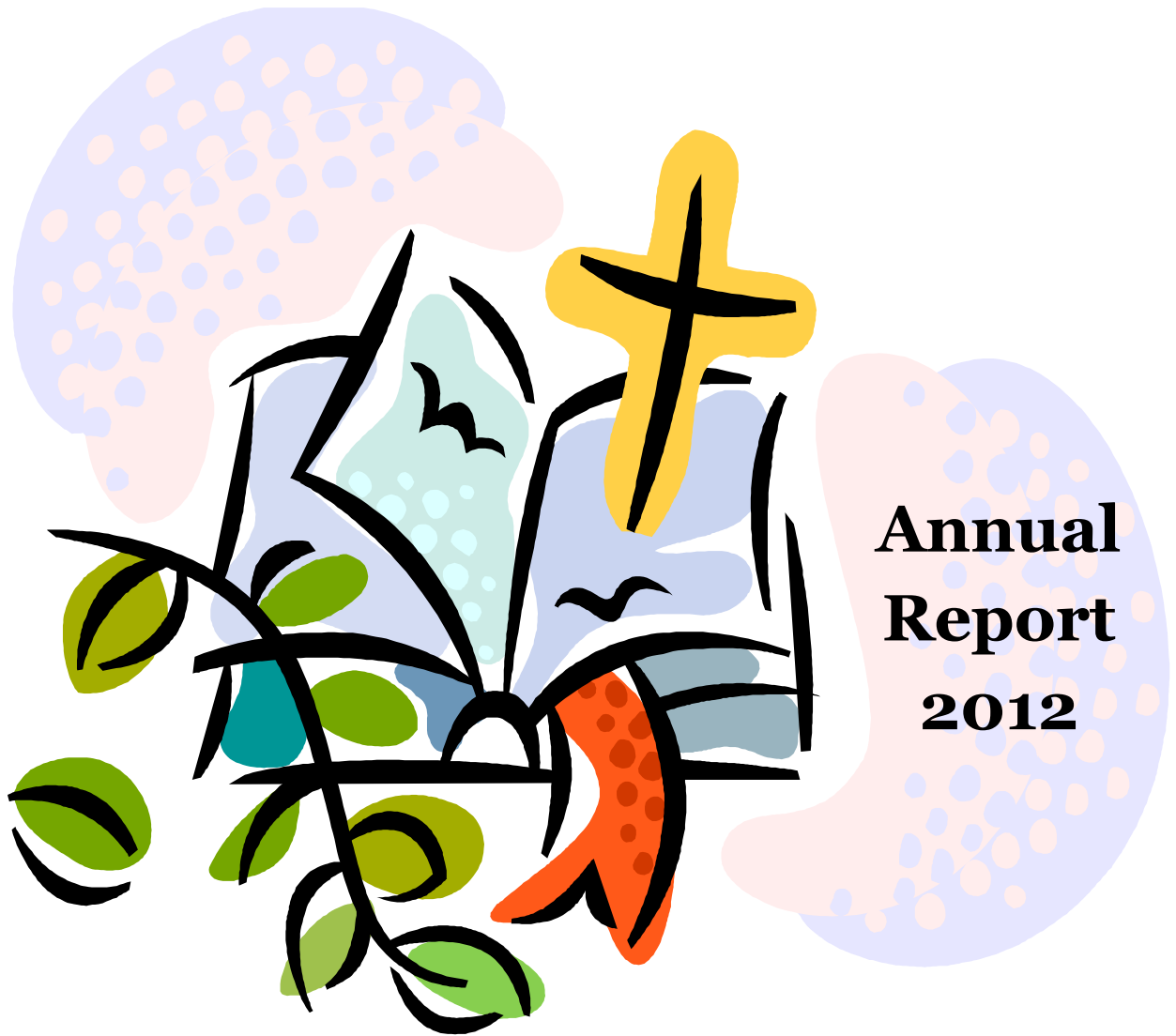




Grace Lutheran Church



**Annual
Report
2012**

January 2012



May 2011 Congregational Meeting

Minutes from May Meeting

President Vickie Meade called the May 2011 congregational meeting to order following the 5:00 pm service on Saturday May 28th and Vice President Van Mohlis continued the meeting following the 8:30 am, and 10:00 am services on May 29th. After the meeting at the 5:00 pm, and the 8:30 am services a motion was made, seconded and passed to suspend the congregational meeting until the following service. After the meeting following the 10:00 am service a motion was made, seconded and passed to adjourn the congregational meeting.

The item of business at this meeting was to elect 3 members to the Vision Board. Ballots were counted by two or more members of the Grace Vision Board. Ballot totals and counts were as follows:

188 members voted + 48 non-members voted - Vision Board votes were as follows: Mary Jo Andrusko (178 votes), Lori Ackerson (180 votes), Pat Walters (188 votes), Donna Druley (2 votes). Mary Jo, Lori and Pat were elected to the Vision Board

Respectfully submitted by Ed Stang, Vision Board Secretary

2011 Membership Statistics Pastoral Acts	
<u>New Members</u>	
Adults	49
Children.....	14
Average Weekly Worship ...	514
<u>Membership</u>	
Total Members	1553
<u>Confirmed</u>	
Confirmed in 2011	24
<u>Pastoral Acts</u>	
Weddings	11
Baptized Adults	2
Baptized Children	22
Funerals	5



Senior Pastor's Report



Senior Pastor's Report January 2012 Annual Report

I begin by giving thanks to God for the generous ways in which he works among us! He is constantly giving to us: faith, salvation, forgiveness, eternal life, his Spirit, and a community of faith where all of his blessings can grow and come alive. And indeed, they have! We are a blessed church! We have great leadership and a talented staff. We

have a developing heart to share his love with others in outreach and mission. We see people growing in their faith, studying the Bible, connecting with each other, singing in choirs and teams, serving food to the hungry, teaching children and youth, caring for our building, quilting and knitting, and the list goes on and on. And finally, the Spirit has blessed us with a warm and inspiring worship life that continues to transform and renews us.

God's Generosity Has Impacted Us

I believe that God's generosity has impacted the generous ways in which we have served, given, and invested in spiritual growth. We have grown the number of people who serve beyond our congregation. We have some enthusiastic people planning an Adult Mission Trip to Haiti. We bought water tanks for orphans in Uganda. We are now discussing ways in which to partner with other churches to offer used-clothing to those in need. We have housed homeless families in our church and helped other churches do the same. This growth in serving reveals we understand the secret about loving God...it is best demonstrated in the ways we care for and serve others.

A Look at the Past Year Finances

I believe as we have grown our ability to recognize and receive God's generous love, we have grown our ability to give our financial resources! I am thankful that we are becoming more generous as we have increased our overall giving by 4%, especially during these challenging economic times. I believe one of the keys to our growth was the "Make It Simple" Stewardship Series last February. During the four weeks we saw:

- 80 families buy and read *Enough: Discovering Joy Through Simplicity and Generosity* by Adam Hamilton

- 75 people attend one of 10 Small Group Meetings to share the journey of giving
- A great video of testimonies from four different Grace families about the ups and downs of giving
- 56 families take the 1% Challenge to increase their giving (about 12% of the congregation).

