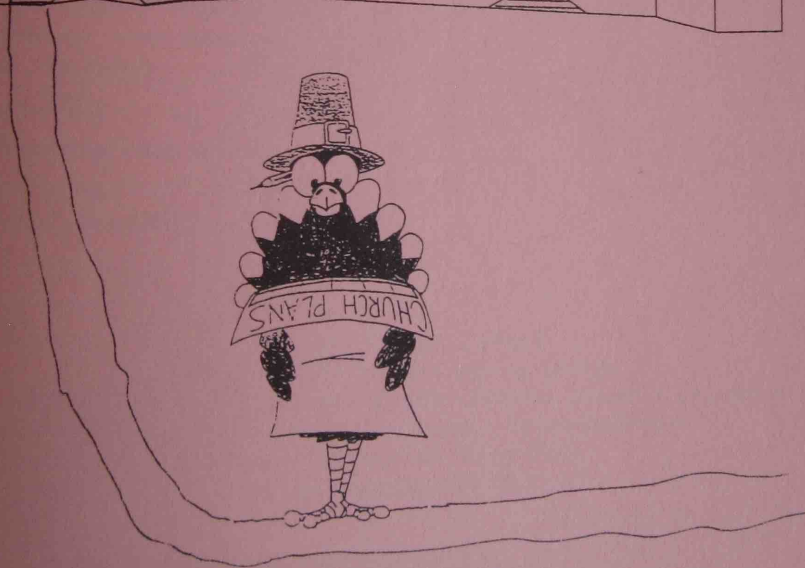
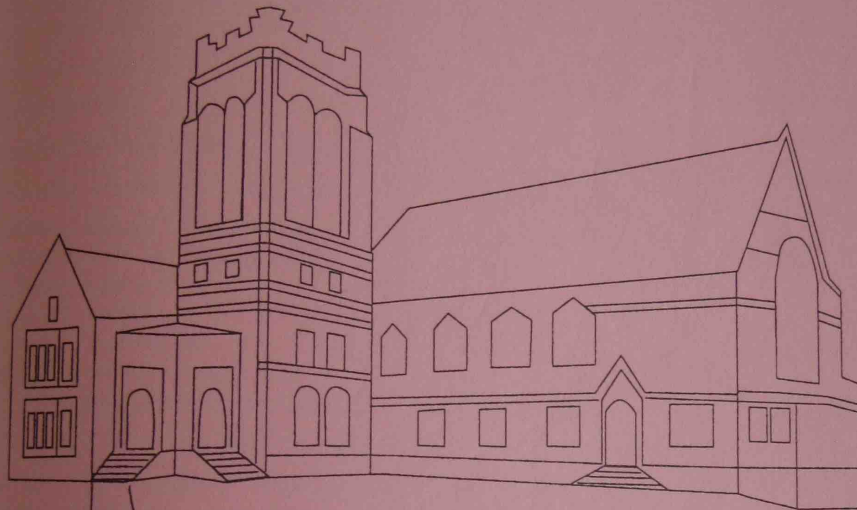


**THE ANNUAL REPORT FOR
APRIL 1, 1996 THROUGH MARCH 31, 1997**



**PILGRIM CONGREGATIONAL CHURCH
(A UNITED CHURCH OF CHRIST)
2310 EAST FOURTH STREET
DULUTH, MINNESOTA 55812
(218) 724-8503**

1997 ANNUAL REPORT OF PILGRIM CONGREGATIONAL CHURCH
(A United Church of Christ in Duluth, Minnesota)

Table of Contents

Balance Sheet - December 31, 1996	
Capital Fund Drive and Building Project	
"Design Team" - Richard Quigley	21-22
"Do It Committee" - Kay Slack	
Children's Music Director - Peggy White	28
Christian Education Board - Cary Thompson-Gilbert	29
Christian Outreach Board - Steve Cushing	26
"Circle of Friends" (Women's Fellowship) - Jean Dohm, Dorothy Honigman, Sharon vanDruten	9
Clerk - Joan Morrison	11
Diaconate - Jane Shull	30
	8
"Giving to Others" Summary	14
Financial Summary (Budget, Income and Expense Statement)	12-13
Hospitality Committee - Margo Zentner	18-20
Minister, Associate - Jody Ondich	27
Minister, Senior - Jack Kemp	
Ministers' Statistical Report	6
Mission Statement	4
Moderator - Jon Welles	5
Music Director - Art Bumgardner	2
Music Committee - Lydia Jean Walters	3
	26
Nominating Committee - Steve Downing	27
	33
Peace & Justice Committee - Keith Brownell	
Personnel Committee - Karen Andresen	25
Pilgrim Fund - Julie Johnson	27
	23
Retiring Church Officers	32
Stewardship Committee - Skip Silvestrini	24
Treasurer - Rick Sailstad	16
Trustees, Board of - Doug Britton	15

PILGRIM CHURCH STAFF

Ministers: John H. Kemp and Jody Ondich

Office Manager: Yvonne Schmidt Music Director: Thomas A. Bumgardner

Custodian/Housekeeper: John Yukich Organist: Norma Stevlingson

Children's Music Director: Peggy White

Office phone: 218/724-8503

MISSION STATEMENT OF PILGRIM CONGREGATIONAL CHURCH

We, the members of Pilgrim Congregational Church, seek to fulfill our mission as Christians to carry forward the purposes of God made known through the Scriptures and the Good News of Jesus Christ.

We shall:

- Provide an environment in which the worship of God is our focus as we share our spiritual life with each other;
- Nurture and educate our children, youth, and adults to live out their Christian Faith in the world;
- Honor and celebrate the diversity of our ideas, talents, ages, and backgrounds as we respond to the call to be a caring, loving, community;
- Welcome our neighbors by providing hospitality and by sharing our resources and acts of love;
- Reach out to meet the needs of all God's people everywhere, as they are part of our family.

MODERATOR

Jon Welles

Without question, the excitement and enthusiasm generated because of the 125th Anniversary events have carried over into our 126th year.

Most notable is the planning and discussion that have centered around the building improvements that were suggested by the Long Range Building Planning Committee. After good discussion from the congregation in regards to the use of the Julia Marshall legacy, it was voted to set aside a certain amount of the Marshall money to be a foundation for a capital fund drive to raise the required amount of money to complete the desired improvements in their entirety. That fund drive continues at this time with excellent results. Final plans are being worked on with construction to begin this summer. When work is completed, our building will be more accessible and easier to function in, and we will have shown Duluth that we are an active and thriving church community. Everyone is eager for the work to begin!

The balance of the Marshall legacy funds was set aside for endowment and the establishing of a building maintenance fund.

Other suggestions from the three other long range planning groups have been passed on to the various Boards and Committees for review and action. Many wonderful ideas arose from the long range planning process.

During the capital fund drive we have used several different forums to encourage members to express their dreams and likes (or even dislikes) about Pilgrim Church. These comments have been compiled and reviewed by the Church Council. Then, the comments were distributed to the proper Board or Committee for review and action. It is expected that much of this review and action planning will take place during the 1997-98 program year.

Even the Church Council dove into the planning and review process by dividing into teams and visiting other churches' worship services to observe and ask questions. The Council then spent a very enjoyable evening sharing comments and observations. Ideas generated through this process will also be passed on to the appropriate Boards for discussion and possible action.

Why are we doing this? Is this one of those "something is broken and needs to be fixed" things? Not at all -- but, we are hearing suggestions and ideas that could be used to make a good thing better. Bottom line is that people are quite happy with what Pilgrim Church is and how it meets our individual and community needs. However, if we can improve something -- why not? Certainly the congregation will be kept well informed and will be asked to approve any changes that greatly affect our church life.

My heartfelt thanks go to all of the people who have unselfishly volunteered so much of their time in the past year -- what a great job by all! Additionally, we all need to thank Jack, Jody, Yvonne and John Yukich for their exemplary service.

SENIOR MINISTER

John H. Kemp

With our 125th Anniversary celebrations behind us, in the past year we Pilgrims turned our energies in new directions. One of the most visible has been acting on the recommendations of the Long Range Building Committee, itself a product of our congregation's planning process three years ago. After the congregation approved a total proposal in a special meeting last June, the Council appointed three committees: a Design Team to work closely with the architect on detail issues as the project progresses toward completion, a Major Gifts Committee and Capital Fund Drive "Do It" Committee to raise the needed funds. The Committees have been working diligently, and the schedule now calls for construction to begin in June.

In the past year our worship life has been enriched by the gifts of many and a healthy variety of special Sundays. Almost every month has seen either a special service and/or sermons by laity or pulpit guests. In August, we enjoyed worship outdoors overlooking the lake on a beautiful summer day; in September our Honduras work campers led a special service. In November we had a jazz service and the next Sunday, a joint worship incorporating the black gospel tradition with our friends from Christ Temple Apostolic Church; we returned the visit in February. We welcomed as pulpit guests: Gary Gordon and Bassam Abukhodair for our interfaith service (September 22); Paul Caldwell, pastor Christ Temple (November 10); Matt Fitzgerald, Pilgrim student at Yale Divinity School (December 29); Les Alldritt, Chaplain, Northland College (January 12); and David McMahill, Eastern Association Minister (March 9). Our Pilgrim Choir, led by Art Bumgardner, and organist Norma Stevlingson continue our tradition of fine sacred music. We appreciate the wonderful singing of our Youth Choir and church school children, led by Peggy White - and also all our young people who have played instrumental solos and duets in worship through the year.

