



**GRACE EVANGELICAL COVENANT CHURCH
ANNUAL MEETING REPORTS
2011**

TABLE OF CONTENTS

Letter, President Gary Walter	3
Letter, Jerome O. Nelson, Central Conference Superintendent	4
Minutes, 2011 Annual Meeting	5
Key Statements	7
Core Value Statements	8
2012 Church Calendar	9
Report of the Nominating Committee, Bruce Giffen	10
Report of the Pastor, Amanda Olson	11
Congregational Self-Assessment Summary	14
Relational Covenant	17
Church Chair Report, Jon Boyd	18
Christian Formation Report, Doreen Olson	19
Worship, Beverly Hancock	22
Fellowship, Pete Mueller	23
Missions, Mark Olson	24
Compassion, Mercy and Justice, Curt Roeschley	25
Report of the Pastoral Intern, Mark Tao	26
Iglesia del Pacto Evangelico Grace, Pastor Luis Retamal	28
Watchcare Fund, Marlene Halsey	29
Facilities Report, Tom Hansen	29
Financial Secretary, James Hopp	30
Income Summary from 2011 and Proposed Budget for 2012, Steve Dawson	31
Membership List	32



The Evangelical Covenant Church

November 2011

To All Covenant Churches

Dear Friends in Christ,

Grace to you and peace from God our father and our Lord Jesus Christ. It is with great joy that I greet you on behalf of your sisters and brothers across the Evangelical Covenant Church.

You are showing up and making a difference all over the world through this partnership. In 38 countries on five continents the lost are being found, churches are being planted, God is being worshipped, the sick are being cared for, the hungry are being fed, children are learning to read, women and girls are being freed from human trafficking, families are gaining micro-enterprise skills, and disasters are being responded to. Right here, we have grown for 19 consecutive years. We are reaching more people through more churches with greater diversity than at any point in our 126 year history.

We accomplish these things together by focusing on five named priorities. We:

- Start and strengthen churches
- Make and deepen disciples
- Develop leaders
- Love mercy-do justice
- Serve globally

In each of these priorities we seek to both serve our churches and unite our churches in service together. You can find more information on our website at covchurch.org. In particular, watch the overview video entitled "Making a Difference." You are making a difference indeed. The mission of the Evangelical Covenant Church is only possible because of the combined efforts of all of our congregations, working together to advance God's Kingdom. We look forward in anticipation of the rich and powerful ways God will use the ECC in the coming year.

As you gather for your congregational annual meeting, please know of the prayers and support of the entire Covenant family. Be assured of our thanks for your faithfulness and prayers for your continued fruitfulness.

In It Together,

Gary Walter
President



December 1, 2011

Dear Brothers and Sisters in Christ,

This year is our 125th year as a Conference. We celebrated together, at our Annual Meeting with testimonies, history and fellowship. The history celebration began with presentations from each of the 11 districts in our Conference recounting God's work through people, churches and communities over 125 years. I would again, like to thank all of our churches for sharing their history. To commemorate the celebration, a DVD was produced and given to all the delegates and they are still available to churches upon request.

As we continue to do God's work in this mission field that He has given us to work in, we will join with the Denomination in carrying out the priorities established for the future of the Evangelical Covenant Church. The priorities that have been set forth are: start and strengthen churches, make and deepen disciples, develop leaders, love mercy and do justice and serve globally.

I believe that God is always calling us to be more than we have been. So we have an opportunity to embrace these priorities. Imagine if we can plant more missional churches to help bring more lost souls to Christ. Imagine if we could do more to strengthen our existing churches which create healthier members, which create healthier congregations. Imagine if we could do all that we could to make new disciples and deepen the spiritual life of all. Imagine if we could be more intentional at preparing more young leaders to help lead the church into the future. Imagine what could happen if we loved being more merciful and more just. Imagine if we committed ourselves to ministries outside the four walls of our churches, and even outside of these United States.

As you meet for your congregational Annual Meeting, we want you to know that we greatly appreciate all you do to support the work of the Conference. And, to let you know that we will be praying for your church and its ministries throughout the coming year.

God's blessings,

Jerome Nelson
Superintendent

2011 Annual Meeting Minutes

The Annual Meeting was called to order at 11:43 a.m. by Chair Jon Boyd. The start of the meeting was preceded by a Liturgy of Meeting highlighting the things that are brought to the decision making process.

The minutes of the 2010 Annual meeting were approved as presented.

Pastor Ryan Chambers-Johnson presented a portion of the Pastors' Report. The order of worship has changed during the later part of 2010. *Fed At Grace* celebrated its first year. A number of people have participated in activities at Grace or Iglesia Grace as a result of *Fed at Grace*. Giving is up 50% over the last three years. 20% of annual budget goes to "missions". Council has changed general approach with more of a theological/policy focus for meetings and less of the "day to day" decision making.

Pastor Amanda Olson thanked Pastor Ryan for his partnership and time of ministry at Grace. She also started to present the opportunities ahead as a result of the changes coming with the pastoral transition. She highlighted the short term and long term transition issues ahead including "Who" it is that guides our way. The Grace Value Statements seem to be resonating with the people at Grace. Following the Pulse Survey, we determined that we needed to study the Bible more, continuing doing compassion, mercy and justice and then become a more welcoming and authentic gathering of people. She highlighted the Statement of Response: "Grace Evangelical Covenant Church: Going Deeper in Christ and Further in Mission" which will be voted later in the meeting. These elements along with the "Core Values" combine to be the statement of who Grace is and who Grace desires to become. She also thanked Jon Boyd, the council members, and other committees for the extra time spent in decision making during 2010. She also thanked Kelly Johnston, Abby Jones, Lee and Becky Edwards, Francisco and Eudora Abundis as staff comprising the team effort of ministry leadership.

Special thanks were given to Jon Barnes, Mark Olson, Jerry Reed, and Andrea Oliver for their terms of services.

Jonatan Cami-Ferrer then presented the slate of Nominating Committee recommendations for the elections of council members and officers for 2011:

Officers

- Jon Boyd (Chair)
- Laurie Bailey (Vice-Chair)
- Jonathan Hancock (Secretary)
- Steve Dawson (Treasurer)
- James Hopp (Financial Secretary)

Council Members

- Mary Dorman
- Tom Hansen
- Pete Mueller

Deut 10:12 and now Israel, what does the Lord your God ask of you but to fear the Lord your God and to walk in obedience to Him, to love Him, to serve the Lord your God with all of your

hear and with all of your soul, and to observe the Lords commands and decrees that I am giving you today for your own good.

It was **moved, seconded, and passed** to approve the slate as presented. Pastor Ryan led the meeting in prayer for empowering of the Holy Spirit of the candidates elected.

Pastor Mandy led discussion on the Statement of Response. How we change in the coming years will change the priorities of the church. The Statement of Response is intended to be something that guides us through those changes. Luke 4:18-19; Isaiah 58:6; 6:1; 1-2; Acts 1:8 were all scripture quoted to expand on the understanding of the Statement of Response.

It was **moved, seconded and passed** to approve the Statement of Response as presented:

“Grace Evangelical Covenant Church: Going Deeper in Christ and Further in Mission”.

Marv Bailey presented the draft “two part” budget. The Finance Committee began their work on the budget in the late fall. The 2008-2010 budgets anticipated use of a designated gift to expand staff. 2011 is the first year since 2007 that the entire budget needs to be supported with operating income coming during the year. The congregation will get regular feedback during the year with

- Stewardship updates
- Transparency
- Feedback about progress

Because of the growth required in the budget, the committee and council are recommending “gates” that have to be met during the year. These are specific timeline dates and giving levels where, failure to meet the gates means the budget drops down to the “reduced budget” of \$254,913 of expenses. If the gates continue to be made, the full year budget of \$292,552 of expenses would continue be the operating budget for the church.

