



June 28, 2020

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Annual Meeting Agenda

1. GENERAL ITEMS

- 1.1. Bible reading and opening prayer
- 1.2. Election of Deacons (ballot on p. 49)
- 1.3. Approve minutes of February 9, 2020 (p. 4)
- 1.4. Approve minutes of April 26, 2020 (p. 6)

2. OLD BUSINESS

- 2.1. There is no old business.

3. REPORTS

- 3.1. Pastoral Reports Highlights
- 3.2. Financial Report

4. NEW BUSINESS

- 4.1. Approve 2020-2021 Budget (p. 45)

5. MOTION TO ADJOURN

- 5.1. Prayer

Grace Community Church
Semi-Annual Business Meeting Minutes
February 9, 2020

1. GENERAL ITEMS

- 1.1. Pastor Jarrod opened with a reading from Psalm 149 and a prayer.
- 1.2. Chris Boylan called the meeting to order. The agenda prepared for the February 9, 2020 meeting was used for this semi-annual business meeting.
- 1.3. Members were given ballots at the door. 109 ballots were distributed.
- 1.4. **Motion** to approve the Minutes of the previous business meeting on July 7, 2019, was made by Bob Conti and Dave Dunn. **Motion carried.**

2. OLD Business – None**3. REPORTS**

- 3.1. Pastor Jarrod presented the Senior Pastor report/letter and there were no questions.
- 3.2. Pastor Adrian presented the Executive Pastor report and there were no questions.
- 3.3. Karl Wixtrom presented the Semi-Annual Financial Reports. There were two follow-up questions:
 - 3.3.1. Tanya Bray asked about the change in the total level of the Deacon's Fund (i.e., lower than in the past) and if the move from integrating communions into normal weekend worship sessions rather than a separate Celebration service (where a specific Deacon's Fund collection was held) had impacted giving to the fund. Pastor Adrian explained that the Deacon's had purposely sought to expend available funds in assisting recipients and that the rate of giving had appeared to be consistent after the change of communion timing.
 - 3.3.2. David Dunn noted that the parking lot at Washingtonville likely needed repair and that this should be considered as future capital expense. Karl Wixtrom noted that such repairs including other parking lot related items on other campuses were being considered for the next budget capital items.
- 3.4. Pastor Jarrod opened a discussion about the new opportunity for a Grace Highlands (West Point) April 5th launch. There were several questions:
 - 3.4.1. Mark Ruppert noted that Jarrod had acknowledged in services this weekend that such an opportunity was not specifically in this year's budget (indicating that we would hold a special giving opportunity to help fund), but that the financial report appeared to show some available funds. He also wondered if such a move to open a new site required full member approval, in addition to elder board approval. Pastor Adrian and Karl Wixtrom explained that the members had previously approved the "Let's Go" initiative that had included up to 4 additional campuses in Orange County and that the 2019-2020 budget had also included an up to \$500,000 pre-approval for spending if needed on associated initiatives.
 - 3.4.2. Susan Boro asked who extended the invitation for a Grace site at the Highlands location. Pastor Adrian responded that the Hotel Thayer had extended the invitation more than a year after initial requests for information from Grace Community Church. He also noted that other pleas for a Grace site in that area had come from cadets, staff, and other members of the location community.
 - 3.4.3. Justin Sandler asked how many services would the new site hold and how many people could the venue accommodate. Pastor Adrian responded that the plan was for 2-3 services

every Sunday with seating for up to about 200 adults and additional space for Grace Kids and other programs.

- 3.4.4. Marla Blauschild asked if Grace Washingtonville would continue the Saturday night West Point cadet service and dinner program and if Grace would plan to hire staff for the new site. Pastor Adrian responded that the current plan was to continue the Saturday night program for the time being and that ultimately new hires would be sought to staff the site.
- 3.4.5. Mark Ruppert asked if the new site would be open to other non-West Point community. Pastor Adrian noted that the Hotel Thayer location had accommodations for offsite community participation (i.e., there is a soft gate entry available for events at Hotel Thayer that was prior to the main full-security gate) and that the intent was for the Grace Highlands location to serve both West Point as well as nearby towns and communities.
- 3.4.6. Keith Reinhold thought the new site was a big opportunity and asked Jarrod to provide more information on the importance of this new site. Pastor Jarrod and Chris Boylan emphasized the 40+ year interactions between Grace Community Church and the West Point community at large, the vision to reach Orange County and beyond (the world) for Christ, the absolutely unique opportunity to reach and serve current and future world-changers and influencers with the Gospel, and the consideration that this is a sacred calling and gift for Grace Community Church.

4. NEW BUSINESS

- 4.1. Election of Deacons results: Lesly & Merline Martes and Vince & Jing Lan were Re-elected. Congratulations to all!
- 4.2. Election of Elders results: Craig Amnott, Jonathan Black, Chris Boylan, and Larry Dauer were Re-elected. Congratulations to all!

5. MOTION TO ADJOURN

- 5.1. Chris Boylan called for a **motion** to adjourn. Dave Dunn so motioned and Eric Taller seconded the motion. **Motion carried.**
- 5.2. Pastor Jarrod shared thoughts on Grace's mission. He called for 21 days of prayer and fasting for a Spiritual covering.
- 5.3. Craig Amnott closed with the West Point Cadet Prayer.

Submitted by Larry Dauer

GCC Elder Board.

Grace Community Church
Special Business Meeting Minutes
April 26, 2020

General Items:

1. Pastor Jarrod welcomed the viewers and introduced the presenters, Chris Boylan and Karl Wixtrom.
2. Pastor Adrian explained how the on-line meeting would progress, how to ask questions, and how to vote when the time comes.
3. Pastor Brandon explained the technical details of how to ask questions and how to vote.
4. Pastor Jarrod thanked staff and elders for their work in preparation and facilitation of this special meeting during these difficult times. He read from 1Cor 13 and then prayed.
5. Chris Boylan called the meeting to order and further explained the purpose of the special meeting.
6. Karl Wixtrom discussed the issues that would be presented to include:
 - 6.1. Review of 9-month YTD financials with some forward projections.
 - 6.2. The rationale for the motion that would be presented.
 - 6.3. Responding to questions from those viewing live.
7. Karl also explained the following:
 - 7.1. The need to establish a quorum with a vote when instructed.
 - 7.2. Asking questions using the question panel on devices and to ask follow-up questions if first question not fully answered.
 - 7.3. Save questions pertaining to the motion until the motion is seconded and open to discussion.
8. Chris mentioned that a question had already come up that he felt needed to be addressed up front especially because of the unusual circumstances of the on-line meeting. The question related to - if sufficient time and proper notification was given about the meeting and if it was consistent with our constitution and bylaws? Chris explained that there was urgency to call the meeting because of time-sensitive action that was needed, but that we had every intention of doing it in a proper way. The elders sought counsel from our attorney and he read a letter from him basically stating that we were in compliance with our constitution, bylaws, and state laws that govern non-for-profits.

Old Business:

1. There was no old business.

New Business:

1. Karl reviewed the YTD financials. Here were some highlights:
 - 1.1. After 9 months into the fiscal year, with several weeks into our COVID-19 response, being careful to control expenses, and after all expenses are accounted for, our cash position is only about \$7800 on the deficit side.

- 1.2. Currently, there is no crisis that is causing us to go into debt.
- 1.3. Our cash balances remain strong. Our available cash balance is about \$751,000. This does not include the Highland Falls fund.
- 1.4. A few things we do know is that as a result of the COVID, this nation will experience an economic downturn and the eventual recovery timeline remains uncertain.
- 1.5. As a board and staff, we have focused on the following:
 - 1.5.1. Prayer.
 - 1.5.2. The current financial position of the church - monitoring expenses and giving week to week.
 - 1.5.3. Discussions on how to work on expenses and bring them into line with giving.
 - 1.5.4. How to position the church for access to capital in case we need it.
- 1.6. April financials show expenditures are below giving and we are expecting a cash surplus of about \$47,000. This is due to the cost cutting and reduction efforts.
2. Karl presented some context for the special business meeting:
 - 2.1. The motion is not intended for us to go into debt but to leverage credit as a backstop to allow time to watch the COVID related situation to unfold.
 - 2.2. The CARES Act has the Payroll Protection Program (PPP). This program is administered by the Small Business Administration (SBA). The SBA issued rules for administering the PPP that include:
 - 2.2.1. Eligibility.
 - 2.2.2. Forgiveness.
 - 2.2.3. Acceptance and Religious Freedom.
 - 2.2.4. Purpose – for payroll, rent, and utilities consistent with the rules. Grace is seeking funding of \$574,800.
 - 2.3. Some answers to probable questions relating to PPP:
 - 2.3.1. We don't anticipate any religious encumbrance from the government in taking PPP funds.
 - 2.3.2. We would use the PPP funds for the intended purpose and consistent with the forgiveness requirements.
 - 2.3.3. The SBA loan is the second part of the motion. We have applied for it but not heard back yet. The banks are focusing on the PPP loans. The SBA loan is part of the layered approach to potential funding if needed but no further. It would be a low interest loan but would require repayment. At this point we do not have an amount or a commitment.
 - 2.3.4. We have a cash balance of about \$751,000 we would continue to draw from.
 - 2.3.5. The plan would be to use the PPP over the next two months to offset payroll expenses. We would continue to pay all non-discretionary payments. We may be cash-positive over the next two months as a result of PPP but that allows us to weather the following month which still have uncertainty.
 - 2.4. Line of Credit:
 - 2.4.1. Over the last several years we discussed to potential need for a line of credit (LOC). As we have grown so have our expenses. Our cash in bank has not grown and is about 2 months of expenses or reserve. Some churches spend it all while others build a large reserve. Our position is that cash it be used for ministry opportunities

and not accumulate into so large an amount that it becomes an idol. The thinking around the LOC is that it would allow us to take advantage of ministry opportunities by stabilizing short-term imbalances and allow time for new ministry advances to take root.

- 2.4.2. If approved, the LOC is available but there is no interest or indebtedness unless funds are drawn.
- 2.4.3. To be able to qualify for the LOC, the bank requires that we refinance our mortgage to extend the terms to 2025. This is needed to reduce our monthly debt load. We would not qualify for the LOC without that. However, our intention is still to pay off the refinanced mortgage as planned in May of 2022. The LOC would remain as a backstop and subject to annual re-approval by the bank (Walden Savings Bank).
- 2.5. In recap:
 - 2.5.1. We rely on God's provision.
 - 2.5.2. God continues to bless Grace; we are not in immediate financial hardship.
 - 2.5.3. The resiliency plan, part of which we are discussing tonight, is a collaboration effort of between the staff and the Elder Board.
 - 2.5.4. The resiliency plan will allow Grace to purposely move through these difficult economic times.
 - 2.5.5. We will provide an update at our Annual Business Meeting in two months.
 - 2.5.6. We desire to remain debt free and will strive to do so, while keeping the main thing in focus – advancing the Gospel of Jesus Christ to the Northeast.
3. Chris introduced the motion from the Elder Board –
 - 3.1. **To authorize Grace Community Church to enact specific portions of the financial resiliency plan as delineated in the following steps:**
 1. **Subject to qualification and approval, accept CARES Act funds, subject to approved use that will permit loan forgiveness.**
 2. **Subject to qualification and approval, obtain an SBA loan at a low interest rate.**
 3. **Obtain a line of credit from Walden Savings Bank in the amount of \$750,000.**
 4. **Allow the Elder Board to access these three funding sources progressively, as required, to ensure the day-to-day financial stability of Grace Community Church.**
 - 3.2. The motion was seconded by Sal D'Amico.
 - 3.3. Pastor Adrian read questions submitted and answered by the presenters:
 - Q. Michelle Andryshak: Will the three motions allow the full-time staff to return to full salaries and receive back pay? They have been working double and triple time during the past month when they have their own families to personally worry about health wise?
 - A. Karl: We did defer some compensation to the full-time staff, and we would be able to restore that to them.
 - Q. Michelle Andryshak: What has been done with the actual monies collected for the West point Campus? I sent Adrian an email from a professional fundraiser point of view. I have been training on the psychology of donors during this pandemic. Tithing does fall under fundraising. I can follow up with elders if they did not get the suggestion.

