

**THE ANNUAL REPORT FOR
APRIL 1, 1997 THROUGH MARCH 31, 1998**



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

1998 ANNUAL REPORT OF PILGRIM CONGREGATIONAL CHURCH
(A United Church of Christ in Duluth, Minnesota)

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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

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Hammer -- hammer, saw -- saw, bang -- bang. Guess what we did this year? While our construction project was exciting in anticipation and then actual construction, it is really nice to have things back together again. The design team has a few items that the contractor has to attend to. But, for the most part, we are finished and operational in the updated areas of the church. What a difference the updates have made!

We were warned that the new elevator would require some break in time (or, was that breakdown time?) and it is proving that warning true. However, a few more operating hours and all will be fine.

Probably the most pressing issue that remains with the construction is refining the air make-up system in the large kitchen. We need to install dampers in the ductwork to prevent the "back drafting" that occurred this winter. At least we have made it to warmer weather and the issue is not as pressing.

Beyond the construction, I am very pleased and appreciative of the enthusiastic work that all of our standing boards and committees are doing. Strong energies are going into making a good church program even better!

Informative adult education, fun adult fellowship, strong church school, variety in Sunday worship, a stable financial situation, delightful children's music on Sunday, a very well conducted Lenten Service series, beautiful music and many more accomplishments come from one thing -- hard work by professional staff and volunteers. Great work everyone!

Your Church Council is now focusing on how to draw more people into our church membership. This effort is something we have to take very seriously and remain focused on. We must grow in order to maintain the vitality of the church. Vitality encompasses both programming and stewardship. Our 1998 stewardship drive was very successful -- present members rose to the challenge of meeting our budget goals. However, in order to continue to balance income against increasing costs, we simply need more people to participate. Don't get me wrong, our need to increase membership is not based solely on budget. The overall health of our church depends on a continual inflow of new people to bring added energy and participation in the life of Pilgrim. We will be enlisting everyone's help in attracting additional members.

Finally, we need to congratulate ourselves for showing extreme patience during our construction process. It was not easy maintaining normalcy but we came close. Kudos to Jack, Jody, Yvonne, and John Yukich for exhibiting "service above self" during those times when turmoil was the order of the day. Our professional staff has indeed again proved that they are the best!

SENIOR MINISTER

John H. Kemp

The past year we Pilgrims experienced significant visible change as our major building renovations took place. While all the "bugs" have not been worked out completely, the project is largely completed. We are pleased with the new elevator, kitchens, rest rooms, and other improvements, especially our now easy access to the building from our new off-street parking. We've come a long way from the planning and fund-raising stage of a year ago at this time. Thanks to many Pilgrims involved, especially the Design Team that has overseen the project to its completion.

In the past year we've been building in other important ways as well. Our worship life, now under the guidance of the Worship Committee working with the ministers, has reflected a variety of special Sundays and the talents and participation of many Pilgrims. Almost every month has seen either a special service and/or sermons by laity or pulpit guests. On Laity Sunday (June 8) the sermon was given by Kate Baldwin and Joe Leek. In August, we enjoyed another outdoors service overlooking the lake; in November we had a jazz service and the next Sunday, we dedicated our building renovation. On Christmas Sunday we were moved by the wonderful performance by Pilgrims of *Amahl and the Night Visitors*. We welcomed as pulpit guests: Matt Fitzgerald, Pilgrim student at United Theological Seminary (July 20); Susan Henderson, Pastor of Central United Reformed Church, Bath England (August 3); Jim Soderberg, Executive Director of CHUM (September 21); and Robert Powless, Chair of the Department of Indian Studies at UMD (January 18). We continued our ongoing exchanges with Christ Temple Apostolic Church with our visit to them on February 15; our Pilgrim Choir sang and I delivered the sermon. Pilgrims dramatized our gospel readings on the Sundays of Lent. I'm grateful for our Youth Choir and church school singers, led by Peggy White - and our Pilgrim Choir, led by Art Bumgardner, and organist Norma Stevlingson. This year I enjoyed leading a Lenten series on our UCC/Congregational roots and identity and, with Art Bumgardner, a Kerygma course on Handel's *The Messiah*; the choir and soloists sang appropriate excerpts each week during the Advent and Lent series; we hosted community Thanksgiving and Good Friday services and a special ecumenical celebration in January of the recent Lutheran-Reformed-Presbyterian-UCC agreement.

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 staff colleagues Jody Ondich, Yvonne Schmidt, and John Yukich. The intrusion of construction activities and mess during much of the year tested everyone's survival skills - I'm glad we all did survive! The caregiving work of our Stephen Ministry remains an important part of our life as a church family. We had another successful Men's Retreat in March, this year exploring the Jewish faith tradition with Gary Gordon, a lay leader of Temple Israel. The summer of 1997 saw us hosting our fifth quadrennial visit from our friends of Central United Reformed Church in Bath, England. Their ten day visit included a wide variety of activities planned and led by a hospitable team of Pilgrims ably coordinated by Steve and Lauri Cushing.

In the wider church and community, I continue as secretary of the Arrowhead Interfaith Council; Vice Moderator of the Eastern Association UCC, serving on its Council (with fellow Pilgrim Judy Casserberg); a member of the Regional Advisory Committee of Planned Parenthood and the Duluth Human Rights Coalition; chaired the 1998 CROP

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April 21
June 17
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Septemb
October
March 1

Walk for Hunger Planning Committee; and led several worship services at area care facilities. Last June I led a Stephen Ministry Workshop north of Dryden, Ontario, for the pastors of the Western Ontario District of the Lutheran Church of Canada (Missouri Synod), and in October I was pulpit guest at First Congregational UCC in Grand Marais.

It has been noteworthy this year that our growing Pilgrim Fund has given us the opportunity to expand significantly our support of worthy programs and projects in the wider community as well as meet special needs within our own life. Review elsewhere in these reports the list of projects we have supported - we all can be thankful that we are blessed with this avenue of service!

As always, we feel the loss of loyal Pilgrim members through death and who've moved from our community. Each year we lose active families who move on to new places: we need to find new ways to assure that Pilgrim always will be a welcoming congregation that offers new folks a home for their journeys of faith. In the year ahead, we have great capacity for living out our calling to be a people of Christ in worship and in caring fellowship and Christian service to one another and the world beyond our doors. I look forward to sharing our faith journeys in this, my twelfth year at Pilgrim.