There was significant discussion including questions about “missing an early gate and then Grace making up sufficient ground that later gates were made”. The general sense is that failure to meet a gate moves the church to the lower budget and, should the income recover to the point of a later gate being made, the council would make decisions and let the congregation know of the changes. Any gates missed means there needs to be changes to the assumptions of the staffing levels. Those staffing options will be discussed as we go through the year. Other questions addressed were “Why not borrow?”; “Why not cut other expenses?”; and “Why not cut salaries?”.

There was a motion made, seconded and defeated to defer the balloting on the budget to next week.

Moved, seconded, and carried to approve the expense budget of \$292,552 with gates that potentially trigger the reduction to an expense budget of \$254,913.

Moved, seconded and carried to adjourn the meeting at 1:31 p.m.



Grace ECC: Key Statements of Identity

Key Scripture

I am the vine; you are the branches. If you remain in me you will bear much fruit; apart from me you can do nothing. – Jesus (John 15:15)

Statement of Response to God’s Call

“Grace Evangelical Covenant Church: Going deeper in Christ and Further in Mission”

Core Values

- Biblical Faithfulness
- Formational Community
- Spiritual Engagement
- Holistic Mission
- Teamwork
- Christian Freedom

Ministry Priorities

1. Study the Bible Together
2. Do Compassion, Mercy, and Justice in Jesus’ Name
3. Offer Welcoming, Authentic Community



GRACE VALUES

Principles that guide decision-making

BIBLICAL FAITHFULNESS

We receive the Bible as the Word of God, grateful to hear it taught and eager to study it ourselves. We value our community's reliance on the Bible's direction and inspiration for our life together and individually.

FORMATIONAL COMMUNITY

We know that one person sharpens another through accountability and encouragement, so we value the kind of life together that helps us to keep becoming more like Jesus at every stage of our lives.

SPIRITUAL ENGAGEMENT

We're conscious that while God is always present, connecting with him through Jesus Christ and the Holy Spirit brings healing and transformation. So we value our church's interaction directly with him, whether in worship, learning, service, or anything we do.

HOLISTIC MISSION

God isn't limited to some vague, spiritual sphere, but instead brings about wholeness across the board — spiritual, physical, social, environmental. We value opportunities for Grace to participate in all aspects of God's work in the world.

TEAMWORK

We have individual responsibility to act, but we believe we can be most effective when we plan and act together, so we value collaboration in perceiving and doing the will of God.

CHRISTIAN FREEDOM

We follow one Lord, Jesus Christ, but we don't march in lockstep. We know that he calls us from various places to various journeys with him. We value the freedom to obediently live Christian lives with authenticity and vulnerability.



*All pictures courtesy of
Shelby Orians.*

2012 –Church Calendar*

January 15 – Grace’s 51st Birthday; Ministry Team Leader Meeting
January 22 – Congregation’s Annual Meeting
January 29 – Celebrating 50 years of Grace and Anticipating Many More
January 30-February 3 –Mid-Winter Covenant Pastor’s Conference
February – Covenant History Readings begin in Bible Groups
February 11 – Council Retreat/Work Day
February 14 – Council Meeting
February 19 – Covenant Founders Sunday; Dr. Phil Anderson, preaching
February 22 – Ash Wednesday
February 26 – First Sunday in Lent
March 9-10 – Exploring Grace (membership retreat)
March 11 – Daylight Savings Time Begins
March 13 – Council Meeting
April 5 – Maundy Thursday
April 6 – Good Friday
April 7- Holy Saturday
April 8 – Easter Sunday
April 10 – Council Meeting
April 27-28 – Central Conference Annual Meeting
May 6 – New Members Breakfast
May 8 – Council Meeting
May 12 – NPU/NPTS Graduation
May 20 – Confirmation Sunday; Congregational Meeting
May 27 – Pentecost Sunday (Believer Baptism)
June 3 – New Member’s Sunday
June 12 – Council Meeting; Ministry Evaluations Due
June 17 – Summer Schedule Begins
June 21-23 – ECC Annual Meeting
July 10 – Council Meeting
July 14 – Block Party
July 15-21 – CHIC Youth Conference and Retreat
August 5 – Youth Sunday
August 14 – Council Meeting
August 27 – NPU/NPTS Begins
September 9 – Fall Schedule Begins
September 11 – Council Meeting
September 16 – Congregational Meeting
September 28 – Budget Requests Due to Treasurer
September 30 – Welcome Brunch for Newcomers
October 9 – Council Meeting
November 4 – Daylight Savings Time Ends
November 13 – Council Meeting
December 2 – Advent Begins
December 11 – Council Meeting
December 21 – Annual Reports Due to Office Manager
December 24 – Christmas Eve Worship, 5 p.m.

*All dates are subject to change.

Please visit www.gracechurchchicago.org for weekly updates.

Report from the Nominating Committee

As your nominating committee, we are pleased to present for consideration several candidates to fulfill positions of lay leadership in the life of our congregation. We thank God for directing this process and for preparing leaders willing to serve Christ and our fellowship at Grace.

The process of selecting nominees included:

- 1) Soliciting suggestions from the congregation for several weeks in announcements through the bulletin, Grace weekly newsletter and verbal announcements on Sundays.
- 2) Collective prayer and reflection on the part of the nominating committee.
- 3) Discussion of offices and potential nominees in light of the following:
 - a) Positions needing to be filled.
 - b) The qualities of I Timothy 3.
 - c) Various demographic factors including age, gender, ethnicity, gifts and other factors.
 - d) Contacting of qualified nominees and requesting their prayerful consideration.
- 4) Presentation of the candidates as it now stands.

The nominating committee would like to present the following candidates for consideration:

Church Council Officers

Chair: Laurie Bailey
Vice Chair: Curt Roeschley
Secretary: Jonathan Hancock
Treasurer: Steve Dawson
Financial Secretary: James Hopp (Does not serve on council)
All the above are 1 year terms.

Other Council Members

Mariela Quezada
Kelly Reed

Returning Council Members not requiring re-election

Tom Hansen and Ex-Officio member, Pastor Mandy

The committee would like to give a hearty thanks to outgoing council members for their faithful service, Jon Boyd (3 years), Pete Mueller (2 years) and Mary Dorman (1 year). Also, thank you to Andrea Oliver for her continued service in charge of accounts payable.

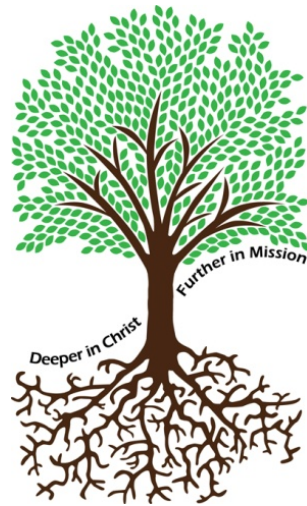
Respectfully submitted by the nominating committee,

Dave Kallen Youngberg, Denise Hopp, Pastor Mandy, Jonaton Cami and Bruce Giffen

Annual Report of the Pastor

Rev. Amanda L. Olson

***Jesus said to his disciples,
"You did not choose me, but I chose you
and appointed you so that you might go and bear fruit
--fruit that will last."
(John 15:16)***



At Grace ECC, 2011 brought many unexpected changes, challenges, and blessings to our life together. We continue to live into our call to go **deeper in Christ and further in HIS mission**, specifically focusing on ministry priorities developed from an incongruity between our stated values and our current realities.

We are living out our discipleship of Jesus by:

- **Studying the Bible Together** – Bible Groups took the challenge to read through the New Testament in 40 days, discovering new understandings of God's grace and kingdom; Staff begin each meeting in bible study, rooting our collaborative work in God's truth; An intentional group of scripture readers have gathered to better proclaim God's Word in worship; Vacation Bible School re-emerged as we joined with North Park ECC opening God's word to more than 100 children.
- **Offering Welcoming, Authentic Community** – We took multiple events outside our four walls this year, participating in two prayer walks for the neighborhood on Sunday mornings, holding the ministry fair along the sidewalk to share information with passersby, hosting a block party for the neighborhood, and giving a thank you note and small gift to our neighbors to express our appreciation for their continued hospitality; Prayer Teams have returned to our Sunday gatherings offering prayer support; Our former fellowship team is taking a well deserved rest, allowing space for hospitality in the church to develop in new ways; Our youth ministry continues to reach out, welcoming teens from around the city's north side.
- **Doing Compassion, Mercy and Justice in Jesus' Name** – Junior High and High Schoolers served in local and national missions trips discovering their faith in new ways; FED@Grace (our emergency food distribution) continues to open our church doors every Saturday caring for more and more people each week; Patrick Henry Elementary School held a food drive and donated the food to FED@Grace; Neighbors are starting to note that our church is an active, life-giving community, sharing the love of God with others.