This Spring a Worship Task Force, appointed by the Diaconate, was convened to explore with us all how we might continue to make worship attractive and welcoming to more people while maintaining the integrity of our tradition. That group is now at work. At the same time, members of the Church Council visited as teams a variety of church services in our community to experience how others welcome newcomers and worship.

My ministry with you continues to focus on worship leadership, pastoral care, and working with the variety of boards and committees that bring life to our congregation. I'm especially grateful for my full time (and often much more!) staff colleagues Jody Ondich, Yvonne Schmidt, and John Yukich. I'm thankful for the continuing caregiving partnership with our Stephen Ministers and the training and commissioning of two new Stephen Leaders the past year. Also I especially enjoyed participating in our Men's Retreat in March which explored environmental issues and the Christian tradition with Bob Parsonage, Northland College President, and our fall Bible study group, which was stimulated by the *Genesis* series on PBS.

In the wider church and community, I completed a two year term as President of the Arrowhead Interfaith Council (continuing as its secretary) and served on the Eastern Association UCC Council (with fellow Pilgrims Clyde Johnson and Judy Casserberg), the Regional Advisory Committee of Planned Parenthood, and the CROP Walk Planning Committee. In March I was part of a Duluth delegation to the ecumenical Day on the Hill in St. Paul, sponsored by the Joint Religious Legislative Coalition, meeting with our Duluth legislative delegation on welfare reform issues. I represented Pilgrim at such events as the Martin Luther King community service and the installation of Peter Strommen as Lutheran bishop, led services in nursing homes, and shared in our traditional interfaith Thanksgiving and ecumenical Good Friday services.

This year my "continuing education" time was invested in a Duluth Christian-Muslim-Jewish interfaith trip to Palestine/Israel to meet with peacemaking groups and leaders there. Our group

has shared our experience on many occasions since our return, including an interfaith service at Pilgrim, as we continue to seek to build bridges of understanding.

As always, we're saddened by the loss of loyal Pilgrim members through death and by those who've moved from our community. Last summer we lost six active families who moved on to new jobs in new places -- that's a big gap to fill! Meanwhile, we're pleased to welcome new members with fresh enthusiasm and commitment to our family of faith. In the year ahead, may we all be faithful in our calling to serve Christ together and walk in his way as his people. I look forward to being a part of our Pilgrim journey together in this, my eleventh year with you.

MINISTERS' STATISTICAL REPORT

(* indicates church member, JK indicates John Kemp, JO indicates Jody Ondich)

MARRIAGES officiated by the ministry of this church, April 1, 1996-March 31, 1997:

May 26	Kelly O'Brien and Michael Bourgeois	(JO)
July 13	*Karen Amundsen and John Meckey	(JK)
August 3	*Caroline Simenson and Scott Clemens	(JK)
August 25	*Caillin Matzke and Jeffrey Flynn	(JO)
September 21	Amy Jo Hallquist and *Allen Slack	(JK)
October 12	Darlene Johnson and Shawn Nagy	(JO)

BAPTISMS administered by the ministry of this church, April 1, 1996-March 31, 1997:

April 28	Sophie Rachel, daughter of *Michael and *Nanette Hillmeyer	(JK)
June 9	Morgan Alice Everdeen Mitchell, daughter of Michael Mitchell And *Deb Eberhart Roth	(JO)
July 28	Tate Nichol, son of David and Elizabeth Seeler	(JO)
August 4	Zachary Willard, son of Dario and *Ann Fifield Borim	(JK)
August 4	Peter Cameron, son of Douglas and Betsy Dohm Emery	(JK)
March 16	David Michael, son of *Patrick and *Angela O'Connell	(JK)

FUNERALS/MEMORIAL SERVICES led by the ministry of this church, April 1, 1996-March 31, 1997:

April 3	Arthur K. C. Lee (died March 31)	(JK)
April 11	*Dorothy Spooner (died April 8)	(JK)
June 13	*Clara Eucker Patch (died June 10)	(JK)
July 15	*Isabella McKnight Weld (died July 11)	(JK)
August 7	*Jesse Duncan Bradley (died August 3)	(JK)
September 17	*Pearl Louise Wilcox (died September 14)	(JK)
January 4	Marjorie Swanson Andresen (died December 31)	(JK)
January 13	*Vanita Firmine Priest (died January 10)	(JK)
January 31	*Katherine Alice (Susie) Britton (died January 28)	(JK/JO)
February 15	*Moy Fook Gum (died February 11)	(JK)
March 17	Florence Draper Lachmund (died March 9)	(JK)

ASSOCIATE MINISTER Jody Ondich

As I page through my calendar for the last year, I am struck by how full and rich a schedule of activities are on it. I am even more struck by how many of those activities are relatively new, from small groups of people who want the time to study or plan, to share fellowship, to make music, or to worship. Many fine things happen here at this church, and I am delighted to be a part of them.

A few of these activities are especially important in this last year.

One is our new relationship with Christ Temple Church in West Duluth. We are creating between our congregations the warmth and worship experiences, the fellowship and sharing that makes not only for a richer faith, but a stronger community. Hearing one another's prayers and concerns, singing one another's music, sharing one another's mission -- these are things that make for growth. I am so pleased!

Another is the new style of Confirmation that has been going on this year. I have spent my whole career struggling with ways to make confirmation relevant to 14 year olds, and sometimes hitting a few things, sometimes missing, and always looking for new possibilities. Well, this year we included 6 mentors and a very hands on kind of activity load. Though it needs to be balanced with a few more things, still, this year some very exciting things happened in confirmation, and I am grateful to the adult mentors and their energy, skill, and commitment. Jean Walters, Joan Semenchuk, Deb Eberhart-Roth, Terese Tomanek, John Merrill, and Skip Silvestrini have worked with the 16 young people. They couldn't have been a better bunch.

The Youth Choir continues to grow (about 20 now) and develop under the joyous and capable leadership of Peggy White. They make a very beautiful sound these days, and it is exciting to listen to them emerge.

The Middle School Youth Group continues to meet monthly, with a whole variety of activities. This late winter, the start of what looks to be a very exciting Senior High Group has been meeting and planning many good things. From building a youth space in the Undercroft to ordering new Senior High Bible Study materials to planning fellowship activities and eating lots of pizza, it sounds great and the energy level is astounding. I am especially grateful to the Youth Committee of the Board of Christian Education who spent much time and energy this year getting things set up. Ben Anderson, Deb Eberhart-Roth and Quentin Roth will be working with the Senior Highs on a regular basis, with all kinds of help from a variety of other adults and from me. Keep an eye out -- a new youth newsletter is coming out soon!

Iolanthe was one of the most fun things that we have done as a congregation lately, and the Duluth Light Opera Company, under the leadership of Peg Johnson, gave us a charming and beautifully done performance. May there be many more!

This last two years, the Adult Education Planning Committee has put a great deal of thought into a variety of programs for us. The ongoing Book Group developed from their leadership. The very fine speaker, Professor Paul Capetz, came to lecture from United Theological Seminary of the Twin Cities this January, to record attendance! And the Kerygma Bible Study, which is finishing its fourth year, has been facilitated with great skill and love by Jackie Falk, who has put in uncountable hours in preparation and study. Thank her -- it has been a marvelous community. More will be coming from this group.

The other item that I wanted to lift up was the increasing number of lay musicians of all ages that are sharing their gifts with us in worship. So many of you have such gifts, and it is a privilege to have you volunteer your skills and joy to enhance our worship. From the youth ensemble working with Dawn Silvestrini, to her solo skills, to Kerry Hanlon singing, to guitar from Doug Britton, and many fine soloists both in the choir and otherwise, to Nancy Odden on piano this

summer, the confirmands during Easter worship at 8:00 am, Roger and Peg Johnson with the children at Christmas -- and many more -- we are so fortunate to have you all share these gifts of music with us. Please, if there are others who would be willing to play or sing, of any age, do let us know. The newly formed Worship Committee very much wants to encourage lay leadership in all areas of worship.

And, of course many other things have been going on. The group of 17 that went to Honduras, the many home meetings to look at the plans for our building project, the hard work of the Campaign Committee and the Design Team, the boards and committees carrying on, the fellowship, the hard work -- these are all a regular part of life here at Pilgrim.

I get occasional questions from different church members. "So, how do you like it here? Is Pilgrim a good place for you? Where do you see us going? Are you going there, too?" And I answer, "I love this congregation and this church. It is a wonderful place to work and grow and try new ideas and learn. I see Pilgrim working hard on ministry to its members and the local community, and I very much want to go there with you." Thank you all for sharing your lives with me. I am honored by the trust and the caring you all show. I hope to share your ministry with continued love and energy and prayer in the coming years.