A. Karl: The dollars are set aside and temporarily restricted. That means that they were given for a purpose and can only be used for that purpose. There is a little over \$600K there and some purchases have already been made for that purpose.

A. Chris: The mission for Highland Falls has not changed it has only been deferred because of what we are facing right now. As soon as we can move forward, all the monies given for that purpose will be used for that purpose.

Q. Sal D'Amico: Does there need to be a reading or waiving of the reading of the last minutes?

A. Chris: Typically, minutes are approved in the two regularly scheduled business meetings, the annual and the semi-annual. They are not required procedurally to be reviewed at any special emergency meetings. We did not plan to review them at this meeting, but they will be reviewed at our next meeting in June or July.

Q. Beverly Fazio: What is a plant – church plant?

A. Karl: Plant relates back to the budget and where we would show location related expenses such as leases, utilities, etc.

Q. Dan Mahoney: What is the status of the monies spent thus far for Highland Falls and the contracts that were signed to open the campus there? Has it been negotiated to some new launch date?

A. Pastor Jarrod: The hotel let us have these next three months without having to pay the rent since we are unable to be there. They were very gracious to us. Once we hit that 3-month mark and the gates open up we are full steam ahead. It now depends on when restrictions are lifted.

Q. James Carlone: Regarding the CARES Act, there have been very public cases where large chains were forced to give funds back because of the public opposition to their receiving them. Is there any sense that churches would receive similar bad publicity for using the program? What is the dollar value of the PPP Loan?

A. Karl: I can't say if anyone will receive bad publicity for it. What I can say is that a lot of the opposition I saw was for large businesses trying to leverage Small Business Administration funds. With regards to churches, they specifically allowed churches and religious organizations to use the funds. Even small churches that are part of a larger association of churches were individually qualified to receive funds even though they were part of a large affiliation. How much more for Grace, which is not part of a large convention and does not have a lot of resources? The Small Business Administration made it possible for all churches to access these funds.

A. Chris: The negative public sentiment was with large corporations with separate locations that may qualify individually according to the letter of the law but as a corporation they do not.

Q. Dan Mahoney: What is the dollar value of the PPP Loan?

A. Karl: \$574,800. This is tied to their calculation of our current payroll. We believe that based on the use of these funds, they will not result in indebtedness.

A. Chris: The intent of the application is to disclose your payroll over a 10 week period that would ensure that all employees get full pay for those 10 weeks and that is what you put on the application. The funds have to be used for the intended purpose to be reduced to a grant.

(Pastor Adrian wanted to acknowledge that several people may be asking the same question and might not hear their question read. That is because the first person asking that question will be read.)

Q. Gordon Sakow: Why wasn't this information brought to the church body, and why wasn't the body given the opportunity to respond financially before leaping to the opportunity at "free" money at taxpayers' expense, or obtaining a loan? Are we skipping past that because of time constraints to try our hand at getting a government handout of a no repay program?

A. Chris: We are doing everything we can to ensure that we take care of the church and the mission. To pursue an available grant, in light of the current conditions and the reduction in giving, seemed like something we should do. We are not unlike the 30 million other people who have experienced job losses and we felt it would be better to pursue this rather than come to the congregation at this time and say you need to give more. The giving is already down, and we are simply creating a financial backstop to that reality.

A. Karl: Two main points to PPP – one is uncertainty. This allows time for small businesses and for Grace to assess the situation and come up with purposeful plans. The second is to maintain employment at the same pay range during that time. It is our desire to take care of our employees during this time and this allows us to do that.

A. Pastor Jarrod: We continue every weekend to invite people to give out of the overflow of their hearts. Pastor Adrian sent a letter out to those who use the offering boxes in the facilities to consider mailing their gift in or giving on-line. We have done what we felt was appropriate without over-reaching according to the burden we feel for our people.

Q. Mark Scott: How was the \$574,000 determined?

A. Karl: We submitted our payroll numbers and headcounts and then the bank has some sort of a formula they apply. It was in this case that the lender came back with the funding amount.

- Q. Jack Nyahay: Pastor Adrian said we had almost \$700,000 for West Point not \$607,000?
- A. Karl: At varied times it was even more than \$700,000. We are giving you the most current number as of late April with the \$607,000. That was after all the preparation expenses that were stopped as we saw COVID coming on. There were many expenses that occurred prior to that.
- Q. Gordon Sakow: If we have over \$700,000 in the bank, how can we justify using PPP funds?
- A. Karl: We have already reduced our expenses, we have already impacted full-time and part-time employees, and we have even gone back to our landlords to ask them for help to temporarily defer some cash upfront costs. We don't know what the future holds right now. Apart from that we may have to dig deeper into phase 2 of resiliency cost cutting and we could start spending into cash. With PPP, our thought was to use it as the program was designed, to allow time for the situation to unfold while taking care of our employees and landlords as we're committed.
- Q. Otis Denny: By accepting the PPP Loan, does that give the government any rights to police the word of God that was preached?
- A. Karl: We have a slide for that. The slide of the SBA rules that addresses PPP religious freedom concerns. The slide contains three excerpts from the Small Business Administration final rule. In essence, the rule exempts religious organizations from state interference in matters of church governance, faith, and doctrine. The rules also cite Supreme Court precedent that says the state can't tie the offer to any inability to exercise religion. The CARES Act was written with special consideration for churches and non-profits with very specific language that should free us from concern of state interference.
- A. Chris: To add to what Karl said, we were very interested to make sure we understood the guidelines and the specific exemptions regarding religious organizations. If we later discovered that the rules had changed such that they infringed on our ability to preach God's Word as a condition of the grant, we would simply not accept the grant and treat it as a loan.
- Q. Joanne Rencher: God bless you all! Was there consideration given to approaching the church-givers who have previously given restricted funds to request a modification or release of these restrictions – before seeking loan funds? In the corporate world donors are incredibly receptive to releasing or modifying restrictions on donations. I can't imagine that our givers would be much different. Would be helpful to know this before voting on this particular motion. Thank you! With love...
- A. Chris: Yes, a lot of consideration was given to that. Some donations cannot be altered, for example, because they were given in wills. As for Highland Falls, we would attempt to do that

where we could if the mission had changed, but the mission has not changed. We still intend to launch Highland Falls so all the monies given will be used for that purpose.

Q. Beverly Fazio: Whose discretion of the use if LOC is approved?

A. Karl: The Elder Board would be the ones who would have to approve the use of any LOC funds. This way, if there were a quick need, it would not be something we would come back for a vote. That said, there will be transparency. In the next business meeting, we would have the opportunity to share with you very specifically how we used any of these funds and the degree to which we would plan to use them in the future.

A. Chris: There will be transparency and we hope never to have to use these funds. This is only a financial backstop.

Q. James Carlone: What is the interest rate on the line of credit? Is it fixed or variable?

A. Karl: It is variable. It is the Wall Street prime plus ½ a point. Currently, that would put it at a 3.75% rate.

Q. Mark Scott: What are the costs associated with the line of credit if used?

A. Karl: We anticipate the line of credit costs to be in the 17 to 20 thousand dollars to close.

Q. Beverly Fazio: What is the cost of the mortgage modification?

A. Karl: That is “baked in” if you will. Basically, a minimal cost for the mortgage modification.

Q. Mark Scott: Will we pay back the PPP if we have the ability to do so, especially being a church?

A. Karl: We do not have an answer to that right now. As far as the qualification perspective, we will intend to use that as it’s provided over the next couple of months.

A. Chris: We intend to use it for its purpose as a grant.

A. Karl: There is a provision to pay it back at a 1% interest rate, payable within 2 years. There is no provision to pay back part. Either seek forgiveness in the form of a grant or pay it all back. We will see over time how the situation develops.

Q. Harold Boro: Will there be a vote when it is time to access funds in the line of credit? For example, church needs to access \$200,000 line of credit; will there be a vote to access that \$200,000?

A. Karl: As laid out in the motion, we would only use it in the case where we had to balance expenses to giving in the short term. We do not have any conflation of using that for any large-scale expenses. That said, anything of that size (\$200,000) we would be coming to the church for approval. For any small week to week balances we would not come for approval.

Q. Amy Hughes: So, are we voting for all or nothing? Or are these separate motions?

A. Chris: The motion is worded with all these provisions together under one motion.

Q. Annissa Leung: Is it for sure that PPP will be forgiven?

A. Karl: PPP will be forgiven if we use it for its intended purpose. We just have to prove that we used it on eligible expenses.

Q. Mark Visger: What is the amount of the SBA loan application?

A. Karl: We put an application in similar to the LOC. We put no amount on the face of it. You get approved for an amount based on the submission. At this point we have no information.

Q. Dave Millay: I thought questions were to be entertained before the motions passed?

A. Chris: As per normal procedure, there has been a motion and a second and now we are in the discussion phase. All this is being done before we call for the vote on the motion.

Q. Jodi Cline: Will the PPP allow all full and part time employees to stay on board? I understand we cannot predict the future, but for the next 8-10 weeks?

A. Karl: Yes, it will.

Q. Mark Jaloszynski: Considering the elder board doesn't incur any more debt, what would the SBA loan be used for?

A. Karl: Assuming that our financial position remains unchanged, meaning that over the course of time we are able to balance expenses to giving, it is probably unlikely that we would move forward with an SBA loan.

Q. Matthew Fazio: Large purchases still need to be approved by the body utilizing the LOC from Walden?

A. Karl: Yes, large purchases definitely need to be approved.

A. Chris: Regardless of the source of the funds, any non-budgeted expense of any size needs approval. This does not include the items from the elder discretionary fund. Budgeted items already approved can be spent without a separate vote. Large LOC expenditures will need approval - just a matter of transparency.

Q. Brendan Gould: If the funds are approved, how are the funds prioritized? First the full-time staff then the part-time staff or all staff equally?

A. Karl: PPP would cover all staff. If down the road we would have to go deeper into the resiliency plan, it would be in cooperation with Adrian and the staff.

A. Chris: For the 10-week life of this program, once approved by the congregation, all staff continues to be compensated exactly that same way with no priority. After the PPP expires and we have to, we would start making those decisions.

Q. Thomas Gordon: Given the government is lending/granting monies from a place of huge deficit that many of us will not be around to pay off; this debt will be left to our grandchildren or great grandchildren. Does this not pose a Biblical and moral dilemma?

A. Karl: It could, depending on your persuasion. Let me approach it from why the government is doing the PPP. From their perspective they face a couple of choices, either massive job layoffs upfront because of uncertainty or a program like this to try to maintain employment where possible so they are not left with a bigger unemployment crisis down the road. It does offset unemployment and other costs that the government would otherwise fund. From a moral imperative, we as an elder board would not bring this to you if we felt there was a strong moral issue with it.

Q. Dan Jonas: Why did Grace state, "We desire to remain debt free." When actually we are currently holding a \$360,000 mortgage for Washingtonville?

A. Karl: The Washingtonville mortgage goes back many years. The only debt we have incurred in the last ten years has been a small amount of debt for the Middletown build-out due to the costs there. God's favor is evident, and we are on track to pay off the Washingtonville mortgage in a couple of years.

Q. Joe Catania: Will there be a pay freeze for employees in terms of annual raises?

A. Karl: We do the increases around June or July. There has been no discussion around increases or whether or not they will happen this year. That remains to be seen.

