

LEAD PASTOR LETTER

It's been another banner year at Grace Church. As we prepare for another Annual Celebration – we have so much to be thankful for. I want to urge you to come to this year's celebration, which will be hosted at Grace McKean. We're changing it up a bit and it's going to be amazing. We'll start out with a very brief annual meeting (only ½ hour). Then we'll enjoy a potluck dinner together, and we'll wrap up our time with a worship night that's going to blow the roof off the place, as well as tons of fun for kids!

For me personally, it has been a landmark year. I celebrated 20 years at Grace and also completed my Master's Degree. And after spending ten weeks on Sabbatical, I have come back refreshed and renewed, and have been reminded again of what's most important – evangelism and discipleship: making and being fully devoted followers of Jesus. My passion has been re-ignited for that mission to which I have given so much of my adult life. Grace is a different place and I'm a different person than when I came on staff in 1995, but the commitment to our common mission remains white hot. I'm so grateful that I get to pursue this mission with leaders I love and with all of you who call Grace church your home.

We're quickly approaching the conclusion of our 5-year vision that launched in 2011. We are seeing great progress on those initiatives and are within reach of accomplishing our goals on every front. And this will be the year when we begin to look toward that next frontier that God is calling us to. What is after 2016 for Grace Church? I hope you will pray with me and seek God about what He is calling us to next. But before we think about the future – it's important to celebrate where we've been.

Here are some ministry highlights of the past year at Grace:

- Launch of Grace Girard
- Record crowds at Christmas at the Warner
- Staff Development and writing new leadership training curriculum
- High numbers of people coming through CORE class and welcoming over 100 new members
- Real Marriage event which saw hundreds of couples renew their vows
- Consistently exceeding budget and giving projections by wide margins
- Transition of Pastor Brian Lusky into McKean Site Pastor role and Jim Scarpitti to Lead Team
- Seeing Global Partnerships in a whole new light on a trip to Peru with Compassion International
- Record numbers at ServErie and adding East and West County projects
- Training hundreds of Grace folks in evangelism through Rock the Lakes
- Several teams visiting Haiti taking our partnership with Grace en Sion to the next level
- Grace playing a key role in bringing Kevin Leman to Erie as hundreds were impacted by our family ministry
- Formalized partnership with Christian Counseling Associates that brought trained therapists to our locations to provide care in support to those who most need it
- Celebrated with over 400 Grace volunteers at WLD Ranch at an end-of-the-year thank you event

As you can see it's been quite a year – and this list only scratches the surface. What's more amazing... the best is yet to come! I love you all and I thank God that we get to chase this dream together.



Pastor Derek

2014-2015 ANNUAL MEETING AGENDA

Convening of Meeting - Doug Nelson

MOTION: That the church approve the agenda for the 2015 Annual Meeting.

Minutes of Previous Meeting - Doug Nelson

MOTION: That the church approve the minutes from the 2014 Annual Meeting (page 2).

Presentation of Elections Ballot/Vote – Derek Sanford

MOTION: that the church approves the names on the ballot for election to office (page 3).

Licensing of Malcolm Beall - Derek Sanford

MOTION: that Grace Church license Malcolm Beall as a minister of the gospel (page 4).

Financial Report—Fiscal Year 2014-15 - Aaron Lundberg

Presentation of the 2015-16 Budget – Aaron Lundberg

MOTION: That the church approve the 2015-16 Church Budget (page 6).

Closing of Meeting - Doug Nelson

2013-2014 MINUTES

MOTION: That the church approve the minutes from the 2014 Annual Meeting.

Grace Church Annual Celebration 2014, Hosted at Grace McKean | 6:30pm | September 21, 2014

The Annual Celebration was opened with welcome, prayer, and worship music led by Brian Lusky and the worship team vocalists and musicians composed of members from each of the Grace Sites. A video was played describing Miguel Rodriguez's testimony, his journey through the past year, and his involvement with the Grace Music Team.

Derek recognized the Elder Team and the Finance Team in attendance. Then, Derek prayed and passed the meeting over to David Treusch. The 2014 Annual Meeting was called to order by Church Chair, David Treusch, after a time of worship and prayer.

A motion was made to accept the agenda as presented (Eric Taylor). The motion was seconded (Jane Dennington) and approved with no discussion.

A motion was made to accept the minutes of the 2013 Annual Meeting (Donna Myers). The motion was seconded (Rita Riley) and approved with no discussion.