CLERK **Joan Morrison**

The reported active membership of Pilgrim Congregational Church
as of April 1, 1996

464

New members added during the year:

Confirmation

6

Micki Agar, Molly Mikan, Anna Pratt

Jon Langager, Theodore Harwood, Adam Johnson

Confession of Faith

1

David Hoffman

Reaffirmation of Faith

11

Carol Bacig, Michele Benson, Mary Alice Bradley, Eileen Dexheimer

Pam Lindquist, David Mattson, Maureen O'Brien, Michelle Robinson

Troy Sikkink, Leland Wagness, Tamujin (T.J.) Walther

Transfer from Another Church

8

Cynthia Able, Susan Allen, Elizabeth Bagley, Nancy Carpenter

Don Hinman, Brian Medred, Patrick O'Connell, Elizabeth Roll

Total Additions

26

Members lost during the year:

Removed by Death

8

Dorothy Jane Spooner, Clara Eucker Patch, Isabella McNight Weld,

Jesse Duncan Bradley, Pearl Louise Wilcox, Vanita Fermine Priest,

Katherine Alice (Susie) Britton, Moy Fook Gum,

Transfer to Another Church

10

David Nelson, Jane Nelson, Stephen Watts, Veronica Watts,

Richard Harkey, Ellen Harkey, Robert Tyler, Pamela Tyler,

Lynn Clark Pegg, John Clark Pegg

To Inactive Roll by Written Request by Action of Diaconate

4

Joseph Guse, Ron Smith, Roselee Smith, Eric Whitney

Removed by Written Request by Action of the Diaconate

4

Bonnie Matuseski, Carol Shull Marsh,

Charles Bouschor, Katherine Bouschor

Total Losses

26

TOTAL ACTIVE MEMBERSHIP AS OF MARCH 31, 1997

464

BAPTISMS

6

WEDDINGS

6

Since the 1996 Annual Meeting there have been two special meetings of the congregation:

June 9, 1996

To vote on the proposed plans to renovate the church facilities and undertake a capital fund drive to provide for this project.

January 12, 1997

To vote on the 1997 Church Budget

CHRISTIAN EDUCATION BOARD

Cary Thompson-Gilbert

The Board of Christian Education has completed a year of educational and nurturing activities for all age groups in the church. Our Board is responsible for the development of Christian education for the entire congregation. Under our responsibility is the Sunday School program, confirmation program, youth programs, and adult education. The Church library and the Youth Choir are also our responsibility. The members of the Board of Christian Education participated in a booth at the All Church Bazaar and served refreshments at the production of *Iolanthe*.

SUNDAY SCHOOL

Many parents gave their time to lead the Sunday School classes. Two teachers workshops were offered this year. Our curriculum, *The Whole People of God*, served a roster of 70 children, 3 years through 7th grade. An Advent Workshop was held on December 1, 1996 after the church service. The annual Christmas Pageant was held on December 15, 1996 during the worship service followed by a brunch. The children of the church school and the youth choir will present a musical service on May 11, 1997. After the musical program concludes, the children will honor their Sunday School teachers with a cake and coffee reception. The Children's Music Director, Peggy White, has directed both of the children's productions.

CONFIRMATION

Over the past few years, the confirmation program has been slowly evolving. It is a two year program, with one year being an emphasis on Bible and the other year on faith development. This past year, mentors were added to the program. Six adults worked with 16 youth. It was an active curriculum, with small group meetings, classroom time, special projects, and two retreats. This has been an excellent process, and many thanks must go to the 6 mentors for their time and commitment and energy. Join the Board in thanking Joan Semenchuk, Jean Walters, Deb Eberhart-Roth, Terese Tomanek, Skip Silvestrini, and John Merrill.

YOUTH PROGRAM

The Middle School groups have had many activities this year. The youth subcommittee planned an event for each month of the year for the children. Among the events were a trip to Valley Fair, bowling, a trip to Giant's Ridge and a lock-in/clean-up for the new youth area of the church to occur in May.

A Senior High subcommittee of the Board of Christian Education began working on activities for senior high members of the church this spring. The activities are being planned for the 1997-1998 school year. This group of people plans to initiate activities for the youth at the church at least once a month. The undercroft area of the church will be cleared out to become a youth area for the middle school and senior high young adults.

ADULT NURTURE

The Adult Education has had a great variety of activities for adults this year. The adults participated in an ongoing book group, winter retreats for women and men, and a Kerygma Bible Study Class led by Jackie Falk. The members of the congregation had opportunity to attend information sessions by the interfaith group who went to Israel and the group who participated in the Pilgrim workcamp in Honduras. Genesis: A Living Conversation with Bill Moyers, a PBS series looking at the book of Genesis was featured

during October, November, and December. Jack Kemp led the group who discussed Genesis. Dr. Paul Capetz from the United Theological Seminary in the Twin Cities gave three classes in January and February on the early development of the Protestantism. During Lent, there was a study group established to look at the issue of simplicity through the writings of Richard Foster.

The Board of Christian Education has streamlined its activities for the year and changed from a monthly meeting to quarterly meetings. In April of 1997, the committee met with its completed plans for the 1997-98 year. We hope to hire a nursery attendant in the next month. And the Senior High Youth Program should be in full operation by this fall.

The members of the committee are: Michael Zlonis, Jackie Falk, Kerry Hanlon, Dawn Silvestrini, Sara Lounsbury, Joyce Hidahl, Cindy Harrison, Deb Eberhart-Roth, Ben Anderson, Quentin Roth and Cary Thompson-Gilbert. Jody Ondich has been our clergy representative. A special thank you to the members of the committee ending their three year terms: Joyce Hidahl, Sara Lounsbury, and Cindy Harrison, our recording secretary.

CHRISTIAN OUTREACH BOARD

Steve Cushing

This board has budgetary and organizational responsibility for Pilgrim Church's outreach to others. The board is also responsible for interpreting the work of the wider United Church of Christ to our congregation, and for educating our membership about needs in our local, as well as, the global community.

Nationally and internationally, Pilgrim continues its strong commitment to Our Church's Wider Mission (OCWM). These contributions help provide direct assistance to those in need around the world. 60% of our Basic Support (budgeted in 1996 at \$32,500) remains in our Minnesota Conference to support the ministries in our own state and provide services to our churches.

Pilgrim has continued its direct support of Churches United in Ministry (CHUM), Twin Ports Ministry to Seafarers, United Campus Ministry, Arrowhead Interfaith Council, United Theological Seminary and Northland College.

Through the special community needs budget and the Pilgrim Fund, the Board of Christian Outreach tries to respond to the needs of organizations in Duluth and beyond. Our emphasis has been on supporting those organizations that rely, for a great part of their support, on the churches. The dollar amount of this budgeted support was in 1996 as follows:

United Campus Ministry	\$2,000.00
Arrowhead Interfaith Council	\$ 500.00
Twin Ports Ministry to Seafarers	\$1,000.00
CHUM	\$1,100.00
Loaves and Fishes	\$ 300.00
Northland College	\$ 600.00
United Theological Seminary	\$1,600.00

In addition, 1996 Pilgrim Fund outreach distributions to 18 groups and projects in our community totaled \$57,969.49 (see separate report).

The Board also sponsored the 2nd Annual Thanksgiving Dinner celebration for the clients of Human Development Center's Harmony Club. More than 25 Pilgrims participated in the preparation and serving of Thanksgiving Dinner to better than 125 clients.

Using the **Moment of Concern**, the **Sunday Bulletin** and the **Pilgrim News**, members of the Board presented to the congregation information about our ministry.

In 1996 special church offerings were received for the following:

One Great Hour of Sharing	\$1,739.00
Neighbors in Need	\$1,122.00
Strengthen the Church	\$ 214.00
Emergency Food Shelf	\$ 306.00
Veterans of the Cross Christmas Appeal	\$1,334.00
Just Peace Appeal	\$ 297.00

Total Pilgrim "giving to others" in 1996, including budgeted support, special offerings, Pilgrim Fund distributions, Peace and Justice, Women's Fellowship, and youth gifts, was: \$102,436!

Thanks to all for a generous spirit!

The 1996-97 members of the Board of Christian Outreach: Stephen Cushing, Julie Johnson, Mary Van Evera, Kristyn Hoffman, Terese Tomanek, Maureen O'Brien, Rick Agar, Jane Erjavec.