A. Chris: Not an unreasonable question given the times we are in, but it still needs to be discussed. This will be part of any budget presentation that would be voted on.

Q. Matthew Baker: Is the mortgage loan modification part of the LOC item? What are its terms that allow Grace to reduce costs – reduced interest rate, balloon payment, etc.?

A. Karl: The modification was suggested by Walden Savings. They are also the ones who hold the mortgage so they will accommodate that as part of the LOC. Due to the lower interest

rates today than when we took out the 10-year mortgage, we will get an interest rate benefit out of the modification itself. It is not a balloon. It would be a new 5-year mortgage that we would prepay principle on in order to pay it off by May of 2022.

Q. David Dunn: Have any of the businesses that we have a lease with given us a break?

A. Karl: Brenda and Adrian have had discussions with our lease holders very early. They are hurting like everyone else. We are not their only customers and they have obligations as well. That said, they were very flexible with us. As such, we were able to defer some expenses in April. As we look at our financial position, we should be able to go back and make them whole very shortly.

A. Chris: That's an important point. For those who were willing to defer, we are not asking for forgiveness of our obligations. We fully intend to pay them.

Q. Matthew Baker: Forgiveness for PPP at 100% without any "haircut" requires maintenance of equal FTE's with the same period from last year excluding those earning over \$100,000 per year. Is that correct and is Grace fully confident that we will be forgiven at the full 100% rate?

A. Karl: Highly confident. Our ratios of employees trend upward each year and we are very confident that we will be able to be forgiven.

Q. David Dunn: What happens if we do not get the PPP? Many small businesses have not received any.

A. Karl: We were turned down the first place we tried to apply for the PPP because we weren't a bank customer. Brenda mad a couple of different applications with different banks. We were told by the bank that ultimately approved us that they had run out of funds. Just a day or two later we received an email saying congratulations, you have been approved! We were early in the PPP process so if we are approved, we expect that we will receive the funds.

A. Chris: That was part of the reason there was some urgency to the meeting and time constraints. Once we got notification that we were approved, we had a very short window before we could acknowledge that and say yes, the congregation has approved receipt of those funds. So, we are approved, we just haven't accepted them yet and we can't until there is action tonight.

A. Karl: There is a clock which starts on funding and you have to accept that money almost immediately which means we require approval tonight in order to be in position to accept per terms.

Q. Keith Reinhold: If the concern is that the economy going forward becomes such that giving drops significantly, how does borrowing solve that problem going forward? It would seem that would make things worse going forward with less income and more debt.

A. Karl: We are looking at borrowing as very specific actions and short-term tactics to deal with figuring what Grace Community Church and ultimately our mission needs to look like in a changing environment. As Chris mentioned before, we are not ready to cede ground yet on Highland Falls or any of our other locations right now because we don't have to yet. The PPP will give us time to let the situation evolve and we can reassess what the forward mission will look like then.

A. Chris: We have already planned in our financial resiliency plan many steps which may ultimately lead to a reduction in sites and head count. It breaks our heart to believe that might have to happen, but it is a potentiality. We would not expect the congregation to approve indebtedness without making appropriate cuts to make sure our expenses match our giving.

A. Karl: Taking on indebtedness when expenses exceed giving would not be in Grace Community Church's best interest.

Q. Matthew Baker: If these funds are not approved, how long would our cash balance last us, given current projections of spending and giving (though certainly based on very brief data)?

A. Karl: Hard to answer. We have seen a slow decline in giving. At a minimum, I would say through our annual business meeting. Beyond that would be hard to say.

Q. Michelle Andryshak: Clarification question: Does some of the monies earmarked for Highland Falls include pledges or is that banked money? Also, legally you can change a restricted gift to go somewhere else with the approval of the donor.

A. Karl: The cash in bank of some \$600,000 after all expenses is cash. There are no additional pledges out there. We are aware that we could go back to the donors but as mentioned, we are not prepared to do that at this point.

A. Chris: We have not removed that as an option for the future if required but right now we have not changed the mission. So we are not asking the donors to reallocate the giving.

Q. Mike Broich: Is it appropriate to move to discontinue discussion and move to a vote? If so, I move.

A. Chris: A motion can't be made while there is a motion already under consideration and there is. Although I appreciate your sentiment, it is our intent to be as transparent and open as we can and continue to answer questions as long as they do not turn into the same questions being asked over and over.

Q. Arthur Scrima: Would there be any financial advantage to use the offered low interest rate from Walden to pay off the remaining balance of the existing mortgage?

A. Karl: The short answer is yes, although we do not intend to do that. We do not intend to use the LOC to pay off the mortgage early and carry an LOC balance.

Q. Mike Benson: How can we pray for Grace Community Church – the people/staff/even the ‘online’ bump attenders - moving forward in these times of uncertainty?

A. Chris: Pray for wisdom, peace, and clarity. These are unprecedented times. That we can be good stewards of what God is already doing, exercise total faith in His provision, and be as wise and true as we know how to be in light of things nobody has ever seen before. Pray for the congregation’s health and that they are not affected by this virus. That God provides for their health and their financial provision.

Q. (Clarification to an earlier question: Can we call for a vote on a motion?)

A. Chris: Yes. There is a motion and a second and we can call for the vote anytime we want to. It is our heart not to restrict the questions any more than is necessary. Right now, I don’t know that we are at that point. We would like to be here as long as it takes to make sure that anyone who has a legitimate and sincere question gets it answered.

Q. Gordon Sakow: We promote Dave Ramsey’s Financial Peace University regularly, which at its core promotes “no debt”. Aren’t we defaulting to what Dave Ramsey “preaches” against? Isn’t there some hypocrisy in promoting this series and not abiding by it as a church?

A. Karl: Dave Ramsey doesn’t say, “No debt”. He will make an exception for a mortgage. In the case of some medical issues there are things that will drive people into debt. Those are unanticipated events. In our situation, times are unanticipated, and we have no intention of purposing ourselves into debt. Our intent is to have a backstop available so as we make forward projections, we don’t rush to do something because we took an approach that is invalid two or three months from now. We are not willing to give up on the mission God has given us and we want to work with the time available to us to make the right decisions going forward.

Q. Beverly Fazio: Can we separate the PPP from the LOC?

A. Chris: Right now, the motion is on the floor as it is worded with all three provisions. It is possible that if the motion is not approved, we could make the motions individually. If the motion does not carry, we would be willing to do that.

Q. Joseph Hart: Is the open line of credit with Walden bank strictly a contingency plan and what will Grace do with it when things go back to pre-Covid?

A. Karl: Same as what we are proposing today. Always a short-term contingency plan.

Q. Mark Scott: Can we consider a fixed rate versus a variable rate for the purposes of the line of credit, especially since the interest rates are at historical lows?

A. Karl: We have no option to do that with Walden. That said, if you look at our intent for use, it would be for very short-term use, so we feel the interest rate risk is very small.

Q. Marie Schor: What is the definition of a large purchase?

A. Chris: The constitution and by-laws say very clearly that the Elder Board will bring to the congregation all matters of significance. I think of the wisdom of the original founders who wrote the document. They didn't try and put a dollar amount on what that is because times change and costs change. What might have constituted a large expense back then might not be considered that now. The heart of the Elder Board has always been, and it will remain, if something is significant even though it is not large in dollars, we want to bring to the congregation for transparency and approval.

Q. Gordon Sakow: Is laid off staff collecting unemployment? Is there any manner in which you are ensuring that these employees are not "overpaid" if you pay the amounts "owed" to these employees?

A. Karl: Phase 1 of the resiliency plan did not result in any staff layoffs.

Q. Kate Fakler: Proverbs 22:7 and 26-27 say: "The rich rules over the poor, and the borrower is the slave to the lender – do not be one of those who shakes hands in a pledge, one of those who is surety for debts;..." Understanding that we want to keep Grace Community Church intact, doing more of what God says DON'T DO is not the answer, so how can Grace make an exception to God's word to take on more debt?

A. Pastor Jarrod: It comes down to what God's word is saying – what the interpretation is. Proverbs are not commands, they are principles. It is important to know the context in which the principles apply because in Proverbs it's often contextual. Such as in one place it says don't approach a fool in their folly and in the next place it says yes, approach a fool in their folly. There are all types of dynamics like that all through Proverbs. Not specific in this case but it still warrants context. To make it a command instead of a principle would mean that no one should take out a mortgage on their home or to take on debt to pay off medical bills or a student loan. I would be careful not to draw a principle into a command.

Q. Joanne Rencher: Can you give us a flavor of the types of "worst" and "best" case scenarios considered (re: the crises, timing of economic recovery, etc.) in the resiliency plan – just high level bullets if you will? Thank you!

A. Karl: Best case scenario is that things continue on mission the way you see them right now and that we emerge from this as strong as we were coming in with an increased presence now of having an on-line church community in addition to our local church community and at the staff level we are at now. That's where we would hope to emerge. Time is on our side. The longer we can watch it unfold around us the better we will be able to make those decisions. Flipping to the opposite side for a moment, we would have fall back plans where if we had to scale back and close certain sites or campuses had to close and we plan for some of those eventualities – praying it never comes to that.

Q. Michelle Andryshak: How is the Deacons' Fund being used at this time?

A. Karl: The Deacons' Fund is one of those temporarily restricted funds similar to Highland Falls. There is no potential to go back to donors on that one. The Deacons' Fund continues to be distributed at the direction of the Deacons.

- 3.4. Pastor Adrian explained the upcoming digital voting process and gave some instructions.
- 3.5. Chris explained the need to first establish the quorum for the meeting. He called for the vote to establish the quorum. (There were 231 members in attendance but only with 94% responding to the quorum vote making the quorum number 217.)
- 3.6. Chris called for the vote on the **motion**. He explained that all ballots require a 75% or greater majority to pass. He reported the result of the vote to be in excess of that amount. (It was 87%.) The **motion carried**.

4. **Motion to Adjourn:**

- 4.1. Jeff Dueck **motioned** to adjourn. Dan Mahoney seconded the motion. Chris called for the vote on the motion. The **motion carried**.
- 4.2. Chris thanked everyone for their participation and concluded the meeting.
- 4.3. Pastor Jarrod also thanked everyone for their time and for their vote – however they voted. He said we are all family and he was grateful for the hearts, the questions, the spirit in the questions, the concern, and the care. He said that it meant a lot to him and to the leadership. He went on to say that we are all family and we'll move forward in such a way. We know these are big opportunities in this motion and as leadership, it is not lost on us and we consider the congregation's trust a sacred gift that we seek to honor. He thanked everyone again and closed in prayer.

Respectfully submitted by Jay Magnelli.

Senior Pastor's Letter
Submitted by Pastor Jarrod Jones

Grace's mission is to reach the Northeast and beyond for Christ by making fully devoted followers of Jesus

Grace Family and Friends,

It's that time once again—our annual business meeting! This is the point in our fiscal year we meet as a family to review where we are as a church, remind ourselves where we are headed into the future, and vote upon funding for our mission. I trust you will take the time to read through the reports and financial information in the report.

There's much to celebrate! In the last 12 weeks we've seen over 460 people digitally raise their hands accepting Jesus Christ as their Lord and Savior! We've also seen many who shared they'd be too shy or embarrassed to attend a church but found connection with our online community. Our Spiritual Care team has been available and busy ministering to those who reached out for help.

In addition, Grace's own Becky Gallaher (Operations Coordinator for Grace Fishkill), who took the lead on our Give Help/Get Help online initiative, was named Orange County Citizen of the Month by County Executive Steve Neuhaus. During the height of the pandemic, our biggest request was for volunteers to assist with food deliveries for The Food Bank of the Hudson Valley. Not only were we able to provide Grace volunteers for the need, but Becky stepped up as the lead to assist the program director of RECAP with scheduling and other duties.

