

Grace Lutheran Church

2016 Annual Meeting
Sunday January 22, 2017

Agenda

Opening Devotions

Meeting Minutes

Financial Report

Nominating Committee

2017 Budget

Old Business

New Business

Adjournment

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Messages From The Pastoral Staff

2016 Ministry Report of Pastor Steven J. Berkeland

Salt and Light

¹³“**Let me tell you why you are here.** You’re here to be salt-seasoning that brings out the God-flavors of this earth. If you lose your saltiness, how will people taste godliness? You’ve lost your usefulness and will end up in the garbage.

¹⁴⁻¹⁶“Here’s another way to put it: You’re here to be light, bringing out the God-colors in the world. God is not a secret to be kept. We’re going public with this, as public as a city on a hill. If I make you light-bearers, you don’t think I’m going to hide you under a bucket, do you? I’m putting you on a light stand. Now that I’ve put you there on a hilltop, on a light stand—**shine! Keep open house; be generous with your lives. By opening up to others, you’ll prompt people to open up with God, this generous Father in heaven.**

(Matthew 5:13-16, from Eugene Peterson’s *The Message*)

Dear Friends of Grace,

Some of my favorite verses of the Bible are from this part of Jesus’ Sermon on the Mount, as recorded in Matthew’s Gospel. And the phrases ‘salt of the earth’ and ‘light of the world’ have been both familiar concepts and worthy goals for me. Then, when I came across that part of Jesus’ message in the translation of *The Message*, the words spoke to me in a new, fresh way. And THEN, it occurred to me that I am very blessed to be able to serve, worship and work with so many of you, who also take these words to heart (and live them out through your lives).

Truly, Grace Lutheran finds many ways to bring out God-flavors and God-colors, in and for the world around us. We are blessed with:

- a Great God (who makes all things possible),
- a faithful membership (mission minded and service oriented),
- a dedicated staff (bringing God-given gifts to help others find their God-given purpose),
- a wonderful facility (which needs and deserves some updating in the next year or two).

Could we grow stronger in our response to God’s goodness and become more faithful in our following the Lord? **ABSOLUTELY...** and that is my prayer for us in the days ahead. But now is a good time to pause and be thankful for all that is happening at Grace.

And for me, that begins with my thanking God for YOU. Your partnership with, and support of, my ministry in this place is humbling – and very much appreciated! And my trust that the Lord has many more wonderful blessings in store for us, gives me great hope for the days to come. As the old saying goes: we don’t know what the future holds, but we do know Who holds our future. So let us boldly step forward and-

Keep open house; be generous with your lives. By opening up to others, you’ll prompt people to open up with God, this generous Father in heaven.

God’s peace be with you!

Pastor Steven J. Berkeland

2016 Ministry Report of Pastor John Heille

*Isaiah includes words of hope for people who share the good news.
How beautiful upon the mountains are the feet of the messenger who announces peace,
who brings good news, who announces salvation, who says to Zion, "Your God reigns."
Isaiah 52:7 NRSV*

This past year has been full of blessings for Grace and for me and it's looking back to write this report that I feel deeply encouraged for the future of our life together as church. For Grace as a whole 2016 has been full of transitions with one full-time staff member leaving and a new person starting in a different full-time position. With all the changes in the past year I've been focused on ongoing ministries.

Confirmation

Our three year program continues to teach the key parts of Luther's Catechism—the 10 Commandments, the Creed, the Lord's Prayer and Sacraments and key stories from the Bible. We've been blessed this year with 17 adults, mostly parents, who join with the 87 students week after to think through the main learning of our program. We've been fortunate to have a mentor this year for each of the young people in our confirmation program during Advent and Lent

Bible School

This year I was blessed to join the soon to be 6th graders for a week of Bible School. We served in the Salvation Army thrift store sorting clothes, at Charlotte Park putting wood chips under the play equipment, and in the Bible School Wide blanket tying project.

CHAOS

I worked with a variety of different people this year in CHAOS to tell different stories from the Bible. This fall we focused on the signs and miracles of Jesus in the Gospel of John. With over 60 kids this Wednesday after school program continues to serve by connecting the stories of Jesus with the lives of kids in Fairmont.

The Directory

We started work on a new directory—focused on updating information about everyone who makes up Grace. I hope in the next year—as new software comes into use—that we will start to collect pictures for a new directory.

I continue each Monday with leading the Bible Study at Goldfinch, visiting twice each week in the hospital and working with the Outreach, Fellowship and Worship Teams.

My hope for Grace in 2017, is to keep focused on the Good News that Jesus has come to die and rise for sinners. I hope to place my efforts on telling the story again and again to our neighbors and our world.

I give thanks this year for the privilege of serving with you as one of your pastors.
Pastor John Heille

2016 Ministry Report of Visitation Pastor Jackie Ziemer

Dear Sisters and Brothers in Christ,

I am grateful for another year of visitation ministry at Grace. While I expected I would enjoy this ministry, I have been blessed beyond my expectations as I have been allowed into the faith lives of these saints of the church at such a crucial time in their lives. I visit the people who are considered “home bound” bringing them scripture, a devotional, Holy Communion, and of course conversation. The list of those I serve has a way of increasing rather quickly. As I write this, there are 50 individuals on the “list,” making what would be nearly a whole congregation in some small churches. Many of the people I visit have slowly slipped from being in the agile, active, and healthy swing of things, to a much slower, even dependent, state. Some have issues with physical mobility, bodily function, and eye sight; while others suffer from illness, stroke, or memory loss. Such a season of life can be frustrating and debilitating. It can illicit emotions of anger, sadness, depression and fear in people and in their family members.

