



# **HILLCREST COVENANT CHURCH**

## **ANNUAL REPORT**

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# LEAD PASTOR

NATE POWELL

## Hillcrest Friends!

One of the highlights of my summer was time in Colorado hiking. There is something about getting outside and walking a trail that helps me rest and experience God's kindness. The trailhead for one of the hikes was at 11,000 feet above sea level. After a year in Kansas, the high altitude hit me in a new way. I found myself panting for breath and needing to take more breaks than normal. It was still a thrilling way to spend the day and the views – breathtaking.

In many ways, we are starting out into some new territory too. After a year of getting to know each other and seeking God about who He wants us to be and what He wants us to do, we are ready to head out on a new adventure together. The leaders of Hillcrest (the staff and Governance Board) have listened for God's leading and prayerfully considered all that we have heard from you, those who call Hillcrest home. And we have found words to describe what we believe God is inviting us into.

Hillcrest is PURSUING NEW LIFE TOGETHER IN JESUS. The adventure of faith invites us into a daily pursuit of Jesus, creating a place where all are welcomed no matter where they are on their faith journey, and loving others as God first loved us. This pursuit requires that we FOLLOW Jesus who created and marked the path. It calls us to WELCOME everyone, especially those who we often overlook. The pursuit demands we LOVE all so that God is glorified, meaning He is lit up by our words, actions, and thoughts.

Will you join us in pursuing new life together in Jesus this year?

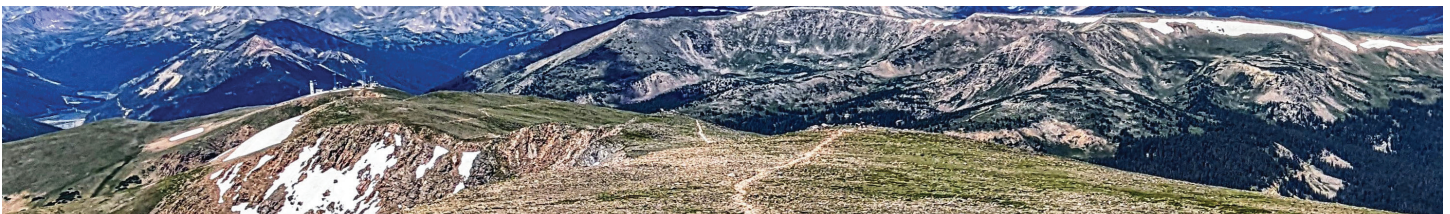
As I look back over the journey so far, I am thankful for you, the family of faith that meets at Hillcrest.



You have been so encouraging to me and so willing to dream of the new things God is calling us toward. I want to encourage you to continue to “forget what is behind and strain toward what is ahead.” (Philippians 3:13) I believe this year will bring a new energy and belief in all that God can do through His Church.

I am grateful that we were able to bring Allie Vaughn on to the team back in March, as our preschool intern. I'm also excited that we could increase the hours for Jessica Fick, our director of engagement, and Gretchen Gordon, our weekday preschool director. The search for a new student pastor finished up on Sunday, May 15 as we agreed that God was calling Jason Heppner to lead our ministries for students and families. We also welcomed Natalie Moultrie on July 1 as our support group coordinator. It is exciting to see the team God is bringing together.

Continue to pray for His direction as we search for a children's pastor and director of worship. I am also thankful for our Governance Board and Jeff Kurtz, our church chair. God has placed great leaders at Hillcrest. I hope you continue to pray for them, as well.



# CHAIRMAN

JEFF KURTZ



A year ago, our new Lead Pastor Nate Powell was a few months into his ministry with us, and he shared in his part of the annual report that “pastors and leaders now more than ever will be required to lead with intention, integrity and vision. I am committed to that call.”

Nate then invited us to begin spending time as a church asking God to give us His vision for Hillcrest. The HGB has been actively involved with the staff in the vision planning led by Pastor Nate Powell. The HGB and staff participated in the Vision Desserts with Hillcrest members and friends to discuss the Hillcrest vision to pursue new life together in Jesus. How excited the board is to see God at work in all of us, as our vision moves forward this fall!

With our end-of-year financials finishing strong, the HGB recommended that the Missions Team spend \$60,000 of Mission reserves on one-time gifts for the benefit of current missionaries or special projects.

The HGB approved a Youth Pastor Search Team to identify a candidate to lead our students. Their great work resulted in the call of Jason Heppner as the Hillcrest student pastor, beginning July 6, 2022. We are happy to welcome Jason and his wife Brooke and children to our Hillcrest family.

Our Property Team recommended and the HGB approved capital improvement projects that began this last month. The continuous generosity of those who call Hillcrest home, and wise stewardship of our resources through the years have enabled us to move forward with much needed improvements to our buildings and campus.

Our Hillcrest Constitution and Bylaws have been reviewed by a special committee; Rick Davis, Doug Liljegren, and Mindy Vaughn (HGB representative). The HGB has discussed and reviewed the recommendations and worked with the Midwest Conference on some final updates. The proposed modifications were presented to the congregation in early August and some great feedback was received. The board is glad to have these updates voted on this fall (currently scheduled for November 20, 2022).

Thank you to my fellow board members who put in countless hours of prayer, discussion, email, and time in meetings. It is an honor to work with a group that is so committed to supporting our staff and serving those who call Hillcrest home. Thank you to the vast number of you who have faithfully prayed for the HGB and the future of Hillcrest. I’m excited to be part of the journey with you all and look forward to seeing how God calls us individually and corporately to pursue new life together in Jesus.