We felt the impact of our stewardship series immediately. Regular offerings increased dramatically to the point that we ended the year more than \$63,000 ahead of last year. What's more important, giving to the capital fund grew significantly and enabled us to slow the drain of this fund to cover the mortgage. (We moved from an average of \$7,000/month to \$8,353/month. Our monthly mortgage cost is about \$10,000/month...you can see we have a bit of a challenge before us!)

With all of this being said, we are thankful we did not have to spend all of our projected 2011 Mission Budget of \$939,000. Most of that was due to the changing needs in the personnel areas:

- We did not hire a Director of Senior High Ministries as planned
- We did not replace the Director of Worship and Music position
- Pastor Steve's hours were reduced to ¾ time to allow him to start his PhD at Luther Seminary

However, we did have some unanticipated needs which we had not planned on. They were:

- The RENEW Spiritual Formation Event with Mark Scandrette in early October.
- The need to increase office security necessitating the relocating of our computer file server, as well as the purchase of new servers to start a two year upgrade to our aging network and software systems.

As a result we ended the year with a \$7,500 overrun. In addition, we were not able to pay back the remaining \$6,000 of the original \$30,000 borrowed from the Capital Fund in 2008.

Looking at 2012

It is always a challenge to project the budget needs of a church, especially when it operates on a ministry year of



Senior Pastor's Report continued

September to May instead of a financial one of January to December. I find you have to project out about 18 months to cover the staffing, programming, and building needs, in light of the congregation's spiritual needs. We try as hard as we can to anticipate the various needs, but frankly, faith development and growth is a God thing. If I've learned anything in nearly 30 years of ministry, it's this: the Holy Spirit blows exactly where the Holy Spirit decides to blow. And it is the job of the church staff and leadership to discern when and where it will. So we try to put together plans and goals as best we can. We try to anticipate the costs. But as a wise parishioner once commented to me: "A church budget has to be cast in Jello! There always has to be some wiggle room!" I like that!

What are the specific goals for Grace supported by our new budget? Let me share some of them:

- We want to continue to emphasize spiritual growth and serving beyond our walls. It is our desire to strengthen and grow the ministries we already have.
- We want to fill open staff positions so our present staff will not have to wear so many different "hats" and concentrate more energy in specific areas of ministry.
- We want to hire:
 - A Director of Children, Youth, and Family in the summer with specific areas of emphasis in Senior High.
 - A part-time Communications Specialist in late spring to oversee our website, newsletter, and general publicity needs.
- We want to increase our benevolence by .5% as we strive to reach a full 10% in 4 years. We presently give 8% of our offerings to the ELCA, Lutheran Social Services, Feed My Starving Children and various other ministries through Noisy Offerings.
- We want to host another Spiritual Renewal next fall that will be a further catalysis to spiritual formation and growth.
- We want to raise our giving to the Capital Fund by \$1,713/month to fully support our mortgage.

In order to support our budget, we have a big challenge ahead. Simply put, we will have to grow our giving by \$100,000 to our Mission Fund and \$20,000 to our Capital Fund. That is an ambitious challenge, and one that will require faith, sacrifice, and lots of trust.

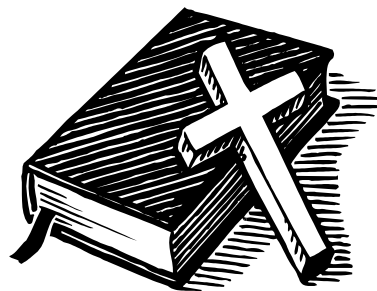
What happens if we can't grow our giving to adequately support our 2012 Mission Budget and Capital Fund? Well, as we have demonstrated now for many years, we will not spend what we do not have. The leadership of our church takes seriously the mandate to steward and manage wisely the resources God provides. We will not commit to a program or a new staff position if we do not believe we have the resources to do so.

However, I believe God continues to gift us with a wonderful and committed staff. Our recent additions of Tyree McDowell (Administrative Assistant) and Ralph Holbrook (Church Administrator) are already growing the ministry we have. I sense we are on a "roll" and God's generosity has poured into us and is going to flow out even more in the year to come!

In conclusion, I want to thank God for the ways in which he continues to bless us. And I want to thank you for the ways in which you give so generously. God is doing some great things here at Grace. Let's do everything we can to receive and share it.+

In Him,

Mark A. Hellmann



Vision Board President



As I reflect on 2011, the Lord has worked in remarkable ways in the Grace community to open our eyes and our hearts to the world around us.

In January we were led by the Lord to start the "Make is Simple" campaign to kick start the giving program for the year. A number of families and individuals took an incremental step in their giving to help Grace move toward a more stable financial future. To that I say thank you! At the same time we had our first Connect class allowing the Grace community to get to know each other and learn about the opportunities available at Grace. Sunday Evenings at Grace continue to be a place for the community to connect and grow spiritually. If you haven't participated yet I encourage you to give it a try. There is something for everyone in the family, not to mention an awesome dinner. (Thank you Sizzle Team).

The Lenten season brought us the Hunger & Thirst theme and our focus on hunger. Each sermon brought us a new perspective on how we hunger and thirst for the coming. Ann Hill, from Feed My Starving Children (FMSC), spoke to us about becoming more AWARE and RESPONSIVE to the needs of the hungry. A number of us packed meals at FMSC in response to this need. Lent also brought us the 'Living Last Supper'. We thank you gentlemen, for a moving portrayal of Jesus' last supper.

Summer brought VBS which is a welcome time for all children. This year the children were 'Inside Out & Upside Down on Main Street'. Special guest Chef Pierre mon Frere (our own Pastor Steve) helped kids explore and experience stories Jesus told about everyday people in everyday situations.

In October we were challenged to 'RENEW' our faith relationship through the Renew Weekend. To RE-NEW means: *to bring back to an original condition of freshness and vigor*. Mark Scandrette opened our eyes to a new way of looking at our faith. He challenged us to conduct experiments that challenge our faith. I think everyone that participated found a new dimension of their faith to explore and challenge.

I also need to mention the wonderful music of Heatherlyn which brought us relaxation and composure.

In October Grace also began a year-long Worship Series to explore and deepen our spiritual formation with the Seven Habits of Effective Discipleship. What are these Habits you ask? Worship, Bible Study, Prayer, Giving, Serving, Vital Relationships, and Sharing my Faith. These habits or spiritual disciplines have been some of the main tools God has used to grow us deeper in faith. I hope you are enjoying exploring the habits as much as I am.

November brought a fabulous Feed My Starving Children event over the November 18/19 weekend. It was an unbelievable outpouring of time, talent and resources; 633 volunteers from Grace packed 184,464 meals. That's a daily life-saving meal for 507 children for a year! We also collected \$4500 through the Noisy Offering to benefit FMSC.