1996 GIVING TO OTHERS SUMMARY PAGE ONE

(Basis of Report to Minnesota Conference UCC)

\$32,500

BASIC SUPPORT OCWM

SPECIAL SUPPORT TO UCC MINISTRIES

\$ 8,130

A. Transmitted through MN Conference

United Seminary/CUE	\$ 1600
New Church Development-MN Conference	300
Per Capita dues	1524
Christmas Fund	1334
Just Peace Appeal	297
One Great Hour of Sharing	1739
Strengthen the Church	214
Neighbors in Need	1122

\$ 5,500

B. Transmitted Directly

Northland College	600
United Campus Ministry Duluth (PF-\$2500)	4500
Honduras Workcamp Project (UCBWM-related)	400

OTHER GIFTS - NON UCC

Arrowhead Interfaith Council 2100

General	\$ 500
Corrections Chaplaincy	250
Children's Peace Camp (PF-1200)	1200
Jim Wallis visit sponsor (P&J-100)	100

CHUM 22,706

CHUM Foodshelf	306
CHUM Basic Ministries	1100
Building Fund (PF-16,000)	16,000
Telecare Ministry (PF-2500)	2500
CHUM Church (PF-2500) (WF-300)	2800

BOND 3500

General Support	500
Leadership Training (PF-3000)	3000

Ministry to Seafarers 3650

General Support	1000
Building/Equipment (PF-2650)	2650

Duluth Soup Kitchen (PF-3000) 3000

Duluth Habitat for Humanity (WF-100) 125

Duluth Building for Women (through PAVSA) (PF-4000) 4000

PAVSA-Aid to Victims of Sexual Assault (PF-2000) (WF-100) 2100

Loaves & Fishes 4400

General Support (WF-100)	100
Building repairs (PF-4000)	4000

Women's Transitional Housing (PF-2500)(WF-100) 2600

Women's Coalition Revolving Loan Fund (WF-100) 100

1996 GIVING TO OTHERS SUMMARY PAGE TWO

OTHER GIFTS - NON UCC (Continued)

YWCA Kids' Corner (WF-100)	100
Boys and Girls Club (WF-100)	100
Valley Youth Center (WF-100)	100
Union Gospel Mission food (WF-125)	125
Life House Youth Center (PF-1000) (WF-300)	1300
Woodland Hills Home-library books (PF-1500)	1500
Violence Free Duluth	135
Summer Neighborhood Festival (P&J) 60	
Peacemaker Award Celebration (P&J) 25	
Duluth Delegate to Sojourners-DC (P&J) 50	
Seminary Scholarship Assistance	750
Personal Emergency Assistance (Emergency Fund)	295
Language Disorders Clinic (PF-3620)	3620

Total 1996 Giving to Others \$102,436

(WF = Women's Fellowship gifts; PF = Pilgrim Fund grants; P&J = Peace and Justice gifts)

SUMMARY

SOURCE OF SUPPORT	UCC-RELATED	COMMUNITY OUTREACH	1996 WORK CAMP PROJECT
Church Budget	\$38,524	\$ 4,180	\$ 0
Special offerings	4,706	306	0
Pilgrim Fund	2,500	49,470	0
Church Groups	0	1,600	0
Other Funds	0	750	400
TOTALS	\$45,730	\$56,306	\$ 400
UCC-RELATED SUPPORT	\$45,730		
COMMUNITY OUTREACH	56,306		
WORK CAMP PROJECT	400		

TOTAL 1996 GIVING TO OTHERS \$102,436

DIACONATE

Jane Shull

The Diaconate for 1996-1997 consisted of cooperative, caring, multi-talented individuals: Mardi Bagley, Sara Carlson, Nancy Carpenter, Carolyn Clark, Paul Cutler, John Erjavec, John Fochs, Peg Kirsch Lee, Ted Lee, Bill Mickelsen, Joan Semenchuk, Jane Shull, Kitty Van Evera, Charles Walters, and Steve Watry.

Continuing the history and tradition of the board, the Diaconate focused on worship, membership nurture, and membership development. In addition to monthly meetings, the Diaconate took the responsibility for numerous activities including: coordinating ushers, greeters, lay readers, flower delivery, communion, new member orientation, adult fellowship gatherings, advertising and press releases, personal notes to members, and personnel committee representation.

The Stephen Ministry program continues to share, support, and care for the members of our church. The Stephen Minister provides an important support and safety net for our membership and clearly is a distinguishing feature of our church family. The program involves extensive training for leaders and new Stephen Ministers. Currently there are eight active Stephen Ministers, three Stephen Leaders, and six people in training to become Stephen Ministers.

The year began with the Rediscovery Brunch. Attendance was down and it was suggested the brunch be coordinated with the onset of church school, as it has been in the past.

During the year the Diaconate sponsored several adult fellowship activities including Mix and Match dinners in September, January, and June, and the spring progressive dinner. The adult fellowship subgroup of the Diaconate, formed in the spring of 1996, had exciting activities planned such as a Valentine Dance, Family Winter Holiday, St. Patrick's Day Square Meal and Square Dance. Due to severe winter weather and conflicting church and community activities, the latter activities did not take place.

The bakery booth for the All Church Bazaar was a popular event which the Diaconate members baked, set-up, and staffed. The Diaconate also hosted a continental style breakfast for Pilgrim and Christ Temple congregations in April.

Several new committees were initiated to further the goals of the Diaconate: the Pilgrim Partners and the Worship subcommittee. The Pilgrim Partners for new members involved pairing new members with long standing members with similar interests to introduce new members to the life of the church. Pictures were taken and Pilgrim Partners became better acquainted at a mini-reception before the church service. The worship sub-committee has been formed to explore a variety of worship experiences for the congregation and to enhance the worship service in coordination with the Diaconate.

While a great deal was accomplished during the year, open opportunities remain for additional volunteer activities which directly enhance the church family. If you are searching for non-monetary ways to contribute, consider these wonderful ways to give and volunteer: transportation coordinator or phone tree coordinator.

Two members, Jane Shull and Peg Kirsch Lee, have completed two terms on the Diaconate.

BOARD OF TRUSTEES

Doug Britton

The Trustees are responsible for the physical property and the financial affairs of the church. As such the Trustees are continuously confronted with the dilemma of how to properly balance the secular demands of a beautiful but aging physical structure with the programmatic imperatives of a vibrant Christian community. The dilemma is compounded by the reality that we are investment rich relatively speaking (thanks to the benevolence of many past Pilgrim members who have left generous bequests) but struggle to raise sufficient pledge revenues to meet our annual operating budget needs. A case in point -- at our December meeting the Trustees were required to cut the proposed office supplies, equipment and utility budget by \$1,000, while allocating \$49,000 in investment income to the operating budget.

But enough of dilemmas. Our situation is not all that different from other large, older, mainstream Protestant churches. And because of wise stewardship and generous historical giving, we are in better shape to face the needs and demands of the 21st century than most.

The Trustees celebrated a number of successes and achievements during the past year:

- In June the Trustees responded to a call for assistance from the Christ Temple Apostolic Church and approved a loan in the amount of \$25,000, to enable Christ Temple to purchase a larger building with facilities for a neighborhood youth program. The loan was approved with the support and encouragement of both the Outreach Board and Peace and Justice Committee.
- Established a Building Maintenance Fund to allow ongoing building repairs to be undertaken without impacting the operations budget.
- Provided oversight to the installation of a new dishwasher and the initial phase of kitchen remodeling.
- Initiated a plan to renovate the second floor chapel to allow wider use.
- Initiated a planned giving program thanks to leadership from Wally Niss.
- Explored options to address the need for periodic cleaning of building.
- Provided fiscal oversight and coordination with the Long Range Building Committee.
- Adopted a formula to determine annual income from investments to be budgeted thanks to creativity and leadership provided by Treasurer Rick Sailstad.
- Cleaned and reorganized the kitchen and had fun in the process.

The Trustees wish to express their appreciation to two fellow members who are completing their terms: Marge Whitney, who has so ably chaired the Finance Committee, and Karl Honigman, who has served as secretary of the Board during the past year. We also wish to thank Rick Sailstad who as Treasurer has provided invaluable guidance and expertise in management of fiscal resources. We will miss your involvement in the coming year.

Doug Britton, Chair on behalf of : Patricia Clure, Karl Honigman, Helen Anne Kohlbry, Wally Niss, Nancy Odden, Jack Setterlund, Tiss Underdahl, and Marge Whitney.

TREASURER

Rick Sailstad

PILGRIM CONGREGATIONAL CHURCH FINANCIAL SUMMARY AS OF MARCH 31, 1997

The 1997 Operating Budget is \$306,788.00. The cash to meet the Operating Budget will come from the following sources:

Current Year's Pledges	\$194,603.00
Other Contributions & Plate Offerings	6,928.00
Building Use	6,600.00
Interest Income	2,500.00
Marshall Legacy	14,000.00
Trusts not in our control	31,500.00
2 nd Century Account	48,987.00
Miscellaneous & Non-recurring Income	1,670.00
Total	\$306,788.00

Pilgrim Investments consist of the following:

Cash in banks and money market accounts earn interest that is allocated to the operating budget. For 1997 it is estimated that \$2,500 of interest will be earned and applied towards the operating budget.

Pilgrim has made a \$25,000 loan to Christ Temple Church. The loan is interest free for its first six months and payback is anticipated during 1997.

The next five Pilgrim accounts are invested in various percentages, as determined by the Trustees, in these Putnam Mutual Funds: Diversified Income Trust; Account for Growth and Income; Voyager Account and Global Growth.

1. The 2nd Century account was established in 1971. This account is the sum of the three lines on the Balance Sheet that are all named 2nd Century. As of March 31, 1997, the market value of the 2nd Century account is \$570,648.67. By a formula adopted by the Trustees, the 2nd Century account will contribute a predetermined amount to each year's operating budget. For 1997, \$48,987.00 will be applied to the operating budget.

