

GRACE LUTHERAN CHURCH

Financial

ANNUAL REPORT

January 2017



TAKING STEPS

...TO LIVE GOD'S PROMISE FOR EVERYONE

grace

the infinite love, mercy, favor, and goodwill shown to humankind by God.

Grace is everywhere, like lenses that go unnoticed because you are looking through them!

- Philip Yancey - *What's so Amazing About Grace?*

As Grace Lutheran Church in Andover, Minnesota celebrates nearly 50 years of ministry, the following Annual Report strives to explain the generosity of God's grace working in and through the nearly 1,800 people who call Grace their spiritual home. Peruse these pages and reflect upon the wondrous ways in which God has grown faith in us and helped us to be his instruments of grace inside our walls, as well as far beyond. There are lots of financial facts and statistics. There are also many pictures of people, events, and moments of the life of Grace. However, behind all of this is the larger picture of God, who always manages to work through us! Praise God for his generous ways!

GRACE LUTHERAN CHURCH MISSION STATEMENT

God has created us as a ministry of grace in the heart of Andover.
God...

Welcomes us into a personal relationship with Jesus Christ as Lord, through the transforming power of the Holy Spirit.

Encourages us to grow in our discipleship through worship, learning, and fellowship;

Equips us to share this ministry of grace and love through serving others; and

Sends us into the world to do his will.

SENIOR PASTOR REPORT

Don't ask God to guide your steps if you aren't willing to move your feet!

Everyday Proverb

Good advice isn't it! We can't ask God to guide the steps we take as a church if we aren't willing to step out in faith and move our feet! And as I reflect upon this 2016 from a financial point of view, that's exactly what we have been doing...moving our feet to take steps to share our time, talent, and monetary resources in order to bring God's Promise for Everyone!

What steps am I talking about? Let me share a few:

We took our last step to reach a full 10% tithe for benevolence

It took us nearly 18 years, but we finally took the step to reach the 10% tithe of our regular weekly, as well as the special holiday offerings. What has been the impact of this important step? Simply this...we ended the year in the black with a surplus of more than \$30,000! Once again we have learned that when we take a step of faith to give, God supplies all that we need and then some!

We took the step to not only continue paying extra payments on our mortgage, but we refinanced our loan from 4.75 to 3.75 % interest rate.

It was exciting to watch our mortgage principle fall each month as we made extra payments of \$59,000 during the first 11 months of 2016. As a result of the generosity in December we will make an additional \$17,000 payment in early January for a grand total of \$76,000 of additional payments for the year! When you add this \$76,000 to the nearly \$63,000 we paid in our regularly mortgage payments, the results is a whopping \$139,000 for 2016! We began the year at slightly under \$1,000,000 in debt and will end the year at \$861,000!

We took a step to increase Pastor Steve's Call to Full-time as we supported the Director of Youth and Family position (begun in June of 2015) for a full year.

We took a big step of faith when we decided mid-year to keep Pastor Steve full-time after he completed his doctoral work. We did this so he could devote his attention more to adult spiritual formation. The challenge was this: we had already made a big financial commitment when we hired Kristi Larson the previous summer as our Director of Youth and Family. But we took a step of faith and the decision paid off. We are thankful for the impact both Pastor Steve and Kristi have made.

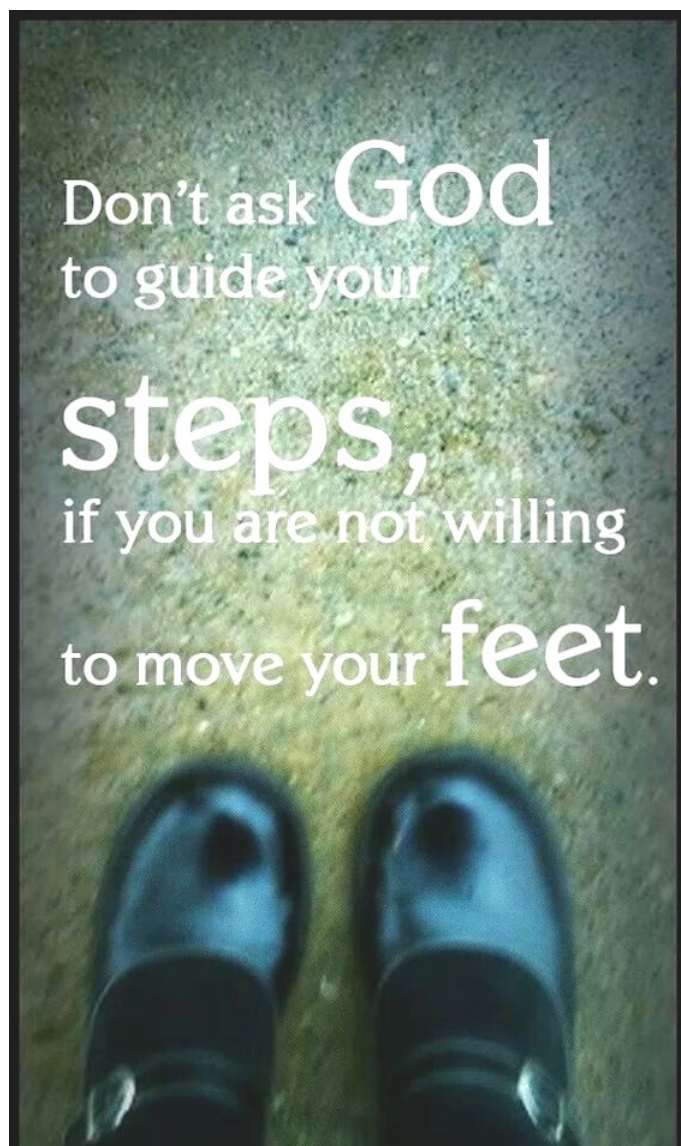
We took a step to purchase a cloud-based software that gives us easy access to phone numbers, texts and emails to connect with each other, as well as make online giving easier!

I love the fact that no matter where I am I can easily call, text or email anyone in our church community. No longer do I have to carry a printed church directory around to find an address as I make a pastoral call. All I have to do is use the Church Life app on my smart phone and I can easily connect and find my way to each and every one of you.

