Preface

As in years past, this Annual Report will review governance, finance and parish life for the year ending December 31, 2017. Reports from Standing Committees of the Vestry and related business areas will precede those dealing with parish life.

Within the Episcopal Church, the Rector has the care of souls in a parish, while the Vestry is canonically responsible for the stewardship of things temporal, that is, property in all its forms. This canonical duty is reinforced by applicable legislation of the State of New York. At the 2018 Annual Meeting, parish leadership will provide a summary of 2017 and an outlook for 2018.

The religious corporation that is commonly known as “Grace Church” is properly named the “The Rector, Church Wardens and Vestrymen of Grace Church in the City of New York”. Throughout this document, “Grace Church” and “Corporation” will be used as shorthand for our full corporate name.

This document is intended to supplement the remarks of the Wardens and certain Vestry members at this annual meeting. It is not intended to replace the Corporation’s audited financial statements or ratified minutes, but should be read in conjunction therewith.
Greetings from the Rector

February 4, 2018

Dear People of Grace Church,

When I was growing up I clocked in many an idle hour in front of the television. Among my favorite shows were the reruns of The Lone Ranger, an old west action series that originally aired in the 1950s. I can still hear the announcer introducing every episode with his trademark lines: “A fiery horse with the speed of light, a cloud of dust and a hearty ‘Hi-Yo Silver!’ The Lone Ranger! ... Return with us now to those thrilling days of yesteryear!”

For my annual report in 2018 I am taking my inspiration from the announcer of The Lone Ranger episodes by saying, “Return with me now to those thrilling days of yesteryear!” Yesteryear being last year: 2017. 2017 actually was a thrilling year for Grace Church, marked by many highlights and accomplishments. In what follows I will list just some of the “episodes” that composed our life together.

1. **Lift up thine eyes!** – At their January 2017 meeting, the Vestry voted in favor of proceeding with a capital campaign to restore the ceiling of the nave and a portion of the endowment from which we borrowed for previous projects, including the organ. We chose to work with the Episcopal Church Foundation, who had conducted a feasibility study in the fall of 2016 suggesting that we would be able to raise $2.6 million, with a stretch goal of $3 million. The plan was to spend $2 million on ceiling restoration, and anything raised above that toward endowment restoration. Two couples agreed to serve as co-chairs: Meg and Owen Boger; and Sarah Cogan and Doug Evans. We were off and running.

2. **Lenten shutdown of the organ** – Meanwhile, the Fabric and Grounds Committee had been hard at work figuring out how we could compress the entire project into the span of one summer (when attendance is light and the church could be closed). The committee realized that a portion of the prep work would have to take place before the summer. We chose Lent. Since the prep work was going to create a cloud of dust, the entire organ had to be tarped and shut down from the 2nd through 5th Sundays in Lent. To accompany our singing we decided to use the small chamber organ – which makes a wee-little noise in the big church. What a thrill it was on Palm Sunday to hear the thunder of our mighty instrument again.

3. **Summer closure of the church** – The program year ended as usual on the second Sunday of June. We enjoyed our annual parish picnic on the lawn of Huntington Close, and then within days work began on ceiling restoration of the nave and crossing. We covered the organ in tarp yet again, and this time also the pews for good measure. Throughout the summer, workers in high lifts removed decades of paint and dust from the newly consolidated plaster, and repainted it all according to what we believe was James Renwick Jr’s original scheme. Meanwhile, for the twelve Sundays of summer we moved all three Sunday services into the chantry.

4. **Welcome Back Sunday and Success of the Capital Campaign** – On Sunday, September 10th we re-entered the church and beheld the vast expanse of the newly restored ceiling. We also heard the amazing news that the capital campaign had blown the lid off all expectations, surpassing even the stretch goal with pledges totaling more than $3.1 million. With the ceiling project coming in on budget, such a result will allow us to restore more than $1 million to the endowment, which will generate funds for preventative maintenance, relieve pressure on the operating budget, and create new resources for ministry.

5. **The Grace Church Columbarium** – A columbarium is a secure and sacred final resting place for the ashes of our departed loved ones. For years we had talked about what a pastoral and practical ministry it would be for Grace Church to house one, but we had neither the resources to build it nor the vision to see it through. Two parishioners stepped forward to move us ahead: Ted Keane, who made a generous gift to build the columbarium in memory of his beloved wife, Mary, and Grant Marani of the noted firm Robert A.M. Stern, Architects, LLP, who agreed to design it with his colleague David Pearson. The goal was to create something that looks as if it were always a part of the Grace Church furniture. The result is a stunning piece in the south transept that matches our historic pews down to the last detail, including the 120 brass nameplates. By September it was ready, and we held the first committal service at the new columbarium, interring within it the cremains of Mary Burdell Keane.
6. **The House that Grace Built** – Throughout the year we continued on our project with Habitat for Humanity, restoring a badly deteriorated house in the St. Alban’s neighborhood of Queens. Many Saturdays saw volunteer work crews from Grace Church – sometimes more than a dozen strong – in weather foul and fair doing everything necessary to rehab a house. It is now just about finished, and on January 6th of this year we celebrated a house blessing in the presence of the family who will occupy it. Also with us were members of the Muslim service organization, “Who is Hussein?” who will be our partners in the next Habitat project.

The risk of creating an episodic list of our year together is that I will neglect to mention other important occasions in our common life. Let us not forget that in 2017 we sang God’s praises, administered the sacraments, taught the Christian faith, cared for one another, and reached out to the hungry and homeless. We also mourned the loss of our longtime Facilities Manager, Peter M. Hogden, who died of heart complications in late March. Pete had served Grace Church and Grace Church School for 15 years. The last thing he did on his watch was figure out how the west gallery could hold the 18,000 pounds of scaffolding necessary to reach the ceiling for restoration.

2017 was a remarkable year, indeed: thrilling at times, sad at others. Now we welcome 2018 and the high calling from God that is ours as followers of Jesus on this busy corner of 10th and Broadway. “Hi-Yo Silver,” we say! Onward and upward!

Sincerely,

The Rev. J. Donald Waring
14th Rector of Grace Church in New York
Annual Meeting of the Rector, Church Wardens and Vestrymen of Grace Church in the City of New York

February 4, 2018

Agenda

Call to Order, Opening Prayers, Opening of Polls
Luncheon is served

The Rector

Corporation Business and Reports

Report of the Nominating Committee
Brief remarks by candidates for the anticipated Vestry vacancies

For Church Warden: Ms. Leona Chamberlin (third, two-year term)
For Vestry:
  Mr. Harper Anderson (second, three-year term)
  Ms. Anne Rieselbach (second, three-year term)
  Mr. Jason Slibeck (second, three-year term)
  Mr. Erik Sorensen (second, three-year term)

Report of the Church Wardens
Overview of key events in 2017

Ms. Leona Chamberlin

Report of the Treasurer
Review of 2017 financial results
Discussion of 2018 budget

Ms. Anastasia Rotheroe

Report of the Investment Committee
Discussion of endowment performance

Mr. Brett Pertuz

Report of the Fabric and Grounds Committee

Ms. Anne Rieselbach
Ms. Sara Queen

Report of the Development Committee

Mr. Douglas Evans

Greetings from the GO Project

Ms. Leona Chamberlin
The Rev. Martha Korienek

Greetings from Grace Church School
State of the School

Mr. George Davison, Head

Report of the Rector
State of the Parish

The Rector

Closing of Polls

Closing Prayers and Adjournment
The 2017-2018 Vestry
Grace Church’s 2017-2018 Vestry was composed of:

The Rector, the Rev. J. Donald Waring
Senior Warden, Mr. Brett Pertuz (Serving until February of 2019)
Junior Warden, Ms. Leona Chamberlin (Serving until February of 2018)

The Head of Grace Church School, Mr. George Davison, ex officio (non-voting)

Vestry Members:

Serving until February of 2018

Mr. Erik Sorensen
Mr. Harper Anderson
Ms. Anne Rieselbach
Mr. Jason Slibeck

Serving until February of 2019

Mr. Justin Brownhill
Ms. Elana Foundos, Clerk
Mr. Owen Boger
Ms. Anastasia Rotheroe, Treasurer

Serving until February of 2020

Mr. John Berringer
Mr. David DiDomenico
Mr. Douglas H. Evans
Ms. Lethe Black
Observations from the Church Wardens

From the Catechism – An Outline of the Faith

Q. Who are the ministers of the Church?
A. The ministers of the Church are lay persons, bishops, priests, and deacons.

Q. What is the ministry of the laity?
A. The ministry of lay persons is to represent Christ and his Church; to bear witness to him wherever they may be; and, according to the gifts given them, to carry on Christ's work of reconciliation in the world; and to take their place in the life, worship, and governance of the Church.

The theme of our report this year is the Ministry of the Laity. For the avoidance of doubt, we do not mean to take away from the hard work of the bishops, priests and deacons among us – but 2017 marks the first year in many where Grace Church in New York neither added nor lost a diocesan bishop, staff priest or deacon! [NB: we note that Alissa Anderson, our Pastoral Resident, served us as both a deacon and priest in 2017 and we wish her well at her new home as Curate at St. Johns Church, Larchmont.]

In 2017, the ministry of the laity made a huge impact on the life and mission of Grace Church. We take this space to celebrate those contributions. The reports that follow give a detailed view of the many activities of the parish; you will note that the laity make up the vast majority of every committee. A few shining examples of the Ministry of the Laity from 2017 include the capital campaign and interior restoration project, the columbarium project, and our continued work with Habitat for Humanity.

The *Lift Up Thine Eyes* Capital Campaign was a success due to the hard work of the laity on the Development Committee, volunteers from the Campaign Committee who opened their homes to host events and made personal outreach to solicit donations, and all of you who contributed generously to the campaign. Our Fabric and Grounds Committee planned and oversaw the work on the high ceilings, so that when we all came back from our summer in the Chantry, the fruits of our collective labor – the wonderful restoration of the high ceiling – was complete, on time and under budget. The work of the laity on Fabric and Grounds was even more important for this project given the untimely passing of Pete Hogden, our long time facilities manager. Pete would be proud of the restoration of the building he loved so much, and our continued work together maintaining our buildings celebrates and honors his passion for our historic, sacred spaces.
Our sacred space allows for celebrations and sadness − baptisms, weddings and funerals. This year, we came together with our friends from the Grace Church School community to mourn the tragic loss and celebrate the life of Elizabeth Lee Herman, a long time GCS parent, community leader and friend. Our Church exists in part to fill the pastoral needs of our laity, one of which is to bring people together in times of mourning; through this mission we further the work of unity and evidence that God is Love.

In furtherance of our pastoral mission to comfort those who mourn, Grace Church added a Columbarium in 2017. The Columbarium is yet another example of the Ministry of the Laity: designed (pro-bono) by Grant Marani, a lay member of the parish, and funded by the generous gift of another member, Ted Keane, in memory of his beloved wife Mary − who at the time of her death in 2015 was the longest standing member of Grace Church in New York.

The quote from the Catechism at the start of this report calls on the laity to “carry on Christ’s work of reconciliation in the world”. Our church community lives into this mission in part through the work of our Outreach Committee and those members who participate in outreach projects. In 2017, we reached a significant milestone in completing our first Habitat for Humanity house “The House that Grace Built.” The laity of Grace Church provided leadership, funding and physical labor to complete this project. This year we will build another house with Habitat, but will add another level to our work of service and further our mission of unity. Our 2018 project will partner with Who is Hussain? NYC, a Muslim service organization based in our same lower Manhattan community. As our Rector wrote in a recent Epistle, “We will show the world that people of diverse backgrounds and faiths can come together and accomplish much good in the community.”

The good we can accomplish in the community, as a community, is dependent on all of us in our faith community. As the Catechism tells us, our job is “to take [our] place in the life, worship, and governance of the Church.” As we close this year’s report, we extend thanks to everyone who has participated in the life and vitality of the Church in 2018 and invite all present and reading this message to ponder your particular gifts and consider a call to service. As we sing on All Saints Day: “You can meet them in school, or in lanes, or at sea, in church, or in trains, or in shops, or a tea, for the saints of God are just folk like me, and I mean to be one too!”

Brett Pertuz              Leona Chamberlin
Senior Warden            Junior Warden
Finance & Audit Committee

The Finance & Audit Committee is a Standing Committee of the Vestry. Its members are:

Mr. Owen Boger  
Mr. Justin Brownhill  
Mr. Jackson Browning, Jr.  
Ms. Leona Chamberlin  
Mr. David DiDomenico  
Ms. Christine Harland  
Mr. Charles Johnston  
Ms. Anastasia Rotheroe, Treasurer

The Committee reviews financial performance, engages in the review and approval of a draft budget and reviews various matters with our auditors.

Capin Crouse LLP, the Corporation’s auditors, fully consolidated the results of 80 Fourth Avenue LLC and Saving Grace NYC. The Committee remains pleased with the firm’s responsiveness and engagement with our finance staff. Our 2016 audit was completed on June 6, 2017 and was unqualified.

Grace Church continues to rely on three main income streams: giving (pledge and plate), investment income from our endowment, and real estate revenue. 2017 giving was slightly over budget. Real Estate revenue received from 100 and 102 Fourth Avenue decreased due to tenant turnover. Expenses were largely as expected.

The following chart details recent annual campaign cash receipts by calendar year:

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>AC16</th>
<th>AC 17</th>
<th>AC 18</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$214,174</td>
<td>$0</td>
<td>$0</td>
<td>$214,174</td>
</tr>
<tr>
<td>2016</td>
<td>$833,224</td>
<td>$146,706</td>
<td>$0</td>
<td>$979,930</td>
</tr>
<tr>
<td>2017</td>
<td>$34,238</td>
<td>$877,859</td>
<td>$216,639</td>
<td>$1,128,736</td>
</tr>
<tr>
<td>2018</td>
<td>$0</td>
<td>$6,316</td>
<td>$47,936</td>
<td>$54,252</td>
</tr>
<tr>
<td><strong>Total Funds Received by Campaign</strong></td>
<td><strong>$1,081,636</strong></td>
<td><strong>$1,030,881</strong></td>
<td><strong>$264,575</strong></td>
<td><strong>$2,377,092</strong></td>
</tr>
<tr>
<td><strong>Annual Campaign Goal</strong></td>
<td>$1,100,000</td>
<td>$1,100,000</td>
<td>$1,100,000</td>
<td>$1,100,000</td>
</tr>
<tr>
<td><strong>Percentage of Goal</strong></td>
<td>98%</td>
<td>94%</td>
<td>24%</td>
<td></td>
</tr>
</tbody>
</table>

The 2018 Budget, as reviewed by the Committee and approved by the Vestry at its December 2017 meeting, assumes that pledges will amount to $1,100,000 (before a standard 5.0% reserve for
unpaid pledges), that there will be a draw rate of 4.0 – 4.5% on the Corporation’s securities portfolio for routine capital and operating items, and that the Loft Building will be able to provide approximately $900,000 in cash flow.