2. The Building Maintenance Principal account was established in 1996. This account is used to fund all the maintenance requirements of Pilgrim, as authorized by the Trustees. As of March 31, 1997, the market value of this account is \$163,346.94.

3. The Pilgrim Fund Principal account was established in 1992. As of March 31, 1997, the market value of this account is \$783,505.10. Annually, the Trustees allocate 5% to 10% of the year-end market value of the Pilgrim Fund Principal account to the Pilgrim Fund Distribution Committee. The Committee distributes the allocation to community outreach and special Pilgrim projects. The history of the distributions is as follows:

During 1993 \$29,500 was distributed
 During 1994 \$32,452 was distributed
 During 1995 \$31,000 was distributed
 During 1996 \$74,500 was distributed
 During 1997 \$78,607 will be distributed

MARY

Budget

4. The Marshall Pledge Principal account was established in 1996. As of March 31, 1997, the market value of this account is \$213,976.87. By vote of the Congregation this account is to be used as follows:

1997 \$14,000 to replace the Julia Marshall Pledge.
 1998 \$13,000 to replace the Julia Marshall Pledge and \$1,000 towards Church Growth.
 1999 \$12,000 to replace the Julia Marshall Pledge and \$2,000 towards Church Growth.
 2000 \$11,000 to replace the Julia Marshall Pledge and \$3,000 towards Church Growth.

During the year 2000, the Congregation will determine what to do with the remaining principal balance of this account as of December 31, 2000.

5. The Capital Improvement Principal account was established in 1996. As of March 31, 1997, the market value of this account is \$222,505.12 (plus an additional \$34,729.33, that is deposited into our checking account until it can be transferred to this account). This account will be used to pay for the improvements to Pilgrim Church that were approved, by vote of the Congregation, on June 9, 1996.

Income and Expense Statement and Balance Sheet:

The following Income and Expense Statement shows prior years' actual amounts and 1997's budgeted amounts. The Balance Sheet shows the balance of all accounts as of December 31, 1996.

If you have questions about this report or any other Pilgrim financial matter, please ask me or call the church office and leave a message for me.

Respectfully submitted,

Rick Sailstad

PILGRIM CONGREGATIONAL CHURCH

1997 BUDGET adopted 1/12/97

		Actual 1994	Actual 1995	Budget 1996	Actual 1996	Budget 1997	Percent of 1996 Budget + or - Percent
INCOME							
	Trustees	201,032	197,959	199,535	185,210	194,603	-2.47%
Pledges	Trustees	-	2,025	-	3,986	1,328	#DIV/0!
Prior Year Pledges Received	Trustees	2,304	6,705	4,500	3,376	3,000	-33.33%
Non-Pledged Contributions	Trustees	2,568	2,720	2,500	2,520	2,500	0.00%
Plate Offerings	Trustees	-	105	100	42	100	0.00%
Church School Offering	Trustees	8,532	6,931	6,600	7,212	6,600	0.00%
Building Use	Trustees	1,756	3,527	2,000	4,690	2,500	25.00%
Interest	Trustees	1,000	-	-	-	-	#DIV/0!
Women's Fellowship	Trustees	-	-	15,600	15,600	14,000	-10.26%
Marshall Pledge Fund Income	Trustees	7,432	7,466	8,500	7,600	8,500	0.00%
Jenks Trust Income	Trustees	3,000	3,000	3,000	3,000	3,000	0.00%
W. Mitchell Trust Income	Trustees	16,633	20,804	20,000	23,599	20,000	0.00%
Whiteside Trust Income	Trustees	30,953	38,498	39,500	42,476	48,987	24.02%
2nd Century Fund Income	Trustees	-	759	607	677	1,670	175.12%
Miscellaneous and Non-Recurring Income	Trustees	-	-	-	-	-	-
TOTAL INCOME		275,210	290,499	302,442	299,987	306,788	1.44%
OUTFLOW							
SERVING OUR CONGREGATION							
Office Manager Salary	Personnel	18,000	19,685	20,276	20,276	20,682	2.00%
Office Manager FICA	Personnel	1,378	1,506	1,551	1,551	1,582	2.00%
Office Manager Medical Insurance	Personnel	3,018	3,093	3,039	3,039	3,261	7.31%
Office Manager Annuity	Personnel	2,520	2,756	2,839	2,839	2,895	1.97%
Office Manager Disability	Personnel	180	197	203	203	207	1.97%
Office Manager Educational Allowance	Personnel	187	204	200	69	100	-50.00%
Senior Minister Travel Reimbursement	Personnel	1,454	1,670	1,600	1,611	1,600	0.00%
Senior Minister Professional Expenses	Personnel	669	684	800	789	800	0.00%
Senior Minister Continuing Education	Personnel	600	600	600	600	600	0.00%
Assoc. Minister Travel Reimbursement	Personnel	1,529	1,904	1,600	1,681	1,600	0.00%
Assoc. Minister Professional Expenses	Personnel	700	947	800	939	800	0.00%
Assoc. Minister Continuing Education	Personnel	600	600	600	623	600	0.00%
Bookkeeper Salary	Personnel	3,504	-	-	-	-	#DIV/0!
Bookkeeper FICA	Personnel	268	-	-	-	-	#DIV/0!
Office Supplies, Bulletins, & Printing	Trustees	1,826	2,002	2,100	2,014	2,100	0.00%
Office Equipment Maint. & Software	Trustees	1,020	1,399	1,200	1,097	1,300	8.33%
Postage	Trustees	1,445	1,635	2,150	1,727	2,500	16.28%
Stewardship/Planned Giving/Offering Env.	Trustees	335	357	400	379	400	0.00%
Bank Charges	Trustees	-	420	420	463	450	7.14%
Diaconate General Fund	Diaconate	827	1,317	1,225	1,321	1,250	2.04%
Worship Leadership & Prog. Development	Diaconate	100	175	300	-	150	-50.00%
Stephen Ministry	Diaconate	400	296	675	144	200	-70.37%
Stephen Leader Training	Diaconate	-	-	-	-	750	#DIV/0!
Church Literature	Diaconate	26	54	100	30	100	0.00%
Emergency Discretionary Fund	Diaconate	85	289	300	295	300	0.00%
Sunday Bulletins & Printing	Diaconate	318	670	675	553	750	11.11%
Hospitality Expenses	Hospitality	363	2,194	1,200	1,200	1,200	0.00%
Sub-Total		41,352	44,652	44,853	43,442	46,177	2.88%

			Actual 1994	Actual 1995	Budget 1996	Actual 1996	Budget 1997	Percent + or -
MINISTRY OF MUSIC								
	Personnel	Music Director Salary	6,107	6,232	6,295	6,295	6,358	1.00%
	Personnel	Music Director FICA	467	477	482	482	486	0.83%
	Personnel	Music Director Educational Allowance	-	-	100	75	-	-100.00%
	Personnel	Organist Salary	4,641	4,766	4,909	4,909	5,302	8.01%
	Personnel	Organist FICA	355	365	376	376	406	7.98%
	Personnel	Organist Educational Allowance	-	-	100	-	-	-100.00%
	Personnel	Choir Section Leaders	4,929	5,032	5,830	5,460	5,830	0.00%
	Personnel	Choir FICA	377	385	457	418	457	0.00%
	Personnel	Summer Organist	350	550	550	550	750	36.36%
	Personnel	Substitute Organists/Special Events	108	-	200	75	225	12.50%
	Music	Special Instrumentalists	400	528	600	570	800	33.33%
	Music	Sheet Music	207	307	500	396	550	10.00%
	Music	Organ/Piano Maintenance	252	320	500	437	500	0.00%
	Music	Licensing Fee	-	-	-	-	-	#DIV/0!
		Sub-Total	18,193	18,961	20,899	20,042	21,664	3.66%
OUR MINISTRY OF EDUCATION								
	Personnel	Church School Coordinator	1,188	-	-	-	-	#DIV/0!
	Personnel	Church School Coordinator FICA	91	-	-	-	-	#DIV/0!
	Personnel	Children's Music Director	740	1,205	1,800	1,651	1,900	5.56%
	Personnel	Children's Music Director FICA	57	92	138	126	145	5.07%
	BCE	Church School Curriculum	618	896	800	778	800	0.00%
	BCE	Church School Supplies & AV Equipment	558	796	650	425	650	0.00%
	BCE	Children's Music Supplies	-	157	200	449	200	0.00%
	BCE	Vacation Church School	89	-	-	-	-	#DIV/0!
	BCE	Leadership Training	263	-	200	-	200	0.00%
	BCE	Confirmation	349	235	400	641	800	100.00%
	BCE	Youth Program-Jr., Sr., UCC	283	783	1,000	900	1,000	0.00%
	BCE	Intergenerational Activities	180	227	250	352	250	0.00%
	BCE	Adult Education	340	26	250	563	250	0.00%
	BCE	Kerygma Adult Bible Study	128	338	150	93	150	0.00%
	BCE	Church Library	576	355	600	478	600	0.00%
	BCE	Nursery	-	-	-	-	-	-
		Sub-Total	5,460	5,109	6,438	6,455	6,945	7.88%
OUR BUILDING MAINTENANCE								
	Personnel	Custodian Salary	16,640	17,472	17,996	17,996	19,000	5.58%
	Personnel	Custodian FICA	1,273	1,337	1,377	1,377	1,454	5.59%
	Personnel	Custodian Medical Insurance	3,018	3,093	3,039	3,039	3,261	7.31%
	Personnel	Custodian Annuity	998	1,048	1,080	1,080	1,140	5.56%
	Trustees	Custodial Supplies	1,256	2,011	2,000	1,755	2,200	10.00%
	Trustees	Equip. Maint./Trash/Window & Carpet Clean	3,047	3,412	3,000	3,842	3,300	10.00%
	Trustees	Electricity	6,672	6,881	6,800	7,270	7,000	2.94%
	Trustees	Telephone	1,148	914	1,200	1,055	1,200	0.00%
	Trustees	Fuel Oil, Gas & Water	12,806	11,481	14,000	15,201	14,300	2.14%
	Trustees	Building Repairs	3,669	3,991	3,500	2,770	-	-100.00%
	Trustees	Building & Liability Insurance	9,152	9,610	9,200	9,560	9,500	3.26%
	Trustees	Worker's Compensation Insurance	2,433	1,622	2,000	1,622	2,000	0.00%
		Sub-Total	62,112	62,872	65,192	66,566	64,355	-1.28%
			Actual	Actual	Budget	Actual	Budget	Percent