The Advent season brought a time of expectant waiting and preparation for the celebration of the birth of Jesus. Each year this brings out a number of outpourings such as Operation Christmas Child boxes, the Choral Advent Service, and LIVE from Bethlehem – The SONday School Christmas Program, culminating with celebrating the Christmas Promise on Christmas Eve.

As 2012 begins, I pray the Grace community continues to move in the path that Jesus is guiding us.

Respectfully submitted,

Van Mohlis
Vision Board President



Financial Recap 2011

Grace has been very blessed this year. Even with a challenging economy we have managed to pay our bills and grow our ministry. We have had some staff changes this year but still managed to grow our Adult education, Youth and Children’s ministry, and continued to grow our outreach and service opportunities.

In January, Pastor Chris and the generosity team put together the “**Make It Simple**” stewardship campaign. While financial support is critical and is connected with spiritual maturity, your gifts of time and talent are essential to sustain God’s Kingdom work here at Grace. With this series, we received immediate and dramatic impact in our giving. Giving increased in both the Mission and Capital Funds.

By the end of November we could see that we were going to end the year in the red unless we asked for everyone to search their hearts and their pocketbooks for a generous gift in December. With this effort and God’s blessing we ended the year with contributions \$7,500 short of ending in the black. As part of our year end campaign, there were over 50 families who gave amounts ranging from \$25 to \$10,000. For many this was in addition to their regular giving for the mission and capital funds.

We did end up with two items which we had not planned on in 2011. First, was the need to relocate and upgrade the computer environment here at Grace. With this upgrade, we will be able to gain efficiencies in 2012. Second, was the RENEW Spiritual Formation event with Mark Scandrette in early October. This event has seen positive fruit in the Spiritual Formation of the congregation.

We gave away 8% toward benevolence in 2010. This included Lutheran Social Services, ELCA Synod, Disaster and Hunger Funds, Feed My Starving Children, Families in Need, Caring Bridge, and many other organizations. (Please see the details in this publication.) Again, this year the staff worked very hard to manage spending to fall in line with giving. This included not providing the staff with annual increases for another year.

Even though we finished 2011 slightly short of our needs, we feel we are in a good position to move forward in 2012.



Giving Levels in 2011

Gift Level	Family Units	% Family Units	Total Income	% Income
\$5 - \$499	284	48%	\$40,303	5%
\$500 - \$999	97	16%	\$68,165	8%
\$1,000 - \$1,999	80	13%	\$118,369	13%
\$2,000 - \$4,999	88	15%	\$270,120	31%
\$5,000 - \$9,999	36	6%	\$250,056	28%
\$10,000 & up	<u>9</u>	<u>2%</u>	<u>\$129,145</u>	<u>18%</u>
Total	594		\$876,160	



Grace Capital Fund

Our Capital fund is used to pay our mortgage, capital improvements, and seed future capital fund drives. Moving our mortgage payment to this fund has enabled us to pay our mortgage on time and establish a good payment record. In the past, with a mortgage over \$10,000 we often had trouble coming up with that amount from our Ministry Fund when giving was down.

This year we ended with \$37,662 in our capital fund. Through the Stewardship Series in February, we were able to increase our average monthly giving by \$1,350 per month. However, we were still short approximately \$1,700 each month resulting in \$12,635 reduction in the capital fund.

Our mortgage was reduced by \$33,516. Our Financial Security Fund, which is for emergencies, has an overall balance of \$66,500.



2011 Capital Fund Activity

	Income	Expense
Beginning Balance	\$ 50,297	
2011 Income	\$100,236	
Reimbursement	\$ 9,750	
Security fund Interest	\$ 000	
Interest	\$ 132	
Mortgage		\$120,792
Other Expense		\$ 1,961
TOTALS	\$160,415	\$122,753

Remaining Balance: \$37,662

Thrivent Mortgage

Beginning Balance	\$1,411,607
Principal	\$ (33,516)
Interest	\$87,276
Total Interest Paid	\$87,276
Ending Balance:	\$1,378,091

Financial Security Fund

Thrivent Account # 1	\$33,250
Thrivent Account # 2	\$33,250
Total:	\$66,500



Noisy Offerings & Other Gifts

Worldwide Outreach

ELCA Worldwide Disaster	\$3793
ELCA Worldwide Hunger (Poinsettias)	\$ 555
ELCA Malaria Work	\$ 225
Feed My Starving Children	\$9461
CEAP	\$ 520
Well for Impoverished Community	\$3033
Operation Christmas child	\$ 278
Contribution:	\$17,865

Assist: Food/Shelter/Clothing

Our Saviors	\$ 328
Habitat For Humanity	\$ 280
Family Table	\$ 698
Family Promise	\$ 348
Meals on Wheels	\$ 320
Minneapolis Tornado Victims	<u>\$ 398</u>
Contribution:	\$2372

ELCA Benevolence

Minneapolis Area Synod	\$35,000
Contribution:	\$35,000

Community Outreach/Crisis

Families In Need	\$1305
Lutheran Social Services	\$3000
Youth Mission Trip	\$1335
Caring Bridge	\$ 353
Camp Knutson	\$ 335
Grace Quilters	\$ 554
Free 2 Be	\$ 531
Prayer Shawl Ministry	<u>\$ 215</u>
Contribution:	\$7628
Total Gifts:	\$62,865

Statistical Facts:

Feed My Starving Children:

More than 1,100 volunteers from Grace packed over 425,000 meals; enough to feed 1,164 children for one year.

Operation Christmas Child:

374 shoe boxes were filled with supplies and support and delivered around the World. 10 volunteers served at the OCC Distribution Warehouse.

Family Promise of Anoka:

We hosted guests for 3 weeks using the time and talent of 250 volunteers.

Grace Quilters:

300 or more quilts blessed people locally and globally.

Grace Family Table:

75 to 100 people ate a nutritious, hot meal each month at Grace.



Audit Report

Bank Account Balance Verification

Current Fund (US Bank) Business Checking Account

Beginning Balance 1/1/2011	\$ 12,422.55
Total Deposits or Transfers	\$ 1,318,219.73
Total Withdrawal or Transfers	\$ <1,310,007.43>
Ending Balance 12/31/2011	\$ 20,634.55
Outstanding Checks as of 12/31/2011	\$ <u><9,990.83></u>
General Ledger Balance as of 12/31/2011	\$ 10,643.72

Capital Fund (US Bank) Business Money Market

Beginning Balance	\$ 50,297.02
Interest Earned	\$ 132.66
Deposit	\$ 100,236.00
Mortgage Principal/Interest	\$ <120,792.00>
Reimbursement General Fund	\$ 9,750.00
Other Expenses	\$ <u><1,961.44></u>
Ending Balance 12/31/2011	\$ 37,662.24

Financial Security Fund (Thrivent #1)

Beginning Balance	\$ 33,150.73
Interest Earned	\$ <u>99.61</u>
Ending Balance 12/31/2011	\$ 33,250.34

Financial Security Fund (Thrivent #2)

Beginning Balance	\$ 33,150.60
Interest Earned	\$ <u>99.60</u>
Ending Balance 12/31/2011	\$ 33,250.20

All accounts appeared to be in order. Balances were reconciled monthly and transactions were well documented. A sample of monthly bank statements for the accounts, cancelled checks, deposit slips, the paid invoice file, and the checking account check register were all examined.