And though this may be the fate of any of us who live long enough, it is important that no one who is homebound should be lonely or cut off from their community of faith. This is where we come in. Our ministry together, as the Grace family of faith, is to remind these saints of the church that they are not forgotten. And so thank you for your prayers for the homebound. Thank you for delivering plates of cookies, for youth leading worship at Goldfinch, for sending cards, being a visitor as an individual or on behalf of a circle, for helping gather folks for worship services and bringing treats, bringing music and accompanying music for services. Thank you for knitting prayer shawls, and for the multitude of ways I have failed to list. Thank you to those of you who serve at funerals and memorials and give so graciously of your time. And while you have given much, I know that in turn you have been blessed, as I have, by these saints of the Church. You have experienced the truth of Matthew 25:40, “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.”

As most of you know I have been continuing my education toward board certification as a chaplain. As of January 1, 2017 my studies will take me to the Minneapolis/St. Paul area for at least three months, where I will be learning more about hospice care and chaplaincy working with Presbyterian Homes. At this time I also plan to begin the task of writing boards and preparing for oral boards through the Association of Board Certified Chaplains, a nationwide organization of chaplains. I ask for your continued prayers in my studies and in what the future holds.

Please let one of the pastors know of those who should be visited. And thank you for your partnership in the ministry of Jesus Christ.

Pastor Jackie Ziemer+

2016 Ministry Report of Worship & Music Director

*O come, let us sing to the Lord; let us make a joyful noise to the rock of our salvation!
Psalm 95:1*

The Bible is full of passages concerning music making for God! While there are many verses proclaiming the wonder and thrill of praising the Lord with song, I often look to the Psalms to find comfort in making music for the Lord. Psalm 95 provides us with clear instructions as to what should occur when we worship. It has been an absolute honor to join the wonderful members and staff at Grace on the never-ending journey of making a joyful noise for the Lord.

In my seven months as Worship and Music Director, there have been so many exciting and delightful moments in worship! A few highlights include an energy filled Vacation Bible School week, a touching worship experience provided by Minnesota Adult and Teen Challenge, and the inception of a monthly concert series at Grace.

2017 looks to be an exciting year in worship and music. To celebrate the 500th anniversary of the reformation, we will be examining the importance of the hymn/song of the day. We will look to expand our musical and liturgical repertoire by looking both to current trends and storied traditions for guidance. By looking to ourselves and our neighbors, we will continually seek to find members of Grace to provide music and assist in worship. Most importantly, we will look to God for help as we continue praising Him.

Andrew Paulson

Youth Ministry Coordinator

Hello my name is Bryan Struck and I am the new Youth Ministry Coordinator. I am very excited to assume this role. Over the years I have been very involved in youth ministry, as a volunteer, Sunday school teacher and Wednesday activities coordinator.

My vision of Grace Lutheran Youth Group is to welcome youth into the family of God, introduce them to Jesus Christ, nurture growth of disciples, and encourage them to glorify God with their whole lives, as well as serve others with their gifts. I plan on doing this by implementing a bible study for 10th - 12th graders to help them to continue their involvement in church. Fundraising is currently underway for the ELCA National Youth Gathering 2018 in Houston.

Thanks to the congregation for your encouragement and help that has been given. We have appreciated all the volunteers and encourage others to get involved in this very important and exciting part of our congregation.

Bryan Struck

Council President Report

“Enter God’s kingdom through the narrow gate. The gate is large and the road is wide that leads to ruin. Many people go that way. But the gate is small and the road is narrow that leads to life. Only a few people find it.” *Matthew 7:13-14*

Serving on Grace Lutheran’s church council for the past 3 years has been an enlightening experience. To say the least, it put me out of my comfort zone. It let me see all aspects of the church; it is not just a meeting place on Sunday morning, it is a busy and vibrant center for many people and organizations in our community. There are many very dedicated and passionate people who behind the scenes make Grace what it is today. Our Ministry teams consist of Discipleship, Worship, Outreach, Service and Fellowship, and we as council members get to sit on each of these committees alongside other members of Grace. We listen and participate but the people who lead these ministry groups are the real leaders behind the scenes. I think serving on the council is a spring board to serving in areas where you are passionate after your term is done. It has given me a great appreciation for the full time staff, and what goes on day to day in our church. We have an AMAZING staff!! They need to be thanked for their dedicated service. I would highly recommend serving on the council to anyone.

My mission this past year was to take care of our “House” and make the congregation aware of the costs of maintaining our facility. We worked very hard to present ideas and get guidance from you on the direction we should take on our building. Our congregation has decided to repair and upgrade our beautiful building. This will start in 2017 with the south flat roof and then the windows on the south wing and eventually the west entrance.

“Jesus Christ is the same yesterday and today and forever.” *Hebrews 13:8*

The past year has been a busy one with some personnel changes in the church. Andrew Paulson was hired this past summer to serve as our worship and music director. Music has been a strong part of worship at Grace and Andrew will continue this great tradition. Bryan Struck was hired this fall as youth coordinator; he brings new vision and ideas. His sole mission is to spend time with our youth and guide the program to become stronger.

Nicki Kueker, Director of Christian Education, will continue at her position but will move from a 10 month position to a 12 month position in order to keep up with the demands of this position.