In addition, the online giving is easy. As a result we have seen a 5% increase in the numbers of families who use our online giving opportunities. This has made a huge difference, especially during the lower summer attendance when many are away or on vacation and cannot give.

We took a step of generosity during the Stewardship Teaching Series: Take A Step to Give

I was amazed at the number of people who committed to the four steps of giving: consistency, priority, gratitude, and percentage as a step of spiritual growth! These steps made an immediate impact as we saw an increase of nearly 18 % in offerings during November and a large outpouring of generosity during the End of the Year Appeal. Taking a step to give truly brings spiritual growth!



End of the Year Appeal

I wasn't too sure about setting a goal for our End of the Year Appeal, but I knew we needed at least \$40,000 to pay our bills. I sent out the appeal letters, asked you to pray, and then I waited. Lo and behold, the Lord answered our prayers as a total of \$59,300 dollars was given for this special appeal! As a result, the EOY appeal, the regular December offerings and the special Christmas Offerings totaled more than \$142,000! This not only allowed us to pay all of our outstanding bills, but gives us a great financial start to the new year!

We received the first payment from the Maureen and Don Olson Trust

Grace has been blessed by the trust fund of Maureen and Don Olson who died several years ago and named our church one of four beneficiaries of a \$1.8 million estate. This means we will receive each year 25% of all monies earned by the trust. As a result in December we received our first payment of \$20,041 to be used for the needs of our youth ministry. What an unexpected and wonderful gift!

We have grown our generosity beyond Grace by sponsoring 103 children in Haiti and Africa

It is amazing! The families of Grace sponsor 89 children in Rakai, Uganda through African Children Today and 14 children in Haiti through World Wide Village. This means we are giving at least \$30 per child/month or \$3,090/month beyond our walls. Over a 12 month period we are giving \$37,080 to sponsor children in school fees, clothes, and food. Extraordinary Generosity!

What do all these steps mean? First of all, it indicates we have been moving! Secondly, it means we have been asking God to guide us, even at difficult moments! And finally, it means that we are trusting God to provide what we need to accomplish what he's asking us to do – to make his Promise of Jesus real and visible to everyone! And he has! And so, with his help, we will!

Thank you! Thank you for your continuing support and partnership we share in this ministry of Grace in the heart of Andover and beyond!

In Him,

PRESIDENT'S REPORT

As I look back at 2016 I am grateful for all God has done here at Grace. As in every year, some great people left us to be home with their Lord; some of our members experienced loss and tragedy in their personal lives; and others experienced the joys of new beginnings and new additions to their families. Through everything that has happened at Grace and in our personal lives, God has been with us.

As we talked about during our Stewardship series, Grace has been on a tithing journey for many years. Years ago, we talked about how, if we profess that tithing was one of our core values, that the Church should lead by example. So about 9 years ago, we started giving a small percentage of our offerings away to worthy causes outside of our building. We strived each year to increase our percentage, but some years we had to reduce our percentage due to budget concerns. Finally, this year we were able to reach the full 10% tithe on all of our offerings. This was not an easy decision for Vision Board to make, but we talked about it, and prayed about it, and ultimately decided to step out in faith and start tithing.

I don't believe it is purely coincidence that the same year we decided to fully tithe we also had one of the best financial years we have ever had. You, our Grace family, responded to our stewardship series with over 100 families taking a step in their generosity and giving, with over 50 families pledging to increasing their giving by at least 1% of their income. I love the fact that so many of our families have taken such a large step in their spiritual journey.

Because so many families have committed to increasing their generosity, and the fact that so many families responded to our end of the year catch up campaign, we were able to end the year with a fund balance of \$30,000. That is an incredible way to begin next year. It isn't very often that we get to start a new year with a reasonable financial reserve! That is a great testament to what God is doing in our midst and how we, as the Grace family, are responding to Him and His call.

I don't know for sure what 2017 holds in store for us, but I am excited about what we might be able to do, and what we might become. I feel that 2016 was a great year of growth for us, and that 2017 might present even more opportunities for us to move forward in our spiritual journeys. As always, I am proud to be a member of the Grace family and proud to be able to worship and grow with all of you.

Blessings,

Greg Ackerson

I don't believe it is purely coincidence that the same year we decided to fully tithe we also had one of the best financial years we have ever had.



MAY 2016 ANNUAL MEETING MINUTES

The Grace Lutheran Church Congregational Annual meeting was held Saturday, May 21st at the 5:00 service and Sunday, May 22nd at the 8:00, 9:00 and 10:30 services. The meeting was suspended between each service. Several board members presided over the meeting. The congregation at each service of the meeting voted for new Vision Board Members. Candidates running were Scott Christensen, Beth Clarstrom, Becky Martin-Facer, Chad Hadler, Heather Johnson, and Deb Shepard. The congregation also was asked to re-elect Neil Hawkinson who filled the position vacated by Bernard McDowell. Scott Christensen and Deb Shepard were elected to fill the new board positions vacated by BreAnn Haugrud and Tari Yates. Neil Hawkinson was re-elected.

The congregation then voted to approve the minutes of the January 2016 Annual Meeting.

Respectfully submitted,

Jessie Crooks, Vision Board Secretary

HOW DID WE DO IN 2016?

How did we do financially in 2016? There might be several ways in which one might answer this, but instead, imagine starting a 100 yard race about 25 yards behind all the rest of the runners, only to find yourself crossing the finish line in front of all the rest. This might describe 2016, as we started the year with a \$40,000 gulf between anticipated income and the projected budget plan, but ended the year with such a generous outpouring of giving, we were able to pay all of our expenses and provided a financial cushion for the future.

We knew these goals were ambitious and would challenge us financially. However, we knew also that the Holy Spirit has been growing us deeper in generosity and mission, so we decided on a challenge budget for 2016.

What were some of the goals for 2016?