Submitted by Steve Turbenson and Ed Stang, January 13, 2012



Financial Projections 2012

The staff and leadership of our church have been prayerfully discerning the next steps of growing the ministry of Grace.

This year's budget does not include any new programs. We are hopeful that a fully funded budget will allow us to hire two key staff positions – Director of Children, Youth, and Family along with a Communications Specialist. These two positions are secondary priorities which will be pursued if our income received meets projections.

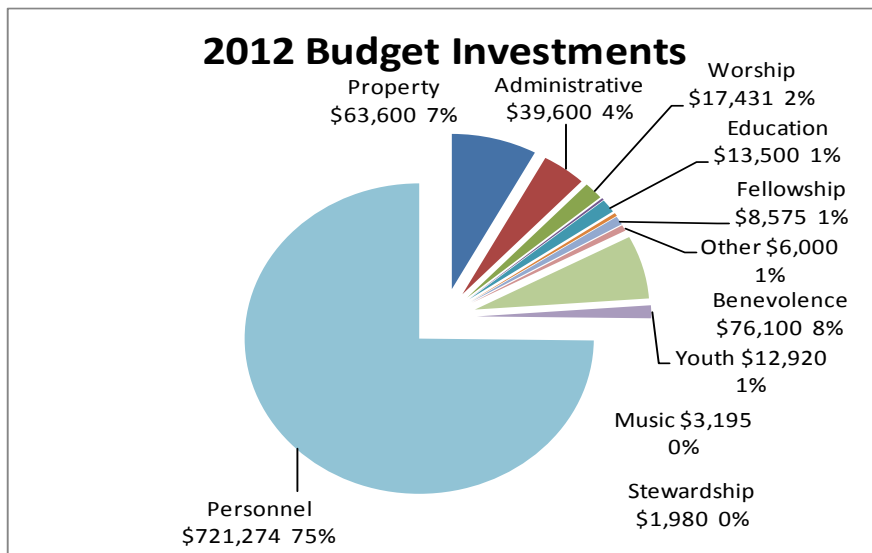
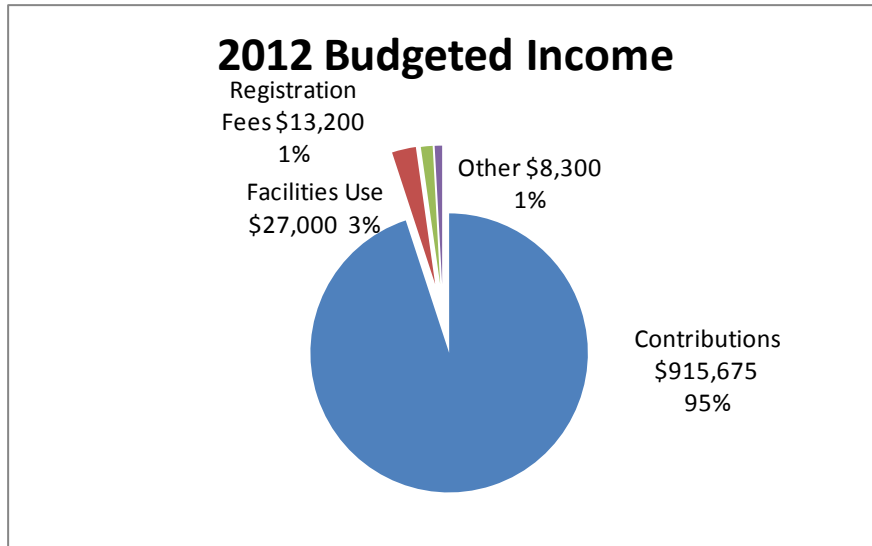
We have included modest raises for staff that have worked for Grace over one year. The reasoning for this is, Grace has not given raises for several years now and has fallen behind other churches in the area for many of our positions. In addition, we are asking for the congregations' support in funding the ministries, staff, facilities, and outreach efforts already in place at Grace.

In order to maintain fiscal responsibility, The Vision Board will review the budget throughout the year. If we are not keeping up with our budget, we will address the budget appropriately. Quite simply, if the money is not there, we will not spend it.

Golden Rule Daycare has taken a significant step in paying more toward the building, maintenance, and utilities in 2012.

Several goals for 2012 include:

- Support four weekly worship services, holidays and special events services (226 this year)
- Support three sections of SONday school, weekly Bible Club and a weeklong VBS program (about 500 children)
- Support and expand Catechism ministries (110 youth and 30 adult mentors)
- Support and grow the Senior High Ministries (60+ youth and 15 adult leaders)
- Support and expand Adult Spiritual Formation including Sunday Evenings @ Grace, Men's Fraternity, Grief Share, etc.
- Support and provide community connection for groups like Graceful Seniors, WOW, etc.
- Support and fund outreach: ELCA benevolence, Family Promise, FMSC, Family Table, Grace Quilters, etc.
- Support the maintenance and care of our facility
- Support the staff members who serve



Capital Budget

Grace began the Capital Fund several years ago to handle a large renovation project. When that project was completed we kept the fund open to cover our mortgage payments, large improvement projects, and future campaigns. This fund has enabled us to be on time with our mortgage payments, establish a good payment history, build a garage, and replace worn out sidewalks.

Throughout the past few years the balance in this account has been sliding downward. In 2012 we begin the year with a balance of \$37,662 and are hoping to bring in an average of \$10,066 a month. If we meet this projected increase of \$1,713, we will be able to fully meet our monthly mortgage and allow us to prepare for a Capital Campaign in 2013.

As of January 1st, the capital fund has \$37,662 available. If we follow the current depletion rate, we have approximately 22 months before the fund will be at \$0. This means we would not have money to help prepare for a Capital Campaign.

A Capital Campaign will address the needs for a new parking lot, repair the brick on the exterior of our building, and replace the carpet inside our facility among other things.

Income at Grace comes in the following ways to support both Mission and Capital Budgets:

- Mission Fund contributions
- Capital Fund contributions
- Special contributions such as Easter, Thanksgiving, and Christmas
- Registrations for SONday school, Mid-Week, VBS, and Catechism
- Rent or use of facilities income from our Golden Rule Daycare
- Other includes flower dedications, payments for events attended, etc.