You can read more about the fruit of these ministries and others in the ministry reports that follow.

Congregational Care

In 2011, our average Sunday attendance was 122 (holding relatively steady since 2009), with nearly 20% being under 18 years old. The faithfulness of our congregation was displayed in many ways, including supporting an ambitious increase in our budget.

April 10th brought the quick and unexpected death of Jerry Reed. A husband, father, grandfather, missionary, professor, church council member, Jerry was first and foremost a disciple of Jesus

Christ. On May 21, we celebrated his life and the resurrection in a service led by Pastor Deb Gustafson and his family, with his wife Nancy and their children giving the benediction. It was a true witness to the family's hope in Christ our Lord. In addition to Jerry's home-going, many members in our congregations lost loved ones this year.

We welcomed one new baby into our family of faith, confirmed four students in their faith journey, received nine new members into our fellowship, baptized three children in the name of the Father, Son and Holy Spirit, and dedicated one infant to the Lord.

Unexpected Changes

In the midst of our life together, the church staff had significant changes. In February, Pastor Ryan Chambers Johnson and Devyn followed the leading of the Lord to co-pastor Community Covenant Church in Springfield, VA. We sent them off with our thanks for their ministry at Grace and our blessing for their continuing service to our Lord.

Through the remainder of the spring/summer our pastoral intern, office manager, youth interns, and custodian all transitioned into other opportunities. With the significant staffing changes, the council accepted an interim organizational structure that identified and defined ministry team leaders to continue the ministries and life of the church throughout the year. We will continue with this interim model into 2012 as the council determines longer term staffing needs.

I am grateful for all who willingly took on new responsibilities in our life together including Doreen Olson, Laurie Bailey, Keith McCready, Bruce Giffen, Heather Duncan, Curt Roeschley, Tom Hansen, and Don Olson. This organizational model has been successful because of their faithful service.

In the summer and fall, the church welcomed 5 new staff members. Damaris Cami joined us as our part-time Children's Ministry Coordinator. She is well gifted and qualified for this position and brings a needed perspective of the church's recent history. Mark Tao became our second Pastoral Intern, bringing cross-cultural experience and a desire to explore the connection between outreach and discipleship. Adam Butler joined us as our part-time Youth Ministry Coordinator, bringing 5+ years of youth ministry experience. Marga Muschitz became our church custodian, keeping the church's facilities clean beyond our wildest expectations. With gifts in ministry and administration, Betzy Cisneros came in September to be our three-quarters time Office Manager (a 10 hour/week increase in this position).

Lastly, in October the church added a childcare provider for the nursery on Sundays as a way to provide Christian formation and welcoming, authentic community for our congregation's youngest members. Dania Castillo works full time at NEIU's Childcare Center and brings a wealth of experience and a deep love for the Lord to our newborn to 2 year olds. Each new staff member has jumped into the life and ministry of our church with both feet willing and ready to serve God in our local context. They each have brought joy and insight into our life together. I am extremely grateful to God for each one.

Because of these unexpected changes, this year has brought big changes to my role as your pastor. My focus has shifted away from specific ministries within the church to give attention and leadership to the staff and lay leaders in the congregation.

My proclamation of the gospel continued in a variety of sermon series including a Lenten/Holy Week focus on our identity in Christ ("Remade"), acknowledging God's generosity throughout the Easter season and considering our relationship to money ("Generosity"), expanding our practice of generosity throughout the summer with a series on the armor of God (remember "Red" and "Grace at Work?"), considering what it means to be the church ("Together in Christ") this Fall, and

finally beginning again in Advent as we remembered, received and celebrated all that God has share with us in Jesus Christ - hope, peace, joy and love.



I am very grateful for the continued support of the church council, under the leadership of Jon Boyd. After three years of faithful service, Jon is stepping out of his role as council chairman. Jon has led the church's leadership in many new directions, including transitioning the council from a primarily administrative team to one that truly gives "council" on behalf of the church, discerning God's call on our life together. I give thanks to the Pastoral Relations Committee, under the facilitation of Dora Winchester, which has been an encouraging voice throughout the year. Many thanks also are due to Jonatan Cami as he willingly stepped forward offering pastoral care to our congregation.

In looking back over this last year, I couldn't have made it through if it weren't for three people. My husband Don has been a steady and faithful companion in the midst of a year that has brought big changes. Each and everyday, our son Ben confirms so much of God's truth to me, from the miracle of life to the reality of our sin nature and back again through the embrace of grace. And to Jesus Christ, my Lord and Savior, who continues to show me that true life only comes through death.

Looking Ahead

In 2012, we will continue our call to go deeper in Christ and further in his mission by living into our three ministry priorities as well as celebrating our past, living our present, and anticipating our future. In January we will **celebrate 50 years of ministry at Grace and anticipate 50 more.** We'll explore **God's mission** (his purpose and plan) and how God's mission plays out in and through his people, using biblical, historical, and current **stories.** In an effort to prepare for God's mission in our life together, we will regularly remember who God is and **humble ourselves** before him. We will be introducing a ministry review process and continuing to develop simple, basic ways of doing life together in a effort to spend more and more time proclaiming and participating in God's Kingdom. A key question we must continue to ask is: **How do we effectively go deeper in Christ and further in his mission in the 21st century?**

The Central Conference and the Evangelical Covenant Church have recognized our local church as one on the path of congregational vitality. To help us navigate our way on this path, the conference and denomination are resourcing us with coaching, assessments and workshops that we will journey through in the next 12-18 months. This is not a new program, but rather a way of coming alongside offering support as we continue to live into God's mission. I hope all of you will collaborate with us as we follow the Lord's leading into the future that awaits us.

***"Now to him who is able to do immeasurably more than all we can ask or imagine, according to his power that is at work within us, to him be glory in the church and in Christ Jesus throughout all generations, forever and ever! Amen."
(Ephesians 3:20)***

Congregational Self-Assessment Summary

PULSE Survey – a tool developed by the Evangelical Covenant Church to provide awareness of current reality and encouragement for spiritual discernment, including updates on progress annually, to intentionally strengthen mission and message of Jesus in the local church.

Grace ECC is defined as a stable church.

- Stable churches see people occasionally coming to Christ, occasionally integrating scripture into life and ministry, and occasionally engaging God in worship.
- Stable churches feel comfortable and safe for most, low level of frustrations for others who want more, self sufficient, and satisfied.
- Stable churches say, "We're doing fine. Who wouldn't like our church? We are a warm-and-friendly church. Let's talk about it at the next meeting."
- Spiritual Discernment Question for Stable Churches: **Lord, how do you want us to break out of stability into vitality?**

Our prayer and goal is to become a healthy, missional church.

- Healthy is defined as "pursuing Christ." Missional is defined as "pursuing Christ's priorities in the world" (Note the correlation to Grace ECC's language of "going deeper in Christ and further in mission").
- Healthy, Missional Churches see people consistently coming to Christ, consistently integrating scripture into life, consistently engaging God in worship.
- Healthy, Missional Churches feel anticipation, gratitude, enthusiasm, energy, engaged, unity, love, chaotic at times.
- Healthy, Missional Churches say, "We sense the presence of God here. We are glad to be a part of something special. We are making a difference in this community and beyond. We will do whatever it takes."
- Spiritual Discernment Questions for Healthy, Missional Churches: How can we keep moving forward with God?