Derek introduced Bob Deppen and Bud Dennington to the congregation as they are on the ballot for a vote to the Elder Team. Other Ballot Positions: New Church Chair: Doug Nelson for the 2014-2015 year. Elder Chair: Dave Treusch for the 2014-2015 year. John Tiernan: To be licensed as a minister of the gospel. This license authorizes John to perform marriages, funerals, and other ministry duties, obligations and privilege. A motion was made to approve the names on the ballot (Trevor Fichera). The motion was seconded (Aaron Lundberg) and approved with no further discussion.

A motion was made to accept John Tiernan for licensure. Trevor Fichera asked for more information regarding the licensing. Derek explained. Motion was made, seconded, and accepted with no further discussion.

Meeting was passed to Aaron Lundberg who introduced the Finance Team members. Aaron gave a recap of the 2013-2014 Financial Report including attendance, giving, and expenses for the past year (see Annual Report for more details). Aaron invited questions. None were asked. Aaron gave an overview of the proposed 2014-15 budget. Aaron invited questions to be directed to the Finance Team at any point through the year and emphasized a desire to maintain the Grace budget in a very transparent light.

Dave invited and a motion was made to approve the 2014-2015 budget as presented (Dave Snell). The motion was seconded (Lisa Treusch) with all in favor and no further discussion.

It was announced that all of the names on the ballot were overwhelmingly and unanimously accepted as presented.
Motion – second (Amy Stroka)

The business portion of the meeting was called to a close with thanks and prayers to God. There was a closing prayer by Church Chair Doug Nelson. Further worship and celebration followed with a testimony from Rob Kinner.

Derek presented John Tiernan with a certificate of ministry to thunderous applause from the congregation.

Derek referenced his letter included in the Annual Report, specifically this being a year of firsts and record-breaking events. He recognized and acknowledged Vance's estate gift to Grace and the ability it has given Grace to advance the kingdom. He spoke of the ebb and flow of ministry - outward look and inward discipleship - how these are connected. 2013 was a year of foundation building. Jesus repeatedly invited his disciples to come, and go. 2015 will be the year of inviting. The worship team was invited back for song, prayer, confession, intercession for others we know, prayers for the next generation of believers, Grace venues, Rock the Lakes. Derek closed in prayer asking for Awakening of us as individuals, and as a community, to the workings of God. Fellowship was enjoyed following the meeting.

2015-2016 BALLOT

MOTION: *that the church approves the names on the ballot for election to office.*

Treasurer:

2 - David Snell*

Elders:

2* - Steve Pattison - Steve has been married to Karen for 30 years and they have four children: Tracey, Steve, Heather and Kristina. He became a Christian and was baptized at age 13. His spiritual gifts are Leadership, Administration and Discernment. Steve has been a member of Grace for 1.5 years and has served as a Life Group Leader, L Site Lead, L Central Lead, and as a ServErie participant. He has also served as an Elder at his previous church. Steve works at Lord Corporation as the Director of Erie Plant Operation.

2* - Tony Gingrich (Church Chairman*)

2* - Dean Lewis (Elder Chairman*)

2* - Steve Miller

2* - David Treusch

1- Bud Dennington

1 - Bob Deppen

Staff Appointed Elders:

1 - Bernie Farabaugh

1 - Aaron Lundberg

1 – Malcolm Beall

1 - Mike Watson

1 - Brian Lusky

* = On the ballot for a vote 1 = 1 year term / 2= 2 year term (bios have been provided for those new to the team)

MALCOLM BEALL LICENSING

MOTION: *That Grace Church license Malcolm Beall as a minister of the gospel, upon unanimous recommendation of the Elders.*

This year Grace has the privilege to license Malcolm Beall as a minister of the gospel. Malcolm is the Site Lead at our Girard location. Grace Girard has been blessed with the opportunity to sit under Mal's shepherding and leadership gifts, and Grace as a whole has benefitted from his ministry. A ministerial license is a form of temporary certification by the local church. We license un-ordained pastors so they can perform all the responsibilities of their office while they are considering the process of ordination. A number of our Pastors have been licensed through Grace, including Pastors Derek and Brian. A licensed minister of the Gospel receives all the governmental privileges and legal rights of an ordained minister.

The steps in the process of Pastoral licensing are:

1. The candidate makes his desire for licensure known to the Elder Board.
2. The Elders interview the candidate to determine his eligibility for licensing.
3. Upon the favorable recommendation of the Elders – the candidate is presented to the church body for a vote of approval.
4. Upon an affirmative vote of the church, a license to preach the Gospel is granted to the candidate.