STAFFING

- Support Pastor Steve as he finished his PhD and support him as he developed his ministry beyond Grace through parachurch ministries: Church Innovations, Vibrant Congregations, and Luther Seminary.
- Strengthen our staff salaries and benefits as we brought them more into the Minneapolis Area Synod Guidelines.
- To make staff transitions:
 - Carroll Potter's retirement, reassign Kate Morphew as part-time Business Manager, and hire Beth Clarstrom as Bookkeeper and Worship Volunteer Coordinator.

ADMINISTRATION

- To purchase a cloud-based software to encourage connections between members, make online giving simpler, and improve the accounting systems of our church.

OUTREACH/BENEVOLENCE

- Increase Benevolence by .5% to reach a full-10% of regular offerings.

MISSIONAL FIRST STEPS

- Launch The Journey in Fall of 2016

PROPERTY NEEDS

- Remodel Children's Ministry bathrooms
- Purchase a carpet extractor to improve care of new carpeting.
- Continue to develop plans to replace Portable Classrooms

GOLDEN RULE CHILD CARE CENTER

Explore the growth of Golden Rule ministry to the Portable Classrooms in order to determine long-term growth options

So how do we determine how we did financially? One way to gain financial perspective is to compare this year to previous ones. The chart on page 10 gives a 6 year comparison of offerings.

However, comparing 2016 giving to other years doesn't tell the whole story. There are other factors which impact giving: challenging weather, the timing of Lent and Easter, spring breaks and long-weekends, staff changes, and unexpected building repair bills. All of these factors play significant roles of cash flow and paying our bills.

At the same time, we can also analyze our giving in light of the biblical giving models and we celebrate that a significant number of our households took steps to: give consistently, with priority and gratitude, as well as raising the percentage of giving of their income.

Finally, we can also simply ask whether or not we paid all of our bills, to which we can say: "Praise the Lord, we did!" Due to a wonderful outpouring of generosity in December we were able to overcome a large deficit we had carried much of the year, and finish the year with a surplus of over \$30,000.

December Income and Offerings

Weekly Offerings	\$ 73,122
End of Year Goal (\$40,000)	\$ 53,900
Subtotal	\$ 127,022
Christmas Offerings	\$ 15,487
Subtotal	\$ 142,509
Other misc. income (Trust & Rent)	\$ 30,833
Free 2B & Capital Funds	\$ 24,529
Grand Total	\$197,871

WHAT MADE THE DIFFERENCE?

Perhaps some of it might be explained as the outcome of our decision to give a full 10% tithe of our regular offerings beyond our walls! Our surplus might also be explained as a growth from our Stewardship Sermon Series entitled: Take a Step to Give in October. It could be said that it is a combination of both. At any rate, we are thankful that we continue to grow our generosity to support the ministries of Grace Lutheran Church.

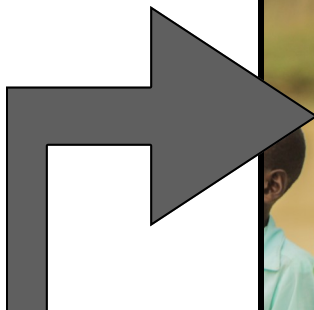
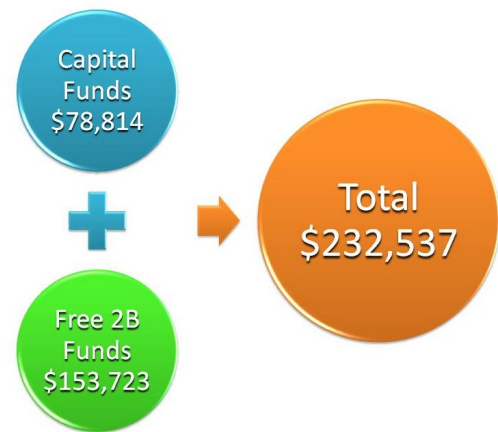
Having said all of this, how did Grace do specifically in the ways in which we stewarded the monetary gifts? In the pages that follow, we want to share the following facts about our giving!

HOW DID WE RECEIVE INCOME IN 2016?

OPERATIONS BUDGET



CAPITAL & FREE 2B GRACE FUNDS



In October, members of the Grace4Rakai journeyed to Uganda to meet our sponsored children, see the Amazing Grace Bakery and to connect more deeply with African Children Today Ministry. Here is our Stacy Surratt joining in a game with some school children



DO MY OFFERINGS MAKE A DIFFERENCE IN THE WORLD?

WHEN YOU GIVE OFFERINGS AT GRACE, YOU GIVE BEYOND OUR WALLS



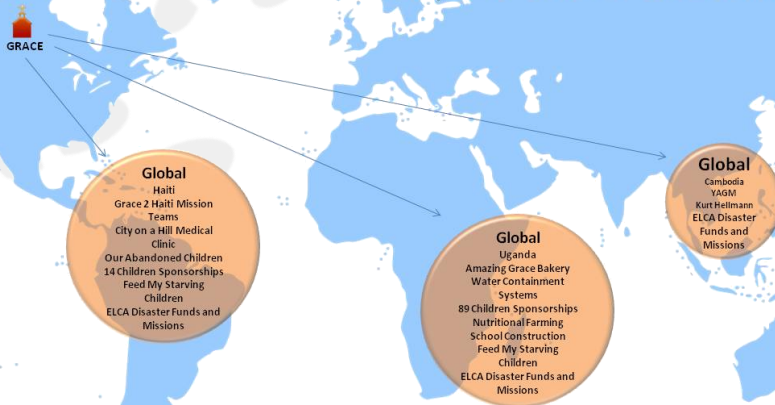
WHEN YOU GIVE OFFERINGS AT GRACE, YOU GIVE TO LOCAL AND REGIONAL NEEDS



“Truly I tell you, just as you did it to **one** of the **least** of these who are members of **MY family**, you did it to me.”