Pastors Steve, John, and Jackie; thank you for your service. You have been great to work with this past year.

It has truly been an honor to serve as your Council President in 2016. I look forward to all that 2017 has to offer!

Respectfully
Steven J. Stone

Grace Lutheran Church
Annual Meeting Minutes

Sunday, January 24, 2016

Call to Order: by Cherylann Brumbaugh, Council President at 9:35 AM with a quorum present.

Devotions: by Pastor Steve Berkeland - Romans 12: 2- Discerning God's will and our decision making. Followed by the opening Litany.

Secretary's Report:

Reviewed. Motion by: Donna Torgerson to approve and accept minutes from the 2015 Annual Meeting. Seconded by: Louise Hendricks. Motion Carried

Financial Report:

Jane Reiman provided an outline of 2015 Finances, referencing the Balance Sheet and Profit & Loss Statement. Grace was able to meet all financial obligations with a positive income balance. Therefore the congregation is debt free.

Ernie Nuss made a motion to transfer the budget savings from the past year to the trust fund capital projects account. The motion was tabled for further research and to be brought up at the church council retreat.

Elections:

Diane Gerhardt from the Nomination committee presented the 2016 Congregational Ballot as follows:

Congregational Council - 3 Year Term: (vote for 3)

Chris Finck
Brenda Fellersen
Tim Miller

Auditing Team - 1 Year Term (vote for 3)

Dave Johnson
Randy Lubenow
Dennis Madsen

Head Ushers - 1 Year Term

8:30 (vote for 2)

Robert Miles
Brian Huebert

10:45 (vote for 1)

Brian Ehlert

Nominating Committee - 1 Year Term (vote for 3)

Ian Bents
John Anthony
Diane Gerhardt

Motion by: Loren Dunham to appoint all by way of a unanimous ballot. Seconded by: Dennis Trushenski. Motion Carried. Congratulation to all those elected to serve.

Departing Council Members: Term Concluded

Joanne Hansen
Cherylann Brumbaugh
Randy Lubenow

Proceeding Council Members: Continued Term

Tim Hested
Lyn Johnson
Sandy Lunn
Steve Stone
Paul Ruen
Ryan Fett
Harriet Danielson

Following the new elections, there was applause in appreciation for all those that have completed their service on the council. And a special Thank You was given to the amazing staff of Grace for their leadership and service.

2016 Budget:

Jane Reiman reviewed information covered at the budget forum, noting that there is a 1% increase to the budget for 2016. There was a 7% increase in insurance premiums. With no further discussion. Motion by Joice Forster to approve and accept the 2016 budget. Seconded by Christy Stone. Motion Carried

Old Business:

Scott Nagel made a motion: "That Grace Lutheran Church of Fairmont, MN designate 3% of 2016 general fund receipts to a year long stewardship campaign and 3% to an evangelism program that reaches all members in the church and member of the community." The motion was tabled for further research.

Ernie Nuss suggested that we do not just rollover ideas from year to year but act on them.

New Business:

Bob Miles gave a thank you to Brian Huebert for his good work as head usher in Bob's absence.

Pastor John Heille - Closed with the scripture from Romans 12: 2-5. Also Pastor thanked all those on the council for their work naming each one.

Adjournment:

Motion by Brian Roggow to adjourn the annual meeting of 2016. Seconded by Mary Kotewa. Motion Carried.

Respectfully submitted by: Harriet Danielson, Church Council Secretary

Statistical Summary – 2016

Baptisms: Youth –25
Confirmations: Youth –19
Weddings: 9
Funerals: 30
Membership Additions:
 By Baptisms: 25
 By Transfer: 51
Membership Losses:
 By Death: 27
 *By Transfer: 328
*due to response from Directory update
Grace Lutheran Church Membership as of 12/31/2015:
 2496
Grace Lutheran Church Membership as of 12/31/2016:
 2217
Saturday Evening Worship Services: 50
Sunday Morning Worship Services: 86
Special Worship Services: 33
(Ash Wednesday, Lent, Maundy Thursday,
Last Supper Portrayal, Good Friday,
Easter Sunrise, Thanksgiving, Advent,
Blue Christmas, Christmas Eve, Grace is Amazing,
Festival of Music)
Average Weekly Attendance: 375
(includes Saturday evening & Sunday morning
 Services only)
Saturday Average Attendance: 64
Sunday Service Average Attendance:
8:30: 142
10:45: 195
Summer/9:30: 202
Average Wednesday Confirmation Worship: 104

2017 Congregation Council Ballot

The following Congregation Council members will complete their service on the Council as of this Annual Meeting. We truly appreciate their service to Grace.

Tim Hested
Lyn Johnson
Sandy Lunn
Steve Stone
Cherylnn Brumbaugh

The following Council Members will continue serving until their terms expire at the Annual Meetings of 2018 or 2019.

Paul Ruen
Ryan Fett
Harriet Danielson
Tim Miller
Brenda Fellersen

Ballot – January 22, 2017

Congregation Council – 2 Year Term (vote for 1)

Congregation Council – 3 Year Term (vote for 4)

Auditing Team – 1 Year Term (vote for 3)

_____ Dave Johnson
_____ Randy Lubenow
_____ Dennis Madsen

Nominating Committee - 1 Year Term (vote for 3)

_____ Ian Bents
_____ John Anthony

Ministry Team Updates

Teach your children to choose the right path, and when they are older, they will remain upon it. Proverbs 22:6

Grace has continued to make children's ministry a great blessing. About 190 children have explored the word with 60 plus servants guiding children during Power Hour in 2016.