The Corporation experienced a modest decrease in expenses from 2016 to 2017. For 2018 budgeting purposes, discretionary items were largely held flat to further balance the budget, and reduce encroachment of the endowment.

The 2017 Diocesan Assessment, as budgeted, was $250,000. Our 2018 budgeted amount is $250,000 which reflects both current funds due, and a repayment of arrears from prior Diocesan Assessments.

As in years past, the Committee intends to review periodically actual 2018 results against the 2018 Budget, and to recommend necessary adjustments to the Vestry.

The next page outlines financial results for 2016 and 2017, as well as the approved 2018 budget.
### Comparative Financial Information (Unaudited – Cash Basis Presentation)

<table>
<thead>
<tr>
<th></th>
<th>2016 Actual</th>
<th>2017 Provisional</th>
<th>2018 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pledge Payments</td>
<td>$1,075,661</td>
<td>$1,128,736</td>
<td>$1,045,000</td>
</tr>
<tr>
<td>Plate and Other</td>
<td>159,771</td>
<td>243,219</td>
<td>149,000</td>
</tr>
<tr>
<td>Program Revenue</td>
<td>120,948</td>
<td>40,584</td>
<td>42,500</td>
</tr>
<tr>
<td>Bequests</td>
<td>8,071</td>
<td>94,078</td>
<td>1,470</td>
</tr>
<tr>
<td>Space Rental</td>
<td>49,818</td>
<td>29,817</td>
<td>37,016</td>
</tr>
<tr>
<td>Special Gifts/Grants/Misc.</td>
<td>6,000</td>
<td>5,000</td>
<td>1,500</td>
</tr>
<tr>
<td><strong>Operating Revenue</strong></td>
<td>$1,420,269</td>
<td>$1,541,434</td>
<td>$1,276,486</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REAL ESTATE REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Income - 100/102 Fourth Avenue</td>
<td>$214,299</td>
<td>$209,189</td>
<td>$220,368</td>
</tr>
<tr>
<td>Owner Distribution - 80 Fourth Avenue</td>
<td>900,000</td>
<td>900,000</td>
<td>900,000</td>
</tr>
<tr>
<td><strong>Real Estate Revenue</strong></td>
<td>$1,114,299</td>
<td>$1,109,189</td>
<td>$1,120,368</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>DRAW ON INVESTMENTS</strong></td>
<td>$390,552</td>
<td>$450,000</td>
<td>$450,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REVENUE + DRAW</strong></td>
<td>$2,925,120</td>
<td>$3,100,623</td>
<td>$2,846,854</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parish Ministry</td>
<td>$678,795</td>
<td>$670,008</td>
<td>$693,769</td>
</tr>
<tr>
<td>Outreach/Education/GO Project</td>
<td>376,148</td>
<td>174,665</td>
<td>265,938</td>
</tr>
<tr>
<td>Music</td>
<td>308,307</td>
<td>310,274</td>
<td>317,263</td>
</tr>
<tr>
<td>Diocesan Support</td>
<td>250,000</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>Fabric and Grounds</td>
<td>599,216</td>
<td>785,495</td>
<td>702,167</td>
</tr>
<tr>
<td>Finance &amp; Administration</td>
<td>595,105</td>
<td>616,078</td>
<td>597,265</td>
</tr>
<tr>
<td><strong>Operating Expense</strong></td>
<td>$2,807,571</td>
<td>$2,806,520</td>
<td>$2,826,402</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CAPITAL EXPENDITURES</strong></td>
<td>$117,322</td>
<td>$114,554</td>
<td>$123,413</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL EXPENSE</strong></td>
<td>$2,924,893</td>
<td>$2,921,074</td>
<td>$2,949,815</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET SURPLUS / (DEFICIT)</strong></td>
<td>$227</td>
<td>$179,549</td>
<td>-$102,961</td>
</tr>
</tbody>
</table>
2018 Annual Campaign

Grace Church remains blessed to have very generous and supportive parishioners. The 2017 Annual Campaign concluded with total pledge commitments of $1,090,737.

For the 2018 Annual Campaign, Grace Church is slightly behind the 2017 campaign in terms of number of units and dollars pledged. As of January 22, 2018, 184 households have pledged a total of $981,084, or 82% of the $1,200,000 goal for pledges. This figure is below the total as of January 22, 2017, when 202 households pledged $1,024,967. The Vestry and Development Committee will be following-up with all of our member households to ensure that our pledge goal is met. At $5,332, the average pledge for 2018 is $880 above the 2017 average of $4,452.

<table>
<thead>
<tr>
<th>2017 Actual vs. 2017 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 – total pledged: $1,090,738</td>
</tr>
<tr>
<td>*2017 – total budgeted: $1,045,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2018 YTD vs. 2017 YTD (Jan. 22nd)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 – total pledged: $981,084</td>
</tr>
<tr>
<td>2017 – total pledged: $1,024,967</td>
</tr>
</tbody>
</table>

*2017 – total budgeted less 5% reserve of unpaid pledges

*2018 – total pledged is provisional
The Investment Committee

The Investment Committee is a Standing Committee of the Vestry, with a mandate to make investment allocation decisions; decisions to purchase or sell securities or other investments; decisions regarding the hiring, firing and compensation of any investment managers or consultants; and determinations of the appropriate and prudent level of withdrawals from the Corporation’s securities portfolio. Its members are: Mr. Winthrop Chamberlin, Ms. Sarah Cogan, Mr. Colbert Cannon, Mr. Brett Pertuz, Chair, Ms. Anastasia Rotheroe, Treasurer, Ms. Nancy Walker, The Rev. J. Donald Waring, ex officio, and Ms. Melinda Weir.

The value of the Corporation’s securities endowment before withdrawals showed a gain in 2017: the net gain on the endowment was 9.05%, and total investment gains were $1,022,541.

Withdrawals to cover operating expenses totaled $450,000, representing a gross withdrawal rate of 4% against the average endowment balance for the year, which is consistent with our guidelines. The endowment increased from $11,301,533 at year-end 2016 to $12,270,197 at year-end 2017. The Corporation made a contribution of $396,124 to the endowment. Total loans to the Capital Campaign stood at $5,799,790 as of year-end 2017. The Loft Building value is not included in the endowment.

The Committee met quarterly to review performance and allocations. At these meetings, Committee members also discussed portfolio strategy with our advisors at Cambridge Associates. The Committee made the following portfolio adjustments in 2017:

- Through 3Q17 the Committee maintained an overweight to Marketable Alternatives and an underweight to Fixed Income and cash due to better risk/reward characteristics.
- Capital Campaign contributions, capital loan repayment and cash distributions totaling $1,512,942 were reinvested in short term Treasuries ending the year at targeted Fixed Income weight. Fund managers provided attractive returns during the year, however some funds were withdrawn in the spring to offset restoration expenses but were later returned to the endowment in autumn, following the successful capital campaign.
- Marketable Alternatives and Global Equity Funds are scheduled to rebalance in January 2018 to targeted asset allocations
- Withdrawals were funded mainly through a total reduction in the endowment’s investment in Gold, and a small reduction in Global Equity Funds.
- To reduce the management expense ratio of the Vestry Fund for Outreach (VFO), a compounding fund of the annual Christmas plate, the Committee moved the Fund to a passive
management index fund in keeping with the IPS benchmarks. The VFO holdings at year end were $201,343. The Fund is restricted and not calculated as part of the Church’s endowment but closely monitored by the Investment Committee and Vestry.