MINISTERS' STATISTICAL REPORT

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

MARRIAGES officiated by the ministry of this church, April 1, 1997-March 31, 1998:

June 28	Jonathan Yuhas and *Angelica Andresen	(JK)
July 12	*Troy Sikkink and *Eileen Dexheimer	(JK)
August 23	Christopher Fedo and *Emily Sailstad	(JO)
September 29	Matthew Sammons and *Kathleen Simenson	(JK)
October 4	Robert Morton and *Marion Casserberg	(JK)
October 11	David Speikers and *Sarah Kemp	(JO)
November 28	*Robert Reichert and Judy Smith	(JK)

BAPTISMS administered by the ministry of this church, April 1, 1997-March 31, 1998:

December 28	James Thomas Jr., son of James and Kimberly Oreck	(JO)
April 27	Carolyn Elizabeth Marie Kerns	(JO)
April 27	Gordon James Kerns	(JO)
April 27	Zachary Harrison Burns	(JO)
January 11	Leslie Whilliamson White	(JO)
January 11	Emily Elizabeth Williamson White	(JO)
January 11	Anya Naegelin White	(JO)

CONFIRMATION SERVICE

August 24	Cedric Phillip Owens	(JO)
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FUNERALS/MEMORIAL SERVICES led by the ministry of this church, April 1, 1997-March 31, 1998:

April 3	Lynn Eugenia Lewis (died March 31)	(JK)
April 21	*Mary Tibbets Roberts (died April 17)	(JK)
June 17	Robert McCaughlin Fischer (died June 13)	(JK)
September 7	*Grace Forsythe Sullivan (died September 3)	(JK)
September 11	Herschel Burroughs Fryberger Jr. (died September 6)	(JK)
October 19	*David Rice Shefchik (died October 13)	(JK)
March 13	*Edith Ryan Matzke (died March 11)	(JK)

ASSOCIATE MINISTER Jody Ondich

I believe that this year will go down in my memory as "the year of the building project"! So much of our activity had to be wrapped around, worked around, or coordinated with scaffolding, sawdust, noise, clogged hallways, and other assorted chaos. And yet, in spite of that, we had some wonderful events and ministry that happened here at Pilgrim in 1997.

I continue to be impressed and grateful to the members of the church for the many gifts and abilities that you bring to this community. Almost anything that I need, and some of it is admittedly rather unusual, I can think of someone who can help, and call them. I suspect that a few of you get pretty apprehensive when you hear my voice on the other end of the phone! But anything from legal advice to mittens, food to paper shuffling, driving to chairing committees, playing an instrument to acting in a drama -- you are wonderful and talented, and I am most grateful.

There are several areas of the church that I believe continue to grow. I am pleased with the way adult education programming continues to develop, and am most grateful to Mike Zlonis and Jackie Falk for their planning and coordinating. There will be opportunities and a long weekend looking at church growth and direction setting/visioning for the mid-sized church with the help of Alban Institute expert Roy Oswald. Any input you continue to supply will be appreciated.

And the Middle School music and youth program keeps working, adding a few activities every year. Parents are the most important part of that, and several of you have been super, going above and beyond the call of duty. Joyce Hidahl has been there all the way, and is my rock!

Senior High programming goes still in fits and starts, though the kids are all very active in a whole variety of ways. We could still use an adult or two who would be willing and interested in working on at least a part time basis with Deb Eberhart Roth and the youth, as this program continues to develop. There has been some neat stuff taking place this year, and the upcoming Biloxi workcamp will be smashing! Thanks for all your support in this area . . .

Peggy White is one of the finest assets this church could have, and it is a real joy to hear all of the children of the church growing up with music as such a central part of their religious experience. I sure have songs from my Sunday school days rolling around in my head! She works with cheer and skill, and the children sing well and with pleasure. Each year I am surprised and amazed at the Christmas and Spring programs that they do for us. And the Youth Choir is simply super! Thank Peggy often, if you don't already. I am sure that I speak for many of us. She adds great depth to church school.

And we have a nursery worker! Sara Von Mosche has been a delight, and the children love her. I think that their parents are pretty glad, too!

Confirmation continues to hum along, and much of the depth and success of the program is due to the mentors. This year Joan Semenchuk, Deb Eberhart Roth, Jean Walters, Skip Silvestrini, and John Merrill have worked with the 13 youth in 8th and 9th grade. Confirmation continues to be a 2 year experience, and they spent this year looking at what is in the Bible. My real gratitude to all of you, youth and adults alike in making this program fly.

I am also impressed with the work that the Worship Committee has done this year. Some very creative things have happened in worship, and the bulk of them are thanks to this group. They have been working under the leadership of Carolyn Clark, who keeps us on task and makes sure that what we dream actually gets carried out. It has been a very good group of people. If worship is something that you would like to be involved in planning, just call Carolyn and find out about the next meeting time. This is a fairly ad hoc group, and newcomers are always welcome.

Stewardship went fairly well this year. We had a great group. Jack Setterlund, Tris Harwood, Julie Johnson, Peg Johnson, Rick Sailstad and Skip Silvestrini put in lots of hours planning and phoning, cooking and writing, meeting and talking to make sure things happened with clarity and with fun. Though the pledges were down just slightly in numbers, we are still in very good shape financially, and many of you increased your support for the general budget and pledged to the building project all at once. We are most grateful to you all for your support of both the program and the place where that program takes place.

This year we will be adding a committee to our structure. Before you groan too much about his church and all its committees, however, you need to be excited about this one. This committee will be focusing on church growth and development, and will be working to not only spread the word about who and what Pilgrim is, and what we have to offer, but also finding ways to help us as a community to include new people, reach out to those who visit with us, and in general strengthen the membership of our church. This is, of course, assuming that the new by-law creating this group will be approved! Look for their work in the days and months to come. I'm very excited about it all.

And of course, I have the fun of working on all sorts of other things with Jack and Yvonne and John, who are great people to share the day to day fun and concerns with. There are still plenty of dreams and hopes in the works for Pilgrim, and I ask that all of you be involved as we work together towards the next years to come. I am convinced that in love and support that come to us through a community of faith such as this one make life very rich and precious. Whether you have been touched by a Stephen Minister, delighted by a youth service, inspired by fine music, challenged by the Peace and Justice Committee, informed by a special speaker, or welcomed in a special way, and made to feel at home, this community is important. So we need you, and your prayers, and your presence to make us truly whole.

Thank you for including me in your lives. I feel very much at home, not only in Duluth, but with you all. This is a wonderful place to serve in ministry, and I look forward to much good service together in the coming year.