The Children of the Spirit, comprised of children 3 years old- kindergarten, continue to follow the rotation model. The rotation model allows children to deeply explore major stories of the Bible throughout a four week rotation. Each week, children sing praises in the music rotation and then participate in one of the following rotations: storytelling, games, crafts and library. Each rotation promotes a deeper understanding of key points in an age appropriate manner.

The Kids of the Kingdom includes children in first through sixth grade. The children are enjoying the curriculum, Hands on Bible Curriculum. Just as Jesus used everyday objects to teach eternal truths, Hands-On Bible Curriculum uses fun gizmos that help Power Hour leaders teach so kids understand God's Word, love it and remember it for a lifetime. Children gather in their classroom each week study the bible story. Every five to six weeks the classes gather together for a large group, children review the stories that have been taught.

Teens in Christ is made up of students in seventh through ninth grades. Students reflect on God's Word as it applies to our modern day life.

CHAOS (Christ Hands Around Our Students) returned on Wednesdays in March and ran through April, children learned about Kids of the Bible, through crafts, games and skits. October & November children returned to CHAOS to hear about 7 miracles of Jesus from the book of John. The children not only participated in crafts, stories, games and music, there was a service component each week. Some of the favorite service projects were, making Turkeys filled with candy that went to Goldfinch and Lakeview, decorating placemats, making Christmas decorations and cleaning up the garbage around the neighborhood. We were blessed to have Cindy Bly, Stacy Martinson, Abby Ehlert, Elayne Baumgart, Andrew Paulson, Bryan Struck, Pastor John and Bill Christianson help with the busy Wednesday afternoons.

During the week of **June 20th-24th** Grace was transformed in to a Cave, "Cave Quest" was this year's theme for **Vacation Bible School**. Over 100 servants helped 162 children learn how to follow Jesus "The Light of the World". This year's VBS offering went towards a hands on service project, the kids tied 120 blankets that were delivered to Camp Noah in July.

Power Hour offering has continued to support a variety of hands on service projects. This year the children made birthday bags (these consist of a cake mix, frosting, gel writing, sprinkles and balloons) for Heaven's Table, place mats for nursing home residents, Cards for shut ins, and Ninety-one shoe boxes were donated to Operation Christmas Child.

In addition to the regularly scheduled education hour, children and their families have engaged in a variety of faith building activities. Numerous family activities were scheduled throughout the year to strengthen bond between our church families. Among the most notable events were the Bingo, Center Creek Orchard and the community Easter egg hunt, just to name a few!

In February, children in 3rd-6th grade, enjoyed an 8 week Acts Bible study. During this time, they found an understanding of how the events in Acts connect to them today. In November the MESSY bible study was offered where children heard, God can clean up messy situations and loves us no matter how messy our lives are or become.

The Children, Youth and Family Ministry gave a special gift to children in November. Advent devotionals were handed out to all the children to help prepare for the birth of our Lord and Savior.

"I Love to Tell the Story", was the title of the Christmas program that Sasha Jensen, Andrea Miller and Andrew Paulson worked so hard to prepare. Unfortunately due to our wonderful Minnesota weather the Christmas Program was cancelled. There may be a surprise coming in the spring!

Children, Youth and Family Ministry Team; Tia Schweiss, Andrea Miller, Carissa Andersen, Nicki Kueker, Elayne Baumgart, Cherylann Brumbaugh, Pastor Steve Berkeland, Bryan Struck, and Tim Hested.

We are always looking for new faces and ideas on this team!

God has truly rewarded Grace with the gift of children!

Respectfully Submitted

Nicki Kueker

Christen Education Director

Ministry Team Updates

Fellowship Ministry Annual Report

Each one should use whatever gift he has received to serve others faithfully administering God's grace in various forms. 1 Peter 4:10.

The fellowship team coordinates activities to provide opportunities for Grace members and non-members to interact and celebrate Christ in their lives. Fellowship is praying, serving, and giving together. The Fellowship ministry team's focus is providing congregational and community events. Fellowship with God and his people increases our family of faith. Fellowship team for 2016 consisted of council members Sandy Lunn and Brenda Fellersen and Pastor John Heille.

The Fellowship team supported the following activities in 2016.

Community events were:

Open Door Meals— (coordinated by kitchen manger Harriette Connor and her team members). There are many thousand people who use our kitchen and fellowship hall, which is a blessing to our community.

Holy Hot Dish— This is indeed a community event, coordinated with other participating churches and many Grace members, who spend lots of hours in planning and preparing this meal. Many thanks to all involved and who attended. Held April 12, with approx. 155 people attending.

God's Grace Is Amazing block party— We have been blessed with wonderful weather and many helping hands to prepare and serve this block party for the many project workers and neighbors. It is indeed amazing to see all those yellow shirts all over town working on projects in Gods service to others. Served approx. 300.

Congregational events were:

Good Friday luncheon, consisting of sandwiches, chips, pickles, cake and beverages.

Thanksgiving pumpkin pie social served after the noon service. This past year was our best attendance ever. Approx. 60 + people attended.

Fellowship served coffee and cookies after the Festival of Music on March 13th in the gathering area.

Fellowship served muffins and beverages for Ana's farewell get together on May 22nd, also in the gathering area.