The approved asset allocation as of December 31, 2017 was:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equity / Opportunistic</td>
<td>45%</td>
<td>50%</td>
</tr>
<tr>
<td>Marketable Alternatives</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>Fixed Income/Cash</td>
<td>25%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Estimated 2017 investment performance, by manager, and fund descriptions follows:

<table>
<thead>
<tr>
<th>Manager</th>
<th>Estimated Total Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>FPA Crescent Fund</td>
<td>10.4%</td>
</tr>
<tr>
<td>IVA Diversified Global</td>
<td>13.54%</td>
</tr>
<tr>
<td>The Children's Investment Fund</td>
<td>26.1%</td>
</tr>
<tr>
<td>Burgundy Global Equity</td>
<td>19%</td>
</tr>
<tr>
<td>Adamas Partners</td>
<td>5.27%</td>
</tr>
<tr>
<td>Vanguard Short-Term Treasury</td>
<td>-0.08%</td>
</tr>
<tr>
<td>SPDR Gold Shares</td>
<td>9.29%</td>
</tr>
<tr>
<td>Total Portfolio Return</td>
<td>9.05%</td>
</tr>
</tbody>
</table>

Index Return

S&P 500 21.83%

FPA Crescent is a value fund that invests in both equity and fixed income markets. Over the last several years it has held a significant amount of cash. This fund also takes a long-term view on markets with the majority of investments in U.S. domiciled companies.

IVA Worldwide seeks long-term growth of capital. The fund invests at least 40% (but no less than 30%) of total assets in equity and debt securities issued by foreign companies and governments. It may invest in a range of securities and asset classes from markets around the world, including U.S. markets.

The Children’s Investment Fund seeks to achieve equity-like returns with limited capital losses. It seeks to achieve its investment objective primarily by taking long positions in equity securities and debt (and their derivatives) globally. The fund may also short securities to provide downside protection.

Burgundy Global Equity is an equity mutual fund launched and managed by Burgundy Asset Management Ltd. The fund invests in the public equity markets across the globe excluding Canada. It invests in stocks of companies operating across diversified sectors. The fund invests in value stocks of companies.

Adamas Partners is an absolute return fund-of-funds. The portfolio is made up of 14 managers primarily investing in long/short equity funds and event/arbitrage funds. The fund’s objective is to earn attractive absolute returns net of fees. 45% of the fund is placed with equity managers and the remainder in event/arbitrage/multi-strategy.

Vanguard Short Term Treasury Fund seeks current income. The fund invests at least 80% of assets in short-term bonds issued by the U.S. government and its agencies and instrumentalities. It is expected to maintain a dollar-weighted average maturity of one to four years.

SPDR Gold Shares (SPDR) represent fractional, undivided beneficial ownership interests in the SPDR Gold Trust, an exchange-traded fund the sole asset of which is gold bullion, and, from time to time, cash. SPDR Gold Shares are intended to offer investors a means of participating in the gold bullion market without the necessity of taking physical delivery of gold, and to buy and sell that interest through the trading of a security on a regulated stock exchange.
80 Fourth Avenue LLC

80 Fourth Avenue LLC is a wholly-owned entity of the Corporation that, in turn, directly owns what is known as the “Loft Building” at 80-82 Fourth Avenue, which was substantially renovated over 1999-2001. It remains occupied by a long-term commercial tenant (basement and ground floor), Grace Church School (floors two and three) and residential tenants in the remaining five upper floors. The building provides a base distribution to the Corporation of $900,000 annually, and so is a key element of the Corporation’s finances. It is not included in the value of our endowment, but applying a 4% capitalization rate to estimated 2017 net operating cash flow (before distributions) of approximately $1,000,147 implies a value of about $25,000,000. The Board is committed to preserving this asset’s historic cash flow and value through a high standard of maintenance and service.

For 2017, the governing board [“Board”] of the LLC was unchanged from past years: Mr. Harper Anderson (2018), Ms. Wendy Pelle-Beer, Ms. Sarah Cogan, Mr. Charles Johnston, Mr. Brett Pertuz, and Ms. Shingmin Lai.

The building remains professionally managed by Tri-Star Equities, Inc. Total income in 2017 was $1,623,178, which was modestly above the year’s budget. Despite an increase in real estate taxes, other operating expenses were largely in-line with the budget, reflecting lower than expected energy and utility costs, offset by certain higher spending on HVAC unit replacement and apartment renovations. The next capital spending project is modernization of the passenger elevator to comply with new safety requirements that come into force in January 2020. An initial estimate for this work is $200,000 to $225,000, depending on the scope of work, but there are adequate funds on hand to complete the project. The building’s operating account had $338,661 and the capital reserve account had $165,328 as of December 31, 2017.

We project modest positive revenue growth in 2017. As noted in last year’s report, property taxes will increase substantially with the expiry of a partial assessment exemption at the end of the City of New York tax year ending June 30, 2019. This exemption, pursuant to the City’s J-51 program, went into effect on July 1, 2005. We estimate that taxes will increase from $259,236 in calendar 2017 to $331,742 in 2018 to $381,168 by 2019. Our long-term capital and budget plan suggests that our net annual surplus (after distributions, but before transfers to reserves) will fall to about $50,000 in 2018 from its $100,147 level in 2017. Modest revenue gains from increased rents and expense control are expected to deliver moderate gains in excess cash flow in future years.
Fabric & Grounds

The Fabric & Grounds Committee is a Standing Committee of the Vestry. Its members are:

- Ms. Bonnie Berringer
- Mr. John Bishop
- Mr. Jaques Black (2018)
- Ms. Lisa Chapman (2018)
- Mr. Charles Johnston
- Mr. Michael Kirchmann
- Mr. Grant Marani
- Mr. Brett Pertuz
- Ms. Sara Queen, Chair
- Ms. Anne Rieselbach
- Mr. Kevin Rotheroe
- Mr. Brett Seamans (Jan.-Apr 2017)
- The Rev. J. Donald Waring

2017 was a productive year for the Fabric & Grounds Committee as it saw the continuation and completion of several projects, as well as the planning of the next phase of the church’s ongoing restoration. The Committee continued to carry-out and update its five to ten year strategic plan for ongoing repairs and capital improvements.

The most comprehensive project in 2017 was the plaster consolidation and restoration of the high ceiling and ornamentation in the church and attic. The project began in March with organ protection and attic fall rigging. Surface mounted reinforcing woods strips were installed on the high ceiling to reduce exposure to plaster particles. Over the course of seven weeks, a consolidation of the attic lath keys was performed using a caulk and epoxy spray. Once the attic stabilized, the existing paint on the high ceiling, gallery walls, and the south side aisle wall was removed by hand using a non-caustic environmentally safe paint remover. Artisans casted plaster molds to make restoration repairs to the damaged and missing plaster trim and ornaments, and all affected areas were primed and painted in colors to match existing colors. The Committee worked with Séamus Henchy & Associates and Acheson Doyle Partners Architects through all stages of the project, and the contractor and artisans of record was John Tiedemann, Inc. The project concluded on time and under budget.

After an inspection of the interior of the bell tower, spire base, and the exterior walls and parapets of the bell tower, our consulting engineer recommended the replacement of two level 1 tie rods and the accompanying exterior anchorage bolts. The replacement was performed in December 2017. In 2018, two additional sets of tie rods located at level 2 of the bell tower, and several carved finial caps, which were found in a state of deterioration, are slated for replacement and removal.
Preemptive repairs were completed throughout the church buildings including; the installation of a scupper drain on the church’s high roof to displace rain and snow run off; the repair and replacement of gutter lead pipes located throughout the church’s drainage system; and updates and repairs are ongoing to the rectory drainage system, general plumbing and plaster ceilings.