Matthew 25:40

WHEN YOU GIVE OFFERINGS AT GRACE, YOU GIVE TO GLOBAL NEEDS



NOISY & BENEVOLENCE OFFERINGS

ELCA WORLDWIDE DISASTER AND/OR HUNGER

Subtotal	\$ 3,024
World Wide Outreach	
Feed My Starving Children	\$ 3,429
Caring for God's Children Lenten	\$ 1,872
Abandoned Children in Haiti	\$ 729
Grace 4 Rakai	\$ 969
Mission Support	\$ 844
Other	\$ 646
Sub Total	\$ 8,488

COMMUNITY OUTREACH

Families in Need	\$ 3,835
Hope For Youth	\$ 5,815
Youth Mission	\$ 536
Habitat For Humanity	\$ 541
Urns for Veterans	\$ 706
Other	\$ 1,799
Sub Total	\$ 13,233

BENEVOLENCE

ELCA - Minneapolis Area Synod	\$ 42,949
Lutheran Social Services	\$ 4,500
Seminary Support	\$ 1,300
Other	\$ 7,069
Subtotal	\$ 55,818

TOTAL **\$ 80,562**

2015 FREE 2 B GRACE FUND BENEVOLENCE TITHE GIVEN IN 2016

Our Abandoned Children (for kids' home)	\$5082
Feed My Starving Children - Typhoon	\$3597
Grace 4 Rakai	\$3159
Family Promise	\$3,182
Stepping Stone Emergency Housing	\$3545
TOTAL	\$18,565

FREE2BE TITHE VOTE WILL BE HELD IN 2017 **\$ 15,372**

MEMBERSHIP STATISTICS



New Members	
Adults	65
Children	43



Membership	1,381
Affirmation of Faith	32
Baptized Children	25
Baptized Adults	2



Weddings	5
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Funerals	9
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ABOVE AND BEYOND GIVING

LENTEN SUPPERS

Sole Hope Donation	\$631
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LOVE OF GRACE BAZAAR

Stepping Stone	\$2,000
Bibles	\$1,000

OCTOBERFEST SILENT AUCTION

Stepping Stone	\$1,300
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TOTAL **\$4,931**

IN KIND GIVING

77 Stepping Stone gift bags (\$30)	est. \$2,300
Hope 4 Youth Food Drive & Food Shelf	est. \$1,500
The Giving Tree & Gift Cards	est. \$1,745
Adopt a Family at Christmas Gifts/Cards	est. \$3,500
Grab 2 Project School Supplies Sand Creek	est. \$1,000
Our Abandoned Children - clothes/shoes	est. \$ 800

TOTAL **Est. \$10,845**

Account Verification—2017 Audit

Annual Expense and Revenue

Beginning Balance 1/1/201	40,003
Total Deposits or Transfers	1,536,510
Total Withdrawals or Transfers	(1,489,255)
Ending Balance 12/31/2016	87,257
Outstanding Deposits as of 12/31/2016	41,586
Outstanding Checks as of 12/31/2016	(2,532)
General Ledger Balance as of 12/31/2016	126,311

Capital Fund Breakdown

Beginning Balance	(5,881)
Deposits	78,815
Free 2B Grace Deposits	154,223
Mortgage Principal	(62,942)
Mortgage Interest	(43,980)
Additional Mortgage Principal	(59,000)
Free 2B Grace Expense	(25,848)
Other	(75)
General Ledger Balance as of 12/31/2016	35,311


Financial Security Fund

Beginning Balance	26,730
Interest Earned	67
Ending Balance 12/31/2016	26,797

Financial Security Fund

Beginning Balance	63,750
Withdrawal	(15,000)
Interest Earned	164
Ending Balance 12/31/2016	48,913

All accounts appeared to be in order. Balances were reconciled and transactions were well documented. A sample of monthly bank statements for the accounts, deposits slips, paid invoices, and the checking account register were examined.



Submitted by Ed Stang and Dennis Grabowski
Date: January 17, 2017

TOTAL OFFERINGS - 2011- 2016

	2011	2012	2013	2014	2015	2016
Operational	\$757,868.33	\$714,306.54	\$680,115.05	\$703,752.37	\$714,219.96	\$764,747.07
Other (Holidays)	\$18,453.24	\$25,311.84	\$36,369.59	\$33,264.12	\$31,394.72	\$43,108.67
Capital	\$100,236.00	\$97,628.50	\$87,383.50	\$80,332.00	\$76,329.00	\$78,814.66
Free 2B Grace		\$22,731.00	\$183,539.00	\$187,271.50	\$192,495.00	\$153,722.66
Total:	\$876,557.57	\$859,977.88	\$987,407.14	\$1,004,619.99	\$1,014,438.68	\$1,040,393.06

HOW DID WE DO IN 2016?

OPERATIONAL FUND

If you look at the chart above you can see that 2016 was an amazing year for Grace. The congregation was challenged to support the ministries of Grace by passing a budget that showed a large shortfall. This is not entirely unusual because there are some of the items that reflect what may or may not happen, items like snow removal, heat, repairs, and other type of expenditures. We plan as best we can, but we're never quite sure just what changes and needs may occur during the year.

Once again we spent less than the 2016 Budget, but there were months when the expenses were much higher than offerings. This fall was especially challenging because of the large shortfall we carried forward. However, we are thankful the congregation answered the call to address our shortfall in both an overwhelming and humbling way. This meant that we received \$50,000 more in current offerings this year over last year. We have not seen operational income this high in recent memory. We ended 2017 in the black. It was a wonderful thing to see and we feel so blessed.

Because of the generous hearts of the congregation we were able to support our programming and staff. We saw the impact of The Stewardship Series in October and witnessed an increase in contributions, as well as in a more consistent manner.