Trajectory

- Responses indicate that Grace ECC is moving toward being a Healthy, Missional Church.
- VIM Rating – Vision (Medium), Intention (Medium), Means (Medium)
- +1% from Fall 2009 to Spring 2011 (nearly no change; statistically insignificant)

Areas to Note

The most significant areas of change were a 4% increase in the centrality of the Word for our congregation, a reflection of our ministry priority "Studying the Bible Together." Unfortunately, we saw a 4% decrease in our collective experience of a life transforming walk with Jesus.

Respondents indicated Grace's single greatest strength as being a welcoming, caring community; our single greatest weakness is outreach and evangelism. An expert on evangelism said, there are two reasons people don't invite others to their church:

- 1) They are embarrassed by their church (worship, preaching, etc.)
- 2) They no longer know the transforming power of Jesus Christ in their own lives.

In light of the above information, we will be spending more time acknowledging the presence and power of the Holy Spirit in our midst, and we will have an increase of stories (testimonies) of how God is at work in his people.

There was a notable shift of the longevity of respondents between two surveys: 2009 (28% 0-2 years; 26% 11-20 years); 2011 (4% 0-2 years; 38% 11-20 years). This reflects the usual increase in new comers when a new pastor arrives.

The 2011 results showed more realistic self-assessment of Grace ECC. In 2009, 70% of the respondents thought Grace was a healthy, missional church, with 21% responding stable, 4% responding critical moment. In 2011, 47% responding healthy missional, 38% responding stable, and 11% critical moment). Grace is a stable church (see page 1).

32 respondents defined themselves as "in leadership"; 20 respondents defined themselves as "not in leadership". At Grace, we are blessed with many gifted leaders and we celebrate our congregational polity, yet we also need to consider and clarify the roles of lay and professional leaders in which the local congregation has vested responsibilities. Thankfully, the 52 respondents responded similarly in their assessment of the church.

For the first time in the 30-years documented, our membership is starting to outpace our average attendance. In 2009, the pastors realized that pathways to more intentional commitment to the church were needed if the congregation desired to reach more people for Christ. As indicated above, there is a need for developing intentional evangelism (Doing Compassion, Mercy and Justice IN JESUS' NAME) within the committed base so that more people are hearing the gospel and responding to an invitation to church.

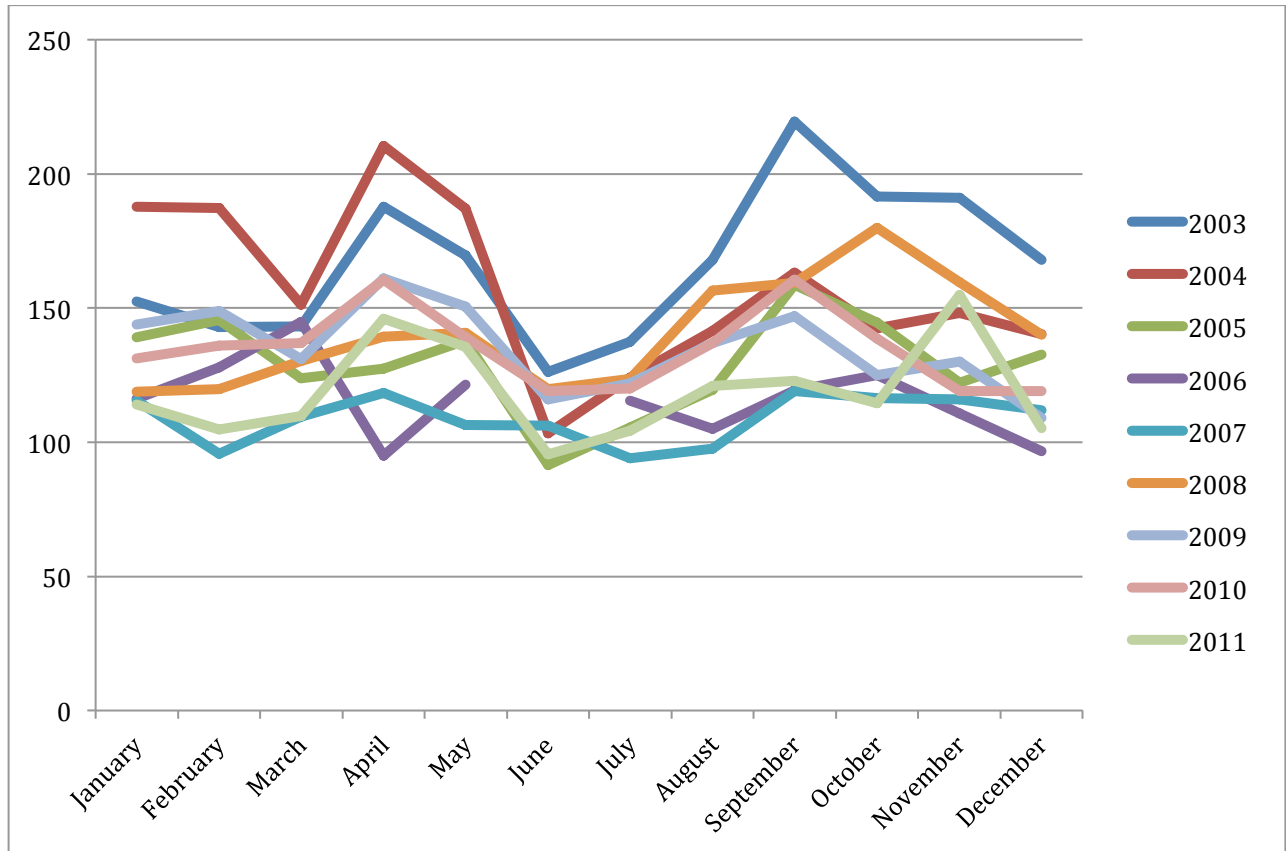
With the exception of 2006 (when a one-time \$50,000 gift for increased staffing was added to the church's income), annual giving has steadily increased over the last 30 years from \$50,000 to \$250,000. This year, the church will develop a ministry evaluation process to regularly assess the health and vitality of our current ministries, helping us be wise stewards of these resources.

Helpful Anecdotes (Selected quotes from respondents getting at the heart of our self-assessment)

"I think that everyone (there may be the rare exception), probably has a heart to see more lives touched with the Gospel. I think the challenges are 1) people generally don't have the emotional/time resources to commit for the congregation to see progress in that area (and so feel that any movement in that direction is going to require more of them than they want to commit); and 2) that people generally like the cozy feeling and don't want the connectiveness we now experience to be lost because of growth. I think they are

both challenges that can be overcome, but both are challenges that need to be dealt with as a part of getting to expanding mission.”

“In all of this, what strikes me most is that perhaps we don’t need to figure out what we do well so that we can do more of it, or to figure out where we are weak so that we can improve. Perhaps what we really need is to be transformed.”



2003-2011 Attendance Trends



Grace Evangelical Covenant Church **Relational Covenant**

*Recognizing that the church is not our idea but God's idea,
that His Spirit wants to guide us,
and that "those who love God must love one another" (1 John 4:21):*

1. We will be inconvenienced for the sake of the Gospel (Philippians 2:5-11).

2. We will discover what is best for our church as a whole (Philippians 2:3-6).

- As a body, we will be in prayer and submission to the Holy Spirit (I Thessalonians 5:16-19).
- We will accept disagreement, conflict and evaluation as normal and natural (Philippians 4:2-3).
- We will seek mutual respect and understanding among all people in the church (Acts 15), acknowledging and honoring the role and responsibility of lay leaders and church staff (I Thessalonians 5:12).

3. We will building each other up and not tear each other down (I Thessalonians 5:11).

- We will believe the best of each other and give each other the benefit of the doubt (Philippians 4:8-10).
- We will make positive investments in each other's lives (Colossians 3:15-16).

4. We will communicate clearly, completely and directly, both verbally and non-verbally (Ephesians 4:14-16).

- We will provide our perspective with clarity and humility (Colossians 3:12-14).
- We will listen wholly to one another (Proverbs 18:13).