In August 2017, a columbarium was permanently installed on the west wall of the south transept beneath the Nativity stained glass window. The columbarium is constructed of five hand carved walnut cabinets housing 120 single niches. The columbarium is a gift of Mr. Edward W. Keane in memory of his wife Mary Burdell Keane and is designed by parishioner and architect Grant Marani to match the historic pews in the nave.

General maintenance and care of the grounds included the replacement of iron floor grilles in the church narthex, and the solid oak Parish House door was refinished.

Projects and goals for the coming year and beyond include ongoing repairs and capital improvements; low roof rafter reinforcement; localized masonry repair; and the ongoing issue of moisture infiltration in the Chantry and Rectory.
Development & Communications

The Development Committee is a standing committee of the Vestry. The 2017 members were:

- Mr. Owen Boger
- Mr. Colbert Cannon
- Ms. Karin Dauch
- Mr. Douglas Evans, Chair
- Ms. Angela Fellers
- Mr. Erik Sorensen

Grace Church works to build up the Kingdom of God through faithful worship and ministries that serve the congregation and the wider community. In concert with the Development Committee, Grace strives to strengthen the financial resources of the parish to support the work of the Lord throughout the year. Building on the progress of 2017, we will continue to look for additional opportunities for increased growth and engagement in 2018.

The major focus for Development and Communications in 2017 was the *Lift Up Thine Eyes* capital campaign to fund vital restoration and consolidation of the nave plaster ceiling and replenish a portion of the endowment that we borrowed from ourselves to accomplish earlier restoration work. After conducting the feasibility study, the campaign’s goal was set at $2,600,000. Grace Church continued its relationship with the Episcopal Church Foundation to provide consulting services during the solicitation phase of the capital campaign.

The *Lift Up Thine Eyes* capital campaign was led by the Executive Committee, which included: Brett Pertuz, Senior Warden; Lee Chamberlin, Junior Warden; Meaghan and Owen Boger, Co-Chairs; Sarah Cogan and Douglas Evans, Co-Chairs. The committee, along with our consultant Maurice Seaton, laid the groundwork for the campaign, meeting regularly to plan solicitations and ensure timely execution. In addition to the Executive Committee, separate committees of parishioners formulated a communication strategy, planned special events, and wrote a campaign prayer. Thank you to all who served on a campaign committee and worked to ensure the campaign’s ultimate success.

Throughout the capital campaign, a number of cultivation events were held at Grace Church and in parishioner’s homes. The events helped to generate enthusiasm for the restoration work, garner support for the campaign, and provide an opportunity to answer questions about our efforts. Special thanks to all of our wonderful hosts including: Karin Dauch; Adrienne and Ted Goldthorpe; Brad and Alfredo Paredes-Goldfarb; Leslie Powell and Stanley Stairs; Emily and David Tobin.
The capital campaign was officially launched on April 30, 2017 with a festive event in Tuttle Hall; at the event, the campaign’s video was also premiered. Following the kick-off celebration, members of the congregation were asked to make a three year pledge to the capital campaign. The congregation’s response was incredible and a testament to the spirit of giving and generosity in our community. Over 170 families pledged a total of $3,129,237 to the capital campaign, over 20% above our primary goal. Grace Church humbly thanks everyone who made a pledge or gift to the \textit{Lift Up Thine Eyes} capital campaign.

Grace Church has continued the initiative to redesign our website. The website task force has been hard at work, creating a dynamic site that can help grow our digital presence to be a more effective tool for ministry in the community. The website task force is energized and ready to launch the redesigned site in mid-2018. Special thanks to Chris Walker and Anne and Jim Wroten for their tireless efforts.

In 2017, Grace Church continued to increase its digital presence, particularly through social media. As of January 22, 2018, Grace’s Facebook page has 1,692 likes, an 11% increase from January 2017. The Facebook page boasts an average organic reach of 346 people per post. The Grace Church Twitter page has also expanded its reach, with 737 followers as of January 22, 2018, an increase of 91 since January 2017. The Grace Church Instagram page has shown phenomenal growth in the last year. As of January 22, 2018, the page has 758 followers, an increase of 98% from January 2017. Each post has an average of 60 engagements.
Music

The Music Program offers praise to God in a variety of liturgical and concert settings. The following programs continue to maintain a high standard of musical excellence:

- The Choir of Men and Boys (30 choristers)
- The Girls’ Choir (41 choristers)
- The Sunday Six o’clock instrumentalists (2)
- The Parish Choir (volunteer) (8)
- The Adult Choir (professional) (9)
- Bach at Noon and Weekend Organ Meditation Programs

Patrick Allen is supported by highly effective Music and Choir Steering Committees. These vestry members, parishioners, current and former choir parents oversee all aspects of the music program, organize various support activities and fundraising projects to ensure the funds necessary to maintain high standards and unique opportunities for the musical offerings of our community and in the case of the Choir Steering Committee the care and support of the children in their musical growth.

The Music Program continues the relationship established in 2014 with the Yale University Institute of Sacred Music to staff our Organ Scholar appointment. A graduate student from Yale works with Dr. Allen on the weekends and for special offerings such as those during Christmas and Holy Week. During the week the student is in New Haven pursuing their graduate degree. In the summer months the Organ Scholar is in residence and in charge of the musical offerings to gain directing and management experience. This year’s organ scholar is Jacob Reed. We are very proud of our two previous scholars who now are placed as Assistant Organist at the Washington National Cathedral (George Fergus) and as Organ Scholar at Saint James Cathedral, Chicago (Mary Pan).

Musical offerings continued this year under the banner “If music be the food of love, play on – sing on” asking all those who attend to bring food and toiletries to support those in need. In the past year many guest artists and choirs from home and abroad have played during the Bach at Noon and Weekend Organ Meditation offerings or have offered noonday or weekend afternoon Choral Concerts.

Since the last report three special projects have taken place. The first combined our Annual Spring Concert that featured music by American-New York City composers - Leonard Bernstein, Aaron Copland, Harold Friedell, Calvin Hampton, Gerre Hancock, David McK. Williams, Horatio Parker, Anthony Piccolo, Ned Rorem, and Randall Thompson commemorating with a beautiful reception
that acts as the annual fund raiser for the Choir Special Projects Fund. New was the location of the reception in Huntington Close. It was a perfect New York spring evening and a good time was had by all.

The second offering of winter was a workshop for organists. The workshop was called Abracadabra, An ABC of the magic art of accompaniment – Everything you need to know about playing the Anglican Service. Dr. Barry Rose, OBE was our guest teacher. 10 organist from as far away as Hawaii and Florida worked from January 11 – 13 with Dr. Rose. Three Festival Organ Recitals were offered by Drs. Rose and Allen and the closing program featured the Adult Choir with Dr. Rose and accompanied by workshop participants. It was a great three day festival of music and learning. A workshop is scheduled for January 2019 to focus on the art of improvisation as it supports the accompaniment of the service.

The third project was our annual concert of music for treble voices, celebrating its 10th year. Dr. Barry Rose returned to work for a week with all the choirs, and provide an intensive practicum to the novice and junior choristers. Some forty-five choristers worked daily with Dr. Rose to offer the special afternoon of song in the Church on Sunday 21 January. Twenty-two novices received their surplice and personal copy of the hymnal as they became Junior Choristers. There was a special 10th Anniversary Reception following the concert in Tuttle Hall.