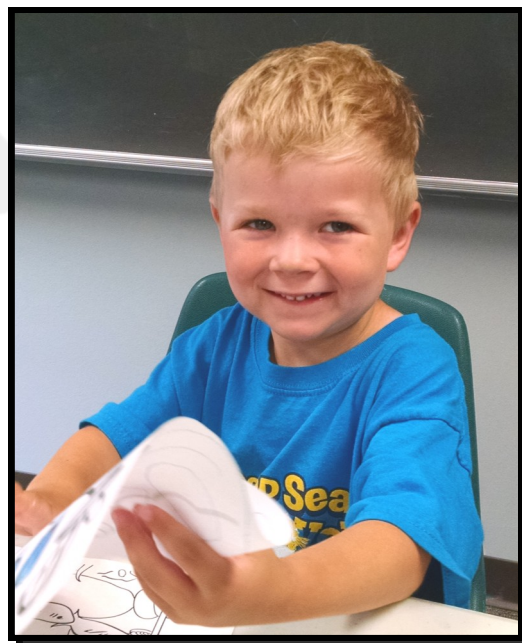
We had many successes in 2016. However, if the church could change one thing for 2017, it would be to grow more consistent in giving. Although we received 17% of our current operating donations in December, this makes it difficult to plan a budget year round. In order to help build consistency we will be looking at ways to promote online giving to grow financially strong throughout the year, especially during the summer months when both our attendance and giving drops.

Because of YOUR generosity, we will continue to tithe 10%, support programming like Summer Stretch, Women's Ministries like Mugs, Muffins and More, activities like Caring for God's Creation Fair and October fest, and support our wonderful staff.

CAPITAL - FREE 2B GRACE FUNDS

Grace is blessed that the congregation continues to support the building with capital and Free2B GRACE donations. We have about one year left on the campaign. We made over \$59,000 in additional principal payments and will be mailing an additional \$17,000 check any day now totaling \$76,000. We will see the balance of the mortgage fall to about \$860,000.

In the last three years we have been blessed that giving to Capital and Free 2 B GRACE funds have been strong. It has allowed us to reduce our overall debt by almost \$500,000. However, in 2016 we have noticed a significant drop in giving to Free2B Grace. Part of this may be explained by 12 families having completed their pledge. In addition 13 families have moved away. As a result we anticipate that we will not receive at least \$350,000 of the \$1.2 million pledged at the beginning of the campaign. What will this mean long-term? We will not be able to reduce the overall debt as much as we had hoped. This may impact us for the next steps of growth at Grace. However, as God has shown us in the past, he provides in amazing ways and will surprise us.

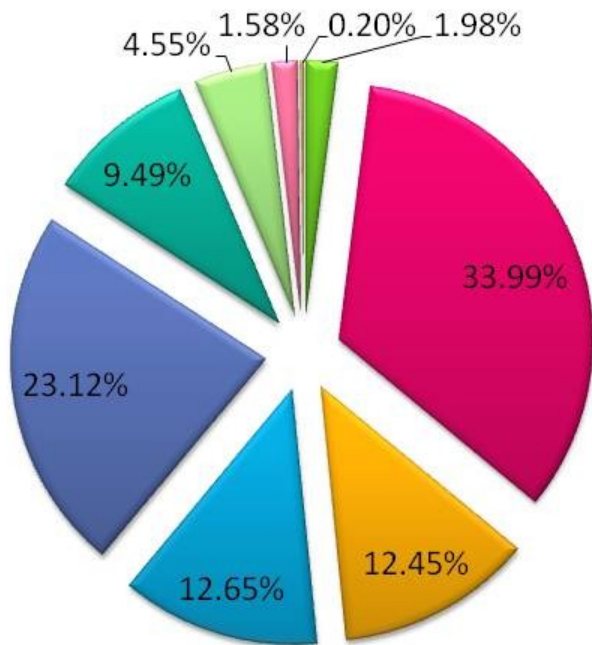


HOW DO PEOPLE GIVE AT GRACE?

“Not equal gifts but equal sacrifices!” This is the goal the leadership at Grace recognizes. Not everyone is financially able to give the same amount or the same percentage (tithe). However, it is our hope that no matter what is given, all of it

is given in response to the love and grace which has been poured into all of us. The following graphs help us see the larger “picture” of the range of our generosity.

ANALYSIS OF REGULAR GIVING PATTERNS 506 GIVING UNITS



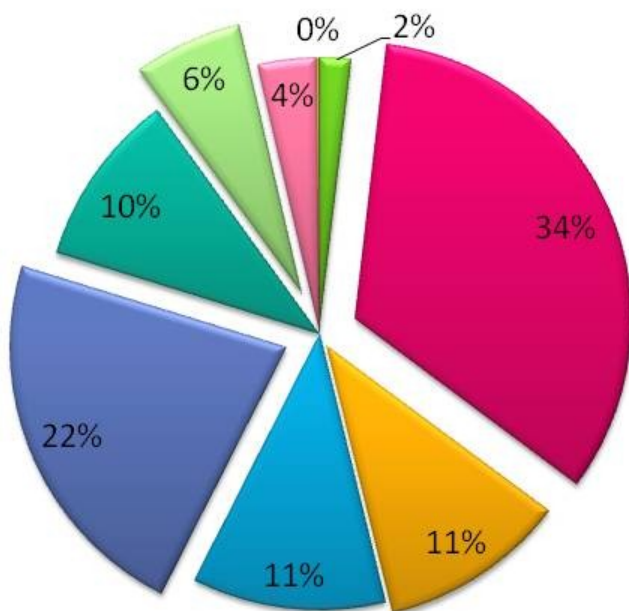
Giving Dollars Range and No. of Units

- \$0.01 \$5.00 10
- \$5.01 \$250.00 172
- \$250.01 \$500.00 63
- \$500.01 \$1,000.00 64
- \$1,000.01 \$2,500.00 117
- \$2,500.01 \$5,000.00 48
- \$5,000.01 \$10,000.00 23
- \$10,000.01 \$25,000.00 8
- \$25,000.01 up 1

42 Giving Units give on Holidays or only to Capital and Free 2B GRACE

ALL OFFERING – 548 GIVING UNITS

CURRENT, CAPITAL, FREE2BE, OTHER



Giving Dollars Range and No. of Units

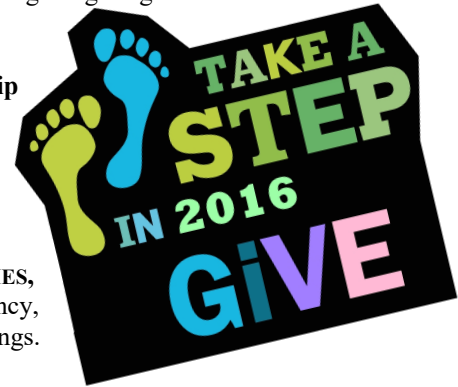
- \$0.01 \$5.00 10
- \$5.01 \$250.00 183
- \$250.01 \$500.00 60
- \$500.01 \$1,000.00 62
- \$1,000.01 \$2,500.00 122
- \$2,500.01 \$5,000.00 56
- \$5,000.01 \$10,000.00 35
- \$10,000.01 \$25,000.00 19
- \$25,000.01 up 1

WHAT ARE THE ROADBLOCKS TO GIVING?