CLERK **Joan Morrison**

The reported active membership of Pilgrim Congregational Church
as of April 1, 1997

Adjustment to reconcile count with listed membership roll
Actual active membership as of April 1, 1997

464
4
468

New members added during the year:

Confirmation	8
Jonathan Bjorkman, Zachary Burns, Carrie Downing	
Christina Erjavec, Caroline Kerns, Shauna Peyton	
Erika Rood, Lora Sweezy	
Confession of Faith	3
Terry Jensen, Jean Jensen, Leslie White	
Reaffirmation of Faith	2
Joan Logan, Barbara Russ	
Transfer from Another Church	3
Lawrence Berg, Nancy Berg, William Clark	

Total Additions

16

Members lost during the year:

Removed by Death	4
Mary Roberts, Grace Sullivan	
David Shefchik, Edith Matzke	
Transfer to Another Church	12
Mary Lemke, John Zelen, Amy Zelen, Steven Christensen,	
Denise Christensen, Joel Labovitz, Sharon Labovitz,	
Scott Lounsbury, Sara Lounsbury, Linda Peterson.	
Dale Baker, Maureen Baker	
To Inactive Roll by Written Request by Action of Diaconate	6
Ann Kurschoff, Jack Kurschoff, Heidi Bagley, John Simenson	
Kathleen Simenson Sammons, Caroline Simenson Clemens	
Removed by Written Request by Action of the Diaconate	2
Teresa Falsani, John Ivey Thomas	

Total Losses

TOTAL ACTIVE MEMBERSHIP AS OF MARCH 31, 1998

24
460

BAPTISMS

7

WEDDINGS

7

Since the 1997 Annual Meeting there has been one special meeting of the congregation:
January 18, 1998
To vote on the 1998 Church Budget

CHRISTIAN OUTREACH BOARD

David Mattson

The Board of Christian Outreach 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, 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. Sixty percent of our Basic Support (budgeted at \$32,500 in 1997) 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 on the churches for a great part of their support. The dollar amount of this budgeted support in 1997 was as follows:

American Indian Transitional Housing	\$ 250.00
Arrowhead Interfaith Council	\$ 500.00
Arrowhead Juvenile Center	\$ 100.00
CHUM	\$1,100.00
Loaves and Fishes	\$ 300.00
Grace Community UCC in St. Paul	\$ 350.00
Northland College	\$ 600.00
Twin Ports Ministry to Seafarers	\$1,000.00
United Campus Ministry	\$2,000.00
United Theological Seminary	\$1,600.00

In addition, 1997 Pilgrim Fund outreach distributions to 20 projects and programs in our community totaled \$59,100.

The Board also sponsored the 3rd Annual Thanksgiving Dinner celebration for the clients of Human Development Center's Harmony Club. Many Pilgrims participated in the preparation and serving of Thanksgiving Dinner to many appreciative diners.

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

We received these special church offerings in 1997:

Emergency Food Shelf (Thanksgiving)	\$ 966.00
Just Peace Appeal	\$ 171.00
Neighbors in Need	\$1,239.00
One Great Hour of Sharing	\$1,658.00
Strengthen the Church	\$ 109.00
Veterans of the Cross Christmas Fund	\$1,164.00

Total Pilgrim "giving to others" in 1997, including budgeted support, special offerings, Pilgrim Fund distributions, Peace and Justice, Women's Fellowship, and youth gifts, was: \$108,715!

The 1997-98 members of the Board of Christian Outreach: Rick Agar, Beth Bagley, Jane Erjavec, Kristyn Hoffman, Julie Johnson, David Mattson, Maureen O'Brien, Terese Tomanek, and Mary Van Evera.

1997 GIVING TO OTHERS SUMMARY PAGE ONE

(Basis of Report to Minnesota Conference UCC)

BASIC SUPPORT OCWM

\$32,500

SPECIAL SUPPORT TO UCC MINISTRIES

\$ 7,759

A. Transmitted through MN Conference

United Seminary/CUE	\$ 1600
New Church Development-MN Conference	300
Per Capita dues	1518
Christmas Fund	1164
Just Peace Appeal	171
One Great Hour of Sharing	1658
Strengthen the Church	109
Neighbors in Need	1239

B. Transmitted Directly

\$ 8,270

Northland College (PF - \$3,000)	3600
United Campus Ministry Duluth (PF-\$1000)	3000
Grand Forks Flood Relief Work Camp Project	400
Prairie Conference UCC Flood Relief	460
Minnesota Conference UCC Flood Relief	460
Grace Community Church UCC, St. Paul	350

OTHER GIFTS - NON UCC

\$60,186

Arrowhead Interfaith Council

General	\$ 500	1600
Juvenile Center Chaplain	100	
Children's Peace Camp (PF-1000)	1000	

CHUM

25,966

CHUM Food Shelf	966	
CHUM Food Shelf (PF 10,000)	10,000	
CHUM Basic Ministries	1100	
Food Shelf roof repair (PF3500)	3500	
Telecare Ministry (PF-5000)	5000	
CHUM Church (PF-5000) (WF-300)	5300	
CHUM Church - Easter Flowers	100	
Ministry to Seafarers		2000
General Support	1000	
Building/Equipment (PF-1000)	1000	
Duluth Damiano Soup Kitchen (PF-3000)		3000
Duluth Habitat for Humanity (WF-100)		100
Duluth Building for Women (through PAVSA) (PF-2000)		2000
PAVSA-Aid to Victims of Sexual Assault (PF-1350) (WF-100)		1450
Loaves & Fishes		500
General Support (WF-200)	200	
Special Christmas Needs	300	
Women's Transitional Housing (PF-3000)(WF-100)		3100

1997 GIVING TO OTHERS SUMMARY PAGE TWO

OTHER GIFTS - NON UCC (Continued)

\$32,500	Women's Coalition Revolving Loan Fund (WF-100)	100
	YWCA Kids' Corner (WF-100)	100
\$ 7,759	Valley Youth Center (WF-100)	100
	Union Gospel Mission food (WF-100)	100
	Life House Youth Center (PF-1000) (WF-300)	1300
	Seminary Scholarship Assistance (Scholarship Fund)	1500
	Personal Emergency Assistance (Emergency Fund)	720
	Damiano Center Summer Program (PF-2500)	2500
	Duluth Community Health center pharmaceutical Program (PF-1000)	1000
	Duluth Public Arts Commission Peace Sculpture (PF-500)	500
\$ 8,270	Lutheran Social Services young parents program (PF-3000)	3000
	Women's Health Center low income cancer screening (PF-2000)	2000
	Duluth YWCA	4750
	Visitation program (PF-2250)	2250
	Refrigerator (PF-2500)	2500
	Miller Dwan Medical Center - creation of spiritual center (PF-2000)	2000
\$60,186	Catholic Charities - refugee family assistance (RF-500)	500
	Interfaith Alliance of Minnesota (P&J-50)	50
	American Indian Housing Organization - special program	250

Total 1997 Giving to Others \$108,715

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

SUMMARY - 1997 Giving to Others

SOURCE OF SUPPORT	UCC-RELATED	COMMUNITY OUTREACH	1997 WORK CAMP PROJECT
Church Budget	\$ 42,738	\$ 3,600	\$ 0
Special offerings	5,661	1,066	0
Pilgrim Fund	4,000	49,305	0
Church Groups	0	1,400	0
Other Funds	0	500	400
TOTALS	\$ 52,399	\$55,916	\$ 400
UCC-RELATED SUPPORT	\$52,399		
COMMUNITY OUTREACH	55,916		
WORK CAMP PROJECT	400		
<u>TOTAL 1997 GIVING TO OTHERS</u>		\$108,715	

DIACONATE

Steve Watry

The Diaconate for 1997-98 consisted of Carol Bacig, Mardi Bagley, Sara Carlson, Nancy Carpenter, Carolyn Clark, Paul Cutler, Carrie Downing, John Erjavec, John Fochs, Ted Lee, Bill Mickelsen, Kitty Van Evera, Charles Walters and Steve Watry. All contributed their varied talents and personal time to the successes of the current year.