5. We will walk hand-in-hand even though we may not always see eye-to-eye (Colossians 3:14-15).

*Upon congregational acceptance, each person in the congregation is authorized to remind each other of our commitment to abide by this covenant whenever we find ourselves in an interaction that does not represent the relational grace to which we have agreed.

A behavioral covenant is a written document developed by leaders, agreed to and owned by (the congregation), and practiced on a daily basis as a spiritual discipline. The covenant answers the question, "How will we behave (how will we live together), especially when we don't understand each other and when we don't agree?"

– Gil Rendle, Behavioral Covenants in Congregations

Report of the Church Chair

How shall we consider the life and work of this interesting little congregation on Chicago's north side? Not many would say this is the most influential church in the city, or the richest or most important, and certainly not the biggest. But we've had a year where we've seen our calling — deeper in Christ, further in mission — established and extended. And we've dramatically demonstrated our capacity to provide the means for this mission. So whether or not we're the *fanciest* church around (as one kindergartner I know would put it), we must hope that we're walking in God's wisdom for Grace, though it may look like foolishness. There's only one opinion about this congregation that matters, and that's the Lord's. Let's keep listening for his call, attending to his admonition, and longing for his glory in our midst.

Here are notes on a few of the year's milestones:

- We transitioned pastoral and administrative staffing after Pastor Ryan Chambers-Johnson's departure, and formed a team of part-time staff led by Pastor Mandy Olson to carry forward the church's ministries.
- In fact, core existing ministries were extended, for example, with the addition of a summer lunch program for neighborhood children, expanded adult Bible study groups, and a professionally staffed nursery ministry for Sunday mornings.
- New ministries were explored as well including; involvement in a consortium of churches working for compassion, mercy, and justice in immigration issues, and with YouShare.org, an online platform for sharing needed resources.
- The congregation engaged in a couple of prayer walks on Sundays, fanning out to pray for the peace of Christ in our sometimes violent neighborhood.
- The congregation responded strongly to our challenging 2011 financial budget, increasing our giving sacrificially and hitting milestone "gates" through most of the year (finishing within 4% of budgeted giving).
- We completed an update to our earlier PULSE survey on the status of the congregation and engaged with the "Navigate" resources from the Evangelical Covenant Church to help us shape our course for the future.

Let me add my personal thanks to the members of the 2011 Council and to Pastor Mandy, as they exercised continued leadership — no, make that *extended* leadership — in this remarkable year of increasing our capacity for ministry in the mission.

Yours — Jon Boyd, Chai

Christian Formation Team Report

Our purpose as a team is to provide formational experiences for people of all ages so that they might grow in understanding of the gospel, become better equipped for daily living as Christian disciples, and able to share the Christian faith in word and deed.

But grow in the grace and knowledge of our Lord and Savior Jesus Christ. To him be glory both now and forever! Amen. (2 Peter 3:18)

Team members include Laurie Bailey, Adam Butler, Dámaris Cami, Jim Dekker, and Doreen Olson.

Our team's ministry seeks to help us as a church to live into two of Grace's ministry priorities in particular: (1) Studying the Bible Together, and (2) Offering Welcoming, Authentic Community. At the same time, we find that (3) Doing Compassion, Mercy and Justice in Jesus' Name is a natural outcome of our formation.

For we are God's handiwork, created in Christ Jesus to do good works, which God prepared in advance for us to do. (Ephesians 2:10)

Children's Formation

Dámaris Cami

This year our Sunday School continued to be formed by 3 classes and lead by team leaders (Ann Boyd for Pre-K, Mary Jane Dawson for K-3rd grade, JP DeNeui for 4-6th grade) all supported by Dámaris Cami who joined the church staff in February as the Children's Ministry Coordinator. Kim Zimmerman supported the team by decorating the rooms thematically and making them more kid friendly. Our goal has been to make the biblical truth more relevant to children emphasizing missions, monthly scripture memory verses, and hands on activities.

The mission moment continued weekly until the beginning of the summer and switched to monthly in the fall with the purpose of allowing children to spend more time in their classes. Class attendance has ranged from 10-12 per class with an average of 30 per week. Over 30 volunteers have worked together from nursery to 6th grade to make this vital ministry happen.

Exciting highlights of this year included a Vacation Bible School held this summer in collaboration with North Park Covenant Church where we had more than 130 kids attending! 22 volunteers from Grace were on site besides all the people from the congregation that helped with food and scholarship donations. Also we started using Children's Ministry Bags to enhance our multigenerational services over the summer. Late October the newly renovated nursery started functioning with a staff childcare provider serving children ages 0-23 months. We ended 2011 with a Christmas Pageant performed by children ages 2 and up.

Looking forward to what 2012 has in store to fortify the already existing ministry. Thanks to everyone that participated!

Youth Formation

Adam Butler

2011 has been a great year for the Youth Ministry. Becky and Lee Edwards led the group to Deep Freeze, our annual retreat to Covenant Harbor. The Junior High students served the Chicago community this summer on a mission trip, while the Senior High went to Montana. In August, Becky and Lee made the decision to shift their focus to volunteering with the youth and Adam Butler came on staff. As we look forward to the next year, the ECC triennial youth conference, CHIC 2012, is quickly approaching. The confirmation program at Grace has been more fully integrated with the youth ministry this year and we have a dedicated teaching team leading the

confirmands though the Old Testament. The youth ministry continues to grow deeper in Christ and go further in mission. The youth ministry at Grace is continuing to go deeper in knowledge and service to our Lord.

Adult Formation

Doreen Olson, Laurie Bailey

Using Biblica's "Community Bible Experience" as our curriculum, adults were invited into a practice of reading through the New Testament and reflecting together on (1) something noticed for the first time, (2) questions arising from the text, (3) something learned about loving God, or (4) something learned about loving others. These simple reflection questions prompted a deeper, transformative engagement with Scripture for all who participated.

Groups that had formed the previous fall ended on July 31st, and new groups were created. Four Bible Groups have been meeting during the fall and winter months of 2011. These groups will continue through mid-year of 2012, and new groups will form, with a focus on Covenant History beginning in the season of Lent. We are grateful for the leadership of Gretchen DeNeui, Ronna Husby, Sue and Don Dorman, Beverly and Jonathan Hancock, Christine and Jim Dekker.

In addition, there are two affinity groups meeting – the Moms' Group and the Senior Share Group – whose reports are below.

Moms Group

Ann Boyd, Andrea Oliver

2011 marks the second year for Grace's Moms Group, co-led by Ann Boyd and Andrea Oliver. Our vision has been to create a monthly opportunity where women can gather together and connect both with God and with each other in the context of parenting. The ideas we're often considering are, "What does God have to say to me through parenting?" and "How is God inviting me to grow — spiritually, emotionally, and relationally — through the experience of being a mother?" Some of the topics we've covered this year include: goal-making, making prayer cards, a practical "solutions workshop," practicing the St. Ignatius Examen, and discussing Holiday Traditions with a guest speaker (Tish Suk).

Our group has been small (generally about five in attendance), but the depth of our community has been growing. We have two regular members who attend a church other than Grace. We really appreciate the gift of our childcare providers, Chelaine and Eudora, and we are grateful to Grace for compensating them for their service. We wouldn't be able to have the conversations we have without childcare!

We would love to serve more of the parents in the church, many of whom work regular 9-5 jobs during the week. Andrea and I have, occasionally, thrown around the idea of hosting an after-church group for parents who are unable to attend a weekday morning meeting. At this point, neither of us have the energy (or sense a calling) to undertake that kind of group, but we'll keep listening for God's word on this.

We are grateful for the support of the church — for the space, money and time given to bless this group of mothers as we seek to know God better in our everyday lives. Thank you!

2011 Senior Share Report Mary Jane Dawson, Renee Roeschley

This year had a shift in leadership with Mary Jane Dawson joining Renee Roeschley to help co-lead the Senior Share group. Renee and the seniors have so enjoyed MJ's leadership and commitment and care for the group.