Fellowship team contributes to the youth ministries when needed by teaming together with the youth in fund raising activities such as pancake breakfast and Easter breakfast.

Fellowship provides hospitality by furnishing donut holes and coffee each Sunday and is enjoyed by all, young and not so young.

Funeral committees and circles are also grouped under fellowship and serves many small groups.

Grace Lutheran Church is blessed with many servants who reach out to members and non-members in service, fellowship, hospitality, and love of the Lord and our family of faith. Thanks be to God in the year to come, may we serve others with a joyful heart.

Respectfully submitted,
Sandy Lunn

Ministry Team Updates

Open Door Ministry Report

Grace's Open Door ministry continues to bless lives in our congregation and in our community. Open Door serves Wednesday evening meals thirty times during the school year in conjunction with scheduled church activities such as Confirmation. These meals are made possible by very capable volunteers who comprise the meal teams. These dedicated and unselfish servants bake, cook, set up, serve, clean up and are the heart and soul of this ministry.

This Fall, thanks to the generosity of members of our congregation, we were able to replace the three aging electric stoves in the kitchen with gas units that have convection capability. The conversion to gas appliances mean that the stove tops will now support the weight of oversize commercial pots, especially those used for cooking large quantities of pasta and other meals. Feedback has been favorable and the new units are performing well.

ANYONE with an interest in eating or serving is invited to share a meal, join a meal team, meet new people and fellowship while sharing Christ's love. All are welcome, so please extend an invitation to friends and neighbors alike.

Your input regarding Open Door is appreciated and encouraged. We are always looking for ways to improve. Offer menu suggestions or changes, suggest ways to improve the meal experience, share outreach and inclusion ideas or just extend thanks to the meal team.

My heartfelt appreciation goes to all who make Open Door possible,

Harriette Connor

Ministry Team Updates

Outreach Ministry Team

“In the same way, let your light shine before men, that they may see your good deeds and praise your Father in heaven.” (Matthew 5:14-16)

“Support and Empowering Servants” is the Outreach mission statement. We make an effort to extend services and support in our church, the community and the world by showing God’s love. Outreach focuses each month on missions within the church. We invite individuals already involved in an Outreach mission to come to our meetings, giving us insight and knowledge of what they do. Most of the mission teams are small and our goal is to make the congregation aware of what each mission does to get others involved.

We have dedicated volunteers helping at our area food shelves – the Salvation Army and Heaven’s Table and delivering “Hot Meals on Wheels” to those in our community that are shut-ins or are not able to prepare a meal. We have volunteers bringing treats to Goldfinch for Christian fellowship the second Tuesday of the month.

Lutheran Social Services is a very strong mission within Grace Lutheran. Dedicated individuals put in their time preparing treasure chests and making blankets for homeless individuals in Minnesota. During summer VBS children made approximately one hundred fleece Tie-Blankets for donations. Grace Lutheran takes in new members twice a year. Outreach is working on ways to introduce Grace Lutheran to people and new comers in our community. We also put on the new member supper which is a way for Council to introduce and inform new members of what Grace has to offer.

Our Visiting Team and Card Ministry bring encouragement and friendship to individuals in need of comfort and companionship sometimes bringing them prayer shawls. The number of aging members of Grace living in nursing homes or alone is increasing significantly. The Visiting Team is in need of volunteers who are willing to give a small portion of their time to be a friend to listen and to pray with those in need.

The Star Tree Ministry is so rewarding to people who normally would not have a Christmas gift without this mission. Much time and effort is needed in organizing and getting the gifts ready. Thanks to congregational support this ministry has been well received at a time of year when giving is so essential in the lives of others.

Other ministries Outreach is actively involved with include: Women’s Circles, Prayer Chain, Grace Floats used in parades, Assisting people who come to Grace for help, Local Military Support, and our Missions Team which offers support to many ministries.

The Outreach Team meets the second Tuesday of every month. If you are interested in giving back and serving others please consider being a part of our team.

Outreach Team members are Pastor John Heille, Mary Kotewa, Jan Nielsen, Connie Havnen-Gustafson, Lyn Johnson, and Tim Miller. Representing Missions are John and Connie Anthony.

Ministry Team Updates

Missions Ministry Team

“I am the vine, you are the branches. Whoever remains in me and I in him, will bear much fruit, for you can do nothing without me.” John 15:5

The Missions Team would like to thank everyone for their outstanding support throughout the year. With many volunteer hours and financial help from the congregation, we exceeded our budget goal of \$30,000. In order to reach this amount, the team held our standard fundraisers: Phantom Tea, Salad Luncheon / Silent Auction, Rummage Sale, Apple Pie Bake – 340 pies, Christmas Tree Lot – 210 trees, “Home for the Homeless” Snowmen, and Christmas Bake Sale. In addition to fundraisers, we were grateful for many direct Mission donations and a lot of memorials. The Mission’s team would like to recognize the years of service on Mission’s team projects by Sharon Swenson and Diane Gerhardt. We were blessed to serve with them, and they will be greatly missed.

Several fundraisers not only helped support the mission budget, but brought together all age groups in fellowship as they made pies or sold Christmas trees. We are continuing to try to grow support for the “Home for the Homeless” snowman project and the Christmas bake sale. This was the last year for the Salad Luncheon / Silent Auction. We will be seeking new ideas to replace this next year.