One of the most powerful stories regarding our RECAP food volunteers had to do with the relationships developed with the people they were delivering food to. ***When a person didn't take in their food left at their doorway from the day before, volunteers contacted the Office of the Aging and police were sent. The woman had fallen and been there for nearly two days. She went to the hospital and was released home! God is good! Thank God for our GCC volunteers!***

In fact, let me give you a brief list how GCC has served our communities during the pandemic:

- *Fulfilled requests for printers and office equipment to either replace a broken one or help someone work from home.*
- *People making masks (still!) and sending them to whomever needs one.*
- *Sign-language interpretation assistance offered and people responding to the opportunity.*
- *Car needs being responded to for either DIY help or in-person assistance.*
- *Links provided to free online sessions for handling stress, mental health, new parents, and the like.*
- *Notary services offered and met for legal/medical/financial papers.*
- *Online MOPSwap for parents in need.*
- *Meeting needs by providing hard-to-find wipes, masks, and other sanitization equipment during shortages.*
- *Childcare needs met for essential workers during the pandemic.*
- *People looking for help with online school "tech" issues received help from other teachers.*
- *Home repair questions (drainage, electrical, yard issues) answered by licensed and vetted professionals.*
- *Pharmacy and grocery store runs.*
- *Baby formula needs met.*
- *Removal of broken appliances -- installation of new/pre-owned ones.*

Praise God for His Church—and for you, Grace Community Church!

As our business meeting approaches, there's a proposed budget approved by our elders to be presented to you for vote regarding mission and ministry we hope to accomplish in the coming fiscal year. It's included in this packet also.

Most likely one of the top questions will be regarding the when and how Grace will reopen. [Here's a link](#) to a document we provided to Grace congregants a few weeks ago. This document spells out the seven considerations that will guide us in making decisions about reopening and phases thereof.

As the business meeting date approaches, if you have any questions, please feel free to reach out to us prior to the meeting so that we can: (1) answer your question prior to the meeting, enabling us to keep the meeting on point and on time, and (2) actually include our responses to common questions we receive in our preparation for the meeting. Email your questions to Ellen.Butler@GraceOC.com.

As you read through the report, I hope you'll marvel with me how God continues to move in and through us... still! We are a part of something greater than ourselves—God's mission in Orange County, the Northeast, and beyond!

Don't stop now, Grace. Let's keep loving and giving!

LET'S GO!

Pastor Jarrod

Executive Pastor's Report
Submitted by Pastor Adrian Schoonmaker

Dear Grace Family,

As we wind down the 2019-2020 fiscal year, let's take a look at yesterday, today and tomorrow. There is much to celebrate!

LOOKING BACK

God did some amazing things through Grace Community in 2019. There were 366 people who told us they were born again—in worship services alone! That does not include those born again during the other “167 hours” of the week! Many of these were baptized; in fact, there were **488 baptisms** on our campuses in 2019!

More than 1,100 guests identified themselves as first-timers to Grace Community. The average weekend attendance in 2019 was 3,310; just before the COVID-19 pause, our campuses were averaging **3,440 in weekend attendance**. On Christmas Eve, a Tuesday night, 4,052 people came to hear the Gospel; of these, 375 ended up sitting in overflow space with our worship centers packed out!

We saw our strongest giving year ever in 2019, including **467 brand new givers** to Grace Community Church! We gave away nearly \$100,000 in 2019 to dozens of families in times of need through the Deacons' Fund (benevolence). This in addition to the hundreds of thousands of dollars given away through outreach, missions and more. (*Details on 2019-2020 finances included later in this report.*)

In 2019 our church began launching the new “LET'S GO” locations of Grace Community. First in Dutchess County at the Ramada Hotel in Fishkill, then in southern Orange County at the Flagship Cinema in Monroe, and then the early stages of Grace Adirondack! Seeing the Gospel preached through Grace at 8 different physical locations—this is only possible through an army of dedicated and sacrificial volunteers. To date, we see an average of **1,237 people currently engaged as volunteers** at our church.

One of the most surprising financial moments in recent days was the unprecedented offering for the launch of Grace Highland Falls at West Point. In an outpouring of generosity, **918 people gave \$730,103 to launch** this new campus to impact the Highlands communities—including the cadets, faculty and staff of the U.S. Military Academy at West Point. Praise be to God.

Our campus lead pastors and our ministry department leaders have so much more to share. I encourage you to read their specific reports after this letter!

LOOKING AROUND

The international health and economic crisis of COVID-19 raised many questions and uncertainties for us at Grace Community, just like every other church and organization in our country. I'm very grateful for the response of our church during this time; I give thanks first to the Lord, then our congregation, our givers and volunteers, and then to our staff.

Many questions arose so unexpectedly in March 2020: How will we do church? Do we have the right staff here to execute a robust digital experience? How do we shepherd our people when we can't be in person? What do we do when it comes to counseling, discipling, Christian community? How do we serve our community during this time? Will our givers stop giving? Will we have to lay off most of our staff?

As the old saying goes, "**Necessity is the mother of invention.**" Little did we know that COVID-19 would result in the spontaneous launching of another element in the "LET'S GO" vision. We dreamed as a congregation that sometime between Dec. 2018 and Dec. 2020 we could launch a full-blown online campus: "Grace Online." Yet we had to table that vision for another day. Well, the Lord had other plans. Whereas we typically spend a year or more preparing to launch a new location, **our staff launched Grace Online in approximately one week.**

Grace Online has been nothing short of stunning. Every week, people write in, telling us that they've surrendered their heart to Jesus for the first time. Sometimes we see even **dozens of salvations on a weekend.** There are many just waiting to be baptized once we reopen our campuses. Thousands of people are engaged every week in Bible studies, virtual community, prayer and counseling. Students are engaged with Collective Youth through streaming services, YouTube offerings, and many other options. GraceKids is coaching parents in shepherding their children.

I want to emphasize that this is not merely "services online" or merely "click here for a prayer request" or "find your Bible notes at this link." By no means. **Our staff has created a full-orbed online campus.** People receive communion, marriages are coached, volunteers are serving, live prayer meetings are happening, people are giving. Grace Community has truly launched another campus.

In addition to all of this spontaneous innovation, our church has experienced a tremendous blessing during the COVID season—yet another financial provision from God:

In the late weeks of March, we were preparing for a worst-case scenario. Churches across the country were seeing fallout with employees, as tens of millions of U.S. jobs were lost. It seemed reasonable to expect that our church body would be unable to continue giving anywhere near the norm, and Grace would be unable to pay all of our staff. It also seemed reasonable to prepare for the potential closing of Grace campuses.

The church deployed a financial resiliency plan, immediately cutting spending to 70% of the budget, and preparing to cut much deeper. Then came the surprise.

The Grace congregation kept giving. Some people actually increased their giving. Many began giving online. Dozens of people began setting up automated scheduled giving. During the first three months of COVID, **giving to Grace Community has continued at 95%** of the rate prior to the pandemic. This has left us mouths agape in near disbelief.

In addition, contributions to the Deacons' Fund (benevolence) have significantly increased. And **83% of all giving to Grace is taking place online** (the remaining monies are mailed to the church during the week).

We have laid off zero staff. We have closed zero campuses. We can only give the glory and honor to the Lord Jesus. He continues to leave us speechless in His blessing over our church.

LOOKING AHEAD

The immediate question on everyone's mind: "**When is Grace reopening our buildings for services?**" At the time I am writing this letter (early June), the answer is: We don't know.

Pastor Jarrod sent a letter to the congregation (mass email), explaining that the legal and health factors are only one of seven factors that Grace is weighing as we decide when to open (*visit GraceOC.com for a COVID update which describes these seven factors*). As we manage the tension of these various considerations, our leadership is planning the timing and staging of a meaningful and safe reopening process.

Also on many people's minds: "**What is going on with Grace Highland Falls? And Grace Adirondack?**" In short, nothing at all has changed with the launch of Highland Falls! We were 99% ready to go when the pandemic put New

York State on pause. The staff and volunteers are in place, the equipment is all purchased, the operating budget has been funded... We were just three weeks from launch when the quarantine began.

In short, as soon as Grace reopens, we will identify the best date in concert with the Highland Falls and West Point communities to begin worship!

As for Grace Adirondack, we were aiming for a public launch to the area community (population of 65,000 to 70,000 within driving distance of the campus) in Fall 2020. That public launch date has been completely shifted due to COVID-19. We will determine the new launch date as the campus core/launch team (students and families) moves into their new school reality this coming year. Meanwhile, the Grace preaching continues to be the centerpiece as the students reassemble for in-person services.

When we do open our doors again, it is hard to believe that the Gospel will be going forth from **Grace Community Church in 10 different locations**. Ten locations! That's double the number of campuses where we gathered just 18 months ago.

Celebrate these locations with me! And may I ask you to pray for each one as they prepare to meet in-person once again?

- Grace Washingtonville
- Grace Newburgh
- Grace Middletown
- Grace Warwick
- Grace Port Jervis
- Grace Fishkill
- Grace Monroe
- Grace Online
- Grace Highland Falls
- Grace Adirondack

Finally, I want to thank our Grace Community pastors, staff, deacons and elders for their faithfulness. For their dedication. For their devotion to Jesus, and His mission through this wonderful church body. You all are a great joy to work with, in reaching the Northeast and beyond with the transforming power of the Holy Spirit.

Much love,

Pastor Adrian

Grace Community Church Elders, Pastors, Deacons, and Employee Listing -Current as of June 21, 2020-			
Pastors and Elders		Deacons	Central Staff
ELDERS TEAM Craig Amnott Jonathan Black Chris Boylan Larry Dauer Jarrod Jones Jay Magnelli Eric Savacool Karl Wixtrom		Marla Blauschild Ann Conway Otis Denny Tom Denaro Matt Doiron Brendan and Amy Gould Mark and Danielle Jaloszynski Vince and Jing Lan Rick and Phyllis Lecht Annissa Leung	Susan Alvarez Ellen Butler Tyler Collins Mika Costantin Lee Cruceta Theresa Cruceta Karen Denaro Brenda Doiron Janine Dueck Andy Honeycutt
CENTRAL PASTORS and DIRECTORS Chris Arroyo Brandon Collins Hortense Denny Jeff Dueck Greg Jaloszynski Jarrod Jones Mike Jones Bill Kennon Adrian Schoonmaker		Dan and Andrea Mahoney Lesly and Merline Martes Tony and Martha Martine Jack and Paulette Nyahay James and Joan Pagones Jorge and Wilma Rivera Danny and Josie Santiago Jon and Kathy Santiago Luke Schock Hal and Sue Boro Scott and Lynne Schweizer Fred and Huguette Eugene	Jann Flemming Amanda LaBlanc Darrell LeBlanc Kim Moore Jacqueline Patterson Andrew Raia Joyce Schoonmaker Andrea Stene Jeremy Stuepert Theresa Van Keuren Denise Wiggins Jonelle Wuttke
CAMPUS PASTORS/DIRECTORS and ASSOCIATES Jim Barringer Scott Cheney Korey Deck Abe Dueck Nick Gianos Lee Hach Jack Hackel Jeff Harrison			
Campus Employees			
WASHINGTONVILLE Michael Benedict Michelle Collins Anna Conti Zak Dauer Jennifer Gianos Ben Kennon Dave Millay Jessica Raia	NEWBURGH Tammy Cline Megan Collins Heather Rodriguez Paula Sanchez	MIDDLETOWN Allison Jaloszynski Joshua Marcolina WARWICK Branden Brown Ishadar Garvey Mike Piekara Sharon Scott	PORT JERVIS Crissy Schock Grace Schock FISHKILL Becky Gallaher Kevin Murphy MONROE

**Multisite Pastor's Report
Submitted by Bill Kennon**

This is my first time writing a report as the Multisite Director at Grace Community Church. But the very fact that this new position exists (Multisite Director) is a sign that we continue to grow and expand in our mission! As of this writing we are still on lockdown in accordance with the state's COVID-19 guidelines. But before we went into lockdown, we were meeting in seven locations with numbers eight (Highland Falls) and nine (Grace Adirondack) on the way. Of our seven locations two of them are what we call "grandchild" locations. That is, they were launched from locations previously launch from Washingtonville. That in itself is an incredible testament to the mission-mindedness of our pastors, leaders, and volunteers.