The group started out the year in March with 9 members and finished off with 3 new members all from the neighborhood. We are very excited to have new folks coming and especially happy to know they are from the church area.

The group decided they wanted to do a Bible study this year and one member suggested studying the Beatitudes. We enjoyed the study using Max Lucado's book, "The Applause of Heaven", with every member participating in some way.

We continue to pray for each member's prayer concerns in the group time and throughout the month.

We enjoyed two social events with one in June including a wonderful lunch at The Great Escape and the other our Thanksgiving meal to close our year out. This year MJ helped us change up our last group to include a Christmas story theme, which we all thoroughly enjoyed.

Looking ahead, the group has decided to continue with some Bible study, but also to go back to including storytelling as many seem to miss hearing each other's life stories.

Gratitude

While our team seeks to provide specific avenues of formation for people of all ages, we are well aware that our being formed in Christ is really the work of the whole of the church. So we extend our gratitude to each member of Grace, and pray that the Holy Spirit will continue to prompt in us a desire to grow into all that we are meant to be, to the glory of God.

With you on the journey,

Doreen Olson

Worship Team Report

The purpose of the worship team is to provide oversight to worship at Grace, to be caretakers of leading the congregation in worship and to grow together in our understanding of worship. Team members consist of:

Worship band leaders: *Dale Reed, Dora Winchester, Polya Giffen*

Soundboard coordinator: *Dale Reed*

Sanctuary arts: *Shonah Grant*

Projection: *Bruce Giffen*

Scripture readers and team leader: *Beverly Hancock*

Worship Pastor and board liaison: *Amanda Olson*

Many active volunteers are involved in scripture reading, projection, soundboard, musicians and help with sanctuary arts.

Worship themes were identified this year by the pastoral staff with input from the worship team. Themes reflected the season of the church calendar, as well as the three ministry priorities of the church: Study the Bible Together (Lent), Do Compassion Mercy and Justice in Jesus Name (summer series), Offer Authentic, Welcoming Community (fall series).

During the year we incorporated several new elements into worship. We continued the transition to our new order of worship launched during Advent 2010. This has required ongoing dialogue to smooth out transitions to enhance the flow, but overall the structure has proven to be very helpful in planning worship given Pastor Mandy's time limitations following the departure of Pastor Ryan.

We developed a core group of scripture readers with the intent to engage people who enjoy participating in worship through reading; to provide greater consistency in how the readings occur; and to eventually use the group to identify creative ways to read scripture. We have expanded the time of prayer prior to the service to include anyone involved in the service. The year, we initiated using the fifth Sunday of the month as a time to hear testimonies from the congregation in lieu of a sermon.

We have intentionally incorporated more youth members to the bands, and had an all youth band on Youth Sunday, led by Justice Reed. For the summer months, we expanded on last year's intergenerational worship, finding new ways to incorporate children into the worship service.

We are grateful for the many gifts in the body at Grace and appreciate the contributions of many to deepen our experience and enhance our understanding of worship as the body of Christ.

Respectfully submitted,

Beverly Hancock

Fellowship Committee Report

Fellowship is alive and active, as evidenced each Sunday. The majority of Grace sticks around after the service, building and strengthening community, even with the omission of coffee and snacks. There are no plans to alter this habit at this time.

Our fellowship activities were 'need based', with various groups and individuals providing the means to accomplish activities. This is in contrast to a standing fellowship committee of previous years. 2011 experienced reduced activity and participation within our fellowship activities and volunteers. As always, we were blessed by a number of cooking and coordinating saints who provided both beauty and brawn to the events of this past year:

1-23,	Annual meeting
2-27,	Devyn and Ryan farewell
3-20,	Chili cook-off
4-24,	Easter breakfast
5-1,	New member Breakfast
5-21,	Jerry Reed's memorial
6-12,	Youth mission lunch
7-16,	Block Party
8-21,	Rip and roll / Youth roll a wrap fundraiser
9-11,	Ministry fair
12-24,	Christmas Eve fellowship

Greeting and Ushering have been rejuvenated with the valued addition of Don Olson as coordinator. A number of loyal folk continue to provide warm smiles and strong hands of fellowship.

We look forward to 2012 as we continue to emphasize Welcoming Community and the possibilities of building more 'Life Together' with those yet to come to Grace. May God be glorified by His Church.

Submitted by Pete Mueller

Missions Report

Grace Covenant Church has a strong history of investing in the growth and ministry of the wider Christian Church. We practice what we preach in that our giving to ministries outside of those we directly run is a large percentage (18%) of our local income. This is the same thing that we teach with respect to personal stewardship. As Grace receives the generosity of our constituency, we proportionally invest in the ministry of others.

Our primary avenue of ministry is through the Evangelical Covenant Church, including our regional conference, known as the Central Conference (IL, WI, UP of MI, and IN), and some of the institutional ministries of the church. In addition, we invest in a limited number of other ministries through supporting individuals who belong to and are active in the Grace Covenant congregation. During this last year we:

- Completed a two-year commitment to support Jared and Hannah Baker in Belgium. They attended Grace Covenant while Jared was a student at North Park Theological Seminary.
- Concluded support of Eugenio and Amparo Fernandez who concluded service in Spain.
- Completed our support of Tim Reed who served with the Center for Student Missions here in Chicago and is now preparing to become a teacher. Below is a list of people we continue to support as of December 31, 2011.

Men and Women Serving Outside the United States

Rob and Nancy Reed – Church planting in Spain through the Evangelical Covenant Church
Leonid and Leanna Regheta – Evangelism in Russia through of the Evangelical Covenant Church
Francisco and Stephanie Ramos – Church Planting in France through the Evangelical Covenant Church

Karl and Sue Peterson – Church Planting in Mexico through the Evangelical Covenant Church
Janice Buriss-Wales (retired)

Men and Women Serving Within the United States

Mark Washington – Graduate business school student outreach through InterVarsity

Ann Boyd – ministry through InterVarsity

Jonathan Hancock - Outreach to male sex workers in Chicago through Emmaus Ministries

Regional and National Denominational Ministries

Ministry to urban elderly through Covenant Home (Foster Avenue)

Preparing future pastoral leaders through the North Park Theological Seminary Presidential Scholarship

Church planting, camping, and church development through the Central Conference

Christian Formation, Church Planting, Ordered Ministry, Publications, and Denominational Leadership of the Evangelical Covenant Church

Goals for the Next Year

During the next year priorities will be to:

- Review our Mission Policy (available on the web site),
- Evaluate current support, consider the balance between adding other missionaries or ministries versus the value of supporting a smaller array but in more significant levels,
- Utilize technology to better connect with the men and women we support around the world (possibly Skype interviews as a mission moment during worship),
- Specify specific church plants toward which we can direct our existing church planting support,
- Clarify responsibility within Grace Covenant for World Relief and other targeted giving opportunities above and beyond our regular planned giving as a church.

Mark Olson, Ministry Team Leader

Compassion Mercy Justice Team

The Compassion Mercy Justice (CMJ) ministry worked to strengthen its effectiveness despite various challenges in 2011. The activities of CMJ continues to be a collaboration with our sister congregation at Grace, Iglesia del Pacto, and we are thankful for God's grace and faithfulness as we work on many issues together. A reunion was held in March to celebrate the second anniversary of the Invitation to Racial Righteousness (I2RR) our two congregations shared in February of 2009. It was the experience of sharing I2RR that helped strengthen many of the relationships that have fostered this joint collaboration. The Justice with Grace group continued to meet regularly in 2011 to seek ways that our two congregation can respond as Christ's servants in the areas of CMJ. The highlights of the year are below.