As in past years the Diaconate focused on worship, membership nurturing and membership development. In addition to monthly meeting the Diaconate takes 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 Ministry 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. Jody Ondich will be undergoing Stephen Leader training during 1998.

Pilgrim Church's Rediscovery Brunch (annually hosted by the Diaconate) provided a unique challenge this year as Fellowship Hall and the kitchen were to a lesser and greater extent non-existent. To compensate for the lack of cooking facilities the brunch format of eggs, sausage and pancakes was modified to a lunch of chicken breasts, hamburgers, bratwurst and hot dogs. While the cooking was performed on the back deck using a rented grill, the meal was served with a "Renovation Period" atmosphere. The event was well attended and well received.

During the year the Diaconate sponsored several adult fellowship activities including Mix and Match Dinners, and the Spring Progressive Dinner. Time and talent sheets were updated, work has been started on a Pilgrim Church brochure, purchase of permanent name tags and the design of a kiosk for Salter Hall.

The Diaconate's Worship subcommittee had many successes in providing the congregation with new and engaging alternatives to the standard worship service. Most recently the Lenten services were spiced up by Pilgrim members re-enacting the biblical scenes from the Scripture readings.

A new role for the Diaconate has been the sponsorship of Matt Fitzgerald, long time Pilgrim member, for whom Pilgrim Church requested In Care standing with the Eastern Association U.C.C. as he finishes his work at United Theological Seminary in the Twin Cities.

Mardi Bagley, Nancy Carpenter, Carolyn Clark, Carrie Downing, Kitty Van Evera and Charles Walters are all finishing their current terms. Mardi Bagley will be leaving the Diaconate to focus on Stephen Ministry activities, Carolyn Clark is moving to the new Church Growth Committee and Carrie Downing's year with the Diaconate is over. I thank you for your efforts and contributions to 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 continually confront the dilemma of the proper balance between the secular demands of our beautiful but aging building with the programmatic needs and desires of a responsible and responsive Christian community.

Among the accomplishments celebrated by the Trustees during the past year are the following:

- Completion of the Chapel renovation project
- Completion of the first comprehensive audit of the church financial records in many years thanks to the knowledge, expertise and untiring efforts of Karl Honigman
- Approved a redistribution of fiscal duties and responsibilities by appointing Kathy Welles to manage the entry of pledge payments onto our financial management system and Nancy Odden to reconcile the checks written with payments made. These duties were previously handled by the Treasurer.
- Appointed a Planned Giving Committee to include Wally Niss, Nancy Odden, Peter Bagley, Carol Tierney, Bob Eaton, and Dave Zentner
- Developed a prioritized list of building maintenance projects to be undertaken in 1998
- Developed a plan to deal with the anticipated shortfall in the Capital Building Fund. Projected expenses at this time are expected to exceed pledged funds by approximately \$50,000
- Allocated \$84,000 of interest from the Pilgrim Fund to be distributed by the Pilgrim Fund Distribution Committee for outreach and local community program initiatives.

In spite of the rather mundane activities the Trustees as a group enjoyed one another's company and on more than one occasion, even managed to have fun.

1997-98 Trustees included: Patricia Clure, Helen Anne Kohlbry, Jim Langager, Bob Lindquist, Wally Niss, Nancy Odden, Jack Setterlund, Tiss Underdahl, and Doug Britton

AUDIT COMMITTEE

Karl Honigman

The Audit Committee of the Board of Trustees completed an audit of the financial records of Pilgrim Church in December 1997. The audit was for fiscal year 1996. This is the first formal audit of the financial records in the last 15 years, to the best of our knowledge.

The audit included the areas of receipts and deposits, expenses and disbursements, fund investments and bank statements. A fairly rigorous review was performed in these areas. Overall, the financial records were accurate and complete.

Several recommendations were presented to the Trustees, ministers, treasurers and the office manager. They related to the need to establish a policy for expenditure authorizations and to see the policy is followed, the need to perform complete reconciliation of the bank and mutual fund accounts each month by a person independent of the treasurer and office manager, and a procedure to change computer passwords on a regular basis and in accordance with generally accepted standards. The recommendations are being followed up by the Finance Committee of the Trustees.

A financial records audit for fiscal year 1997 is now in progress and will be reported to the Board of Trustees in the near future.

A financial records audit of the Circle of Friends accounts was completed in August 1997 for the period July 1, 1996 through June 30, 1997. This is the second audit of the Circle of Friends accounts. The accounts were accurate and complete and no exceptions were noted.

TREASURER

Rick Sailstad

PILGRIM CONGREGATIONAL CHURCH FINANCIAL SUMMARY AS OF DECEMBER 31, 1997

The 1998 Operating Budget is \$314,402.00. The cash to meet the Operating Budget will come from the following sources:

Current Year's Pledges	\$195,772.00
Other Contributions & Plate Offerings	8,500.00
Building Use	9,000.00
Interest Income	3,000.00
Marshall Legacy	13,000.00
Trusts not in our control	31,500.00
2 nd Century Account	52,145.00
Miscellaneous & Non-recurring Income	<u>1,485.00</u>
Total	\$314,402.00

Pilgrim Investments consist of the following:

Cash in banks and money market accounts earn interest that is allocated to the operating budget. For 1998 it is estimated that \$3,000 of interest will be earned and applied towards the operating budget.

Pilgrim has made a \$25,000 loan to Christ Temple Church. Currently the loan is interest free. Repayment of the loan is anticipated during 1998.

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

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 December 31, 1997, the market value of the 2nd Century account was \$597,016.86. By a formula adopted by the Trustees in 1996, the 2nd Century account will contribute a predetermined amount to each year's operating budget. For 1998, \$52,145.00 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 December 31, 1997, the market value of this account was \$166,703.27.

3. The Pilgrim Fund Principal account was established in 1992. As of December 31, 1997, the market value of this account was \$841,200.86. 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 was distributed

4. The Marshall Pledge Principal account was established in 1996. As of December 31, 1997, the market value of this account was \$228,842.16. 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.

In prior years Pilgrim also listed a Capital Improvement Principal Account. That account was used to accumulate contributions and to pay for the improvements to Pilgrim Church that were approved, by vote of the Congregation, on June 9, 1996. That fund has been depleted and closed. The Building Improvements Fund, on the Balance Sheet, is where the remaining balance due for the improvements is now shown. As of December 31, 1997, the improvements have exceeded funds available by \$63,951.21. Additional pledges that will be received through the year 2000 will reduce that amount to \$50,130.95. Additional contributions and other funding sources will be sought to reduce and eliminate this amount.

Income and Expense Statement and Balance Sheet:

The following Income and Expense Statement shows prior years' actual amounts and 1998'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 call the church office and leave a message for the Treasurer.