The choirs are already in preparation for Lent and Holy Week as well as their annual spring concert the last Friday of April, the 27th at 7:00 p.m. Works to be offered on the Summer Concert Tour to Spain will be featured: Bach, Bairstow, Beethoven, Burleigh, Byrd, Duruflé, Mozart, Palestrina, Rorem, Rose, Stainer, Stanford, Tallis and Thompson. The beautiful reception that follows the concert will be a fund raiser for the upcoming summer concert tour. All are welcome!

Jim and Anne Wroten have been working diligently at building new “Music” pages of the Church website. They have done a masterly job for which there is not enough thanks to offer. The new pages and site are planned to go on line in early June.

Over the past several years the development of a new outreach ministry has been envisioned and the groundwork accomplished. A “live streaming” ministry to make it possible for those who cannot attend services or other programs offered at Grace Church to do so via the internet. Jim and Anne Wroten have taken up the development of this ministry with extraordinary grace and expertise. A good amount of funds has been given towards this ministry, and we thank you.
Children, Youth, and Families

The children, youth, and family (CYF) programming at Grace Church aims to establish a Christian foundation for children and youth based on the life and teachings of Jesus Christ, as well as to provide spiritual formation opportunities, pastoral support, and fellowship to parents and family members. The combination of Sunday School, worship leadership as acolytes, youth group, confirmation class, parent baptism classes, and year-round, family-friendly activities constitute this programming. The Rev. Chase Danford, Assistant Rector, directs these ministries.

**Sunday School** – Classes are held at both the 9 a.m. and 11 a.m. services for children age 4-12, September through June. All ages are included in one classroom, with a variety of enrichment activities available to different age groups. Both classes have the same lectionary story-based curriculum, are taught by Father Chase and volunteer teachers. A total of 54 children are currently registered in Sunday School, and weekly attendance between the two class times averages 15 students (mostly at the 9 am service), with wide ranges of 6 on holiday weekends to around 40 on very high attendance days.

**Confirmation** – Clergy-taught classes prepares students in grades 7-12 for confirmation. Two students participated last year, and 11 students are registered for 2018. Confirmation will take place on June 3.

**Acolyte Ministry** – Youth in grades 3-12 and adults assist in the liturgies of the church as crucifers, torchbearers, and banner-bearers. These special items they carry add to the beauty and symbolism of our worship, and acolytes also help make the service flow smoothly by assisting at the altar, Sunday school procession, and with the collection of offerings. We currently have 22 youth and 4 adults on the roster. Increasingly busy youth schedules are a challenge; volunteers serve only about once every six weeks.

**Youth Group** – The youth group for middle and high school students is now in its third year. The highlight of 2017 was our second summer trip to Heifer Farm, an interactive service learning program. Sadly, Heifer International closed the farm in December because of budgetary concerns, so we (and many other churches) are looking for an alternative program for the summer of 2018.

**Baptism Ministry** – Last year, 24 people were baptized, including 6 adults and 18 children and youth. Preparatory classes for families and sponsors are taught by the clergy and give participants an opportunity to learn about and discuss Christian spirituality and the meaning of baptism.
Fellowship is always included, providing an opportunity to deepen families’ engagement in the life of the parish.

**Family and Parish-Wide Programming** – A variety of events are offered through the church year:

- **Shrove Sunday Pancake Brunch** – Last year we served around 100 parishioners a wonderful and spirited brunch. We are expanding this tradition to both morning coffee hours in 2018.

- **Easter Eve Walk** – In this beloved parish event, children learn about Holy Week and Jesus’ journey from Cross to Resurrection. Last year around 30 children participated.

- **Annual Parish Picnic** – This event provides a festive June close to the program year and celebrates our choirs.

- **Vacation Bible School** – Re-introduced in June 2017 was a 3-day program for children 4-12. This year we had 8 participants. Each day focused in turn on the creation story, prayer, and Eucharist.

- **Welcome Back Sunday** – A festive outdoor reception opens the church program year.

- **Halloween Carnival** – This fun event served 30 children, aged 2-12, and their parents and included crafts, games, and goodies.

- **Gingerbread House Build** – A fun annual tradition designed the program to raise awareness and support for our “House that Grace Built” partnership with Habitat for Humanity. Thirty houses were constructed by families this year.

- **Christmas Pageant** – Over 100 children and youth between the ages of 5-18 participated in the 2016 pageant as cast members, narrators, singers, acolytes, and backstage volunteers. Pageant Co-Directors Adrienne Goldthorpe and Erin Hussein ably led the production for a second year.

**Sunday Child Care** – Nursery care is provided for children under 4 years old each Sunday during 9am & 11am services. Sundays average six to eight children, and up to 15 on “high” days, between the services. This is an increase from 2015 and 2016.

**20’s and 30’s Ministry**

The 20’ and 30’s Ministry combines spiritual, social, and service opportunities for young adults at both the parish and diocesan levels. We offer quarterly parish-based social brunches, a young adult focused-Habitat for Humanity service day open to the diocese, an annual Grace-hosted Lenten Sushi Friday (a city-wide church series) Grace was also well-represented at diocesan Young Adult Network activities, including a winter dodgeball tournament, an annual Lenten retreat, and the annual St. Nicholas Day Advent party. We also had a participant in the inaugural diocesan Young Adult Leadership Fellows program, which was co-facilitated by Fr. Chase. Plans are being made in 2018 for the introduction of a monthly “Pub Theology” series (Grace-hosted, but open to the diocese) to discuss spiritual themes in a casual, seeker-friendly setting.
In 2017 the 10 a.m. Sunday Forum featured a mix of guest speakers and parishioners as presenters, whose expertise and commitment expanded and enriched our community. Thematically linked series and individual sessions offered to newcomers and long-time parishioners’ spiritual nourishment, fellowship, and in-depth discussion on issues that are central to both the Church and its people. The classes had an average attendance of 25 - 40 each Sunday.

The Adult Education Committee’s 2017 members were:

Dr. Diana Benet
Dr. Nicholas Birns, Co-Chair
The Rev. Chase Danford, Clergy Advisor
The Rev. Martha Korienek, Clergy Advisor
Ms. Emma Presler
Ms. Anne Rieselbach, Co-Chair
Ms. Wendy Strothman
Dr. Catharine Stimpson
The Rev. J. Donald Waring, Clergy Advisor

Throughout the year the Sunday Forum explored a series of historical, scriptural ecclesial, and current issue-driven topics that are relevant to the Grace congregation and the Episcopal Church at large as we strive to examine what it means to live together as a faith community.

A two-part series led by doctoral candidate Elizabeth Schrader during the Epiphany season outlined the many different manuscripts and manuscript variations of the New Testament and then examined the manuscript variations around Martha in the Fourth Gospel, and their implications for revisiting the identity of Mary Magdalene.

The Lenten series “What’s on the Cutting Room Floor” provided the preacher of the day the opportunity to lead a conversation on the scripture readings of the day offering then the chance for to share thoughts that they couldn’t fit into their sermon, the things that ended up "on the cutting room floor. Other clergy-led sessions during the spring addressed topics from the importance of Sabbath rest and how to make it happen in the midst of busy, 21st century city life to a session, originally billed as “Stump the Clergy,” posing theological and scriptural questions for both clergy and parishioners to actively debate and discuss.

“Deaconesses: Grace Church and the Ascent of Female Ministry” explored the role of deaconesses in the late nineteenth century many who came from and were trained at Grace Church; and a
A contemporary take on the role of the deacon today was provided by the recently ordained deacon the Rev. Richard Limato in his presentation “Angels, Servants, and Disrupters: The Modern Day Deacon.”