1) The FED at Grace emergency food distribution program, which is open to those in need of food every Saturday from 11am-1pm, distributed food on every Saturday in 2011. This program began distribution in December of 2009 and reached its second year of operation in December 2011. The main challenges this year were the program overall received much less food to distribute because of the economy and a decreased budget, despite an increase in need and demand from the guests who come for food. There were a couple distributions where we ran out of food and had to close the doors early. There were also challenges in the summer when we received shipments of fresh produce, sometimes coming late in the day, even after closing time. The program continues to have an incredible active core of volunteers, including Olga Barahona from Iglesia and Tom Hansen from Grace, both who I believe were at every distribution in 2011. Many others volunteer 2 to 3 times a month. In fact, the volunteers are so dedicated that they chose remained open on Christmas and New Year's Day, as ours was the only site in the city to do this. One new plan for FED at Grace for 2012 is to offer a screening for blood pressure and diabetes testing to guests that are interested. This is being led by Heather Duncan and the students from the North Park nursing school. It will start as a pilot project and depending on how it goes, may become a regular feature, possibly monthly.

2) Progress continues with our involvement with the many facets of immigration, working to support and reach out in Christ's love to the immigrants living among us. Marv Bailey has taken a solid leadership role with our church and also with the North Side Family Support Network, a ministry of several North Side Covenant Churches. The Network is sponsored by the Commission on Compassion, Mercy and Justice of the Central Conference and is committed to the principles of the Covenant's Resolution on Immigration. It follows a model developed by the Illinois Coalition for Immigrant and Refugee Rights, training lay volunteers to work in teams to provide emergency assistance to immigrant families in crisis, particularly those caught up in immigration bureaucracy and possible deportation proceedings. The Network meets on a regular basis to plan educational events, and encourages members of each of their congregations to take action, have a presence, and provide prayer support, whether it's at the regional detention center or a court hearing for an immigrant that has come to the Network for support. Marv was also instrumental in helping to develop an emergency fund for the Network to assist immigrants in emergency situations.

3) The Conversation Café is another ministry that has been developing over the last several months of the year. Pam Hubbard, in addition to her constant involvement with FED at Grace and the immigration network, has taken a lead role in bringing together members of both Grace and Iglesia to get together on many Saturday mornings from 9:00-11:00 am before the food distribution. Participants come together to share their lives and encourage one another to learn each other's primary languages of Spanish and English.

4) Don Dorman has been instrumental in introducing our congregation to a new program called youshare.org, an online network developed by a local organization to better connect our community. This program is just in the initial stages at Grace and will allow us to more effectively reach out to one another in the local neighborhood where there are areas of need. This ministry has much potential and we look forward to the impact it will have in the coming year.

Finally, I want to recognize the involvement of Kelly Johnston as our pastoral intern this past year and all the ways she has supported the work of CMJ, and to also thank Mark Tao for all the ways he has enthusiastically been involved in various aspects of the CMJ ministry in the last half of the year.

Respectfully submitted,
Curtis Roeschley - Team Leader

Report of the Pastoral Intern

I am pleased to be composing the Pastoral Intern's report for the 2011 Annual Meeting. Since beginning in my role as Pastoral Intern this past summer, I have felt warmly received by the Grace community and consider myself fortunate for having been led by the Spirit to Grace. I began in the position of "Pastoral Intern" in mid-August, 2011 working 20-25 hours per week. As a fourth year M.Div candidate at North Park Theological Seminary, I was enrolled in one course this past fall and am receiving training as an urban CPE resident. I am grateful for the call to serve in ministry, journey with others in mutual spiritual formation, and explore my pastoral identity here for a season.

Since beginning at Grace, many of my responsibilities have been in concert with those of my predecessor, Kelly Johnston. Like Kelly before me, I have had the opportunity to be involved in a myriad of ministry experiences from assisting in Sunday morning worship to having conversations with those seeking Pastoral care. I have preached one sermon, assisted with communion and baptism, planned a prayer service, participated in bi-monthly staff meetings, and attended intra-community events (i.e. Iglesia del Pacto special services, senior share, etc.) as well as other external networking gatherings (in the Irving Park Community).

Additionally, I have continued providing pastoral oversight to Grace's outreach ministries and have worked with church members on the Compassion, Mercy, and Justice Team as Grace endeavors to embody a greater "missional" ethos and identity. To this end, I have joined lay leaders at Justice with Grace meetings and have helped to facilitate conversations around the principles of *missio dei*, justice, and reconciliation. I have also coordinated events such as our second annual ministry fair, and newcomer's welcome brunch, and hope to continue working on more outreach initiatives in 2012. I am also happy to have built friendships with brothers and sisters from Iglesia Del Pacto Grace on Saturdays through volunteering at the FED at Grace program as well as collaborating with lay leaders to start and regularly attend a Conversation Café group. I have enjoyed the rapport between our two congregations (one church) in ministry and hope that we may grow even closer as we pursue ministry in the future.

Finally, I have had the opportunity to travel to receive additional training in attending the Christian Community Development Association (CCDA) Conference in Indianapolis, IN in mid-October, attending workshops on a diversity of topics including immigration reform and becoming a strategic neighbor. I will also attend the Covenant's annual Midwinter Conference this February.

I am thankful to have found a supportive community at Grace. Church members and lay leaders have given me encouragement and graced me with their own stories of faith and accompanying joys and disappointments. The Pastoral relations committee has affirmed my strengths and challenged me by helping me to identify growing edges. The staff team—Dámaris Cami, Adam Butler, and Betzy Cisneros have taught me much about what team ministry really looks like. Lastly (but not leastly), I have appreciated Pastor Mandy's discerning spirit and insightfulness in exercising her Pastoral role and responsibilities. I have learned much from Pastor Mandy about balancing the priestly and prophetic, listening to the Spirit, caring for all of the members of a congregation, and living with the Kingdom of God in mind. She has made herself available to help me process through my experiences at Grace, and her mentorship in the area of the ministry of the local church has been invaluable.

It is my hope that 2012 will be a year of continued excitement, joy, and change. May we strive to honor our statement of response in "going deeper in Christ and further in mission" by perhaps also inverting the adage and "going further in Christ and deeper in mission". May we find new ways to be united together in our pews, in our neighborhoods, and in our world so that Christ may be glorified and that we may experience a *shalom* that surpasses all understanding. Thanks be to God!

Submitted by—Mark Tao

Iglesia del Pacto Grace Covenant Church

Dear Pastor, Church Leaders, and Members of Grace Covenant Church:

We thank the Lord for having the privilege of sharing a ministry with you in this community. We praise God for your work for the Kingdom, which you have faithfully carried out in this community over the last 51 years. You are, have been, and always will be an important part of our ministry. Thank you for the support, love, and care you have shown us in so many ways.

As you may also know, we have members from both congregations working side by side to serve the surrounding community. These opportunities include food distribution and the Northside Family Support Network. We have found these times to serve together very enriching and a reminder that we truly are one in the Lord!

This has been a year of many trials, but concurrently, great blessings. This year we celebrated our 19th anniversary as a church. We can joyfully report that church attendance has increased this year. Every Sunday, we have an average of 70-80 adults (including youth) with an additional 50-60 children worshipping with us. Over the last year eight people have decided to get baptized. We will soon receive 15 new members into our congregation. Our ministry has also expanded from one, to three small groups held in various homes. We are also partnering with a Covenant missionary to Mexico, Ben Wickstrom, and we are partnering with a Covenant church plant in Mexico.

Our community has suffered greatly this year too. We see a need for immigration reform, as we see brothers and sisters in the church directly affected by the current realities. We request your prayers in this area as we have found ourselves ministering to families in this situation on more than one occasion.

As always, we are committed to education and encouraging those who attend the church to pursue education opportunities, while also growing spiritually. We are proud to report that there are seven young adults attending university. These young adults are also involved in a number of ministries including worship and Sunday school. Other members are enrolled in English and GED classes and serve in a number of roles in the church. We continue to develop our church leadership through a course being offered by CHET (Hispanic Center for Theological Studies) and are planning to send 10 of our members to these courses.

In 2012, we have many plans and goals. It is our goal to reach out to 100 new people in this coming year. We also want to add 25-30 new members and start six new home Bible study groups. We believe the small groups are instrumental in reaching new believers as we are seeing people come to Christ in the current small groups.