2011 Mission Investments/Budget and Proposed 2012 Mission Budget

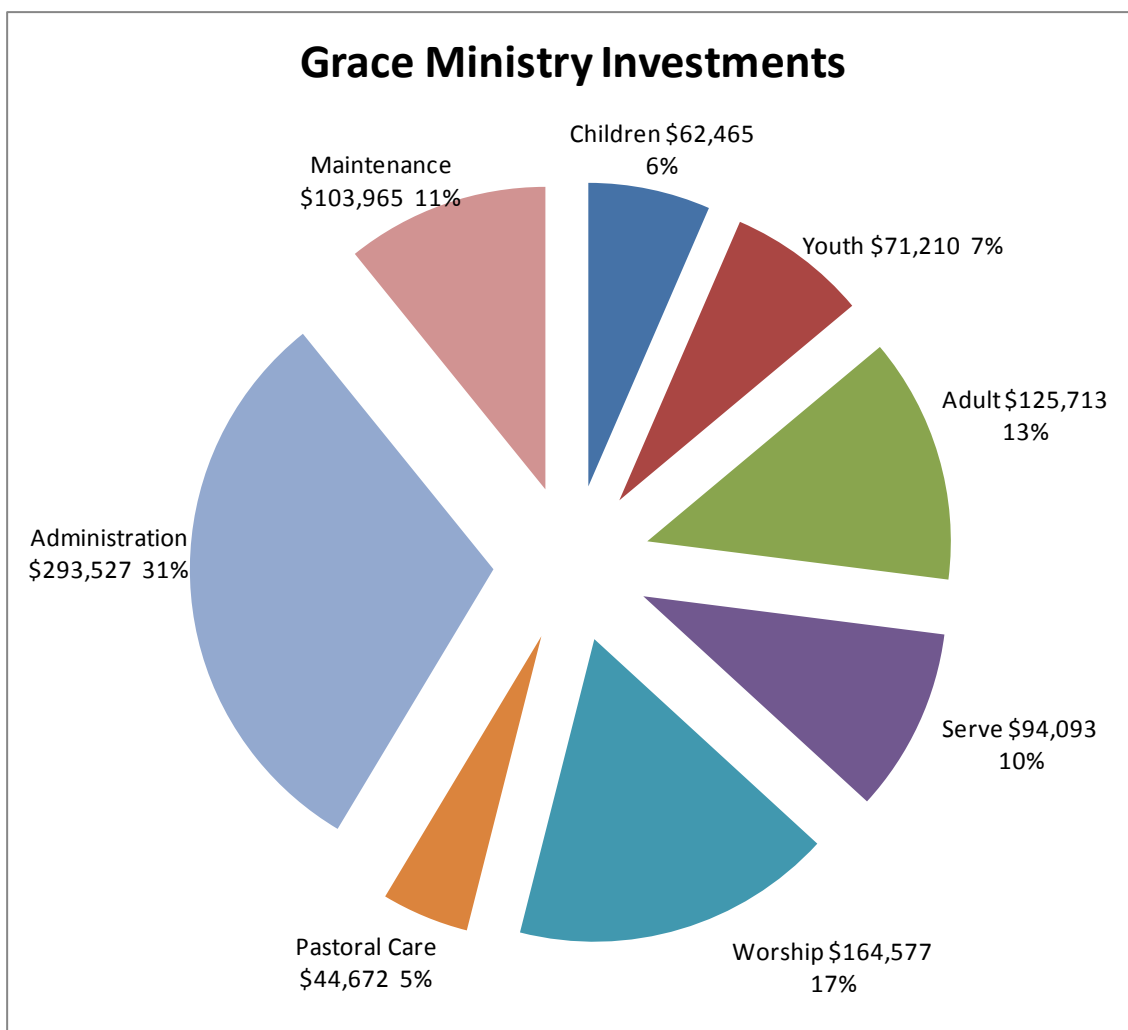
<u>Investments</u>	<u>2011 Budget</u>	<u>2011 Actual</u>	<u>2012 Budget</u>
Benevolence	65,884	59,739	76,100
Administrative	31,750	44,225	39,600
Worship	21,825	15,685	17,431
Stewardship	2,420	133	1,980
Education	12,300	17,724	13,500
Music	3,200	2,890	3,195
Social Ministry	300	596	625
Fellowship	4,570	1,866	7,950
Property	64,450	51,497	63,600
Youth	15,440	12,707	12,920
Personnel	707,066	636,252	721,274
<u>Reimb. Sec. Fund/Other</u>	<u>10,000</u>	<u>9,750</u>	<u>6,000</u>
Totals:	\$939,205	\$862,614	\$964,175



Budget Summary 2012

Welcome, Encourage, and Equip...that's what Grace Lutheran is all about. Our overall goal is to grow disciples for Jesus so that they will be his hands, feet, and physical presence in our world. As we plan the next year with this goal before us, we pray, reflect, consider, evaluate and dream..."What is God asking us to do?" The following budget represents a great deal of effort by the staff and leadership of our church to answer that question as we anticipate what the financial costs will be.

2012 Ministry Budget



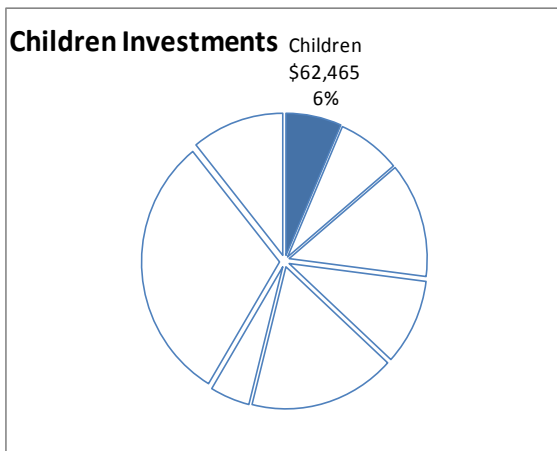
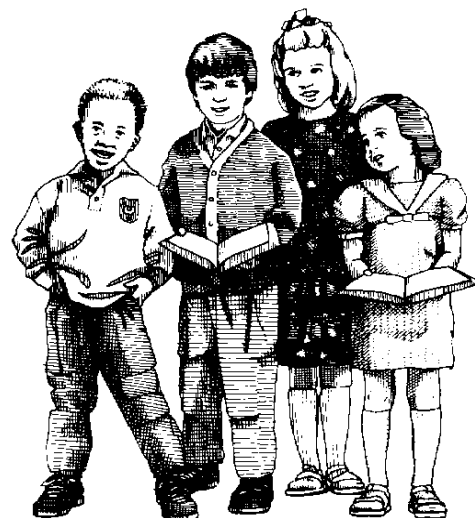
Education & Spiritual Growth

One of the most important resources in our church is children. Our goal is to invest and partner with families to help lead children deeper into a relationship with Jesus Christ. Our programs are designed to encourage relationship building between children and adults. Many of these areas of ministry are partially supported through registration fees. Volunteers are a vital part of all of these ministries. We educate and minister to children and families in the following ways:

- **SONday School** is our education program that takes place during three of our worship services on Saturday night and Sunday mornings.
 - Part-time staff
 - Curriculum & supplies
 - Bibles
- **Nursery** is available to infants and toddlers newborn through two years of age during all of our worship services. Our nursery is staffed by volunteers who provide a safe, loving place for them while their parents worship.
 - Part-time staff
 - Supplies
 - Diapers
- **Baptism** is offered to any infant, child, or adult attending Grace who desire it.
 - Part-time staff
 - Candles
 - Curriculum

