months I inherited a “survival mode” mentality; I was more concerned with saving money than using the appropriated funds toward necessary costs. This year I had the privilege of being on the finance team and I believe that the actual income and expenses of 2016-17 will be very close to what is proposed.

LEASE AND RENTALS

- KapKa Cooperative School is one of our longest running tenants. They have been with us since September of 2011. They have outgrown their space in their current lease and we are excited to have them rent more space with us at the commencement of their next lease starting this September. Because they are non-religious, our building was not up to code for their organization to operate here. A sprinkler system in the gym is all that was needed. However this was no easy task. As Kirby reported last year, this sprinkler conversation dates back to 2013. June of last year was when the installation began. I am happy to inform everyone that as of June 2016, the sprinkler system is fully completed and approved by the City of Seattle. We are half way done with paying back KapKa for this two hundred and thirty six thousand dollar safety improvement to our building. We are on a monthly repayment plan in the form of a rental credit and we will be done paying it off by January of 2019.
- Mosaic Community Church is another tenant that has grown significantly since their lease started here August of 2011. They are in the fundraising process to put down a deposit for their very own building on Aurora. If everything goes according to their plan, they will be fully operational in their new building by April 1 st of 2017. Until then we have a short term lease with them to use the offices and classrooms above the Port and Anchor.
- The Ethiopian Evangelical Church leases our Sanctuary and Port and Anchor spaces on Fridays, Saturdays, and Sundays. They are currently on an eleven month lease that commenced December 1st, 2015.
- In addition to our leases, we have several rental groups that use the Gym, Port and Anchor, and Conference Room. These groups range from sporting groups, to musicians, to live action role play sword fighters.

ADMINISTRATION TEAM LINE UP

- Kristi Reisner is our Book Keeper and has been here for the last several years. She gives me insight on Emmanuel History and keeps the office professional and organized. She has been a knowledgeable resource for office operation.
- Our Facility Managers Tony and Sharis Kevin tend to the physical upkeep of our building and provide security by living here in our upstairs apartment. They are refreshingly relational and care for the health of Emmanuel.

CONTINUED ADMINISTRATIVE REPORT

John Yoshiki Jarmane, Church Administrator

- With the help of many talented aesthetically minded individuals like Candice Nagel and Bob Zurinsky, Emmanuel is continuing to keep our image current. We have a new sign advertising our website and service time! I have spent time making the Trumpet appear approachable and easily digestible and Luke Clum and others have done the same for our website.
- Pastor Bob is not living in our Parsonage and so we are leasing it out to the Yonkofski family through Avenue One Residential. Most of the money we make from that rental goes toward a housing allowance for our dear Pastor.

SPACE REPURPOSING

- I was not here to witness the Port and Anchor in its glory. But since my start, I have seen the space adapt from an attractive café space to a welcoming stress-free zone/community break area for our tenants. It is one of the most attractive amenities to our renters. I have also been using this space as a source of revenue. It is a great location for private receptions and meetings. This year has been an adventure of learning our building and the many cultures of its inhabitants. The very different characters that this church writes life together with makes for a beautiful and purposeful story.

JOHN YOSHIKI JARMAN

MINISTRY TEAMS REPORT

Laura Martin, Ministry Teams Coordinator

In my position, I have helped to connect people to small groups as well as helping people get involved on Sunday morning ministry teams. I create the schedule for Sunday morning volunteers and have the privilege of meeting with Bob every week.

I also have the honor of helping to lead a new group of care-givers that we call the Congregational Care team. Over this past year, the Congregational Care team has taken shape with the goal of continuing the legacy that Emmanuel has of caring well for each member within the body. The team has had several cooking days where freezer meals are prepared for individuals who are cooking for one or need some help with their meals. Additionally, members of the team have helped with giving rides to church, assisting with moving, and reaching out to those in our congregation who have experienced loss or sickness. Emmanuel is known for taking care of its members, and the Congregational Care team hopes to be a welcoming resource for those who need prayer, company, or assistance with practical needs in their life. You can help us by boldly making your needs known, either by talking to me or by dropping off a request card in the box at the back of the sanctuary!

LAURA MARTIN

LEADERSHIP TEAM REPORT

Aaron McConkey, Leadership Team Chair

In the time that I've had the privilege of being involved here at Emmanuel, each successive year has had its own very distinct flavor. I think this is probably a common feeling for anyone who's bought into something bigger than themselves for an extended period of time- we reflect back and organize memories into "seasons" that have a "feeling". For me, it's some sort of emotional mixture of the things we achieved in ministry, the challenges we faced together, and the people met and affected- all boiled down into one flavorful memory. Looking back on this past year at Emmanuel, particularly through the lens of the Leadership Team, the memory will be one I'll enjoy as long as I have it.

The Leadership Team has enjoyed a wonderful year of productive relationship building and discussion. We've invested heavily into improving our tenant relationships, and we're now enjoying open and communicative friendships like we've never had before. Mosaic, Kapka, and the Ethiopian Evangelical Church have always been fantastic tenants and partners; but this year we've been able elevate those relationships to a new level of openness and clarity. We've honored and thankful to have these partners, and we're enjoying seeing them all find success here in our location in upper Fremont. None of this would be made possible without the hard work and investment given by pastor Zurinsky and our administration John Jarman. Both are incredibly committed to this relationship initiative and we've seen the fruits of this many-fold.

Questions have been raised and have prompted the ongoing discussion about our long term vision as it related to our current building. The Leadership Team has embraced these types of questions and dialogues, creating a research committee tasked to gather evidence and make recommendations related the sustainability of our current location along with options to relocate. Following the committee, we've embarked on a journey of congregational discussion related to these questions; a process likely far from complete. The outcome of these talks is unknown, but there is something I am absolutely certain of- we will do the work necessary to have every voice heard in this. The Leadership Team has made a recommendation that follows with the Building Committee, but ultimately it's a congregational decision. Our values of **FAMILY, TEACHING, DISCIPLING, AND NEIGHBORING** will be upheld as the standard with which we carry ourselves forward though these questions and dialogues this Summer and Fall.

I am honored to serve as your Chair on Leadership Team here at Emmanuel. If there is every any opportunity you think of for me to help you, please don't hesitate to reach out to me at aaron@emmanuelphinneyridge.org.

With care, your Leadership Team

AARON MCCONKEY, CHAIR

TREVOR WHITE, VICE CHAIR

PATRICIA KLOSTER, TREASURER

DAVE MARTIN, SECRETARY

BOB ZURINSKY, SENIOR PASTOR

MARILYNN MORITZ

CANDICE NAGEL

MIKE NEALY