Respectfully submitted,

Rick Sailstad

1998 B

INCOME
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PILGRIM CONGREGATIONAL CHURCH

1998 BUDGET

	Actual 1995	Actual 1996	Actual 1997	Budget 1998	1998 as a % of 1997 Percent + or -
INCOME					
Pledges					
Prior Year Pledges Received	197,959	185,210	183,213	195,772	6.85%
Non-Pledged Contributions	2,025	3,986	5,452	3,000	-44.97%
Plate Offerings	6,705	3,376	4,158	3,000	-27.84%
Church School Offering	2,720	2,520	2,416	2,500	3.46%
Building Use	105	42	6	-	-100.00%
Interest	6,931	7,212	9,648	9,000	-6.72%
Marshall Pledge Fund Income	3,527	4,690	4,396	3,000	-31.75%
Jenks Trust Income	-	15,600	14,000	13,000	-7.14%
W. Mitchell Trust Income	7,466	7,600	9,315	8,500	-8.75%
Whiteside Trust Income	3,000	3,000	3,000	3,000	0.00%
2nd Century Fund Income	20,804	23,599	23,499	20,000	-14.89%
Miscellaneous Income (All Church Dinner)	38,498	42,476	48,987	52,145	6.45%
	759	677	223	1,485	565.11%
TOTAL INCOME	290,499	299,987	308,314	314,402	1.97%

OUTFLOW

SERVING OUR CONGREGATION

	Actual 1995	Actual 1996	Actual 1997	Budget 1998	Percent + or -
Personnel	19,685	20,276	20,682	21,509	4.00%
Office Manager Salary	3,093	3,039	3,261	3,270	0.28%
Office Manager Medical Insurance	2,756	2,839	2,910	3,011	3.48%
Office Manager Annuity	197	203	207	215	3.94%
Office Manager Disability	204	69	69	100	44.93%
Office Manager Educational Allowance	1,670	1,611	1,591	1,600	0.55%
Senior Minister Travel Reimbursement	684	789	802	800	-0.22%
Senior Minister Professional Expenses	600	600	600	600	0.00%
Senior Minister Continuing Education	1,904	1,681	2,019	1,600	-20.73%
Assoc. Minister Travel Reimbursement	947	939	1,106	800	-27.64%
Assoc. Minister Professional Expenses	600	623	600	600	0.00%
Assoc. Minister Continuing Education	-	-	-	-	0.00%
Bookkeeper Salary	2,002	2,014	1,901	2,200	15.74%
Office Supplies, Bulletins, & Printing	1,399	1,097	1,396	1,500	7.47%
Office Equipment Maint. & Software	1,635	1,727	1,742	2,000	14.80%
Postage	357	379	598	400	-33.10%
Stewardship/Planned Giving/Offering Env.	420	463	433	450	3.87%
Bank Charges	1,317	1,321	1,144	1,350	18.02%
Diaconate General Fund	175	-	113	450	298.41%
Worship Leadership & Prog. Development	296	144	255	200	-21.67%
Stephen Ministry	-	-	750	750	0.00%
Stephen Leader Training	54	30	108	150	38.89%
Church Literature	289	295	300	300	0.00%
Emergency Discretionary Fund	670	553	548	550	0.41%
Sunday Bulletins & Printing	2,194	1,200	1,200	1,100	-8.33%
Hospitality Expenses					
Sub-Total	43,146	41,891	44,333	45,505	2.64%

		Actual 1995	Actual 1996	Actual 1997	Budget 1998	Percent + or -
MINISTRY OF MUSIC						
Music Director Salary	Personnel	6,232	6,295	6,358	6,612	4.00%
Music Director Educational Allowance	Personnel	-	75	50	-	0.00%
Organist Salary	Personnel	4,766	4,909	5,302	5,540	4.40%
Choir Section Leaders	Personnel	5,032	5,460	5,831	6,000	2.90%
Summer Organist	Personnel	550	550	750	750	0.00%
Substitute Organists/Special Events	Personnel	-	75	200	225	0.00%
Special Instrumentalists	Music	528	570	690	800	12.50%
Sheet Music	Music	307	396	54	500	15.94%
Organ/Piano Maintenance	Music	320	437	162	500	826.44%
					206.64%	
Sub-Total		17,735	18,767	19,397	20,927	7.89%
OUR MINISTRY OF EDUCATION						
Church School Coordinator	Personnel	-	-	-	-	0.00%
Children's Music Director	Personnel	1,205	1,651	2,184	2,100	-3.86%
Church School Curriculum	BCE	896	778	765	800	4.50%
Church School Supplies & AV Equipment	BCE	796	425	359	650	81.08%
Children's Music Supplies	BCE	157	449	189	200	5.78%
Vacation Church School	BCE	-	-	-	-	0.00%
Leadership Training	BCE	-	-	385	200	-48.00%
Confirmation	BCE	235	641	992	800	-19.38%
Youth Program-Jr., Sr., UCC	BCE	783	900	1,708	1,000	-41.45%
Intergenerational Activities	BCE	227	352	175	200	14.07%
Adult Education	BCE	26	563	512	450	-12.18%
Kerygma Adult Bible Study	BCE	338	93	137	-	-100.00%
Church Library	BCE	355	478	752	400	-46.83%
Nursery	Personnel	-	-	-	500	0.00%
Sub-Total		5,017	6,329	8,159	7,300	-10.53%
OUR BUILDING MAINTENANCE						
Custodian Salary	Personnel	17,472	17,996	17,734	19,800	11.65%
Custodian Medical Insurance	Personnel	3,093	3,039	3,261	3,270	0.28%
Custodian Annuity	Personnel	1,048	1,080	1,155	1,185	2.59%
Custodial Supplies	Trustees	2,011	1,755	1,772	2,000	12.88%
Equip. Maint./Trash/Window & Carpet Clean	Trustees	3,412	3,842	3,197	3,300	3.22%
Electricity	Trustees	6,881	7,270	6,871	8,000	16.43%
Telephone	Trustees	914	1,055	1,058	1,200	13.41%
Fuel Oil, Gas & Water	Trustees	11,481	15,201	11,109	12,000	8.02%
Building Repairs	Trustees	3,991	2,770	-	-	0.00%
Snow Removal/Lot Maintenance	Trustees	-	-	60	750	0.00%
Housekeeping	Trustees	-	-	-	1,500	0.00%
Building & Liability Insurance	Trustees	9,610	9,560	9,369	9,456	0.93%
Worker's Compensation Insurance	Trustees	1,622	1,622	1,590	1,431	-10.00%
Sub-Total		61,535	65,190	57,176	63,892	11.75%