As we continue to follow God's leading further into the Northeast, we recognize the myriad challenges that await us. Yet, we know that it is not by our effort alone that our church has come to where she is. So, we follow God, we trust his provision, and we keep our hands to the plow. That means continuing to "equip the saints for the work of the ministry" in all its forms and functions. There are many needs and opportunities for people in our church to engage in the work of this mission by using their gifts and abilities for God's glory and others' good. It remains our challenge to both care for those in our midst and to prepare people for engaging in our mission. This requires faithful execution of our Next Steps and a relentless commitment to developing leaders and pastors for the place God calls us. It remains just as true today as it was 2000 years ago that "the harvest is great, but the workers are few."

Finally, I would be remiss if I didn't highlight the fantastic leadership of our Lead Pastors and their staffs. The only real constant for a Grace staff-person is change and from our Lead Pastors, to Campus Directors and Operations Coordinators, the task of leading that change looms large. Yet, time and again they rise to the occasion. I can honestly say that the staff working at Grace, and specifically the ones I interact with regularly, are the hardest-working people I have ever known. I'm proud to serve our staff and our church in the capacity I do and I believe that our best days are ahead of us!

Respectfully,
Bill Kennon – Multisite Pastor

Next Steps Pastor's Report
Submitted by Brandon Collins

"Watching the truth of God's Word literally set someone free, bring light into their darkness, show them a way to begin their new walk or renew their walk with Christ on a deeper more intimate level, and all right before my eyes has been a blessing I will always remember and cherish."

That is the opening to an email I received several months back from one of the volunteer leaders at the Monroe campus. She was writing to tell me about her experience leading people through a new discipleship experience that we launched late last year called **Gospel Groundwork**. It runs five weeks and combines online, interactive learning with personal mentoring from a trained "coach" who has been through the course before and has more experience walking with Christ. The lessons walk through foundational truths of what it means to be a follower of Jesus. Each week, people are invited to reflect on their lives and take steps to draw closer to Jesus in practical and powerful ways (including prayer, Bible reading, and evangelism). As I like to say, it's designed to help people to start, restart, or refresh their walk with the Lord.

This leader went on to say:

"Some coachees have cried during discussions from feelings of liberation, in others the change or light being turned on is not communicated verbally but is apparent on their faces and in their eyes. They are all looking for something more and Gospel Groundwork has given them a map for their journey. The Lord has shown me that through His Spirit I have been able to explain and elaborate on topics like the Gospel, sin, salvation, and Bible Reading in a way I never knew possible. He has used me to shed light where there was darkness, not in my strength but in His Spirit. That in itself has deepened my very own faith. It's as if through Gospel Groundwork, the Lord has revealed to me a spiritual gift I never knew I had or even considered."

Here are just a few of the other stories we've heard as people have walked through this powerful journey:

- My coachee is eager to learn and grow in the LORD...her difficult circumstances in her marriage are proving to drive her to Jesus rather than away from Him. It's a blessing to go over the lessons with her because of her hunger for more of Him!
- My coachee seemed amazed/shocked at the Gospel, especially the fact that the only thing you need to do to get into heaven is put your full faith in Jesus Christ.
- My coachee really liked this lesson and shared how she has grown through it...she identified with the lesson and how she has felt like a slave in the past but now God is growing her in so many areas as she learns of her new identity in Him. She said the lesson was like "water for her." Praise the LORD!
- All three coachees seemed to gain a newfound perspective for how to approach reading the Bible. They all made commitments to set aside a certain portion of the day and devote it to rightly dividing the Word.
- The last session was fantastic! All who attended shared their testimonies and it was very moving. What an amazing group of people. Praise God for what He is doing and will continue to do in their lives.

God is changing lives! He is using the people of Grace to help people not only to trust Jesus as their Savior but also to dive deep into an intimate relationship with him! In less than 12 months, 274 students enrolled in the Gospel Groundwork course! In fact, in just the last 6 months, we've seen 411 people take a step forward in their walk with the Lord. That includes all different kinds of steps including things like joining a volunteer team, reaching out for mentoring or spiritual care, attending a class, or joining a small group.

And I haven't even gotten to the 75 people who have connected with us after expressing that they'd like to trust Jesus for the first time through Grace Online! Each one of them is being contacted directly and guided in how to begin their journey with Christ.

Every day, God is taking Grace both deep and wide. Not only do we get a front-row seat, we get to serve as his instruments to rescue the lost, the lonely, and the least. What an honor to be on this journey with him and with all of you!

Pastor Brandon Collins

Family Ministries Director's Report Submitted by Hortense Denny

In June of 2019, it was my honor to be asked to serve as the Director of Family Ministries. I step into an incredible team of staff and volunteers that lived and carried out the vision and mission for our kids and students in the ministry. I have the opportunity to serve alongside our Collective Youth Directors, GraceKids Directors, GraceKids-Buddy Coordinators, and many volunteers, who every week give of themselves in helping our families. The Family Ministries Team has focused on rebranding, refining, and equipping our leaders as they do ministry.

In September 2019, we had the honor of Susan Alvarez joining the Collective Youth ministry as our Collective Youth Operations Coordinator. We started our rebranding in the fall, changing the name from NextGen to Collective Youth Ministry. Our Collective Youth Ministry rebranding was supported across all campuses, and you've seen new signs, logos, t-shirts, rooms painted, and much more due to the rebranding. The most significant change has been our students and CY Leader's passion for the ministry. Through his leadership, Pastor Chris has refined many things in the CY ministry starting with the message, worship, and giving response opportunity for our students. In light of all these changes, many students gave their hearts to God for the first time! In addition to this, Brad Sahlstrom, our CY-Director from the Washingtonville campus, has been writing 21 Days of prayer for our students and has done a fantastic job.

Collective Youth began a quarterly gathering event hosted at the Middletown Campus for all students and we have seen a tremendous response with over 200 students attending and 18 students giving their heart to God for the first time! "The Advance" (our high school retreat) had 125 students participate. Testimony night at the Advance lasted three hours due to more than 100 students sharing what God did in their lives that weekend. As Covid-19 hit our world, our CY ministry quickly pivoted to a digital platform. Michael Benedict, Kylee Jones, and our CY Leaders have risen to the challenge by making sure the ministry was not hindered by a building. Our CY Leaders lead devotions, host virtual bible studies with nearly 170 students enrolled, and are part of the CY weekend experience service. The CY's YouTube channel's first online service had 1050 views! In addition, over 120 videos have been produced by CY leaders and students. There are 287 subscribers to the channel. The CY leaders are connecting with over 200 students via phone, text, and social media messages. We are seeing the fruit that was poured into our students and leaders being used tremendously. Praise God!

GraceKids Ministry has been working on refining a few things in the ministry, as well. We have made training for our volunteers more easily accessible, which allows our GK Directors to host on their campus when convenient for the team. GraceKids is creating a stronger partnership with parents by providing a parent newsletter that allows them to continue the conversation with their kids throughout the week. We are providing parent cue resources for our parents every week for them to use as they teach biblical truth to their kids. Our GraceKids Ministry serves over 1753 kids on average every month. The GraceKids Ministry has over 11 dedicated GraceKids Directors who serve our kids and families weekly. Our GraceKids team consists of over 200 volunteers and 35 key leaders across all campuses who serve faithfully. Dedication is what our GraceKids volunteers demonstrate every week for our families.

In January of 2020, Jonelle Wuttke rejoined the ministry team as our GraceKids Content Manager and has been working with team to create content that will allow the church and families to connect through all the resources we have to offer. When our ministry had to pivot due to Covid-19, the team went to action! Working with Grace's marketing team, they created a new GraceKids Resource Page that allow us to place all the important content used to support our families (like our weekend experience content, parent lesson guides, God time cards, and a parent resource section with articles to help during difficult times) all in one place. The GK Resources Page is in the Top 5 visited pages on GraceOC.com where we have had more than 4,000 viewers not only visit the page but stop and spend a significant amount of time checking us out. Our GraceKids Directors have been staying visible to our kids by

being a part of our program each week. We love our kids so much! We want them to know we care, and we have spent time saying “hello” via Instagram videos, reaching out to them by phone, and sending them personal cards to say we miss them. Our team has reached out to over 900 of our students since Covid-19 began.

Under the leadership of Mika Costantin, we have launched a GraceKids Live for our K-5th each week hosted by our Small Group Leaders with over 80 families signed up already. Many of our families have been impacted and have given us feedback saying, “A midweek online GraceKids is a huge win. Let’s go Grace.” “You are all doing a great job!!! Thank you so much for doing this.” “It keeps him connected and engaged and is a great addition to the videos on the Grace Kids resources page.” We had an opportunity to minister to our preschoolers leading up to Easter weekend with a GraceKidsJr. story time where Jonelle read, sang, and engaged kids on our Instagram. Michelle Collins has been helping with our content for Instagram and has been a blessing. We’ve seen an increase in followers up to 485 and engagement activity over 1600 on our Instagram platform. Praise the Lord!

In September of 2019, we were blessed to hire Theresa Van Keuren to lead our GraceKids Buddy Ministry as the GraceKids Special Needs Director. Serving alongside her is Selena Fischer, our Special Needs Operations Coordinator, who faithfully volunteers to the ministry using her gifts and talent. Our GraceKids Buddy volunteers are amazing, as 90% of them stay with their buddies. Susanne Vatie, our GraceKids Buddy Coordinator at the Middletown Campus stated, “I love to serve our kids, and to come alongside their families in a way that allows them to worship.” We had three kids graduate out of the buddy program and were so blessed to be a part of that transition. Under Theresa’s leadership, she has redefined the ministry, starting with making GK Buddies known inside and outside of Grace. Theresa has worked with the marketing team to redesign the GraceKids Buddy page and launched a GraceKids Buddy Facebook page. These two platforms have increase participation between families and volunteers. The GraceKids Buddy Facebook page received over 100 followers in the first three days it was available. As of today, the GraceKids Buddy’s Facebook page has over 429 followers (in just the last six months). GraceKids Buddy has 29 parents who interact with each other each week through a support group overseen by Theresa and Selena. These parents are very transparent about the issues they face, and they encourage each other on this platform. Theresa and her team are launching a YouTube channel to share tips, scripture, worship, and journaling for the special needs community during this pandemic health crisis.

Family Ministries hosted “The Art of Marriage” Conference in October 2019, with the help of Cheyenne Rolon who is our volunteer Family Ministries Coordinator. She led a team 22 volunteers on all logistics of the event and we had 102 attendees. A story I would like to share is of a couple who stopped coming to Grace because they moved to NJ. Since they moved, they were no longer attending a church. They were in a season where their marriage was hurting as they were dealing with sickness, financial struggles, and mental health issues. They heard about the conference through one of Grace’s weekly programs and signed up for the conference. They traveled 90 mins each way to attend the conference. They are now attending a local church in their area and have sought counseling for their marriage. They are so thankful for the conference for helping them start dealing with the difficult issues they were facing. Thanks be to God.

Family Ministries’ mission is to disciple and minister to our children, middle school, and high school students. It is our honor to partner with parents and support them through all the means that we have available to equip them as they disciple the next generation. We look forward to what God has in store for us as we look to Him and do His work.

Grateful,

Hortense

Weekend Experience Pastor's Report
Submitted by Pastor Mike Jones

Dear Grace Family!