The congregation’s generous support enabled our team to contribute to over 30 worthy causes. Donations are given locally, regionally, and globally. Many words of thanks are received from the recipients to show that our efforts are appreciated.

The Missions Team meets approximately six times per year and would welcome new members to help keep missions strong at Grace!

Our goal is to follow the teachings of our Lord by serving as His branches, working to provide hope for the hopeless, food for the hungry, and help for those in need.

Co-Chairs: John & Connie Anthony

Secretary: Louise Hendricks

Treasurer: Carol Voss

Members: Carol Cress, Fred & Pat Heidmann, Keith & Karen Hertzke, Todd Mathews, Carol Nasby, Kay Schellpeper, Ross Sheppard, Joel Teskey, Donna Torgerson, & Pastor John Heille

Worship Ministry Team

The Worship Ministry Team meets monthly to work together to make worship a meaningful and spiritual experience for all members of Grace. There are three services each weekend – Saturday 6:00 p.m. and Sunday 8:30 a.m. and 10:45 a.m. Services can be seen weekly online by going to our website and also on the local cable channel.

Special services are offered on Palm Sunday, Maundy Thursday, Good Friday, Easter, Thanksgiving, and three services on Christmas Eve. Other special events during the year were as follows:

March - The Festival of Music – Hosted by Grace

August – Minnesota Adult and Teen Challenge

December – Blue Christmas service

Andrew Paulson was hired as Grace Lutheran Church’s new full-time music director in order to create a unique musical experience that enhances and supports the message of the worship service. One ensemble has been created to lead the 10:45 Sunday service in order to increase flexibility in scheduling for all musicians, provide the opportunity for additional worship leaders to train, and create a consistent rehearsal schedule.

One of the focuses for this year’s Worship Team is to plan for celebrating the 500th anniversary of Lutheranism in 2017.

Anyone interested in joining the Worship Ministry Team, please contact Pastor Steve.

Ministry Team Updates

Service Ministry Team

- Received/monitored the month general and trust account financial report.
- Reviewed the annual audit presented by the Audit Committee.
- Worked with the Capital Campaign team to establish a campaign for several major upgrades to the building. Current fund balance is \$35,454.
- Accepted the resignation of Sandra Krumholz as New Song Director, Bell Choir Director and organist.
- Hired Judy Berkeland as the temporary New Song Director until the end of May.
- Purchased chairs with side arms for the lounge from designated Trust funds.
- Purchased a new snow blower for the tractor.
- Hired a contractor to remove snow from the parking lot.
- Authorized the excess funds in the amount of \$13,542 from 2015 was transferred to the building fund in the Trust account.
- Reviewed our general insurance coverage and audit with our insurance carrier.
- Replaced the elevator door sensors.
- Purchased a new refrigerator for the kitchen.
- Purchased glass table tops for the furniture in the Gathering area.
- Accepted the resignation of Director of Youth and Family Ministry Anastasiya Novgorodova.
- Approved the repair of the gutters on the west side of the Church.
- Hired Andrew Paulson as Director of Worship & Music.
- Purchased a new desk, hutch, overhead storage cabinet and chair for Andrew's office.
- Purchased a new floor scrubber.
- Staff investigated Church management software companies because current company has been sold. Authorized to change to Realm after the first of the year.
- Purchased 3 convection ovens for the kitchen from designated Trust funds.
- Hired Bryan Struck as part time Youth Ministry Coordinator and Nicki Kueker's position has been extended to 12 months to work with Bryan on administrative duties.
- Purchased a new equalizer for the sound system.
- Reviewed the 2015 Grace & Growth Interest payout. No payout will be made in 2016 due to a loss in the funds.
- Worked with the Financial Director to prepare of 2016 budget.

Council Representation: Ryan Fett, Paul Ruen

Members: Dave Johnson, Pastor Steve Berkeland

Staff Members: Jane Reiman, Bill Christianson

Maintenance Report for 2016

Hello to all, and Happy New Year.

From a maintenance perspective, 2016 was pretty ordinary. Here are the highlights. If you were wondering why the floors were so shiny, it is because of the new Clarke scrubber purchased this April. It works great! Next is the work being done on the west side of the Sanctuary. New gutters were installed in October, and tuck pointing in the spring will complete the project. Hopefully the combination of the two will halt the infiltration of water through that whole west side of the Sanctuary. This will allow me to scrape and paint the west inside wall. (you may have noticed the blistering paint towards the back of the sanctuary. This is due to water seeping behind the outside wall through gaps in the tuck pointing.) Weddings, funerals, C.B.S (Mon. & Wed.) Boy Scouts, Girl Scouts, open door program, Vacation Bible School, CHAOS, and many other functions, keep Grace a vibrant and busy place we should all be proud of.

God's Grace and blessings to you all,
Bill Christianson

Ministry Team Updates

Personnel Committee Report

Personnel Committee Report (members: Jaime Bless, Lyn Johnson, Steve Stone, Brenda Madsen, Cindy Wohlhuter, Pastor Steve Berkeland – advisor)

In 2016, the Personnel Committee carried out the usual responsibilities of seeing that staff reviews were accomplished and staff compensation changes were recommended. In addition, the Committee was given the charge (from the Church Council, based on a Worship Team's recommendation) to oversee the transition from having a full-time Director of Youth and Family Ministry to a full-time Worship and Music Director. This also included the hiring of a part-time Youth Ministry Coordinator and the expansion of the Director of Christian Education position. The Committee is excited about the staff now in place at Grace, and looks forward to supporting their work and seeing God's blessings upon Grace's overall ministry.