BOARD OF CHRISTIAN OUTREACH		Actual 1995	Actual 1996	Actual 1997	Budget 1998	Percent + or -
OCWM Basic Support	BCO	31,500	32,500	32,500	32,500	0.00%
Basic Support as a % of Total Budget Less Total Outreach	BCO	12.55%	12.49%	12.49%	11.89%	0.00%
United Campus Ministry	BCO	1,600	2,000	2,000	2,000	0.00%
United Theological Seminary	BCO	1,280	1,600	1,600	1,600	0.00%
Arrowhead Interfaith Council	BCO	120	150	500	500	0.00%
Community Ministries	BCO	477	1,200	1,250	1,250	0.00%
Northland College	BCO	480	600	600	600	0.00%
Twin Ports Seafarers	BCO	800	1,000	1,000	1,000	0.00%
CHUM	BCO	880	1,100	1,100	1,200	9.09%
New Ch Dev. MN Conf @ 1.50 mbr	BCO	240	300	300	300	0.00%
Sub-Total		37,377	40,450	40,850	40,950	0.24%
PASTORAL MINISTRY						
Senior Minister Salary/Housing	Personnel	53,774	55,280	55,833	57,508	3.00%
Senior Minister Annuity	Personnel	7,528	7,739	7,836	8,051	2.74%
Senior Minister Disability	Personnel	538	553	558	575	3.00%
Senior Minister Medical Insurance	Personnel	3,093	3,039	3,261	3,270	0.28%
Senior Minister Social Security Allowance	Personnel	4,114	4,229	4,271	4,399	3.00%
Assoc. Minister Salary/Housing	Personnel	33,400	35,932	37,370	39,238	5.00%
Assoc. Minister Annuity	Personnel	4,676	5,030	5,282	5,493	3.99%
Assoc. Minister Disability	Personnel	334	359	374	392	4.88%
Assoc. Minister Medical Insurance	Personnel	6,186	6,078	6,417	6,540	1.92%
Assoc. Minister Social Security Allowance	Personnel	2,555	2,749	2,859	3,002	5.00%
Sub-Total		116,198	120,989	124,062	128,468	3.55%
OTHER EXPENSES						
Payroll Taxes	Personnel	4,161	4,329	4,499	4,710	4.68%
Eastern Assoc. Per Capita Dues @ 3.25	BCO	1,451	1,524	1,518	1,600	5.42%
Delegate Expenses	BCO	204	194	399	450	12.78%
Peace & Justice	P&J	51	150	149	200	34.08%
BOND Project	Council	750	500	-	-	0.00%
Miscellaneous	Trustees	675	394	504	400	-20.67%
Sub-Total		7,292	7,091	7,069	7,360	4.11%
TOTAL OUTFLOW		288,300	300,706	301,046	314,402	4.44%
INCOME - OUTFLOW		2,199	(719)	7,267	-	
SUMMARY BY COMMITTEE		Actual 1995	Actual 1996	Actual 1997	Budget 1998	Percent + or -
Trustees		46,410	49,149	41,600	46,587	11.99%
Personnel		192,096	199,115	205,231	213,265	3.91%
Diaconate		2,801	2,342	3,218	3,750	16.54%
Hospitality		2,194	1,200	1,200	1,100	-8.33%
Music		1,155	1,403	906	1,800	98.68%
BCE		3,812	4,678	5,975	4,700	-21.34%
BCO		39,032	42,168	42,767	43,000	0.55%
P&J		51	150	149	200	34.08%
Council		750	500	-	-	0.00%
TOTAL OUTFLOW		288,300	300,706	301,046	314,402	4.44%

Pilgrim Congregational Church
Balance Sheet
Report Date: December 30, 1997

1997 YEAR END BALANCE SHEET
Fiscal Year 1997 Fiscal Period 12

ASSETS

Current Assets

Petty Cash	\$ 35.00
Office Checking Account	500.00
Norwest Checking Account	43,785.32
Merrill Lynch Money Market	93,902.60
Park State Money Market	5,412.83
Loan to Christ Temple Church	25,000.00
Total Current Assets	\$ 168,635.75

Other Assets

2nd Cent Earnings Since 10/01	26,951.07
Prepaid Expenses	12,438.20
2nd Cent. Parsonage Principal	64,000.00
2nd Cent. Principal	506,065.79
Building Maint. Principal	166,703.27
Pilgrim Fund Principal	841,200.86
Marshall Pledge Principal	228,842.16
Total Other Assets	1,846,201.35

TOTAL ASSETS

\$ 2,014,837.10

LIABILITIES AND FUND BALANCES

Current Liabilities

Total Current Liabilities

\$ 0.00

TOTAL LIABILITIES

Fund Balances

Restricted Funds

Christmas Fund	1,506.80
Building Improvements Fund	(63,951.21)
Food Shelf Fund	10.00
Nursery Fund	1,230.86
Bath England Fund	1,002.79
Educational Scholarship Fund	1,374.77
Handbell Fund	882.50
Martha's Kitchen Fund	489.04
Commissioned Music Fund	112.17
Music Memorial Fund	78.67
Prince Fund	37.89
Sabbatical Fund	44.84
UNICEF Fund	4.81
Archives Fund	2,500.00
Refugee Fund	1,899.14

Pilgrim Congregational Church
Balance Sheet
Report Date: December 30, 1997

1997 YEAR END BALANCE SHEET
Fiscal Year 1997 Fiscal Period 12

Quilt Preservation Fund	20.00	
Flower Fund	(112.52)	
Duluth Light Opera Co. Fund	136.33	
Hospitality Fund	1,377.83	
Loan Fund	5,000.00	
Pilgrim Just Peace Fund	516.38	
Memorials Fund	6,404.00	
S.Britton Scholarship Fund	4,645.00	
Peace & Justice Lecture Fund	4,800.00	
BCE-Speakers/Workshop Fund	4,632.75	
Stewardship (Ramshaw) Fund	911.09	
Organ Recital Fund	1,024.17	
Stephen Ministry Fund	3,061.72	
Pilgrim Fund Expense Fund	730.69	
Parlor/Salter Hall Fund	973.78	
Computer Equipment Fund	323.60	
Youth Music Fund	1,250.46	
Church School Offerings Fund	63.45	
BCE-Undercroft Project Fund	264.30	
Speaker/PA System Fund	742.10	
Sr. Min. Cont. Ed. Fund	300.00	
Assoc. Min. Cont. Ed. Fund	16.00	
Emergency Assistance Fund	1,780.00	
Christmas Gifts Fund	72.05	
125th Anniversary Fund	316.00	
Hymnal Fund	1,024.22	
1998 Workcamp Fund	1,059.85	
Marshall Final Dist. Fund	82,966.00	
Helen Wedlund Fund	1,200.00	
Alex Herbert Fund	17,787.51	
Total Restricted Funds		90,509.83
General Fund		
Capital Gifts	1,877,795.20	
Prepaid Pledges	39,983.75	
Beginning Balance	(718.92)	
Current Surplus(Deficit)	7,267.24	
Total General Fund		2,924,327.27
TOTAL LIABILITIES & FUND BALANCES		\$ 2,014,837.10