We have already completed steps 1-3 of this process and the Elders are bringing a unanimous recommendation to the church body for a vote.

A WORD FROM MAL

A lot has happened over the last year for my family and I! We experienced our first year in full-time ministry, our son Mal has become more mobile throughout the year, and my wife Angi has continued in her part-time job (while remaining a full-time mother and wife!). Life has been changing rapidly for us, but we are blessed that God is constant, faithful, and teaching us through it all.

It was a long and winding road that led me into full-time ministry. I graduated from Thiel College with a degree in Business Administration/Accounting. God led me back to college only a few years later to get my Teacher's Certification. I went to school part-time at Mercyhurst University and worked for a number of different agencies in Erie dealing with disadvantaged youth. Upon graduation, I got a full-time position with Sarah Reed at Fairview High School, and did that for two years. Eventually, I got a teaching position at Fairview High School, teaching a variety of classes for five years before resigning on June 6, 2014. On June 15, 2014, I officially began working full-time at Grace Church.

I came to Grace Church for the first time on Palm Sunday, 2008 because one of my best friends wanted to check it out. At the time, I was considering looking for a new church and my friend hadn't been to church in a while so I told him I would go. Even though he didn't stick around for too long, I never left! It might have had something to do with a girl.....I mean God's plan for my life ☺ I have been blessed to work with amazing people in my volunteer roles that led up to June 15, 2014 who helped mentor and mature me in my faith. Now, I get to work with an amazing group of volunteers at Grace Girard who constantly encourage me to grow. There have been great stories of growth in people through this first year, along with many life-altering hardships. I am reminded that God is always faithful, and am eager to seed His plans for Grace Girard.

2014-2015 FINANCIAL REPORT

Giving		Previous Year	Comments
Ministries/Operations	\$1,765,014	1,594,073	\$98,252 better than plan
Forward Project	477,053	481,646	
Missions	77,648	93,944	Includes Haiti Partnership
Debt Reduction	38,072	43,188	
Benevolent	<u>37,017</u>	<u>32,134</u>	
Giving Total	\$2,394,804	\$2,244,985	6.7% increase over previous year

Yearly General Fund Giving Distribution- 886 Givers

\$ 1 - 499	45%
\$ 500 - 1,499	21 %
\$1,500 - 3,999	18%
\$4,000 - 6,999	10%
\$7,000 - 9,999	3 %
\$10,000 +	3 %

Average General Fund Giving per Household: \$1,996

Yearly Total Giving Distribution- 955 Givers

\$ 1 - 499	42%
\$ 500 - 1,499	20 %
\$1,500 - 3,999	18%
\$4,000 - 6,999	11%
\$7,000 - 9,999	4 %
\$10,000 +	5 %

Average Total Giving per Household: \$2,548

Total Operating Revenue **\$1,948,406*** \$109,076 better than plan

*Includes Giving and Ministry Revenue but not Debt Reduction or Benevolent

Total Operating Expense

Personnel	925,212
Mortgage Fund	282,000
Operations	185,511
Ministries	227,739
Missions	160,052
Café & Rentals	<u>11,848</u>
Total	\$1,792,362

Forward Project Expense

Connect	9,095
Erase	300,000
Reach	77,219
Improve	<u>36,161</u>
Total	\$422,475

Net Income **\$156,044**

\$156,044 better than plan

Total Debt Balance Due: **\$2,640,778**

Total Reserves **\$133,827**

Benevolent Balance Available: **\$11,267**

If you would like to see greater budget detail or have questions, please contact Cheylan Exler (814.790.4973 x230 or cheylan@whoisgrace.com) before the meeting.

2015-2016 PROPOSED OPERATING BUDGET

MOTION: *That the church approve the 2015-2016 Church Budget.*

REVENUE

Ministries/Ops Giving	\$1,815,890
Missions	88,080
Ministries	103,216
Cafe & Rentals	18,360
Total	\$2,025,546

EXPENSE

Personnel	1,036,406
Mortgage Fund	288,000
Ministries	366,384
Operations	150,089
Missions	174,538
Cafe & Rentals	10,129
Total	\$2,025,546

SURPLUS \$ 0

ASSET BUDGET

\$146,766 – includes Repair, Maintenance, Construction, Renovations & Equipment

If you would like to see greater budget detail or have questions, please contact Cheylan Exler (814.790.4973 x230 or cheylan@whoisgrace.com) before the meeting.

Annual Meeting and Celebration
September 20, 2015
5:30pm
Hosted at Grace McKean
7300 Grubb Road

ANNUAL REPORT

2014-2015