Often when I talk with people about the Weekend Experience team, they don't quite know what that means. That is largely due to the fact that this is just one of the many changes we have gone through as a church over the last twelve months – namely, a large-scale staff restructure to better position us for future growth and multiplication. The Weekend Experience team was built upon the Creative Arts team and incorporated the Marketing and Communications team and the Online Church team, which was planned as part of our LET'S GO initiative.

As we worked through the excitement and challenge of the restructure, we continued to partner closely with each campus in the realm of worship and production. Our goals have continued, and we are making strides in each of these areas: to increase our creativity, to lead our church deeper in worship of our Creator (both on the weekends and in their daily lives), and to multiply leaders. We have focused on developing our volunteers spiritually and in their technical/musical prowess. We also now have the technology to send our teaching pastors live to any campus location and have made adjustments in our campus processes to accommodate this ability on the weekends, bringing further unification in worship among the locations.

We made strides to increase our agility in launching new locations and near the beginning of 2020, we started the process to launch Highland Falls in the Thayer Hotel. This was a unique location that required flexibility and portability while also demanding the high level of excellence we have at any of our permanent locations. Teams were being recruited and trained. Equipment for this new location was purchased and ready for installation. We have interviewed several leaders for the Worship Director role in Highland Falls when the time is determined for that launch to resume.

Our Marketing and Communications team continued to leverage digital platforms to open conversations and reach people who were not already attending Grace. They began testing a live stream of one of our services through the Church Online Platform provided by another larger church. All tests were successful and the team prepared some of the graphical interface for this customizable platform to get us setup and ready to go in the future. Thankfully, God's plans are bigger than ours and this preparation was not in vain. Little did we know that in March of 2020 we would have two days to jump online and launch this digital platform that would enable us to continue to be the church remotely. There was still much to do and in fact we had halted further development in order to be able to focus on other campus launches. I am humbled to think that God gave us the ability to not only execute this within a very short time frame but a team of people able to do this at a high level of excellence.

We continue to improve on this newest 'campus launch' of our online campus but we are convinced that it is part of our future strategy for Grace. May this enable us to BE the church anywhere we are and to invite those who might not normally attend a physical campus to "taste and see that the Lord is good!" All glory and praise to God!

Pastor Mike

Washingtonville Campus – Lead Pastor’s Report
Submitted by Pastor Jim Barringer

My heart is heavy and hopeful as I write this annual report for the Washingtonville Campus July 2019 – June 2020. My heart is heavy because, as I type this, so many people we know have had their lives upended right now. Businesses are struggling and jobs have been lost. Sickness and even death have come to our families. We’ve been unable to grieve together. Schools, sports, dance recitals, competitions, graduations, camps, and countless other markers of achievement have been removed from our calendars. We’ve been unable to celebrate together. We see the pain of injustice and discrimination in our brothers’ and sisters’ lives. We hear their cries. Our prayers are filled for the safety of so many from our campus that are risking their lives daily to protect us from harm and help us heal from sickness. Our hearts are heavy for our Grace Washingtonville family. We are united in our desire to bear one another’s burdens.

My heart is hopeful because, even now, we can see how God is bring beauty from the ashes. We reflect back on what He has been doing through His people. The love for each other and our community has been a consistent banner we wave over our campus. We’ve been teaming up with Food for Kids to meet dietary needs of children all year. Our people filled up 140 backpacks with schools supplies so that no child would be unprepared for the year. Our people opened our building, when it was pouring rain outside, to over 4,000 people for our annual free Trunk or Treat outreach. We closed 2019 by donating and wrapping 200 wish list Christmas gifts to children in Washingtonville.

Before the quarantine closed our building, there were over 600 people that had visited Grace Washingtonville for the very first time. From July 2019 to the beginning of March 2020 there were 111 lives forever changed by the good news of Jesus at the Washingtonville Campus. Our campus celebrated with 123 people who publicly declared their faith in Jesus through baptism. We saw parents equipped with the parenting conference, leaders built up with Leadership Pathway, and faith firmly established through Grace’s Gospel Groundwork and Essentials courses.

When Covid hit our community, we had over 50 people volunteer their precious time to reach out personally and connect with over 1,200 families and individuals. We reminded every person over the phone that we are a united church that cares for one another. We mobilized people to meet people’s needs in real time. We adjusted our worship gatherings, our family ministry resources, and our collective youth small groups so that we can continue to encourage one another to lift our hands up in praise, dig into His Word and challenge one another to follow Christ with faith in spite of our fears. Our GraceKids ministry team has been a regular lifeline to parents in regular ongoing communication with a virtual GraceKids ministry.

In recent weeks, my heart has been full to see a surge in people praying regularly in online gatherings. God is using those powerful prayer times as we see Him answering in supernatural ways. Families are gathering in homes to worship and parents are taking responsibility to be the primary disciplers in their children’s lives. Where the enemy wanted to discourage, destroy, deceive, and divide us we have seen God, through His people, bring beauty from the ashes. I’m honored to serve alongside so many faithful people at the Washingtonville Campus.

Pastor Jim Barringer

Newburgh Campus – Lead Pastor’s Report
Submitted by Pastor Korey Deck

What a year it has been at Grace Newburgh! God has moved in so many exciting ways in and among our church this past 12 months.

Starting with the transition and saying farewell to Pastor Trabelus. From July to December we added several new staff roles and new staff persons. Megan Collins transitioned to be our Campus Director, Heather Rodriguez started in a new role of Next Steps Coordinator, Paula Sanchez began as our new Worship Director and last but not least, Tammy Cline joined our team as our Operations Coordinator.

As our new staff members formed into a full functioning team, we restructured our campus leadership and volunteer team structure to help us align around 4 key areas: Health, Growth, Relationships, and Development. We prayed together as a campus that, as we embraced the transition we found ourselves in, we could use it as an opportunity to grow closer to one another and to God.

Our transition effort included developing more of our campus to step into positions of influence, empowerment, and leadership. I am happy to report we went from 29 people identified as “leaders” to having 70 people actively participating in carrying the vision of Grace as leaders. As we looked to support our effort of leadership development, Craig Amnott and Dave Buck helped to run our Leadership Pathway class where we saw 49 people successfully complete the course.

Last year the Newburgh team helped to launch our Fishkill location and since early 2020 we have been preparing to help launch our Highland Falls campus. Currently, many of our volunteers have stepped up to help us run Grace’s Online Campus. I am so immensely proud of our teams and the ways they have embraced the Grace team value of being “Parkour Hardcore.”

We have really nailed the LET’S GO Launch aspect of being a campus and we have spent some major time working on our LET’S GO Love strategy! We successfully participated in an amazing week of “Give Hope.” Our outreach coordinator, Carol Diehl, helped organize more opportunities to serve the Newburgh Ministry and Newburgh Warming Station, including a few big drives to collect items to help more than 100 people stay warm and safe throughout winter. Right before quarantine began, we had a few really exciting planning meetings with a newly formed outreach task force, and we are looking forward to what God will do through this team in the coming months.

To summarize this past year for Grace Newburgh, I would say it was a year of immense transition and growth. It has been one of the great joys of my life to pastor this beautiful family and I am looking forward to all God has in store for us moving forward.

Blessings,

Korey Deck

Middletown Campus – Lead Pastor’s Report
Submitted by Pastor Jeff Harrison

In the midst of unprecedented times, God has continued to do great things through the Middletown Campus of Grace Community Church. Over the course of the past 12 months we have experienced a restructuring of our staff, exciting changes to our campus operations, and an increased focus for our ministry Team leaders. By His great mercy we have witnessed the goodness of God through each ministry update.

As a campus we are incredibly blessed to enjoy a lasting & fruitful partnership with 12th Rock Ministries. This amazing partnership consistently allows us to minister throughout the year in our great city. Over the past 12 months we have been blessed to partner together on three specific occasions. In August, we ran a kids’ camp and had 40 kids from within our city attend. For Thanksgiving, we were able to provide meals for 185 families from the Middletown and Pine Bush School Districts. For Christmas, the same partnership provided gifts for 45 families from the Middletown City School District. We were able to provide three presents for each child in the family and the total gifts were a little over 400!

One of the highlights of our campus over the past year has been the added depth to almost all of our ministry teams. This was a critical priority a year ago following the launch of our Port Jervis Campus. Laura Terpstra, who was added to our ministry team in the fall, accepted the role as Volunteer Connector and has since been monumental in assisting attenders of our campus become engaged in the mission of Grace Community Church. Due to the hard work of Laura and our incredible campus staff, we have approximately 140 people serving at least once per month.

Another bright spot at our campus includes our *Welcome to Grace* experiences. The experiences picked up steady momentum from November through February, and we saw approximately 30 individuals attend one of four experiences. Many of these individuals are now serving on a consistent basis at our campus! Other bright spots would include a Next Steps group led by John Lewis—which has maintained a very high level of engagement even as the discipleship group transitioned to meeting online, a worship night that took place in January in which more than 130 people attended, and a powerful night of ministry through caroling at Parkview Manor—in which more than 20 individuals from our campus tangibly demonstrated the love of Christ to the elderly in our community.

In less than eight months of being able to gather to worship in person, our campus has averaged 291 people on a Sunday. And by God’s grace we have also witnessed the following:

78 First time guests
16 Decisions for Christ
25 Baptisms

Though the past 12 months have been like nothing we have ever experienced as a church, or a culture for that matter; as a campus we are stronger, more devoted to Jesus, more committed to kicking back the darkness in the Northeast, more engaged in transforming our city—as well as the families in our city, and more confident that we are truly seeing a supernatural move of God’s Spirit.

Pastor Jeff

Warwick Campus – Director’s Report
Submitted by Campus Director, Branden Brown and
Multisite Pastor, Bill Kennon

The past 12 months of life and ministry at the Warwick Campus will be difficult to sum up in one letter, but I will do my best!

This has been quite the year for Grace as a whole, and the Warwick Campus in particular. Not only have we been adapting to new ways to do ministry while not being able to meet physically due to the effects of COVID-19, but we have been planning and strategize about how to come back strong when restrictions are lifted and we are able to meet again in person.

However, I am so excited that despite these challenges, our campus is not merely “surviving,” but THRIVING! In this past year alone, we have seen 32 people make a first time decision to trust in Christ alone as their Savior, and if that isn’t awesome enough... 14 of those have been since we have been in quarantine! Some of those 14 were people that have never even attended our campus but joined in when they saw that we were providing an online service. We have also seen 29 people walk through the waters of baptism so far this year, with several more that have recently expressed a desire to be baptized!

This year also saw the launch of Gospel Groundwork where we have coaches that walk with new believers for a period of several weeks to help show them what it means to be a follower of Christ. Before COVID we had 13 coaches ready to go, and now, we have 18! Eighteen trained coaches that are meeting with new believers over the phone or on Zoom calls. Praise God for the fact that even in the midst of panic and confusion, people still want to know more about Jesus, and Praise God that we are a church fully on mission to reach Orange County and Beyond BY making fully devoted followers of Jesus!

This past holiday season, thanks to the grace of God and the generosity of the Warwick congregation, we were able to provide dozens of families in the migrant farming community with Thanksgiving bags, and just under 150 Christmas presents were provided for families in that same community. We also participated in Operation Christmas Child and had over 200 boxes of gifts packed for kids all around the world. Thank you again for your incredible generosity!

Grace Warwick, this has been quite the year. I am honored to serve with you, to grow with you, and to be on mission with you. Here’s to another year of Kingdom work here in Warwick.

LET’S GO!