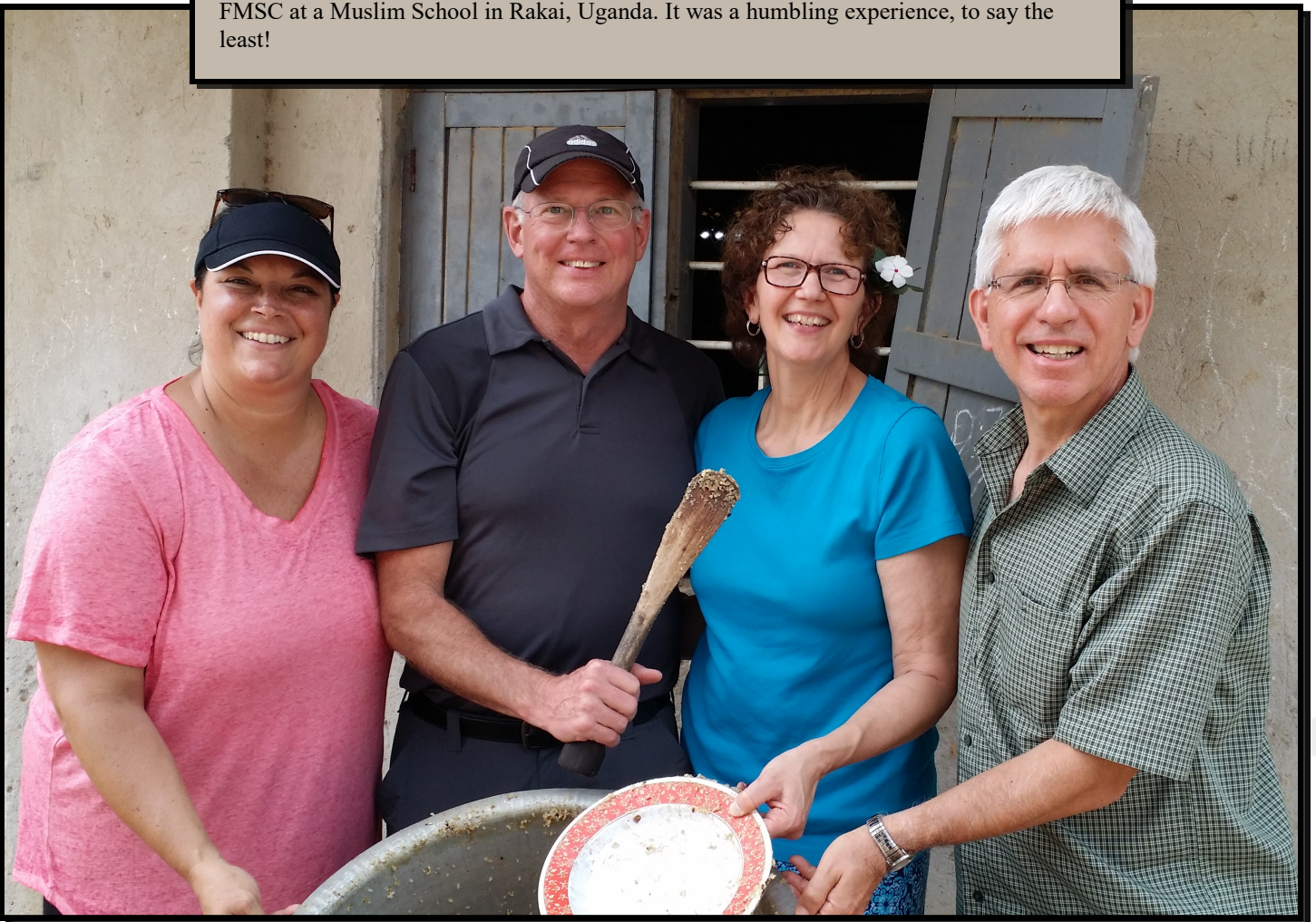
While we celebrate and give thanks to God for the generous offerings we received in 2016, we know there are roadblocks which impede the discipleship habit of giving. In analyzing the giving patterns at Grace, several important issues arise:

- **Consistency** - giving regularly even when unable to attend worship
- **First Fruits** - giving first before any other bills are paid
- **Proportionate** - giving a percentage of income
- **Growth Steps in Giving** - take a step of growing a percentage of income

We are thankful that during our 2016 **TAKE A STEP TO GIVE STEWARDSHIP SERIES**, a considerable number of people committed to take steps to increase their consistency, priority, and percentage giving. Already we have seen an increase in weekly offerings.



All the food we have packed at Feed My Starving Children makes a difference in the lives of hungry children. Here Pastor Mark, Jeannie, Scott Christensen, and Stacy Surratt serve FMSC at a Muslim School in Rakai, Uganda. It was a humbling experience, to say the least!



WHAT DOES THIS MEAN?

What can we learn from the analysis reflected on page 11?

- There are more than 42 giving units which do not support the regular operational fund. Instead, they give exclusively to the capital and Free 2B Grace funds and/or give only 1 or 2 times a year. While this is helpful to fund mortgage and debt needs, this has a serious impact on the day-to-day functioning of our church. It is the Operational Budget that pays for the pastors coming to visit the sick or counseling those in need. It is the Operations Budget that supports worship services, staff planning VBS, and SONday School ministries.
- A little over 40% of our family units give \$10 or less each week. This represents about 3.8% of the total dollars given.
- 43% of our family units give somewhere between \$11-\$50 each week. This represents about 42% of the total dollars given.
- 7% of our families give \$51 - \$100 every week. This represents 21% of the total dollars given.
- 7% of our families give \$101 - \$200 every week. This represents 25% of the total dollars given.
- 3.47% of our families give \$201-\$500 every week. This represents 26% of the total dollars given.
- Nearly .2% of our families give more than \$501 every week. This represents .06% of the total dollars given.