Grace also offers fun opportunities for children who attend here as well as children from the community:

- **Vacation Bible School** is an exciting week for the kids and adults who choose to attend. Through great curriculum and hundreds of volunteers we manage to reach out, build up, and educate the children from Grace and the community about the power of God, love of Jesus, and the work of the Holy Spirit in their lives.
 - Part-time staff
 - Curriculum
 - Decorations
 - Music
- **Rockin' Kids Bible Club (Wednesday night)** is a fun, energetic club for children to learn about God through Bible stories, doing crafts, playing games, and worship the Lord through songs.
 - Part-time staff
 - Curriculum & music
 - Supplies



Education & Spiritual Growth continued

Spiritual Growth of Youth

The student ministries budget is centered on Catechism (grades 6th-8th), Own Your Faith (9th grade) and Senior High (grades 9th-12th). Within that, the resources have been allocated in a way that allows us to achieve the following:

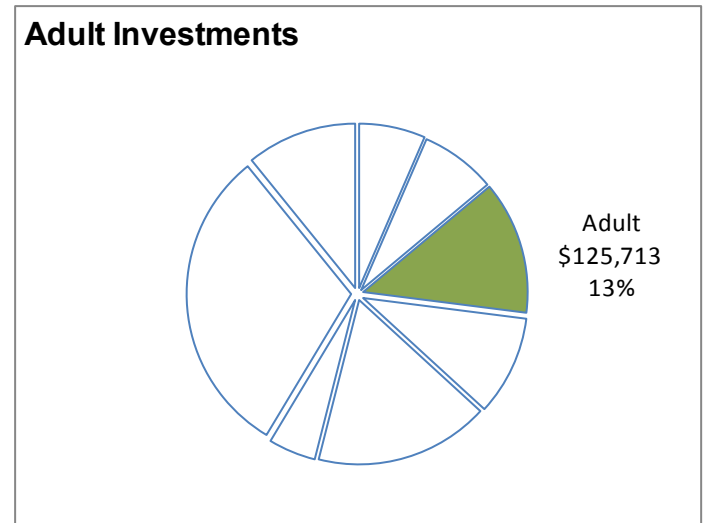
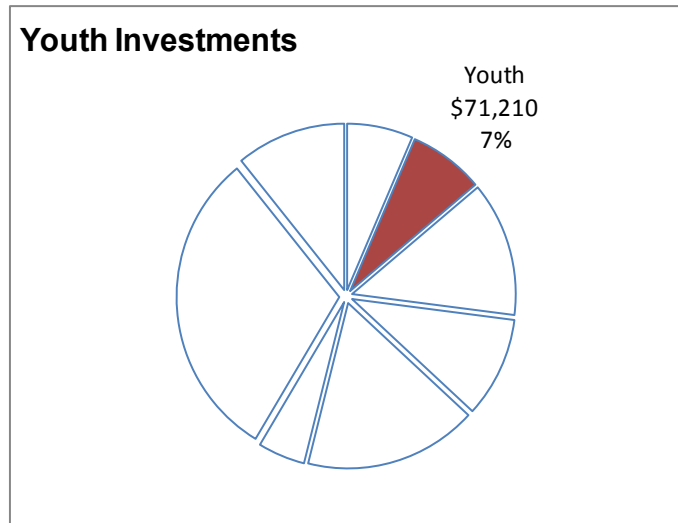
- *Faith Development:* It is our goal that every student that comes through our doors, at every grade level and point in their spiritual journey, is able to grow in their faith in a significant way.
- *Fellowship & Relationship:* We strive to create an atmosphere and opportunities, that encourage students to grow closer to one another. We believe that faith is meant to be lived with a “family” of believers and we are better together than alone.
- *Heart for the World:* We recognize that the Gospels are about reaching out, so we attempt to use our resources to not only make a tangible difference in the world, but to begin to develop the lifetime habits of service and evangelism in our young people.

One of the key areas we will be looking at this year includes the potential for a Director of Children, Youth, and Family with a specific emphasis on Senior High.

Spiritual Growth of Adults

The adult ministries budget is centered on Spiritual Formation, Men's, and Women's ministries. These events include Sunday Evenings at Grace (several courses), Spiritual Formation weekend, Family Focus, and Connection opportunities.

We will continue to offer both men and women's fellowship functions such as: WOW, Ruth Circle, Men's Fraternity, small groups and SHAPE.



Worship & Music

We are thankful God continues to bless our worship life. We believe that it is essential to plan inspiring, creative, and meaningful liturgical services in several different expressions in order to meet the needs of our large and diverse congregation. We are blessed with committed and talented staff as well as dedicated volunteers who tirelessly give of their time, talents, and abilities. God is good to us.

Another important step for growing our worship will be equipping leaders and ministry teams to grow their "leadership." Special effort will be made in the Contemporary Worship services to grow "worship leaders."

Finally, the Liturgical Arts Team and Altar Guild will continue to grow the beautiful decorations and thematic elements of the service which "set" the mood and create a deeper sensory experience of worship.

Our goals for this year are simple:

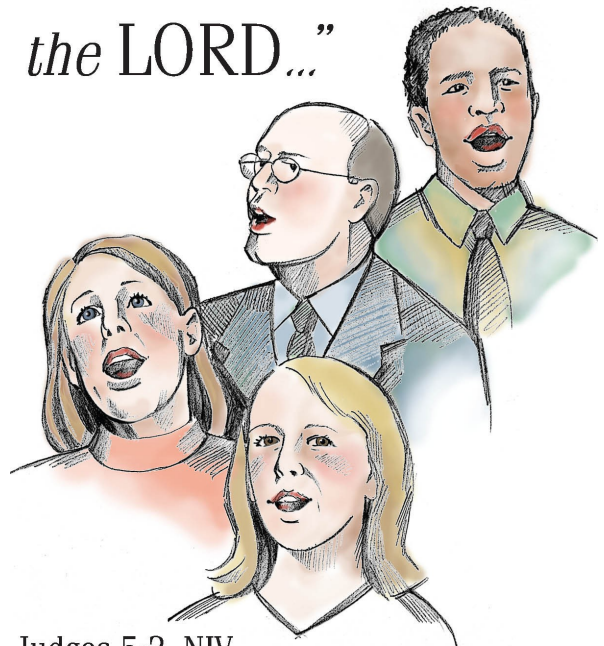
Traditional Liturgical Services:

- Continue to explore and learn the Evangelical Lutheran Worship hymnals.
- Grow the number of participants in the Adult Choir.
- Expand the musical leadership of the Adult Choir by singing psalms, hymn descants, and special liturgical parts of the service.
- Grow a Liturgy Worship Band (keyboards, drums, guitar, and instruments) to lead in the more contemporary settings of the liturgy.