Branden Brown, Campus Director

Bill Kennon, Multisite Pastor

Port Jervis Campus – Lead Pastor’s Report
Submitted by Pastor Jake Hackel

Grace Port Jervis has been humming with the movement of the Holy Spirit this past year. The honor of getting to be the Lead Pastor of these wonderful people from the western edge of Orange County is enough to fill my cup. I love getting to do what I do, and my cup floods over when I think about who I get to do it with. Our campus is thriving because of the leadership of Crissy Schock, Grace Schock, and the faithful leaders of our teams at Grace Port Jervis. Thank you, leaders, for all that you do! Our leadership team, our church family, and the community we are reaching with the Gospel is forever changed because of your faithfulness.

Our campus is about to celebrate our second anniversary on July 8th! We have seen life change in people as they give their life to Christ, have reveled in the many moments where the Holy Spirit showed up in unique ways, and have been establishing our place in the life of the Port Jervis community. All that, and I still believe the best is yet to come for our campus and our community. The Tri-state area has a great need for a savior, and we have a Great Savior for that need!

Our campus continues to grow, develop, and attract guests. Right before quarantine began, we were steadily growing. We were averaging just under 300 people who called Grace Port Jervis home, which means we grew by about 33 people (or about 13%) since the beginning of our fiscal year. I have had the privilege of being a part of several of our Welcome to Grace Dinner events where some of our leaders on campus and I welcomed guests, ate with them, and shared more about the mission and vision of Grace. These small events have been used by the Lord to connect people to the life of Grace. Over this past year, we have celebrated getting to baptize 14 people and have had 8 people inform us that they have given their lives to Christ!

Gospel Groundwork is a newer program we have begun to utilize that wins us the ability to walk new believers, returners, or seekers through the foundations of what it means to be a follower of Christ. We’ve seen relationships form in these times that I believe have changed the trajectory of individuals, and I pray families as well! The structure this content provides gives believers the tools they need to start their journey with Christ and His people.

We partnered with our neighbors down the street at ASK Elementary to impact our community. This earned us trust and a voice with many families in the area. One way we have achieved this is through our “Food for Kids” program. We send several volunteers every other week to pack bags of food for families in need. Over 1,000 lunches were packed for students this past year. ASK Elementary also allowed us to help families in need of Christmas presents. Our campus came together to donate, wrap, and deliver over 100 presents! We found out from families in the community that some people hid extra gifts, gift cards, and encouraging notes in the presents! I am constantly impressed and encouraged with the love you show our community, Grace!

Personally speaking, I am overwhelmed when I think about all I that I get to be a part of with our campus, with our church, and in this revival from the Lord. Keep reaching people and keep making disciples! LET’S GO, Grace!

Pastor Jake Hackel

**Fishkill Location – Lead Pastor’s Report
Submitted by Pastor Scott Cheney**

As I sat in the Newburgh Campus Worship Center in February of 2019, little did I know what God had in store for Grace Community Church, Southern Dutchess County, thirty-two passionate disciples, and this Pastor.

During that initial interest meeting, Pastor Trabelus Whitfield along with Pastor Bill Kennon rallied the Newburgh Location to the mission of going and planting a new location, the first outside of Orange County. Shortly after that meeting, I was asked by Pastor Trabelus and Pastor Greg Jaloszynski to lead the team that would formally introduce Dutchess County to Grace Community Church. After a couple of Jonah-like weeks, I decided against spending time in the belly of a fish and I formally accepted God’s call.

Fishkill launched on Easter Weekend 2019 to a packed house. Visitors flooded through the doors, many of whom had visited our Newburgh Location but found the commute to Orange County to be unmanageable. Resoundingly, our visitors commented on how much the hotel hallway and ballrooms, “Felt like Grace!” What started with a launch team of 32 passionate people of God has resulted in over 160 people calling Grace Fishkill home. God also lead 16 people into the waters of baptism in Fishkill. It is in these stories that God’s glory can be witnessed. The 16 baptisms included a Jewish man who was a resident of the hotel who accepted Christ and was baptized. Additionally, the mother of a Marist Girls Basketball player from Iowa attended Grace while visiting her daughter and was baptized after hearing God speak through Pastor Jarrod. Moreover, a lineman from Alabama, who was living as a prodigal and living at the Ramada, rededicated his life to the Lord and was baptized!

Amazing partnerships were built in Southern Dutchess County. Five members of the Women’s Basketball Team from Marist College have called Grace home. These amazing young women came to us from Texas, Iowa, Connecticut, and New York. As a setup/tear down church, Team Fishkill embraced our inability to use the Ramada full-time. As a result, Grace partnered with Dutchess County and the Hudson Valley Renegades to hold two services on the field at The Dutch! Additionally, Grace worked hand in hand with the Wappingers Central School District to host church on multiple occasions at Van Wyck Junior High School. Perhaps the most moving partnership existed with The Lioness and the Lamb Ministry at The Hoving Home in Garrison, New York. The mission of the Hoving Home is to provide a loving community devoted to rebuilding shattered lives that empowers women to fulfill their God-given purposes. Grace Fishkill brought the Mothers of Preschoolers (MOPs) program to the women at the Hoving Home. In turn, the women found a home at Grace Fishkill and many are currently on the road to serving!

The launch of the Fishkill Location was truly God ordained. I am forever grateful for the amazing team that God built for his mission in Fishkill. I know the team is excited to put boots on the ground to further impact the land that God has given us East of the Hudson River!

Prayerfully,

Pastor Scott

Monroe Location – Location Director’s Report
Submitted by Nick Gianos

Hello Grace family and friends. Can you believe that the Monroe location celebrated its one-year anniversary on April 21st, of this year?! Although we were not able to celebrate in person due to our recent quarantine, we continue to celebrate each day through all that God has shown us over the past twelve months. It has been such an incredible honor and privilege to lead this charge with the heartfelt efforts of the Monroe family. I truly consider this opportunity to be both a joy and blessing. When I was initially approached to assist in opening this location, I was blown away by the thought of opening in a movie theater! A MOVIE THEATER! Bringing the Gospel of Jesus Christ into a movie theater for the first time in our Grace Community Church history was so exciting!

We began this pioneering endeavor with more than 80 of the most loyal, hard-working volunteers who sacrificially gave their all to not only swing the doors open to Grace Monroe / Flagship Theater, but to blow the doors **off** the building - All for God’s glory! Right away guests repeated over and over how they were made to feel at home. This absolutely confirms that our selfless volunteers showered our visitors with the love and warmth felt across all of Grace Community Church Campuses. Proof that the Church is not a building but God’s people loving one another through community.

Developing trust within the community and its leaders has always been an important value of Grace. Our Grace presence was not only recognized by our weekend attenders but deeply felt throughout the Monroe community, leading us to be invited by the Village of Monroe to take part in two of the largest Monroe events – Fourth of July Celebration in the Park and the September 11th Tribute held in honor of those fallen on that fateful day.

The Fourth of July Celebration in the park hosted thousands of people from all over Rockland and Orange Counties. The evening is a giant celebration including fireworks, vendors, and tents set up throughout the Village streets. Grace Monroe participated with a tent setup and once again our amazing volunteers greeted the masses of onlookers while handing out balloons with Grace invite cards tied to them. We also handed out ice-pops & glow sticks all while sharing the love of Jesus. To look out at the sea of orange Grace balloons in the packed field of spectators awaiting the fireworks was amazing.

On the night of September 11th, I was invited to speak with a handful of other Orange County leaders and shared God’s word to the Monroe community. It was truly a humbling experience to participate in the event and it was an honor to represent Grace Community Church in that way. Not only was that a peaceful time of reflection but a time to boldly deliver God’s word and thank the families of those who gave their lives or served on the front lines.

This past year brought many exciting new opportunities and blessings. We originally launched this location with only GraceKidsJr but soon realized through our growth that we would need to launch GraceKids as well. Our incredible team launched GraceKids on November 3rd, enabling our K – 5th grade kids to hear the message of Jesus as well. Prior to our quarantine shut down, we were in the process of looking into launching Collective Youth for our families with middle school and high school students.

With much excitement surrounding our Gospel Groundwork course, we felt a need to create a role that would assist folks in getting connected through this wonderful course and additionally mentor our Gospel Groundwork Coaches. We implemented our first Gospel Groundwork Coordinator and she has done a beautiful job. She currently has mentored and empowered 7 coaches to journey alongside over 25 people - some of which are our newest Christians!

Since opening on Easter of 2019, 100 percent of our leaders have completed our Leadership Pathway course as well as 26 other Grace Monroe attendees. They have worked diligently to walk alongside others helping them on their journey into leadership.

Our very first Christmas service was packed with families inviting their loved ones to celebrate Christmas at the theater in the most exciting way. Families and friends enjoyed themselves with our decorations, carolers, and even snow inside the theater! Kids had a blast with our snowball fight - it was awesome to see them laughing and having a good time.

Our Monroe location has an average attendance, including our GraceKids, of 125 people per weekend. We were blessed to witness 12 people take a giant leap of faith and enter the waters of Baptism while 25 people filled out a Connection Card stating that they accepted Jesus as their Lord and Savior for the very first time. We also had over 100 people fill out a Connection Card to let us know they were new to Grace Community Church.

One final note, if you haven't had the opportunity to visit the Monroe location, I want to encourage you to come! What a unique experience as it feels every bit like Grace Community Church inside the walls of the Monroe Flagship Theater. Our Worship experience is fabulous, and every comfortable seat is adorned with a cupholder to hold the most delicious cup of coffee in the Hudson Valley!

I want to thank all the leaders and volunteers who make Grace Monroe happen each weekend. It's because of you that people come and feel the love of Jesus Christ. Please continue to be the salt and the light and His hands and feet. Love you all!

Nick Gianos

Grace Community Church Financial Report – June 2020
Submitted by Brenda Doiron, Finance Director

JULY 2019 – MAY 2020 FINANCIAL REPORT**Unrestricted Funds****LET'S GO (General Fund):**

- Giving is up 1.5 percent over last year but 11.0 percent under the eleven-month budget.
- Expenses are down 1.6 percent from last year and 13.2 percent below budget.
- Year to date, there is a \$366 thousand cash surplus in the LET'S GO fund. Adjusting for balance sheet items that were also budgeted, there is a cumulative operating surplus of \$179 thousand.

	July 2019 - May 2020						
	Actual	Budget	Variance		Prior	Variance	
Tithes, Offering	5,431,099	6,103,653	(672,554)	-11.0%	5,352,048	79,052	1.5%
G/A	386,677	343,738	42,939	12.5%	409,788	(23,111)	-5.6%
Ministry	426,437	781,200	(354,763)	-45.4%	620,322	(193,885)	-31.3%
Personnel	3,246,162	3,619,556	(373,394)	-10.3%	3,038,792	207,370	6.8%
Plant	1,006,184	1,090,694	(84,510)	-7.7%	1,010,346	(4,162)	-0.4%
Launch Expense	-	-	-	0.0%	70,754	(70,754)	-100.0%
Total Expense	5,065,460	5,835,189	(769,728)	-13.2%	5,150,002	(84,542)	-1.6%
Net Income	365,639	268,464	97,175	36.2%	202,046	163,594	81.0%
Loan Principal	138,537	138,325	212	0.2%	131,836	6,700	5.1%
Capital Expenditures	48,543	155,833	(107,291)	-68.9%	230,288	(181,745)	-78.9%
	178,560	(25,694)	204,254	794.9%	(160,078)	338,638	211.5%

Capital Spending: Capital projects this fiscal year include:

- Grace Washingtonville
 - Security equipment
 - A/C repairs
 - GraceKids equipment
- Grace Newburgh
 - Check-in computers
- Grace Middletown
 - Indoor/Outdoor signage
- Grace Warwick
 - Worship equipment
- Grace Port Jervis
 - Parking lot paving
 - Security equipment

- Grace Monroe
 - AV launch equipment
- Central office furniture & fixtures
- Video editing equipment
- Office IT equipment

Temporarily Restricted Funds

Deacons' Fund: The Deacons' Fund received \$106 thousand to help meet needs within our local body and in our communities. The Deacons' Fund team has distributed \$74 thousand. The fund balance is \$105 thousand.