We will continue to strengthen our youth and men's ministries. We praise God for the youth leader who has been working with the young people over the last year and will continue to serve in this capacity in 2012. She has been a wonderful addition to our church. The men's choir, which was started in 2011, will continue and we think will grow, as there has been excitement in our church about this. We are also planning to start dance ministries for children, youth and adults.

Brothers and sisters, we praise God for you! It is through your actions that we can see that we are truly one in Christ. Thank you for all you do for the Kingdom.

Respectfully submitted,

Luis Retamal, on behalf of La Iglesia del Pacto Grace

Watchcare Fund Income and Expense Report

Dates	1/1/2011- 12/31/2011	
2010 Balance carry over to 2011		2795.54
Transfer from main account		1000.00
Income to Watchcare fund		3242.88
Designated income		1700.00
EFT		300.00
		9038.42
OUTFLOWS		
Bank Charge-Bank Charge		4.95
Designated		1700.00
Requests for food, rent, medicines, utility payments		4834.15
* Reimbursement for out of pocket money		267.25
Total Expenses		6806.35
Income minus expenses	Balance	2232.07

Facilities Report

The list of maintenance and repair items for our two properties is too long to itemize here, but I will highlight the more significant events from 2011:

- Sewer tile collapse on north side of church, which caused backed up drains in all kitchen areas sinks. (\$2,500 plumbers bill to repair)
- Boiler repairs at the Nina Larson Ministry House
- Hiring of new janitor, Marga Muschitz, who is an active member at Immanuel Covenant Church, *with special thanks to Pastor Mandy for her recruiting efforts!*
- Two church work days with many exterior projects completed, including a face lift for the playground, fence painting, and assorted landscaping and cleanup tasks. *Many thanks to all who came out to help!*
- New exterior signs/banners on the church building and Nina Larson Ministry House

You may have noticed that the 2012 maintenance budget has tripled. This is mainly due to the anticipated costs for tuck pointing of the Youth Room and possible flat roof replacement, repairs to the back porch at the Nina Larson Ministry House and redecorating of the church sanctuary.

I welcome any and all input as to which building projects should happen first, as well as alerts to new items that may need attention.

Sincerely,

Tom Hansen

Financial Secretary's Report

The following is a list of the funds and totals contributed in 2011. This does not include the contributions made via electric fund transfers, which totaled \$80,805 for the General Fund (bringing its total to \$283,383.06) and \$300 for the undesignated Watch Care Fund (bringing its total to \$3,542.88).

Watch Care	\$3,242.88
General Fund	\$202,578.06
Watch Care-Designated	\$1,700.00
Missions	\$600.00
Fernandez Spanish Mission	\$300.00
Iglesia del Pacto	\$1,320.00
Utilities	\$1,800.00
Deep Freeze	\$911.00
CHIC	\$21.14
Youth Fundraising	\$2,381.45
Jr. High Trip	\$513.00
Interns	\$3,000.00
Easter Breakfast Donations	\$162.00
Memorial Fund	\$100.00
Covenant World Relief	\$371.00
Hope for Kids	\$597.96
Midwinter Reimbursement	\$170.00
Camp Overpayment	\$159.00
Bibles	\$45.00
Vacation Bible School	\$454.00
Immigration Fund	\$5,915.00
Youth Mission Trip	\$2,900.00
VBS Enrollment	\$105.00
Grace T-Shirts	\$185.00
Congo Shipping Costs	\$305.94

Thank you to all who contributed to Grace in 2011!

James Hopp

Income Summary and Proposed Budget

	2010 Actual	2011 Budget	2011 Actual	2012 Budget
BUDGET INCOME				
Other Income	1,519.85	720.00	2,955.31	7,400.00
Offerings	260,904.49	\$295,000.00	\$283,383.06	\$295,000.00 (4.099%)
Total General Income	262,424.34	\$295,720.00	\$286,338.37	\$302,400.00
BUDGET EXPENSES				
Mission Expenses	46,953.00	\$53,202.00	\$51,540.50	\$53,202.00
Congregational Expenses	20,412.02	\$20,425.00	\$26,482.31	\$31,107.25
Staff Expenses	177,544.81	\$177,640.00	\$140,024.16	\$143,074.00
Operational Expenses	46,411.88	\$44,850.00	\$56,475.46	\$74,251.75
TOTAL BUDGET EXPENSES	291,321.71	\$296,117.00	\$274,522.43	\$301,635.00
Liquid Assets as of Dec. 31				
Checking	\$15,071.93		\$15,215.33	
CD	\$21,337.04		\$40,097.35	
Total Liquid Assets	\$36,408.97		\$55,312.68	

Membership List

- 1 Winchester, Dora
- 2 Bailey, Marvin
- 3 Bailey, Laurie
- 4 Baker, Jared
- 5 Baker, Hannah
- 6 Barnes, Jon
- 7 Barnes, Krissa
- 8 Beckstrom,
Benjamin
- 9 Beckstrom, Christy
- 10 Bolinder, Jesse
- 11 Bolinder, Megan
- 12 Boyd, Jon
- 13 Boyd, Ann
- 14 Bramer, Paul
- 15 Bramer, Marlene
- 16 Bredensteiner,
Alisa
- 17 Brown, Stephen
- 18 Cami, Jonatan
Cami Ferrer,
- 19 Damaris
- 20 Carpenter, Kirk
- 22 Chisman, Pete
- 23 Chisman, Diane
- 24 Damhorst, Kathy
- 25 Dawson, Steve
- 26 Dawson, Mary Jane
- 27 Dekker, Jim
- 28 DeNeui, Paul
- 29 DeNeui, Gretchen
- 30 Dickie, Allyson
- 31 Dorman, Don
- 32 Dorman, Sue
- 33 Dorman, Mary
- 34 Edwards, Becky
- 35 Edwards, Lee
- 36 Finney, Janice
- 37 Giffen, Bruce
- 38 Giffen, Polya
- 39 Goldvarg,
Stephanie
- 40 Grant, Brian
- 41 Grant, Shonah

42 Hagberg, Chris
43 Halsey, Marleen
44 Hancock, Jonathan
45 Hancock, Beverly
46 Hanrahan, Erin
47 Hansen, Dorothy
48 Hansen, Tom
49 Hillabrant, Sarah
50 Hopp, James
51 Hopp, Denise
52 Hubbard, Bob
53 Hubbard, Pam
54 Huber, Janice
55 Husby, David
56 Husby, Ronna
Kallen-Youngberg,
57 Dave
Kallen-Youngberg,
58 Lisa
59 Malone, Karen
60 Marks, Theresa
61 Masters, Molly
62 Molter, Charlie
63 Molter, Pat
64 Mueller, Pete
65 Mueller, Patty
66 Munoz, Patty
67 Mylander, Wilma
68 Navarro, Lisa
69 Nelson, Harry
70 Nelson, Ione
71 Ng, Danielle
72 Nyman, John
73 Nyman, Charlene
74 Oliver, David
75 Oliver, Andrea
76 Olson, Don
77 Olson, Amanda
78 Olson, Mark
79 Olson, Doreen
80 Orians, Scott
81 Orians, Shelby
82 Pfeiffelman, Eric
Pfeiffelman,
83 Bonnie
84 Pozo, Anette

85	Pozo, Waldo
86	Reed, Dale
87	Reed, Desiree
89	Reed, Nancy
90	Reed, Tim
91	Reed, Kelly
92	Ripka, John
93	Ripka, Susan
94	Roeschley, Curt
95	Roeschley, Renee
96	Ruby, Rita
97	Saldana, Ruser
98	Saldana, Bethany
99	Schriber, Stephen
100	Spellacy, Daniel
101	Thompson, Jodi
102	Thoes, Kelly
103	Washington, Mark
104	Washington, Amy
105	Weber, Zack
106	Limburg-Weber, Lisa
107	Yutzy, Dan
108	Yutzy, Heather
109	Zimmerman, Tom
110	Zimmerman, Kimaley