BOARD OF CHRISTIAN OUTREACH		1994	1995	1996	1996	1997	
OCVWM Basic Support	BCO	30,000	31,500	32,500	32,500	32,500	+ or -
Basic Support as a % of Total Budget Less Total Outreach		12.39%	12.55%	12.40%	12.49%	12.22%	0.00%
United Campus Ministry	BCO	1,600	1,600	2,000	2,000	2,000	0.00%
United Theological Seminary	BCO	1,280	1,280	1,600	1,600	1,600	0.00%
Arrowhead Interfaith Council	BCO	120	120	150	150	500	233.33%
Community Ministries	BCO	-	477	1,200	1,200	1,250	4.17%
Northland College	BCO	480	480	600	600	600	0.00%
Twin Ports Seafarers	BCO	800	800	1,000	1,000	1,000	0.00%
CHUM	BCO	880	880	1,100	1,100	1,100	0.00%
New Ch Dev. MN Conf @ 1.50 mbr	BCO	240	240	300	300	300	0.00%
Sub-Total		35,400	37,377	40,450	40,450	40,850	0.99%
PASTORAL MINISTRY							
Senior Minister Salary/Housing	Personnel	52,292	53,774	55,280	55,280	55,833	1.00%
Senior Minister Annuity	Personnel	7,327	7,528	7,739	7,739	7,817	1.01%
Senior Minister Disability	Personnel	523	538	553	553	558	0.90%
Senior Minister Medical Insurance	Personnel	5,282	3,093	3,039	3,039	3,261	7.31%
Senior Minister Social Security Allowance	Personnel	4,004	4,114	4,229	4,229	4,271	0.99%
Senior Minister Sabbatical Expenses	Personnel	-	-	-	-	-	#DIV/0!
Assoc. Minister Salary/Housing	Personnel	30,000	33,400	35,932	35,932	37,370	4.00%
Assoc. Minister Annuity	Personnel	4,200	4,676	5,030	5,030	5,232	4.02%
Assoc. Minister Disability	Personnel	300	334	359	359	374	4.18%
Assoc. Minister Medical Insurance	Personnel	6,036	6,186	6,078	6,078	6,522	7.31%
Assoc. Minister Social Security Allowance	Personnel	2,295	2,555	2,749	2,749	2,859	4.00%
Interim Minister Expenses	Personnel	-	-	-	-	-	#DIV/0!
Sub-Total		112,259	116,198	120,988	120,989	124,097	2.57%
OTHER EXPENSES							
Eastern Assoc. Per Capita Dues @3.25	BCO	1,442	1,451	1,722	1,524	1,700	-1.28%
Voyager-MN Conference Paper	BCO	-	-	-	-	-	#DIV/0!
Delegate Expenses	BCO	-	204	400	194	450	12.50%
Peace & Justice	P&J	57	51	150	150	150	0.00%
BOND Project	Council	951	750	950	500	-	-100.00%
Miscellaneous	Trustees	276	675	400	394	400	0.00%
Sub-Total		2,726	3,131	3,622	2,762	2,700	-25.48%
TOTAL OUTFLOW		277,502	288,300	302,442	300,706	306,788	1.44%
INCOME - OUTFLOW		(2,292)	2,199	-	(719)	-	-
SUMMARY BY COMMITTEE							
		Actual	Actual	Budget	Actual	Budget	Percent
		1994	1995	1996	1996	1997	+ or -
Trustees		45,085	46,410	48,370	49,149	46,650	-3.58%
Personnel		188,205	192,096	199,825	199,115	205,538	2.88%
Diaconate		1,756	2,801	3,275	2,342	3,500	6.87%
Hospitality		363	2,194	1,200	1,200	1,200	0.00%
Music		859	1,155	1,600	1,403	1,850	15.63%
BCE		3,384	3,812	4,500	4,678	4,900	8.88%
BCO		36,842	39,032	42,572	42,168	43,000	1.01%
P&J		57	51	150	150	150	0.00%
Council		951	750	950	500	-	-100.00%
TOTAL OUTFLOW		277,502	288,300	302,442	300,706	306,788	1.44%

Pilgrim Congregational Church
Balance Sheet
Report Date: December 31, 1996

1996 YEAR END BALANCE SHEET
Fiscal Year 1996 Fiscal Period 13

5:15:28 PM

ASSETS

Current Assets

Petty Cash	\$ 35.00
Office Checking Account	500.00
Norwest Checking Account	50,545.98
PaineWebber Money Market	33,722.03
Park State Money Market	5,223.47
Loan to Christ Temple Church	25,000.00
Total Current Assets	\$ 115,026.48

Other Assets

2nd Century Earnings	0.33
Prepaid Expenses	12,459.99
2nd Cent. Parsonage Principal	64,000.00
2nd Cent. Principal	509,918.26
Building Maint. Principal	163,298.50
Pilgrim Fund Principal	786,067.96
Marshall Pledge Principal	215,203.67
Capital Improvement Principal	206,374.99
Total Other Assets	1,957,323.70

TOTAL ASSETS

\$ 2,072,350.18

LIABILITIES AND FUND BALANCES

Current Liabilities

Total Current Liabilities

\$ 0.00

TOTAL LIABILITIES

\$ 0.00

Fund Balances

Restricted Funds	1,153.67
Christmas Fund	15,100.42
Cap. Imp. Temp. Holding Fund	1,905.28
Capital Drive Expense Fund	384.00
Food Shelf Fund	465.00
Neighbors In Need Fund	600.00
Nursery Fund	1,695.66
Bath England Fund	2,874.77
Educational Scholarship Fund	882.50
Handbell Fund	548.64
Martha's Kitchen Fund	112.17
Commissioned Music Fund	78.67
Music Memorial Fund	37.89
Prince Fund	44.84
Sabbatical Fund	

05:15:28 PM

Pilgrim Congregational Church
Balance Sheet
Report Date: December 31, 1996

1996 YEAR END BALANCE SHEET
Fiscal Year 1996 Fiscal Period 13

	37.35
UNICEF Fund	200.00
Bazaar Fund	(523.30)
Chapel Renovation Fund	2,500.00
Archives Fund	2,399.14
Refugee Fund	20.00
Quilt Preservation Fund	173.94
Flower Fund	600.00
Duluth Light Opera Co. Fund	2,106.78
Hospitality Fund	5,000.00
Temple Apostolic Loan Fund	509.38
Pilgrim Just Peace Fund	8,402.78
Memorials Fund	1,019.10
Stewardship (Ramshaw) Fund	2,305.17
Organ Recital Fund	1,736.72
Stephen Ministry Fund	777.84
Pilgrim Fund Expense Fund	323.60
Computer Equipment Fund	1,516.86
Youth Music Fund	742.10
Speaker/PA System Fund	124.00
125th Anniversary Fund	856.17
Hymnal Fund	1,450.99
1997 Workcamp Fund	1,200.00
Helen Wedlund Fund	1,000.00
Alex Herbert Fund	
Total Restricted Funds	60,362.13

General Fund	
Capital Gifts	1,986,568.77
Prepaid Pledges	26,138.20
Current Surplus(Deficit)	(718.92)
Total General Fund	2,011,988

TOTAL LIABILITIES & FUND BALANCES

\$ 2,072,350
=====

THE PILGRIM FUND

Julie Johnson

The mission of the Pilgrim Fund is to enhance the commitment of Pilgrim Church to the priorities of the congregation in its ministries to its membership and to the wider community. All funded projects must be sponsored in writing by at least one member of Pilgrim Church. Following the receipt of applications, the Distribution Committee carefully considers each and makes recommendations to the Church Council for approval. Upon Council approval of the slate, the Trustees fund approved projects. During the 1996 church year the following projects were funded:

IN HOUSE: (21%)

- Chapel Renovation (\$4,500)
- Organ Recital Fund (\$2,000)
- Archives (\$2,500)
- Quilt Preservation (\$300)
- Stephen Leadership Training (\$1,510)
- Long Range Building Committee (\$2,381.07)
- Duluth Light Opera Company (\$2,500)

OUTREACH: (78%)

- BOND (\$3,000)
- Playfair Discovery Center (\$3,000)
- Life House Youth Center (\$1,000)
- Lutheran Social Service Young Parent Program (\$3,000)
- Damiano Soup Kitchen (\$3,000)
- Women's Transitional Housing (\$2,500)
- Campus Ministry - UMD (\$2,500)
- Woodland Hills (\$1,500)
- CHUM Telecare/Friends (\$2,500)
- CHUM Building Program (\$16,000)
- CHUM Church (\$2,500)
- Language Disorder Clinic (\$3,619.79)
- Building for Women (\$2,000)
- PAVSA (\$1,999.70)
- Twin Ports Ministry to Seafarers (\$2,650)
- Loaves and Fishes (\$4,000)
- YWCA (\$2,000)
- Arrowhead Interfaith Council (\$1,200)
- Allocation for office expenses (\$839.44)

The Committee consisting of John Morrison, Bob Eaton, Dennis Falk, Nancy Fifield, Joel Labovitz, Karl Honigman, and Julie Johnson worked diligently to fulfill the goals of the mission of the Pilgrim Fund. This year's projects totaled \$74,500.00.

STEWARDSHIP COMMITTEE

Skip Silvestrini

The 1997 Stewardship Campaign was conducted as it has been for the past four years. We set a target based on past budgetary needs with a 5% cost of living increase. This year as last year we kicked off the Campaign with a slide show highlighting present and new church programs in the hope of graphically demonstrating how pledge dollars are utilized. We set a clear deadline and ended the campaign as in the past four years with the promise that the church would live within our means and adjust the budget according to actual pledges.

The Stewardship Campaign target for 1997 was \$209,512 of which \$194,603 was actually pledged. This represents a minus 2.4% from 1996 pledges and a minus 7% from the 1997 target. The Stewardship Committee has not met yet this year to discuss the net loss of pledging for 1997. Several facts need to be kept in mind in interpreting this data. First, this year we met with treasurer Rick Sailstad and asked that the church narrowly define dollars pledged so that meaningful year to year comparisons could be made. This is the first year pledges were so defined. An example is the Marshall pledge, which is really part of the Marshall legacy designated by the Trustees for operating revenue and not a true pledge. It therefore is not included in the budget as a pledge. This will make future comparisons easier but makes this year more speculative. Second, the Stewardship Campaign was started earlier and closed earlier because of anticipation of the Capital Campaign which we knew was going to kick off in January 1997. It is uncertain how much impact this actually had on the stewardship drive. Third, although the 1997 dollars pledged was less than 1996, the actual dollars collected from 1996 pledges was \$185,210. If we fail to collect a similar percentage, this clearly represents a decrease in financial support. However, at this point we can't predict actual collections for 1997. If we collect a greater percentage of pledged dollars, even though the pledged amount has decreased, we still could realize greater revenue.

Although any negative change in finances is disconcerting, it would be unfair to consider this a trend. I believe we may need to poll the congregation to get a better understanding of what this actually means. The Stewardship Campaign process is simple and I believe continues to have merit. Nevertheless, the process probably needs review again. This was last done in 1994, the year after our current Stewardship process was first implemented.

The Stewardship Committee: Greg Gilbert, Triss Harwood, Julie Johnson, Jody Ondich, and Skip Silvestrini would like to thank the congregation for their monetary support, the Hospitality Committee for their help with the kick-off brunch, the committee chairs and Trustees for their help at the brunch and in compiling the annotated budget, and especially Rick Sailstad for his time and commitment to this entire process.

PEACE AND JUSTICE COMMITTEE

Keith Brownell

It is always educational to read the minutes of the previous year. You find that yes -- the committee has had good attendance by its members. Yes -- by and large most issues raised have been addressed during the year. Finally -- how assuring it is, that in attempting to be the "conscience" of the church on social issues, how readily the Church Council and congregation are supportive of us.

A quick synopsis shows our small contributions in time and sometimes seed money on programs such as Playfair, the Grand Marais Peace & Justice Conference (a great retreat for like minded UCC members of neighboring churches throughout the state), our opposition to public funding of professional sports stadiums, concern for JROTC programs in our local high schools, attendance with our local legislators in company with like minded main line churches (Catholic, Lutheran, etc.) on issues such as "Welfare Reform," sponsoring environmental study and reflection.

As a Committee and as a congregation, we have educated ourselves with contributions of speakers representing Loaves and Fishes, Violence Free Duluth, Christ Temple Church, Bread for the World, and Northland College. The Men's Retreat theme focused on environmental issues. We had reports from members of the local interfaith group composed Muslims, Jews, and Christians (including Jack Kemp) who visited Palestine/Israel last Spring.

Finally, participating in the "God Spy" program of the Church Council, we find that in visiting other churches in the area reveals we are not alone in our concerns and priorities.

MUSIC DIRECTOR

Art Bumgardner

The Pilgrim Choir, soloists, and organist Norma Stevlingson continued to play an active role in the worship life of Pilgrim Church during the past year. In addition to providing anthems, responses, and offertories for worship services, the musicians also provided music for special services.

In December the Pilgrim Choir, orchestra, and soloists performed Vivaldi's *Gloria*, and provided special music for the Christmas Eve service. In February the choir performed three anthems at Christ Temple Apostolic Church in West Duluth for a joint worship service attended by members of both congregations. On Maundy Thursday the choir performed Roger Petrich's *Choral Variations on "Ah, Holy Jesus"* during the Tenebrae Service. In May the choir, orchestra, and soloists performed Schubert's *Mass No. 4 in C Major* in honor of the two hundredth anniversary of the composer's birth.

Organist Norma Stevlingson lectured on the works of Jean Alain at the University of Kansas in October, and in New York City for the New York American Guild of Organists' chapter in February. She will be a featured recitalist at the American Guild of Organists' regional convention in Appleton, Wisconsin in June.

The 1996-97 Organ Recital Series featured William Peterson in November and Martin Jean in March. Both artists expressed high praise and appreciation for Pilgrim's Jaeckel organ.

CHILDREN'S MUSIC DIRECTOR

Peggy White

Youth Music at Pilgrim includes an active music program in the Church School and a growing Pilgrim Youth Choir.

The Church School children (grades pre-K through 7th grade) divide into three groups each week and spend 15 minutes of their Church School session learning music. Our hope is that this time will enhance their religious education and increase their enjoyment of music. The Church School children shared their music in the worship service on five occasions during the year, two of those times being special events: the Christmas Pageant (based around a story of the Innkeeper at Bethlehem) and Church School Sunday (a musical with songs about the life and ministry of Jesus).

The Youth Choir meets every Wednesday for a time of rehearsal, food, and fellowship. The group has grown to 19 members this year. The Youth Choir sang in church 6 times this year, once with the Adult Choir. The choir learned seven new pieces for the Children's Choir Festival at First Lutheran, and eight of our members attended that event on February 15. On April 27 we participated in a special service at Peace United Church. And, just for fun, we had a supper and skating party in January and an end-of-the-year party on May 19th at Grand Slam!

A special thank you goes out to Jody for accompanying the children's music on numerous occasions, for the other adults who supported us with their instrumental and dramatic talents, and especially to the parents and other adults who are responsible for bringing the children to Pilgrim so that they can participate in all of these events.

MUSIC COMMITTEE

Lydia Jean Walters

The Music Committee of Pilgrim Church has been largely inactive this year. The Organ Recital grant from the Pilgrim Fund was submitted under our name. Our main responsibility has been the Organ Recital receptions: we did two this year.

PERSONNEL COMMITTEE

Karen Andresen

The Personnel Committee has met periodically with all Church staff to review, assess and evaluate staff and church needs. We have made salary and staffing recommendations to the Board of Trustees. We have served as a sounding board for the ministerial staff. The committee has begun work on updating/revising job descriptions to more accurately reflect staff duties. A paid Nursery Attendant is being sought for Sunday mornings. We all wish to express appreciation for our fine staff and the excellent work they do.

The members of the Personnel Committee are: Bob Eaton, Bill Mickelsen, Nancy Odden, Gordon Swenson, Mike Zlonis and Karen Andresen, Chair.

HOSPITALITY COMMITTEE

Margo Zentner

The Hospitality Committee wishes to thank everyone who baked, poured coffee and punch, and helped serve at the many events we hosted or worked on.

A special thank you goes to the committee members who have spent many hours calling volunteers and organizing each event. And, to the many who helped with funerals.

Members of the Hospitality Committee are: Pauline Schroeder, Nancy Sailstad, Sheralyn Zlonis, John Jensen and Margo Zentner.

A great loss to our committee this year and to the church was the death of Susie Britton.