ST. LUKE'S LUTHERAN CARE CENTER 2016 UPDATE

St. Luke's commitment to excellence is evident in good reports from the MN Department of Health annual survey, financial audits, and HUD audit. Our facility's Five Star rating from the federal Center for Medicare and Medicaid Services ranks among the top 10% of facilities in our state.

Dealing with a shrinking work force continues to be our biggest challenge during this past year. We have had open positions for nursing as well as dietary, building service and activities. We are very grateful for our devoted staff members who are faithful to pick up extra shifts, even though it often means giving up time on their weekend off or picking up extra hours on the evening or night shifts.

We have been gradually reducing the number of beds we fill in order to maintain an acceptable resident-to-staff care ratio. A year ago, we closed Station 3. At that time, we were admitting up to 88 residents. During this past year, we have continued to decrease our admissions, and are not currently admitting up to 75 residents.

St. Luke's is not alone in our struggle with staffing. According to the 2016 Long-Term Care Imperative survey, there are nearly 2,900 vacant positions in nursing homes statewide.

We feel fortunate to have a nursing assistant training program and the opportunity to provide clinical experiences for nursing students from MN State, Mankato and Presentation College in Fairmont. We are hopeful that this will help in recruiting nursing staff. St. Luke's offers competitive long-term care wages, a good benefit package and a scholarship program. Church members are challenged to encourage people they know who may be looking for a job to consider employment at St. Luke's.

Dealing with our current resources, we are looking for ways that we can realistically meet the need for long-term services in our area. During this past year, we began offering limited home care services at Southview Estates. We are using the home care licensure we have through Friendship Court to provide assistance with medication set-up and bathing for interested tenants. We are hoping that by offering additional health care services at Southview, we can allow some of their tenants to extend their stay at Southview, thus delaying the need for a nursing home bed.

We would like to thank you for your support and prayers as we continue to strive to meet the needs of long-term care in our area. Your partnership with us in our ministry of gentle service is greatly appreciated.

A Ministry Report of the Southeastern Minnesota Synod, ELCA *in celebration of the ministry that took place throughout 2016*

We join together in giving thanks for the multitude of ways the Holy Spirit is at work through the people and congregations of our Southeastern Minnesota Synod!

DEVELOPING LEADERS

2 pastors were ordained

3 Synodically Authorized Ministers were approved

171 rostered & lay leaders participated in the Fall Theological Conference in November 2016

26 active ministry candidates across 6 seminaries are participating in the candidacy process

191 congregational leaders participated in the RENEW! event in Spring 2016

43 rostered leaders participated in the Emotional Intelligence Workshop

SUPPORTING CONGREGATIONS

22 congregations took part in Stewardship for All Seasons, utilizing a stewardship coach for a year

9 congregations worked with LEAD (Living Everyday As Disciples), receiving a congregational assessment and coaching for a year

49 congregations were in the call process

23 congregations called a rostered leader

532 people attended the Southeastern Minnesota Synod Assembly

ACCOMPANYING GLOBAL PARTNERS

52 congregations partnered with congregations, schools, rural clinics and a hospital in Tanzania & Colombia

2 synod representatives went to Colombia for a visit with the Lutheran Church in Colombia and the newly installed Bishop Atahualpa Hernandez

2 synod representatives attended the 2016 Latin American Consultation in Lima, Peru

1 synod representative attended the ELCA-ELCT (Tanzania) Consultation in Chicago, IL

9 dispensaries (clinics) were visited as part of a synod-sponsored assessment in Central Diocese, Tanzania

The South Sudan Operations Team was formed which includes representatives from the five Southeastern Minnesota Synod South Sudanese worshipping communities

GIVING

General benevolence supported ministry happening in the synod, throughout the ELCA, and the world:

\$491,000 for Developing Leaders

\$566,000 for Equipping Congregations

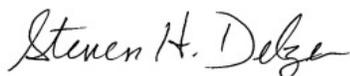
\$180,000 for Accompanying Global Partners

Special giving opportunities accomplished:

Over \$110,000 given or pledged to South Sudan to build a Lutheran Center and support Rev. Wal Reat as a missionary

\$168,000 to ELCA World Hunger (through September)

Peace in Christ,



Steven Delzer, Bishop

Endowments

GRACE & GROWTH FUND

Fund Balance as of 1-1-16

Grace & Growth Balance	189,929.13
Distributions made/not distributed Balance	4,394.32
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	194,323.45

Income:

Contributions/Interest (gain/loss)	2,285.37
2016 Operating Loan Repayment	22,000.00
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	24,285.37

Disbursements:

2016 Operating Loans	22,000.00
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No interest payout was made due to a net loss in 2015.

Fund Balance as of 12-31-16 196,608.82

GRACE LUTHERAN CHURCH ENDOWMENT FUND (MN FOUNDATION)

10-1-15 through 9-30-16

Beginning Balance as of 10-1-15	139,438
Contributions	990

Investment Activity

Interest & Dividends	2,136
Investment Gain/(Loss)	8,748

Disbursements

Administrative Fees	(1,243)
Gains Paid	(6,008)
Investment Expenses	(545)

Ending Balance as of 9-30-16 143,516

ENDOWMENT COMMITTEE

Members: Todd Mathews, Wendy Nemmers, Brenda Madsen, Pastor Steve Berkeland
The Endowment Committee discussed the 2016 distribution of the interest from the Fund that is held by the Minnesota Community Foundation. There was \$6007.96 of interest from the year 2015, which was added to the existing account fund making \$8720.99 available for distribution. Using the guidelines suggested when the Endowment Fund was established, \$2907 was given to the Grace Lutheran Missions Committee, and two other projects (West Entrance Accessibility and Fellowship Hall Technology Upgrade) are being researched for possible funding.