A number of sessions focused on national politics and history, beginning with John Avlon on George Washington’s concepts of leadership as discussed in Avlon’s Washington’s Farewell: The Founding Father’s Warning to Future Generations. Grace Church School faculty member Jason McDonald and his students discussed the ideas and sermons of Thomas House Taylor and provided local context in “Grace Church and the Civil War,” “Lincoln’s Death and the Dangerous Theology of Certainty,” led by The Rev. Robert Pennoyer, Jr., assistant head of Grace Church School, explored sermons preached throughout the country on Easter Sunday, two days after Lincoln’s assassination as well as Lincoln’s own theology.

On this, the centennial of the United States’ entry to the Great War, a three-part series focused on humanitarian, literary, and our own parish’s responses to the war. Margaret Hoover traced the history of her great-grandfather Herbert Hoover’s ambitious Belgian war relief effort “A Pirate State Organized for Benevolence: Herbert Hoover and the Commission for the Relief of Belgium in World War I” and the precedent his work set for future international relief initiatives. Diana Benet discussed the poetry of World War I, both by noted authors and the general public; and Nicholas Birns brought the story of the war effort home to Grace Church, tracing the lives of Grace parishioners (as listed on the memorial in the church narthex) who fought in the Great War.

Special topics during the year included a discussion of the challenging questions of faith raised by the recent film based on Shusako Endo’s Silence; J. Chester Johnson on “Auden, The Psalms, and Me,” an account of his experience working on the retranslation of the Psalms for the 1979 Book of Common Prayer; a presentation by Syrian theater director, educator, and human rights activist Naila Al-Atrash on the diverse cultural, religious and ethnic background of Syria before the 2011 conflict, her exile in the United States, and her understanding of how art can be used as resistance to oppression; and “The Politics of Gun Control” with speaker Craig Whitney, the author of a book Living with Guns: A Liberal’s Case for the Second Amendment.

Historic and current pastoral, outreach, and architectural initiatives at Grace Church were explored in presentations ranging from outreach committee presentations addressing “How Grace Addresses Food Security in Our Neighborhood and Around the World” as well as a look at the nearly completed “House that Grace Built” project in partnership with Habitat for Humanity New York City and preview of our next project, “Unity House.” Turning to the historic fabric and
restoration project within Grace Church, parishioner and organ specialist John Bishop surveyed the history of organs at Grace Church; the Rector provided updates on the now completed restoration the high ceiling of the nave and the design and installation of a columbarium.


In addition to clergy-led classes, there were classes led by parishioners John Avlon, Dr. Diana Benet, Dr. Nicholas Birns, John Bishop, Win Chamberlin, Currie Estreich, Margaret Hoover, the Rev. Richard Limato, Grant Marani, Jason Slibeck, and Dr. Catharine Stimpson.
Outreach

Grace Church supports various forms of outreach at the local level and in the wider community, and encourages each parishioner to engage in some personal work of service. The Outreach Committee plans and leads opportunities for the members of the Grace Community to serve other people. The Outreach Committee’s members in 2017 were:

Mr. Justin Brownhill
Mr. Win Chamberlin
Mrs. Currie Estreich
The Rev. Martha Korienek, Clergy Advisor
Ms. Cathy Minuse
Mr. James Romanik
Mr. Jason Slibeck, Chair
Mr. Mike Watson

In 2017, parishioners led the following service projects:

- Welcomed thousands of visitors to Grace Church through the Open Doors Ministry
- Prepared and served hundreds of meals at the New York City Rescue Mission (NYCRM)
- Sought to meet the social and physical needs of homeless New Yorkers through the “Don’t Walk By” program
- Donated clothing, comfort items, and necessities to those in need through the Church of the Ascension food pantry, NYCRM, and the Seaman’s Church Institute
- Served meals and organized regular collections for a neighborhood food pantry, Hope for Our Neighbors in Need, located at the Church of the Village
- Hosted graduation celebrations and opportunities to share stories of recovery for previously homeless veterans in the Life-Skills Training and Empowerment Program
- Volunteered and financially supported New York City students through the GO Project
- Financially supported and renovated a home in Queens, “The House that Grace Built”, in partnership with Habitat for Humanity New York City

Grace Church’s principal outreach commitment remains the GO Project, which was founded in 1968 by parishioners and parents at Grace Church and Grace Church School. The GO Project provides highly successful educational enrichment and social support to over six hundred public school children in Lower Manhattan each year. Grace parishioners and clergy act as volunteers, tutors, fundraisers and board members. In addition to significant funding provided individually by parishioners, Grace supported the use of space by the GO Project valued at $88,000 for 2017. As the GO Project grows to serve more students and sites, the parish will continue to develop and strengthen its relationship with this vital outreach ministry.
Another significant outreach commitment in 2017 was “The House that Grace Built.” In 2016, Grace entered into partnership with Habitat for Humanity NYC to provide affordable housing for New Yorkers in need. Volunteers from Grace Church worked on “The House that Grace Built” twice each month, nearly every month in 2017. Over 65 people volunteered over 1,000 hours of service to build a home in 2017!

As we look to a new project with Habitat in 2018, Grace Church has partnered with a Muslim community service organization chapter in the New York/New Jersey area, ‘Who Is Hussain?’. Our two communities have already worked in fellowship on the Habitat for Humanity Pilot Preservation Program on Manhattan’s Lower East Side four times in the fall of 2017, and at the House that Grace Built. We look forward to restoring a new Queens home together in 2018.

In February of 2017, we continued an annual series of February programs focused on alleviating hunger and homelessness in New York City. Members of Grace Church participated in “Don’t Walk By.” Volunteers strive to walk every block of our city during the month of February distributing information on services available and bringing hope to neighbors on the street. Everyone is invited to receive a new winter coat, a warm meal, medical assistance, and long-term support. Other activities in February included a NYC Rescue Mission meal and a “Souper Bowl of Caring” fundraiser for Hope for Our Neighbors in Need.

In a tradition extending over a decade, the Outreach Committee again facilitated an opportunity for parishioners to donate items and gifts throughout Advent. This year, items were donated to the Seaman’s Church Institute, NYC Rescue Mission, and the Food Pantry of the Church of the Ascension. Our community at Grace Church contributed 184 hats, gloves, and scarves, 390 undergarments and socks, and 942 toiletries to help provide basic comfort to some of our neighbors in New York City and around the world. These numbers reflect an increase from the previous year. Separate from the Advent drive, our year-round food drive collected about 900 food items to support Hope for Our Neighbors in Need.

Grace Church continues to welcome over 50,000 visitors annually to enter the church for rest and prayer; this ministry of hospitality is supported by the Open Door volunteers, who greet visitors, provide materials about the building and its history, and answer questions. Prayers of pilgrims are recorded in a prayer book and offered as intercessions by our Tuesday Morning Prayer circle. The Open Door volunteers meet throughout the year for fellowship and to review their ministry goals.
At the Diocesan level, Grace Church’s annual assessment helps advance the mission of the Church across our diocese, including helping to support programs and parishes that are not yet financially self-sustaining through the Congregational Support Plan.