CAPITAL FUND DRIVE AND BUILDING PROJECT

"DESIGN TEAM" Progress Report

Richard Quigley

The Design Team has been meeting regularly to guide the building project along to a satisfactory completion. The Design team members are: Richard Quigley, Wally Niss, Gerry Heller, Triss Harwood, Jon Welles, Jody Ondich, and Jack Kemp. We carefully reviewed architectural possibilities and chose Mr. Jon Helstrom. From the beginning of Mr. Helstrom's participation, all of the committee members seem quite pleased with his responsiveness and professionalism.

The committee has taken input and feedback from the neighborhood and church members. There have been at least 12 home meetings involving about 85 church members and they have provided the committee with questions and concerns. The committee has attempted to incorporate many of these ideas into the project when feasible. Our aim has been to make the project as community friendly as possible, yet meet the needs of the church at the same time.

The latest drawings include a 25 space parking lot. A play lot for the children will be maintained close to where it currently exists. We will maintain some green space, flowergarden area, new 4th street church sign, and a new side entrance to the church off the parking lot. A elevator will be installed just off the new entrance. The large and small kitchens will be remodeled with updated equipment. The bathrooms and stage area will be remodeled. The project remains within the original budget of \$425,000. There has been approximately \$369,000. raised to this point, which is 87% of the total.

Mr. Quigley made a report to the church congregation on March 23rd outlining the progress of the committee to date. The committee is confident that the project is well under way in the planning stage and timelines are being drawn up for the construction phase. Architectural contracts have been signed and oversight of the project has been agreed upon.

In summary, the Design Committee feels that the project is progressing well, and that all remodeling and building improvements should be finished on schedule.

"DO IT COMMITTEE"

Kay Slack and Peggy Downing

In mid October 1996, Moderator Jon Welles identified Peggy Downing and Kay Slack as co-chairs of a committee charged with creating and implementing a plan inviting the congregation at large to participate in funding the renovation and improvement plans as approved at the Pilgrim's 1996 Annual Meeting. Committee members suggested by the Church Council were Joan and John Morrison, Patricia Clure, Rick Sailstad, Dennis Falk, and Susan Allen. Jody Ondich provided continuity, energy, and good counsel as staff support.

At our organization meeting in November the committee:

- Learned \$230,000 has been pledged or was in hand out of a \$425,000 goal.
- There was a special gifts' committee soliciting lead gifts from 20 members.
- We have 160 "pledge units" to consider.

The committee decided:

- To remind the Congregation of this fund raising effort to begin in 1997 with notices in Pilgrim News during Sunday services to attract year-end gifts.
- To have a mascot created by Geoff Welles named Beaky Builder.
- To kick-off with a chili feed following Sunday service free to the congregation.
- To invite the entire Congregation to small group home meetings to discuss what they liked about Pilgrim Church and what they dreamed for its future.
- To review building plans at the home meetings, get input, and ask for pledges.
- To provide the Congregation continuously updated feedback using the entire large bulletin board in Salter Hall as well as Pilgrim News.
- To create a budget for the campaign and ask the Church Council's permission to fund it out of proceeds.

At our April meeting, the committee found the campaign 87% complete with many parishioners not yet heard from. The list was divided among committee members for follow-up calls. As of the printing of this report we have a total of \$368,698.

The goal is completion of the fund raising and this committee's task by the annual meeting. We plan to celebrate our success and ceremonially break ground at that time.

The committee gives special recognition to Treasurer Rick Sailstad for the time and effort contributed to data processing and keeping our lists in good order and to Jean Walters and Carrie Downing for the design and continuing care of our bulletin board. We have appreciated the cooperative spirit of the entire congregation! Thank You.

Peggy Downing and Kay Slack for the "Done That" Committee

"A CIRCLE OF FRIENDS" (formerly Women's Fellowship)
Jean Dohm, Dorothy Honigman, Sharon vanDruten

September 18, 1996 - A Potluck Luncheon was held in Salter Hall. There was a short business meeting followed by a program of several stories read by Gen Plumb. Hazel Sangster, the author of *Thicker Than Water*, reviewed her book. Chairs for the luncheon were Sharon vanDruten and Jean Dohm.

October 19, 1996 - The All-Church Bazaar was held. Circle of Friends were responsible for the Second Hand Rose sales, Pecan Sale, and the bids for the Elsie Cook painting.

December 4, 1996 - A Christmas Luncheon was held in Salter Hall. The program was a lovely concert of Christmas music presented by the East High School Choralaires. Pearl Fuller read a Christmas story. Chairs for this event were Gertrude Jacobson, Nancy Fifield, and Dorothy Honigman.

February 19, 1997 - A committee meeting was held to discuss the Outreach Budget, SERRV, a Treasurer's report, and the future of the All-Church Bazaar.

March 19, 1997 - A luncheon was held at Nancy Fifield's home. The afternoon was filled with great conversation. Chairs were Nancy Fifield and Mary Brain.

May 7, 1997 - A Spring Luncheon will be held at the home of Eleanor Nichol. Chairs for this event will be Eleanor Nichol, Gerry Heller and Dorothy Gemeinhardt.

SERRV - SERRV sales were \$5,219.00 and expenditures were \$4,007.00. The itemized inventory made in May 1996 came to \$8,105.00 SERRV celebrates its 25th year at Pilgrim Church. Chairs are Sharon van Druten and Peggy Bard.

"Circle of Friends" Outreach Budget 1997(Proceeds from the Bazaar and SERRV.)

1. Women:	
Program for Aid for Victims of Sexual Assault	\$100.
Women's Coalition (Revolving Loan Fund)	\$100.
Women's Transitional Housing	\$100.
2. Missions - Adults and Children:	
One Great Hour of Sharing (OGHS)	\$400.
3. Children and Teens - Local:	
YWCA	\$100.
Northern Pine Girl Scout Council (Camperships)	\$100.
Valley Youth Center	\$100.
4. Community:	
Union Gospel Mission (food)	\$100.
Habitat for Humanity	\$100.
Loaves and Fishes	\$200.
Life House Youth Center	\$300.
CHUM Church	<u>\$300.</u>
TOTAL	\$2,000.

Income from:

The All Church Bazaar
SERRV

\$1,000.

\$1,000.

TOTAL

\$2,000.

"Circle of Friends" Committee members:

Treasurer:

SERRV:

Bazaar: Second Hand Rose
Elsie Cook's Painting
Pecans
Outreach

Dorothy Honigman

Sharon vanDruten

Vera Dunbar, Jean Dohm

Gerry Heller

Dorothy Honigman

Gerry Heller, Sharon vanDruten, Dorothy

Honigman, Jean Dohm, Mary Brain

Eleanor Nichol, Nancy Fifield, Vera Dunbar

Dorothy Gemeinhardt

Vera Dunbar

Edith Matzke

Nancy Fifield

Luncheon Table Decorations:

Calling:

Transportation:

RETIRING CHURCH OFFICERS and BOARD AND COMMITTEE MEMBERS

We express our appreciation to those who are completing their terms this Spring:

Church Treasurer	Rick Sailstad
Church Council (at large)	Joe Leek
Board of Christian Education	Cindy Harrison Sara Lounsbury
Board of Christian Outreach	Steve Cushing
Diaconate	Jane Shull Peg Kirsch Lee
Board of Trustees	Karl Honigman Marge Whitney
Hospitality Committee	Margo Zentner
Peace and Justice Committee	Judy Casserberg Sharon Kemp Gene Shull
Nominating Committee	Steve Downing Jane Killough

STTEE MEMBERS

this Spring:

NOMINATING COMMITTEE Steve Downing

The Nominating Committee proposes the following slate of candidates for offices, boards, and committees:

<u>Position</u>	<u>Class</u>	<u>Name</u>
Church Treasurer	2000	Greg Gilbert
Church Council-at-Large	2000	Clyde Johnson
	2000	Steve Cushing
Board of Christian Education	2000	Joyce Hidahl
	2000	Mike Hillmeyer
	2000	Molly Britton
Board of Christian Outreach	2000	Janine Bjerklie
	2000	Dave Mattson
	2000	Terese Tomanek
	2000	Maureen O'Brien
Diaconate	1998	Beth Bagley
	2000	John Erjavec
	2000	Steve Watry
	2000	Carol Bacig
	2000	Angie O'Connell
Board of Trustees	2000	Wally Niss
	2000	Tiss Underdahl
	2000	Bob Falsani
	1998	Helen Anne Kohlbry
Hospitality Committee	1998	
	2000	Nan Hillmeyer
Music Committee	2000	
	2000	
	1998	
Personnel Committee	2000	Karen Andresen
Peace and Justice Committee	2000	Michele Benson
	2000	Phil Cook
	2000	Gail Trowbridge
Delegates: Eastern Association/MN Conference Annual Meeting		
	1998	Terese Tomanek
	1998	Maureen O'Brien
	1998	Peg Johnson
	1998	Judy Casserberg
(alternate)	2000	Gay Lynne Liebertz
Nominating Committee (nominated by Church Council)	2000	
	2000	
	1999	
	1998	