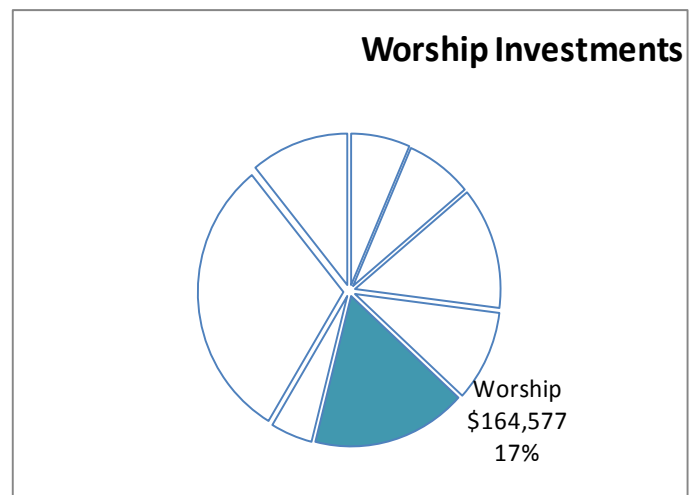
Contemporary Services:

- Grow the Worship Band larger enough to create two bands.
- Enlist more singers.
- Fully utilize our sound system and provide adequate training for sound technicians.

"I will sing to the LORD, I will sing; I will make music to the LORD..."



Judges 5:3, NIV

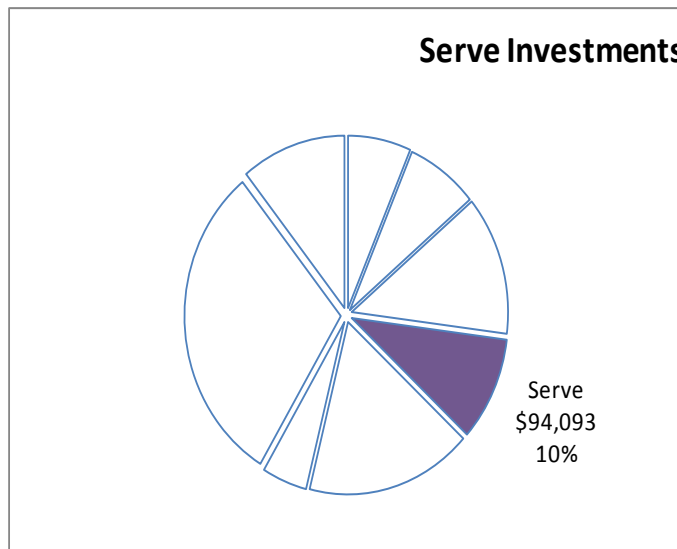


Outreach/Serve

This area of the budget is how we reach out to the community and beyond.

An incredible amount of time and talent from Grace volunteers, as well as financial resources from our church, are poured into a variety of outreach ministries. Some examples include:

- Our Savior’s Homeless Shelter
- Feed My Starving Children
- Family Table
- May All Be Fed Food Shelf
- Operation Christmas Child shoe boxes
- Grace Quilters
- Grace Prayer Shawl Ministry
- Family Promise



Noisy Offerings

Noisy Offerings are collected each week and all funds are sent directly out of our building, into the hands and lives of those in need. This year we will again give Noisy Offerings to a variety of needs, including:

- ELCA World Disaster Fund
- ELCA World Hunger
- Families in need in our community
- Free to Be
- Habitat for Humanity
- ACBC MN Food Shelf



Designated Benevolence:

Every year we pledge a portion of our contributions to do work in our community and around the world through the following:

- ELCA Synod
- Lutheran Social Services



Pastoral Care

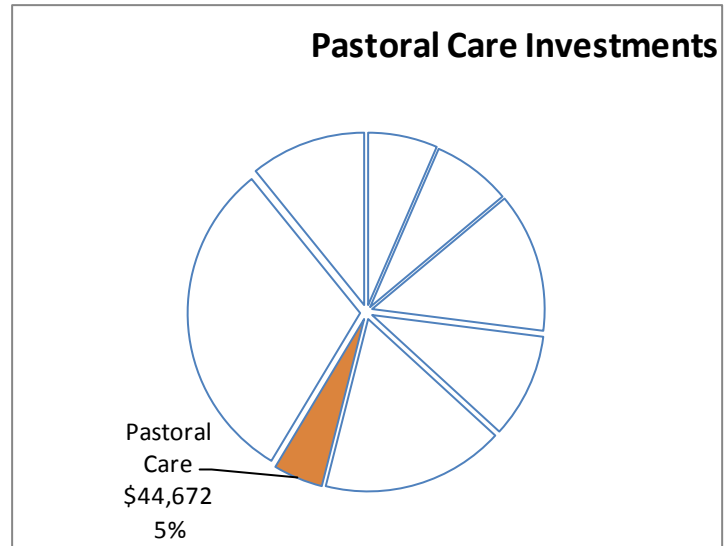
One of the important aspects to a church is how well people are nurtured and cared for, especially during times of crisis and hurt. A church like Grace can be the visible Body of Christ as people are visited in the hospital, counseled through divorce, supported in grief, and listened to during moments of stress. We strive to be a ministry of Grace in Andover, not only in our community, but especially to those who call Grace home.

We are especially blessed by Gene Heglund and Carol Moler who both serve as Visitation Pastors. They carry the bulk of pastoral care to those who are hospitalized or recovering at home. In addition Pastor Mark, Chris, and Steve meet with parishioners who are experiencing short-term needs.

In addition to our pastors, we are thankful that Lynn Noren led a Grief Recovery Support group in the fall/winter to especially help those who have lost loved ones.

Most of the Pastoral Care budget supports the pastoral staff who provide:

- Hospital and shut-in visits.
- Support for teams to take communion to those who can't attend Worship.
- Encourage the Prayer Shawl Ministry for those who are sick and/or hospitalized.

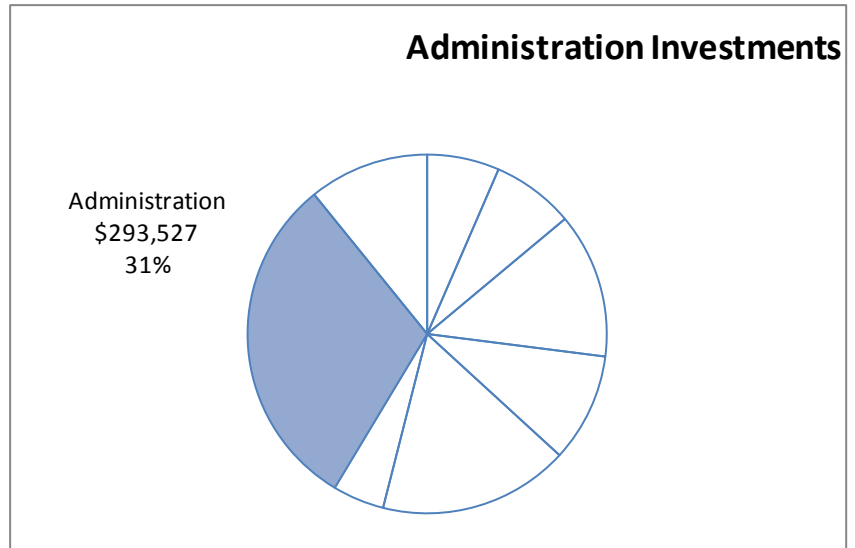


Administration

The administration area of the budget supports all of our ministries, some of which are Education, Worship and Music. These ministries are provided with the following:

- Administrative Leadership
- Secretarial and support staff
- Mailings to the community
- Worship bulletins
- General mailings from each ministry area
- Grace Notes, e-news, Web site, etc.
- Copier and duplicator costs
- Computers and network system

This area is heavily supported by volunteers who help keep our costs to a minimum. These volunteers help us copy, collate, prepare mailings, enter data, and answer phones.