Other financial support from the parish is carried out through grants from the Vestry Fund for Outreach (VFO), a fund set apart by the Vestry to focus on homelessness and hunger in the New York City. In 2017, grants totaling $9,474 were made to Habitat for Humanity New York City and to Hope for Our Neighbors in Need. Each year, the entire Christmas offering goes to build the corpus of the VFO. The Christmas plate for 2017 totaled $19,117, bringing the corpus of the Fund for year end to $201,343. As the corpus of the VFO grows, so too will Grace Church’s ability to increase financial support for works of mercy in New York.
Episcopal Church Women

The Guild of Episcopal Church Women (ECW) supports the life of the church through service and prayer, while nourishing the spiritual life of the women in the parish. In 2017 the ECW was led by co-Presidents Teresa Conway and Sara Queen, assisted by steering committee members Mary Jenkins (Treasurer), Lethe Black, Ginger Blake, Sandra Bowman, Lillie Chance, Doris Kong, Bonnie Recca, and Susan Soler Nascimento.

We continued to support the New York City Rescue Mission by sponsoring their community dinners (February 12th and November 19th) - contributing home cooked pot roast and cupcakes, as well as volunteers to serve the meal. Our next dinner will be on February 11th.

ECW continued to participate in the Habitat Build days and were present at the “Blessing of the House that Grace Built” on Jan 6th. What a thrill to see the work come to fruition. We presented the new owners, Tricia and her son Anthony, with a copy of *A Taste of Grace*, our Grace Church cookbook.

We have had several of our “no pressure pot-lucks,” held simply to gather the women of the parish for the sharing of news, ideas and fellowship.

As the end of Lent approached on April 8th, we hosted a dinner and film viewing of *Jesus Christ Superstar*. Martha Korieneck led us in a thought-provoking discussion of the film. Ysanne Spevack created a delicious meal using ancient ingredients and inspired by biblical times and places.

Our Quiet Day was held at the House of the Redeemer and led by Martha. The topic was Sabbath; studying the Biblical and historical understanding of Sabbath and how we can honor Sabbath in our own lives. We shared a delicious lunch and ended with a celebration of Holy Eucharist in the chapel.

On June 18th, the ECW hosted coffee hour after both the 9 and 11:00 am services, the first of the summer services conducted in the chantry while the church was closed for the ceiling restoration. As it was also Father’s Day, we honored our Pops with popsicles.

On September 9th, we hosted a work day to help ready the newly restored church for the return of services the next day. We spent the morning straightening up the pews, rearranging the prayer
books and hymnals, and putting out new welcome cards and pencils. We finished with lunch and a time for visiting.

On September 19th, Rachel Salvato shared with us her experiences on a mission trip to Martel, Haiti with the New York Haiti Project. The project seeks to build a school and a church there, and to deepen the spiritual relationship between the Diocese of New York and the Episcopal Church in Haiti. We hope to support her further in her work.

This year we expanded our Grace Christmas Fair, which was held on November 11th and 12th. The fair was open to all shoppers at 10 am on Saturday and Sunday. We added Catherine’s Café, serving sandwiches, soup, baked goods and hot drinks to fortify our weary shoppers. Kudos especially to Ellen McElduff for organizing and decorating the café area with beautiful plants and candles (which were also for sale.) Proceeds from the door admissions allowed us to donate $450 each to the food pantry at Church of the Village, Holy Apostles soup kitchen and the New York City Rescue Mission. Overall, we raised over $3,000, which will help us to contribute to the life of the church and the wider community.

We gave a contribution of $3,000 towards badly-needed new cushions for the church pews.

ECW continue to support annual parish events, such as the Parish picnic, Advent wreath-making, Shrove Tuesday (Sunday) Brunch and other Sunday school events.

Watch for upcoming events in the Sunday bulletin announcements including a Quiet day, a Habitat build day and the next potluck or tea this spring. All the women of Grace Church are members of the ECW. Please join us in our next year of service, study and fun.
Grace Church Archives

The archives collection continues to be an accessible resource to members of the Church and public for research on a variety of topics including genealogy and many different aspects of Grace Church history. This year we provided interesting facts and images about the stained glass windows designed by Henry Holiday for a Landmark Conservancy project, Grace in the Fields history and images to M. Macrides for a history presentation he created for the New Canaan Country Day School and a genealogy project that focused on Grace Hollis, a housemother for the Grace Church School. The archives continue to provide research material to Sunday Forum speakers.

Altar Guild

The Altar Guild, chaired by Mrs. Helen Du Bois (9 a.m.), Ms. Lillie Chance (11 a.m.) and Ms. Jennifer San Cartier (6 p.m.), assists the clergy in the day-to-day organization of our worship life at Grace Church. Guild members are responsible for the care and well-being of our collection of plate and linens, and preparing the same for worship. Members also manage inventory of all consumables, such as wafers, wine and candles. Many members have expressed that their service to the Guild provides a welcome prayerful and meditative enhancement to their own worship time, as well as an enjoyable way to get to know other members. The Guild has welcomed some new members this year and is always looking for others who might be interested in this enriching service to God.

Flower Guild and the Walter J. Parker Flower Fund

The Flower Guild, under the dedicated leadership of Ms. Ellen McElduff, each week adorns the church and chantry with beautiful arrangements of flowers and greenery as a living symbol of our worship. As Chair of the Flower Guild, Ellen continually refines her artistry as a Floral Designer, and we remain grateful for her expertise and creativity. In addition to the weekly altar arrangements, the Guild works tirelessly to plan and carry out the stunning arrangements seen throughout the church and grounds during the Easter and Christmas seasons. The Walter J. Parker Flower Fund is fully supported by the generosity of the congregation.
Canterbury Downtown

Canterbury Downtown is a campus ministry of the Diocese of New York, housed at Grace Church. The Rev. Mary Cat Young serves as Chaplain to this community as well as a Senior Chaplain Affiliate at New York University. She has been in this role as a member of the Bishop's staff since 2011.

Canterbury Downtown provides opportunity for students in Manhattan to gather for worship, meals, service and community. Students connected with the ministry hail from NYU, The New School, Cooper Union, Marymount Manhattan College, The Fashion Institute of Technology, Hunter College, Julliard and Pace University. Both undergraduate and graduate students are served. Some faculty and staff are also affiliated with the campus ministry.

2017-2018 is the 14th year of this community and its ministry with students. Regular meetings take place on Sunday evenings where 12-18 students gather for worship at the 6 pm service at Grace Church followed by dinner in the Reception Room. Guest speakers this year have included: The Rt. Rev. Andy Dietsche, The Rev. Mary Glasspool, The Rev. Hershey Mallette-Stephens, The New York Service and Justice Collaborative/The Episcopal Service Corps, Lutheran Pastor Becca Seely of the Vine NYC, seminarian-led conversation on gender and language in prayer by Madeline Pantalena, and student-led conversations on spirituality and vocation among others. During Welcome Week with new students we make toiletry kits for the New York City Rescue Mission. Another service project we engaged in this year was making rosaries for the Seaman’s Institute. Introduction to the Bible, and preparation for Baptism and Confirmation are regular offerings as well.

Our seminarian Madeline Pantalena hails from the Diocese of Connecticut, and studies at Union Theological Seminary. Madeline has spent time engaging students and campus communities in locations around the city as well as providing support to additional offerings such as LGBTQ partner events, and Muslim-Christian Dialogue events at NYU.

Canterbury Downtown partnered with other communities for a variety of projects in 2017 including: The Vine Lutheran Campus and Young Adult Ministry Community, Habitat for Humanity with Grace Church, Global Spiritual Life at NYU, Lifting Up Black Lives at NYU, Brown Bag Lunch Ministry at Trinity Wall Street, Bluestone Farm Harvest Day with Church of the Ascension, and EDNY The Young Adult Network events throughout the year.