Missions Ministry

GRACE LUTHERAN MISSIONS MINISTRY
2016 ANNUAL REPORT
Carol Voss, Treasurer

BEGINNING BALANCE 1/1/2016	\$15,895.52
<u>RECEIPTS:</u>	
Missions Envelopes and Direct Deposits	\$3465.00
Circle Gifts	171.98
Memorials	11,192.00
Grace Trust Account	2,713.02
Thrivent Matching Funds	75.00
Phantom Tea	3,957.00
Salad Luncheon Donation	125.00
Silent Auction	1,369.00
Rummage Sale	2804.79
Apple Pie Bake	3541.00
Homeless Snowmman Shelters	775.00
Christmas Tree Sales	12,901.00
Bake Sale	555.00
GLC Trust Fund	2907.00
Ross & Sandra Sheppard designated donations: \$5000 each to Youth for Christ-Fairmont Area, Community Emergency Services-Mpls., Fairmont Area Kids Against Hunger	15,000.00
Roger & Carol Voss-designated to Lighthouse Church And Charities, Belize	500.00
Interest	3.92
Misc.	53.82
TOTAL RECEIPTS	\$62,109.53

2016 GLC Missions Annual Treasurer's Report

DISBURSEMENTS:

Rev. Herb Haferman	\$1000.00
Fairmont Area Kids Against Hunger	6000.00
S.A.L.T. Pastor Steve Torgerson	2000.00
Haiti Nursing Foundation	4500.00
Lutheran World Relief \$1100-General, \$1000-Haiti, Hurricane Matthew, \$1000- Syrian Refugees, Aleppo)	3100.00
Mn. Adult & Teen Challenge	1000.00
Metro Hope Ministries	1000.00
Our Savior's Housing	1000.00
Heaven's Table Food Shelf	2000.00
CREST	1000.00
House of Hope, Fairmont	1000.00
Fairmont Area Kinship	1000.00
Lutheran Lakota Shared Ministry (Pine Ridge, S.D.)	1500.00
Global Health Ministries	1400.00
Operation Bootstrap Africa – Secondary Scholarship, Tanzania)	1000.00
Operation Bootstrap Africa General Funds	1000.00
Lutheran Mideast Development, Kurdistan, Iraq	500.00
Sharing & Caring Hands	1700.00
Mpls. Community Emergency Services	6000.00
Martin County Literacy Council, Fairmont	1000.00
People Helping People- GLC	1500.00
Options Pregnancy Center	1000.00
Campus Life- Youth for Christ	500.00
Supplies for Rummage Sale	24.58
PTQ Inc. (Christmas Trees)	6279.00
Lutheran Social Services Mankato	1000.00
Youth for Christ, Fairmont Area	6500.00
Lighthouse Church and Charities	500.00
Apple Pie Bake Expenses	471.43
Bibles for Belize	2000.00
Partners for Affordable Housing, Mankato	1400.00
St. James Lutheran Church, Northrup rebuilding fund	1000.00
Christmas Tree Lot Expenses (PU estimated @\$120)	106.01
US Post Office	171.69
Bank Midwest – checks printed	54.30
Belize Orphanage	1000.00
 TOTAL DISBURSEMENTS	 \$65,727.01
 BALANCE ON HAND DECEMBER 31, 2016	 \$12,278.04

To: Congregation
From: Dennis Madsen
David Johnson
Randy Lubenow
Date: December 28, 2016
Re: 2016 Audit Committee Report

The audit committee met on December 12, 2016 to perform the 2016 Grace Lutheran Church audit. This summary details the results of our audit.

Audit Procedures:

We performed audit procedures on revenues of the church. The audit committee selected two months, July and November of information. The general, trust and savings accounts were reviewed. Audit procedures included the following:

- We obtained copies of the monthly bank statements.
- We obtained the weekly offering envelopes, ACH deposits, and the worksheets of the weekly count of the offering deposits.
- We obtained copies of the monthly profit and loss statements.
- We agreed the weekly count sheets to the deposits indicated on the bank statements.
- We agreed the monthly deposits on the bank statements to the monthly profit and loss statements.
- We traced a sample of weekly contributions from the members to the deposit statement.

We also performed audit procedures on church payables. We selected two months, July and November to review. The general, trust and savings accounts were reviewed. Procedures included the following:

- We obtained copies of the bank statements.
- We obtained invoices for each check written.
- We agreed checks written to the supporting invoices.
- We agreed timesheets to payroll checks written.

Results:

In our opinion all entries are entered and processed according to Generally Accepted Accounting Principles.

Recommendations:

Staff should attach notes to purchases that do not clearly explain what it is on the invoice such as the floor scrubber, also please write on purchase who approved it. Anyone looking at invoice should be able to know what was purchased especially over \$500.

Staff should keep repair records including date, repair and cost of repair on equipment and building so Service Team can use these records when determining to repair or replace an item. This would help with Capital Budget Planning as well.

Respectfully Submitted,
2016 Audit Committee