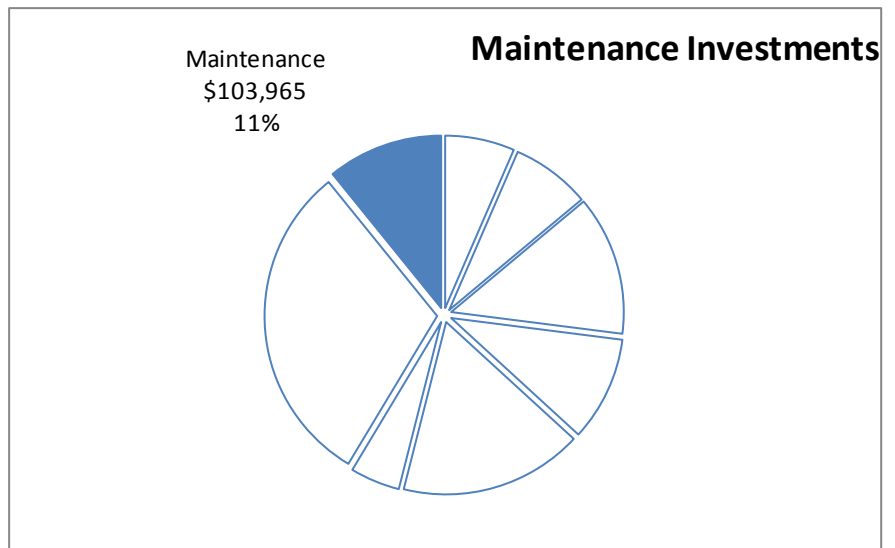
Maintenance

Our facilities provide the space for all of our ministries including Golden Rule Daycare and Grace Music Academy. We also offer our facilities to the community by providing a place for St. Paul Farmers Market, Boy Scouts, Girl Scouts, and other groups that benefit the community.

This area of the budget allows us to provide a maintained, comfortable, and clean environment for our ministries. We use this budget for some of the following things:

- Custodial support
- Utilities and garbage removal
- Snowplowing and lawn maintenance
- Toilet paper, paper towels, and cleaning supplies
- Property insurance

This part of the budget is heavily supported by volunteers who help keep the costs down by maintaining the building and gardens, mowing and maintaining the lawn, and painting.

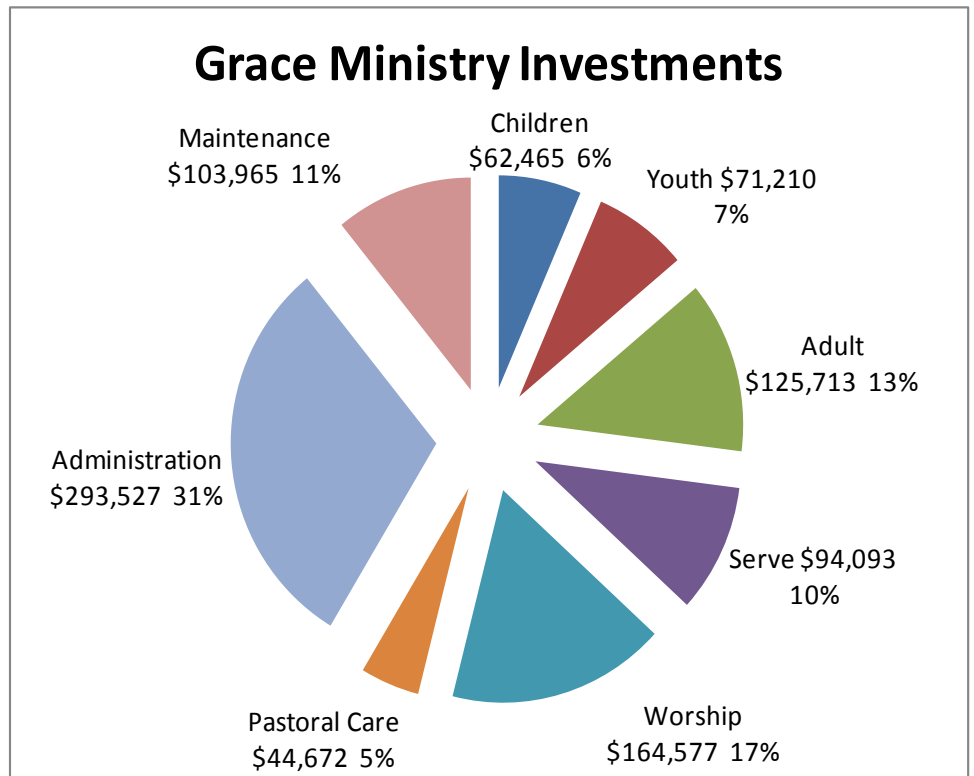




Golden Rule Child Care has exceeded our goals for 2011. By the end of the year we were at capacity and had started a waiting list for the summer of 2012. We currently have 50 children enrolled between the ages of 16 months and 12 years of age. Due to the increasing enrollment we have added three teachers and two aides to meet licensing requirements. Our goals for 2012 include expanding our school age program and updating the playground.

Blessings,
Tami Mielke
Child Care Director

2012 Ministry Budget



Grace Music Academy has students studying a variety of instruments, and we are pleased that the value of music stands strong in our community even in a challenging economy. Our largest studio is piano with the second place instrument tied between voice and guitar; a new guitar instructor has been added due to the instrument's popularity. The enrollment in the areas of brass and percussion remain constant. On the whole, we are proud to serve 44 clients at this time.

One new feature to the Academy is our Children's Voice class, in which ages 6-12 can receive a strong foundation in a group setting – one which we hope will foster a love for singing that will continue on into adolescent individual lessons. We hope that this ground breaker will encourage the growth of other classes similar to it, including many that we offer during the Summer Session.

Due to some additional advertising ventures, we happily experienced a surge in enrollment in the summer. We are planning more advertising strategies in the near future to broaden the geographical area we currently serve. In the upcoming months, keep an eye out for our higher scale flyers and brochures! Not least in our near future goals is at least one new, permanent outdoor sign shared with Golden Rule.

Blessings,
Denise L. Redman
Administrative Director and Lead Teacher





Our Mission

God has created us as a ministry of grace in the heart of Andover. He...**welcomes** us into a personal relationship with Jesus Christ, **encourages** us to grow in our discipleship, **equips** us to share this **ministry of grace**, and love by serving others, and **sends** us into the world to do His will.