2,014,837.10

\$ 0.00

Julie Johnson

THE PILGRIM FUND

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 recommended projects. During the 1997 church year the following projects were funded:

IN HOUSE: (Total: \$21,005)

- Adult Education Special Speakers and workshop - Fall 1997 (\$3,184)
- Renovation and equipment for youth space in undercroft (\$3,000)
- Paid nursery attendant for a portion of 1997 (\$1,100)
- Emergency Assistance Fund (\$2,000)
- Matching grant to establish the Susie Britton Scholarship Fund (\$3,000)
- Stephen Leader training expenses for Associate Minister (\$1,571)
- 1998 Lecture/Workshops - Roy Oswald, Alban Institute (\$2,350)
- Peace and Justice Public Lectureship (\$4,800)

OUTREACH: (\$59,100)

- Twin Ports Ministry to Seafarers (\$1,000)
 - Life House Youth Center, Program with youth on the streets (\$1,000)
 - Interfaith Spiritual Center at Miller Dwan Medical Center (\$2,000)
 - YWCA Supervised visitation program and site for broken families (\$2,250)
 - Building for Women (\$4,000)
 - Women's Health Center, gender screening for low income women (\$2,000)
 - Damiano Soup Kitchen, food purchases (\$3,000)
 - Northern Lakes regional Campus Ministry, student outreach programming (\$3,000)
 - PAVSA, update library materials and public education (\$1,350)
 - Arrowhead Interfaith Council, summer children's Peace Camp (\$1,000)
 - Community Health Center, pharmacological project for low income persons (\$1,000)
 - Women's Transitional Housing program to help women become job ready (\$3,000)
 - Northland College Native American Scholarships (\$3,000)
 - Lutheran Social Services, young parent program (\$3,000)
 - CHUM Church, for developmentally disabled persons (\$5,000)
 - CHUM Telecare/Friends, program for elderly and homebound (\$5,000)
 - CHUM Emergency Food Shelf, assistance for low income families/individuals (\$10,000)
 - CHUM Food Shelf, roof replacement (\$3,500)
 - Damiano Center (\$2,500)
 - YWCA: replacement of refrigerator and kitchen repairs to bring up to code (\$2,500)
- PEACE AND JUSTICE: (\$500)
- Duluth Public Arts Commission Peace Sculpture Project (\$500)

The Committee consisting of John Morrison, Bob Eaton, Dennis Falk, Nancy Fifield, Bob Heller, Wally Niss, and Julie Johnson worked diligently to fulfill the goals of the mission of the Pilgrim Fund. This year's distributions totaled \$80,605.

STEWARDSHIP COMMITTEE

Skip Silvestrini

The 1998 Stewardship Campaign continued to utilize the straightforward formula of setting a target with a 5% cost of living increase and then asking the Church Council and Trustees to budget based on the amount raised. Because of concern over last year's drop in pledges we decided to utilize a pledge drive by contacting all members on the Saturday before the campaign ended and invited all members to bring their pledges to church Sunday and stay afterward for a "Sock Hop," lunch and party.

The number of pledges dropped for fiscal 1998 from 171 to 162. This may reflect the decrease in church membership. However, the pledged dollars stayed relatively the same with \$194,603 pledged in 1997 and \$193,049 pledged in 1998. Actual dollars collected in 1997 was \$183,215 with \$5,451 collected from the previous year for a total of \$188,666. This represents fairly similar revenue for 1996 and 1997. So despite the decline in the number of pledges, the relative increase in the amount pledged per pledging unit balanced the decline. Assuming similar collection for 1998, this should represent stable revenue.

The Stewardship Committee: Triss Harwood, Julie Johnson, Peg Johnson, Jody Ondich and Skip Silvestrini would again like to thank the congregation for their continued generosity, the Hospitality Committee for their help with the sock hop lunch, Rick Sailstad for his continued time and commitment as treasurer and Roger Johnson for his talent as the D.J. for the sock hop.

On a personal note, this was my last year on the Stewardship Committee. It's been four years and is time to pass the torch. I enjoyed the work and the opportunity to be involved with so many wonderful people, and thank you all for your generosity.

MUSIC DIRECTOR

Art Bumgardner

The Pilgrim Choir ventured into new territory this past year by presenting a fully staged performance of Gian Carlo Menotti's opera *Amahl and the Night Visitors* on December 21st. With musical direction by Art Bumgardner and stage direction by Peg Johnson, the production featured Rachael Cushing-Peyton in the title role of Amahl, Char Taylor as his mother, Roger Johnson as King Balthazar, Marcus McConico as King Melchior, Mark Ankarlo as King Caspar, and Ted Harwood as the Page. The Chorus of Shepherds and Villagers included the remaining members of the Pilgrim Choir plus children and friends of Pilgrim Church. Two performances were given, one during morning worship and one in the evening, both to large and appreciative audiences.

Musical accompaniment for *Amahl and the Night Visitors* was provided by pianist Elena Kaminova, and oboist Carrie Downing. Nancy Odden assisted as rehearsal accompanist. Lauri Cushing was responsible for costuming, Peter Bagley for set construction, Travis Patten for lighting, and Carolyn Clark for publicity. The dance scene performed by Jenelle Kleinke and Erin Knutie was choreographed by Laura Kleinke. There are many others who contributed to this production in various ways, and our sincere thanks is extended to all of them.

During Advent and Lent, the Pilgrim Choir and soloists offered selections from Handel's *Messiah* in conjunction with a lecture series on "The Bible and Handel's *Messiah*" offered by Jack Kemp and Art Bumgardner following morning worship.

The Pilgrim Choir combined with choirs from other Duluth churches to present music for choir, brass and organ for a special service on January 25th celebrating the establishment of open communion among Congregational, Presbyterian, and Lutheran congregations in the United States.

On May 10th the choir presented *Psalmkonzert* by contemporary German composer Heinz Werner Zimmermann. The four movement work for choir, baritone soloist, children's choir, three trumpets, vibraphone, and string bass, is influenced strongly by the American jazz tradition.

CHILDREN'S MUSIC DIRECTOR

Peggy White

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

The Church School children (grades pre-K through 7th grade) divide into two 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 six occasions during the year, two of those times being special events: the Christmas Pageant (based on the Symbols of Christmas) and Church School Sunday ("Fat, Fat Jehoshaphat: Teaching the Power of Prayer").

The Youth Choir meets every Wednesday for a time of rehearsal, food, and fellowship. The group has 15 members. The Youth Choir shared their music in church 7 times this year. On Christmas Eve the Youth Choir provided four pieces for the early service. We also had a Caroling Party in December and visited a number of families in the neighborhood. The choir learned seven new pieces for the Children's Choir Festival at First Lutheran in February, and several of our members attended that event.

On January 24, I had an opportunity to work with the Senior High Youth from our church, and others attending a retreat here at Pilgrim. It was a treat to put together two songs for the next day's worship service, one of which the Senior Highs sang with our Youth Choir.