Missions Fund: Transfers from the General Fund supported the Missions Fund disbursements. Over the course of the past eleven months, the Missions team distributed \$48 thousand to support various international missions.

Under the Tree Offering 2015: The beginning fiscal year balance of \$49 thousand was designated for GCC outreach and adoption-related expenses. The church has distributed \$40 thousand this fiscal year thus far. The fund balance is \$9 thousand.

167 Hours: To look beyond the one hour most of us spend at church on a Sunday morning, the 2017 "167 Hours" special offering focused on the other 167 hours in each week to reach thousands who need the gospel. This fiscal year, \$51 thousand was transferred into unrestricted funds to cover the related expenses as mentioned above. The fund is now closed.

Grace Highland Falls Offering: Estimated to need \$900 thousand to launch Grace Highland Falls for the first year and half, this special offering provided most of the necessary funds when it received \$730 thousand. Disbursements for launch-related expenses thus far total \$132 thousand. The fund balance is \$598 thousand.

Permanently Restricted Fund

Permanently restricted net assets consist of endowment fund assets to be held indefinitely. The income from the asset is temporarily restricted for the purposes of furtherance of the Church's general purposes as stipulated by the donor of the endowment. Restricted net assets on May 31, 2020 was \$212 thousand.

Financial Controls

An independent local CPA firm has annually reviewed the Church's financials for each fiscal year from 2012 through 2019 to ensure accordance with accounting principles generally accepted in the United States of America. Fiscal year ending June 30, 2020 is scheduled for review later this year.

Brenda Doiron
Finance Director

LET'S GO (General Fund)

Eleven months ending May 31, 2020

	Actual	Budget	Variance	Prior	Variance
Tithes, Offering	5,431,099	6,103,653	(672,554)	5,352,048	79,052
			-11.0%		1.5%
G/A	386,677	343,738	42,939	409,788	(23,111)
Ministry	426,437	781,200	(354,763)	620,322	(193,885)
			-45.4%		-31.3%
Personnel	3,246,162	3,619,556	(373,394)	3,038,792	207,370
			-10.3%		6.8%
Plant	1,006,184	1,090,694	(84,510)	1,010,346	(4,162)
			-7.7%		-0.4%
Launch Expense	-	-	-	70,754	(70,754)
			0.0%		-100.0%
Total Expense	5,065,460	5,835,189	(769,728)	5,150,002	(84,542)
			-13.2%		-1.6%
Net Income	365,639	268,464	97,175	202,046	163,594
			36.2%		81.0%
Loan Principal	138,537	138,325	212	131,836	6,700
			0.2%		5.1%
Capital Expenditures	48,543	155,833	(107,291)	230,288	(181,745)
			-68.9%		-78.9%
	178,560	(25,694)	204,254	(160,078)	338,638
			794.9%		211.5%

STATEMENT OF ACTIVITIES – ALL FUNDS

Eleven months ending May 31, 2020

	Unrestricted General	Temporarily Restricted	Permanently Restricted	11 Mo. Actual All Funds Total
Total Income	5,431,099	836,639	659	6,268,398
Total Expenses:	5,065,460	231,827	-	5,297,287
Change in Net Assets	365,639	604,812	659	971,110
Net Assets: July 1	3,632,632	176,757	218,923	4,028,311
Transfer from/to Temp Restricted	69,090	(69,090)		-
Net Assets: May 31	\$ 4,067,360	\$ 712,479	\$ 219,582	\$ 4,999,421

104,770	Deacons' Fund
9,330	UTT 2015
598,379	HLF Fund
712,479	Total Temp Restricted



BALANCE SHEETS

	06/30/19	05/31/20
ASSETS		
Current Assets:		
Cash	201,948	1,521,161
Savings	689,695	591,471
Prepaid Exp/Other Current Assets	35,915	(1,424)
Total Current Assets	927,558	2,111,208
Total Net Fixed Assets	3,477,869	3,600,655
Other Assets		
Restricted Assets	218,923	219,582
Other Assets	52,175	50,510
Total Other Assets	271,098	270,092
Total Assets	\$ 4,676,524	\$ 5,981,955
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	15,957	13,485
PPP Loan Payable	-	574,828
Payroll Liabilities	25,226	54,508
Accrued Expenses	125,896	-
Total Current Liabilities	167,079	642,821
Long-Term Liabilities:		
VBW 1, L.P. Loan	2,886	-
WSB Mortgage	478,249	339,712
Total Long-Term Debt	481,134	339,712
Total Liabilities	648,213	982,534
Net Assets		
Unrestricted	3,632,632	4,067,360
Temporarily Restricted	176,757	712,479
Permanently Restricted	218,923	219,582
Total Net Assets	4,028,311	4,999,421
Total Liabilities and Net Assets	\$ 4,676,524	\$ 5,981,955

2020-2021 BUDGET

	Central Support	Campus Support	Outreach/ Missions	Wville	Newburgh	Middletown	Warwick	Port Jervis	Fishkill	Monroe	TOTAL
Expenses											
G&A	203,250	94,500	-	27,775	11,200	9,200	13,200	8,700	3,500	3,500	374,825
Ministry	107,500	139,500	150,000	158,000	69,200	63,000	63,000	63,000	20,500	18,500	852,200
Personnel	927,589	1,367,907	-	623,790	261,756	252,932	243,715	162,331	82,499	78,948	4,001,468
Plant	133,300	-	-	158,000	278,525	160,965	203,100	57,700	87,400	54,900	1,133,890
Total Expense	1,371,639	1,601,907	150,000	967,565	620,681	486,097	523,015	291,731	193,899	155,848	6,362,383
Balance Sheet Expenditures											
Loan Principal				150,900							150,900
Capital Expenditures											
Technology	10,000										10,000
Facility				120,000		40,000					160,000
Furniture & Equipment											
Total Balance Sheet Expenditures	10,000	-	-	270,900	-	40,000	-	-	-	-	320,900
TOTAL	1,381,639	1,601,907	150,000	1,238,465	620,681	526,097	523,015	291,731	193,899	155,848	6,683,283

BIOGRAPHIES: Deacon Candidates

Bios are provided only for new nominees, presented for first-time election. Other deacon names appearing on the ballot are for re-election.

June 2020 Candidates

- Paul Cordero (Washingtonville Campus)
- Chris and Lorraine Pasquarelli (Washingtonville Campus)



Paul Cordero: I was born in Ponce, Puerto Rico on April 3, 1948. My adopted parents brought me to the Bronx, NY as an infant. I was an only child. Raised as a Catholic I never really professed or practiced my faith since my parents did not either. They just did the regular Christmas and Easter traditions that everyone enjoys. But they were good parents and did their best to provide me a safe and loving home.

Living a life of pleasure as a teen and a young adult, I found myself lost in the era of the “Love Generation” and Vietnam protests with all the worldly trappings of that time in history. I got married in 1973 to a beautiful woman who lived in the same neighborhood in the South Bronx. After 47 years of marriage, my wife, Chris, remains the love of my life.

After many years trying to have a family, we had our daughter, Amanda and our son, Jason (1983 and 86’). I was looking to straighten my life out spiritually and knew I needed to do whatever it would take to be the best father that a child would want. I noticed every Saturday morning there was a little message invitation from Terryl Delaney, the founding pastor at Grace Community Baptist Church. I decided to visit in 1990 and never left. Through the years at Grace I have grown spiritually, not only because of the teaching but because of the body of Christ that I found there. The early mentoring, the bible studies, and the fellowship of Christians who were willing open their lives to me and allowed me to share my pain with them.

I have been a spiritual leader at Grace as a prayer partner, bible study leader, and as an usher. I have also been involved in an outside ministry called “Kairos Prison Ministry” for 16 years. I am humbly honored to take on the position of Deacon, to serve Jesus, honoring Him, knowing that He loves me and will never forsake me. I will remain His servant until He takes me home.

**Chris and Lorraine Pasquarelli:**

Chris Pasquarelli-I was born in Brooklyn, NY and raised in Wantagh, NY. I grew up in a home with my parents and two brothers. My mother was my biggest spiritual influence growing up. She read me Psalms before bed and every time Billy Graham came on TV, we needed to drop everything and watch it as a family. We attended Christ Lutheran Church in Wantagh. I always had a strong relationship with Jesus.

Lorraine and I met when I was 18. I fell madly in love with her and love her even more today. She is truly the greatest gift God has given me. We dated for five years and I had the honor to marry her in 1985. We moved to Rock Tavern in 1990, where we reside today. We are blessed to have 3 wonderful children, Nina, 30, Katherine 2, and Christopher who is 25.

As I got older, my faith grew stronger. We attended First Presbyterian Church in Washingtonville, NY, where I served as an Elder for two terms. About eight years ago we started attending Grace Community Church on Saturday nights. We found that our faith started to grow stronger from the biblical teachings at Grace and made Grace Community our family. We were baptized and became members. I serve on Safe at Grace ministry and attend a men's bible study. I've been praying for God to use me and take me out of my comfort zone. I believe with this calling, He is answering that prayer.

I retired from the NYPD after 24 years of service. I then worked at Stewart Airport in the Operations Department for 12 years. I am now semi-retired. I enjoy the outdoors, traveling, and camping with Lorraine. I also enjoy hunting, fishing, hiking, and biking.

Lorraine Pasquarelli-I grew up in Wantagh, NY on Long Island. I was raised Catholic. I attended CCD and went to church with my family every Sunday. I always believed in God but didn't always have a close relationship with Him. Growing up, we didn't have a bible in the house. By the age of 14, my parents stopped going to church. I continued to go occasionally. After Chris and I got married and had our first child, I wanted my daughter to be raised going to church and getting to know God. Chris and I attended the Presbyterian Church. I started teaching Sunday school. This is how I started to really learn about God and what was in the Bible. As I taught the children, I was learning also. My faith really started growing at this point.

Through my journey I met many wonderful women mentors. One invited me to a bible study, which changed my life. Shortly after our son, Christopher was born, we had concerns about his hearing. I prayed continuously for him. After getting him tested at ten months old, we were told he was profoundly deaf. At this time, I started questioning prayer and stopped communicating with God. I felt He's going to do what He wants anyway. I went through the motions of being a Christian, but my heart wasn't all in. I even started questioning if I was good enough to go to heaven. Until I was invited to this bible study. After attending for a few weeks, the woman leading the study said, "God never promised that you won't go through bad times, but He promises to walk through it with you." I heard this before, but it had such an effect on me this

time. I thought of my son and how I stopped praying even though God was with me through it all. I started crying and couldn't stop. I left the sanctuary and saw my friend who invited me. I told her what happened. She smiled and said that's the Holy Spirit. I sat in a quiet place my body shaking, tears running down my face and a completely calm and peaceful feeling inside of me. At that moment I knew I was saved. All my doubts were taken away. I knew that one day I would meet my Lord and Savior.

I am a Teaching Assistant in Washingtonville School District. I enjoy camping, reading, going for walks, and spending time with my family.

BALLOT OF DEACON NOMINEES

The following names have been placed into nomination for election to the Deacons Team. Please vote Yes or No for the candidates. If you vote No, you must give a scriptural reason why you voted No for that particular vote to be registered as a No vote. Otherwise, it will be discounted as though you had not cast a vote at all on that particular candidate. You do not have to sign your name to the ballot.

DEACON NOMINEES:

1. Luke Schock (re-election) Yes No

Biblical reason for voting no: _____

2. Patrick Gerdin (re-election) Yes No

Biblical reason for voting no: _____

3. Paul Cordero (election) Yes No

Biblical reason for voting no: _____

4. Chris and Lorraine Pasquarelli (election) Yes No

Biblical reason for voting no: _____

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