What are some conclusions we can draw?

Percentage

- A little over 10% of the families(55) give more than 50%(53%) of the total dollars.
- 43% of our families (240) give 43% of the total dollars.
- 45% of our families (255) give 4% of the total dollars.

Discipleship - Spiritual Formation

1. If we take \$82,010 as the average of the median incomes of Andover, Coon Rapids, and Ramsey, the median income after taxes (28%) is about \$60,000. Therefore, we can surmise that a considerable number of our people give less than 1% of their income.
2. A large percentage of our families do not give regularly or practice “first fruits” giving. If they do not attend worship, they do not give, nor do they make up for missed weeks.
3. If many of our people do not give proportionately, (a percentage of income) there is a good chance they are not using the biblical tithe (10%) as a benchmark for growing their giving.
4. We are growing the number of people who practice a full 10% tithe.
5. We celebrate that nearly 23 % of our families (103) use Simply Giving, electronic bank withdrawal programs, or our website to give \$

It would seem we have a great opportunity to take some essential steps of discipleship as we challenge more of our families to take a step toward proportionate giving and practice first fruits giving. And as we do, God will be able to work more through us and affect lives around the world for him.



WHAT REVENUE DO WE EXPECT IN 2017?

Contributions	2016 Actual	2016 Budget	2017 Budget
Current - Weekly Offerings	\$764,247	\$743,500	\$771,530
Sunday School	\$1,169	\$1,600	\$1,350
Easter/Lent	\$16,288	\$18,000	\$16,500
Thanksgiving	\$727	\$1,200	\$1,200
Christmas	\$15,487	\$17,000	\$18,500
Envelopes	\$268.	\$450	\$250
Noisy Offerings	\$19,389	\$20,000	\$20,000
Miscellaneous Income	\$7,525		
Sub Total	\$825,100	\$801,750	\$829,330
Above & Beyond/Benefits gift	\$0.00	\$10,000	
Sub Total	\$825,100.	\$811,750	\$829,330
Use of Facilities			
Sub Total	\$41,775	\$44,900	\$41,000
Registration Fees - SONday School, Catechism, etc.			
Sub Total	\$19,222	\$22,100	\$18,050
Other Receipts		\$5,000	\$5,045
Olson Trust	\$20,041	\$10,000	\$20,000
Large Church Activities	\$2,988	\$1,000	\$3,000
Subtotal	\$31,938	\$16,600	\$28,045
Total Receipts	\$918,035	\$895,350	\$916,425

SUMMARY OF 2017 MISSION BUDGET

Investments	2016 Actual	2016 Budget	2017 Budget
Benevolence	\$80,562	\$81,000	\$82,930
Administrative	\$41,463	\$45,314	\$48,320
Worship	\$6,947	\$6,106	\$5,760
Stewardship	\$0	\$1,000	\$1,500
Education	\$8,129	\$11,835	\$11,595
Music	\$1,764	\$1,975	\$2,250
Social Ministry	\$990	\$1,700	\$1,500
Fellowship	\$5,572	\$5,150	\$8,250
Property	\$55,712	\$68,140	\$65,150
Youth	\$8,557	\$11,825	\$8,575
Personnel	\$676,359	\$702,907	\$680,595
Totals:	\$884,293	\$936,952	\$916,425

HOW CAN WE CONTINUE TO SUPPORT THE MISSION OF GRACE AS WE TAKE STEPS OF SPIRITUAL GROWTH?

1. We ask you to reflect upon ways in which to simplify your lifestyle to free up your financial resources and grow your generosity.
 2. If you haven't taken a step of spiritual growth highlighted during our 2016 Stewardship Focus: **Take A Step: GIVE**, consider taking a step now:
 - Start giving by deciding on a percentage of your income. We believe giving by percentage of one's income back to God is a biblical practice. Now that Grace has reached the 10% tithe, we ask everyone to give by percentage. Look at what you give currently and determine the percentage it reflects of your whole income.
 - Start the journey to a full 10% tithe. It may take years to reach it, but we're simply asking you to take a step. If you already give by percentage, perhaps you might prayerfully consider increasing your giving by 1% of your income this year
 3. Practice consistent giving even when you are unable to attend worship. This biblical principle is called "first fruits" giving (writing the tithe first before all the rest of the bills.) One of the easiest ways to do this is through our Simply Giving Electronic Funds Withdrawal Program or Giving online at www.graceandover.org.
 - We have set a goal of enlisting 50 more families to sign up for Simply Giving electronic withdrawal program offered on our website.
 4. As the leadership of Grace, we will continue to manage all resources to the best of our abilities.
 - We already carefully reduced the ministry costs of this proposed 2017 budget, with little or no increase from the previous year.
- We do not spend what we do not have. Therefore we will remain diligent in delaying purchasing items or starting new ministries until they can be adequately funded.



Every September Grace joins the more than 10,000 ELCA churches in our nation help our communities on God's Work, Our Hands Sunday. Pictured at the right is Carla Renning whose team clear brush and garbage at Stepping Stone Emergency Shelter in Anoka, MN.

A FINAL CELEBRATION OF GENEROSITY..

OUTREACH MINISTRIES IN REVIEW 2016

FAITH & COMMUNITY PARTNERSHIP

This is the ministry partnership we have with Sand Creek Elementary School in Coon Rapids.

- Holiday Food Baskets – delivered 8 at Easter, 18 at Thanksgiving, 13 at Christmas
- Adopt-A-Family at Christmas – 13 Sand Creek families adopted by Grace families/groups
- Collected school supplies during August (Grab 2) – delivered supplies to school in Sept.
- Created/delivered encouraging notes (and snacks) to teachers & staff several times

- Started new sewing project (hearts and marble maze) for children's pockets
- Took ministry team to meet school social worker and build relationships
- **FAMILY PROMISE**

This is a ministry we share with other area churches to host families who are temporarily without homes.