A special thank you goes to Shauna Peyton who has volunteered her time and talents to accompany the choir this year, and who attends our rehearsals each week. Thanks also to Jody Ondich for accompanying the children's music on numerous occasions, to Nancy Odden who has stepped in to help, and to the other adults who supported us with their instrumental and dramatic talents. I am grateful also 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

The Committee did not meet 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 and other paid staff. Updated/revised job descriptions to more accurately reflect staff duties should be completed this spring. A paid Nursery Attendant is hired for Sunday mornings. Temporary help was hired while John Yukich was out twice with surgery. We continue to appreciate our fine staff and the excellent work they do.

The members of the Personnel Committee are: Bob Eaton, Gordy Swenson, Bill Mickelsen, Nancy Odden, Maureen O'Brien, Mike Zlonis and Karen Andresen, Chair.

HOSPITALITY COMMITTEE

Joan Semenchuk

The Hospitality Committee wishes to thank everyone who baked, served coffee and cleaned up at the many events held throughout the year. A couple of special events included a reception for the Building Dedication and receptions for the *Amahl and the Night Visitors* performances. Other areas when the Hospitality Committee assisted included funeral receptions, Lenten suppers and Sunday Coffee hours.

A very special thank you to all the members of the committee: Pauline Schroeder, Nancy Sailstad, Sheralyn Zlonis, John Jensen, Nanette Hillmeyer and Joan Semenchuk

CAPITAL FUND DRIVE AND BUILDING PROJECT "DESIGN TEAM" Progress Report

Richard Quigley

The Design Team met periodically during the construction phase of the building campaign to oversee the progress of the project. At one point, we had a very sticky problem with a neighborhood group over the parking lot. After several meetings with these neighbors, we wrote letters to all those concerned or whom had taken issue with the parking lot development. We were able to put the problem to rest after carefully listening to all concerns, yet taking a firm stand and settling our plans for the parking lot. The issue slowly faded into history.

We have had regular reports from the architect, Jon Helstrom and worked through various design and construction problems as they arose. The parking lot turned out to be a successful endeavor. The committee watched over the construction progress and time schedules to assure that the original design was carried out properly.

We have experienced some problems with the elevator and its final code compliance, but that is almost completed. Some minor problems still exist with the flooring in the women's room shower, exterior lighting, and the new entry way, but these are all soon to be addressed and not major problems. The last and biggest problem is with the air exchange system in the kitchen. This remains our most serious design problem. Wally Niss has been taking charge in trying to iron out a resolution and find the appropriate way to solve the problem. We also believe that a portion of our kitchen was over-designed for the normal capacity that is experienced.

Overall, we believe that the majority of the design was carried out to specifications and that most church members are happy with the outcome. The design committee will continue to meet until these final problems are resolved.

"A CIRCLE OF FRIENDS" (formerly Women's Fellowship)

Jean Dohm, Dorothy Honigman

"Circle of Friends" met four times during the Fall of 1997 through May 1998. The purpose of the group has been to have luncheons and programs that will be of interest to all Pilgrim Women and their friends from other churches.

Outreach which has always been part of "Circle of Friends" has been greatly limited due to lack of income from the Church Bazaar and responsibility for SERRV. Our treasury helps subsidize luncheons, programs, decorations and plants given to church members who are ill or are shut-ins.

A standing committee plans each event. Members include: Chair, Jean Dohm; Treasurer, Dorothy Honigman; Church Council Representative, Gerry Heller; Committee members, Nancy Fifield, Vera Dunbar, Eleanor Nichol, Dorothy Gemeinhardt, Mary Brain, Sharon vanDruten, Gen Plumb, Gertrude Jacobson, and Ginny King.

September 19, 1997 - A luncheon was held at "The Pines." A short business meeting was followed by an inspiring speech by Cathy Plumb.

December 3, 1997 - A Christmas lunch catered by "The Pines" was held in Salter Hall. A Christmas musical program was presented by Peg and Roger Johnson.

March 25, 1998 - A luncheon was held at Nancy Fifield's home. A fascinating program "Glensheen Reminiscences" was given by Vera Dunbar.

May 20, 1998 - A Spring luncheon and program will be held at Conamara, Eleanor Nichol's home.

RETIRING CHURCH OFFICERS and BOARD AND COMMITTEE MEMBERS

We express our appreciation to those who are completing their terms or retiring from office this Spring:

Church Treasurer	Greg Gilbert
Church Council (at large)	Mary Olin
Board of Christian Education	Kerry Hanlon
Board of Christian Outreach	Dawn Silvestrini
	Rick Agar
	Jane Erjavec
	David Mattson
	Maureen O'Brien
	Mardi Bagley
	Carolyn Clark
Diaconate	Patricia Clure
Board of Trustees	Pauline Schroeder
Hospitality Committee	Sheralyn Zlonis
Music Committee	Jean Walters
	Pearl Fuller
	Lisa Pratt
Peace and Justice Committee	Keith Brownell
	David Camenga
Nominating Committee	Lois Heller
	Fran Leek
Delegates:	Terese Tomanek
	Maureen O'Brien

NOMINATING COMMITTEE **Margie Fraser**

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	John Morrison
Church Clerk	2001	Joan Morrison
Church Council-at-Large	2001	Peg Johnson
	2001	Dennis Falk
	2001	Leslie White
Board of Christian Education	2001	Betsy Fochs-Hanlon
	2001	Jean Jensen
	2001	Ted Harwood, Jr.
	2000	Ben Anderson
Board of Christian Outreach	2001	Beth Bagley
	2001	Nancy Berg
	2001	Barb Russ
	2000	Audrey Monicken
	1999	Milton Monicken
Diaconate	2001	Lawrence Berg
	2001	Kitty Van Evera
	2001	Nancy Carpenter
	2001	John Fochs
Board of Trustees	2000	Charles Walters
	2001	Kathy Welles
	2001	James Langager
	2000	Helen Anne Kohlby
Church Growth and Development Committee	1998	Helen Anne Kohlby
	2001	Carolyn Clark
	2001	Cindy Fochs
	2000	Jane Shull
	2000	Kay Slack
	1999	Eileen Sikkink
Hospitality Committee	1999	Charlie Nichol
	2001	Peggy Downing
Personnel Committee	2001	Margaret Honigman
Peace and Justice Committee	2001	Robert Eaton
	2001	Ted Harwood
	2001	Bill Clark
Delegates: Eastern Association/MN Conference Annual Meeting	2001	
	1999	Peg Johnson
	1999	Nancy Fifield
	1999	Malcolm Fifield
(alternate)	1999	Triss Harwood
Nominating Committee (nominated by Church Council)	2001	Rebecca Lindquist
	2001	Karl Honigman
	2001	
	2000	
	2000	
	1999	

CHRISTIAN EDUCATION BOARD

Cary Thompson-Gilbert

PEACE AND JUSTICE COMMITTEE

Keith Brownell

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