- Hosted families experiencing homelessness four weeks in 2016

FAMILY TABLE MEAL

This is a ministry we share with area churches to serve a meal to our community.

- Host hosted/served 12 complimentary meal to community on third Sunday of each month

FEED MY STARVING CHILDREN

- Sent over 500 volunteers to FMSC in 2016, and participated in two competitive packs
- Grace volunteers packed each Friday afternoon during Lent
- Handed out free M&M containers in Nov. for fundraiser –raised over \$3000

GRACE QUILTERS

- Made approximately 300 quilts, sent 40+ quilts to Rakai, Uganda with mission team

GRACE 2 HAITI

Grace partners with World Wide Village to serve and support the needs of Haiti.

- Two teams served in Haiti in February
- Lifted up Abandoned Children in Jan., people donated clothes/supplies, team took items to Haiti
- Members of Grace sponsored 14 children.

GRACE 4 RAKAI

Grace partners with African Children Today - Uganda to serve and support the needs of Rakai, Uganda.

- Mission team travelled to Rakai in October
- Blessed the land where school-dormitory is being built,
- Collected & delivered packages/gifts to 70 Grace sponsored ACT children
- Ann Hill spoke in Nov. - Sponsored 16 more



GRACE 4 RAKAI HELPS TO FEED THE HUNGRY

A FINAL CELEBRATION OF GENEROSITY..

children with ACT, showed mission trip video

- Lenten Noisy offerings plus designated giving/donations (over \$6000) to construct School/Home
- Sold Hope Again Women product (baskets/jewelry) at Bazaar and Nov. 12/13 in narthex

HABITAT for HUMANITY

- Team of volunteers served July 28, in Blaine

HOPE 4 YOUTH

A community wide ministry to area youth for housing, support, food, and a warm place of acceptance.

- Collected & donated 'take & heat' foods during April Shower of Blessings food drive
- Wall of Hope with donation envelopes attached, in narthex during Aug. – raised \$6000
- Collected School Supplies during August – delivered supplies to school in Sept.
- Grace Quilters donated quilts for opening of Hope Place, transitional housing in Coon Rapids

MAY ALL BE FED FOOD SHELF

Grace's Food Pantry used to help those in need.

- Collected food during 'April Shower of Blessings' Food Drive to restock the shelves
- Continue to give out over 300 bags of groceries each year

OUR SAVIOR'S SHELTER

A shelter ministry in Minneapolis that helps and supports more than 650 homeless people a year.

- Volunteers cooked & served 12 meals on first Monday of each month.

PRAYER SHAWL MINISTRY

A group who knits shawls for those experiencing crises and illness as a visible prayer support for healing and wholeness.

- Volunteers continue to knit/crochet shawls and donate to local hospitals, hospice, etc.

OTHER OUTREACH MINISTRIES - 2016

LENTEN OUTREACH "Caring for God's Children"

- Noisy Offerings collected during Lent:
- Our Abandoned Children Ministry - \$936 for future housing of eight children in Haiti
- Grace 4 Rakai - \$936 to build a school-dormitory for 26 children in Rakai, Uganda
- Sole Hope - sent 437 sets of patterns/jean fabric; Donated

\$631 raised from Lenten Suppers

- Feed My Starving children - 126 Volunteers packed meals during Lent; Grace sent volunteers every Friday and at a competitive packing event in March

APRIL SHOWER of BLESSINGS

Food Drive in April, to restock May All Be Fed Food Shelf and Take&Heat foods for Hope 4 Youth

GRAB 2 in AUGUST 2016

Sticky notes and numbered envelopes on chalk board in narthex, supporting 2 ministries

- Sand Creek Elementary (school supplies) and Hope for Youth (raised \$5575)

GOD'S WORK OUR HANDS – Sept. 11, 2016

25 Participants – visited shut-ins; served dinner at Alexandra House; cleared brush at Stepping Stone Emergency Housing in Anoka; cleaned up trash along Bunker Lake Blvd; wrote encouraging notes to Sand Creek Staff



NOVEMBER – Month of SERVING

- FMSC – Gave out 400 M&M tubes, raised over \$3000 for FMSC; Marathon packing Nov. 18-19
- 250 Grace volunteers helped packed 210,00 meals which will feed 571 children for year
- Stepping Stone Emergency Housing – collected/delivered 77 gift bags residents in Anoka
- Faith & Community Partnership with Sand Creek – food baskets, staff encouragement
- Family Promise – hosted families Nov. 27 – Dec. 4
- Giving Tree – gifts given to Refugee Resettlement Families, Lutheran Social Services Minneapolis
- Love of Grace Bazaar – Ministry team of 10 people, raised over \$3000 (\$2000 to Stepping Stone and \$1000 to purchase children’s Bibles at Grace)

GIVING TREE

- Gathered gifts for Refugee Family Settlement, Lutheran Social Services
- Detergents, soup pots, brooms, coats, gloves etc. and GIFT CARDS (Cub/Aldi) valued at \$745

OCTOBERFEST

Silent Auction to raise funds for Stepping Stone in Anoka (\$1300)

LOVE of GRACE BAZAAR – Nov. 12

Raised \$2000 for Stepping Stone; \$1000 for Bibles at Grace

FREE 2 B GRACE 2015 tithe/funds distributed to 5 ministries in 2016.

- Our Abandoned Children (\$5082 for kids’ home)
- Grace 4 Rakai (\$3159 for School)
- FMSC (\$3597, typhoon in Philippines)
- Family Promise (\$3182, computer)
- Stepping Stone Emergency Housing (\$3545, for security system)

NOISY OFFERINGS throughout the year



“The Grace Place” (the left portion of the building on the left) is part of the new elementary school Grace is helping to build in Rakai, Uganda. It was a wonderful moment when Pastor Mark and the team were able to bless and dedicate the land.