I'm the new Student Pastor here at Hillcrest Covenant Church and am so excited to be here! It is truly an honor and privilege to join this team and this community of faith so that others would know Christ and make Christ known in our community and world. I've had the privilege of serving and leading alongside students and families for 19 years in Southern California and in the Kansas City metropolitan area. I completed a Master of Divinity with an emphasis in Youth, Family, and Culture from Fuller Theological Seminary in 2011. My wife Brooke (grew up at Hillcrest and is a former youth ministry intern) and I got married in 2013. We have three children, two boys and a girl. Our family has been living in Prairie Village for the last three years and during our time here, we have felt the tug and tension for an opportunity to serve, lead, and pastor in our backyard. And here we are!

It became abundantly clear that Hillcrest was the place we wanted to call home and we're so excited to join the mission of Hillcrest and to help students and families connect with Jesus, build, and reestablish community, influence our city, and be on mission together to share the Gospel. We're so excited to join you all. We expect God to do more than we can ask or imagine. We can't wait to see what God does in our city! As we continue to get to know one another you'll discover more and more that I love the LA Dodgers, I love coffee, I love working out and running marathons, I love having eye-connected conversations, and I love stories. I'd love to get to know you and your family better so let's grab coffee sometime! I look forward to seeing you all soon and hearing your stories!

As we continue to journey together through fall 2022, I want to share with you some of the ways I believe we can have a thriving student ministries here at Hillcrest Covenant Church. As we (1) create structure to establish a model that provides space for students to connect with Jesus, with leaders, and each other weekly, monthly, and annually through Sunday morning and Midweek (Wednesday) gatherings. (2) Consistency - this is just as critical as structure. We must be consistent with how we gather, when we

gather, and where we gather.

(3) Communication - we will continue to send out texts for the upcoming week, a Monday and Thursday weekly email describing what to expect for the upcoming week and weekend.

(4) Leadership Team - we are actively recruiting trusted-loving Christ-centered adults that love Jesus and desire to influence students' lives for the Kingdom. These adult leaders will help partner alongside families as they parent and as they disciple their children. These will be safe, background-checked adults, who will facilitate small groups, teach our young people, and so much more. Lastly, (5) asking questions - we will stay curious and ask questions of you, our church, our students, etc. because we believe our students' voices matter, we want to learn, be better, and we desire to seek thoughtful reflection.

During the 2022-2023 school year one of our main focuses will be "Who's your ONE?" which means we want every student to pray for, invite, and connect with ONE student this year who either hasn't been around in a while, hasn't been to Hillcrest Student Ministries, and/or doesn't know Jesus. Just as Jesus seeks out each one of us, we want our students to have their eyes, ears, and hearts open to those who are hurt, anxious, lost, confused, angry, and/or feeling disconnected from others. We desire for students to feel seen, known, and loved and to know Christ, the Gospel, and be known by the Church. To that end, we desire to create safe and healthy spaces for students to connect with Jesus, connect with trusted-loving Christ-centered adults, and friends.

### Upcoming Events & Activities

September 7 - Fall Midweek Kickoff (80's theme) with Fairway Creamery Ice Cream Truck

September 11 - Fall Sunday Kickoff

(KC Chiefs Theme) with Cereal Bar

October 5 - Kickball Frenzy at Franklin Park

October 12 - Story Nights

November 16 - Friendsgiving

November 18-20 - Student Ministries Fall Retreat

December 14 - Family Christmas Cheer



# COMMUNITY LIFE

NATE SEVERSON

It was impossible for me not to be overwhelmed with thanks and gratitude for this church family. I have found over the years that the best thing about thankfulness and gratitude is that the more we choose it, the easier it gets. The more we profess gratitude, the more we notice things to be grateful for. It's almost as if thankfulness is a muscle that responds to exercise!

So, as I look back on this past year, I want to share some ways in which I am filled with gratitude and thankfulness for what God has done in Community Life, along with some personal thoughts...

**Family** – My number one ministry has always been and will always be my family. I am thankful to serve in a church that fully embraces this reality. I love them all with all my heart and am so grateful to God for knitting us together. I wake up every day thankful for them. My life verse for them is 3 John 4, "I will have no greater joy than to know that my children are walking in the truth."

**Friends** – One of my goals in life is to surround myself with people that look and love like Jesus. One of my mentors in life would always tell me that I will turn out like the people I am closest to. I am so thankful that the Lord has given me such a wonderful community of people to surround myself with over the years. I think of Hebrews 12:1, which says, "Therefore, since we are surrounded by so great a cloud of witnesses, let us also lay aside every weight, and sin which clings so closely, and let us run with endurance the race that is set before us." As we grow closer in our friendship with each other, our hope would be that.

**Action** – I am grateful for the many ways Hillcresters

take what God is teaching them and put it into their daily rhythms of life. Matthew 5:16 reminds us, "In the same way, let your light shine before others, that they may see your good deeds and glorify your Father in heaven." Though the actions God calls us to can be challenging - we are grateful that we are never alone. Over the past year, Hillcresters have spoken up for the rights of vulnerable kids and families in our community; they have partnered with local ministries like Freedom Fire, Mission Adelante, Worship Wagon, and Cross-Cultural Dinners. From a place of gratitude, Hillcresters have been compelled to act - and we are grateful for their actions, and we are praying that the seeds that have been planted get results that bring glory and honor to God!

**Groups** – Hillcrest is filled with various groups that meet on campus and in multiple homes and local businesses in our community. I am grateful for these groups because it has been where our Hillcresters have been shaped by God's Word, grown closer to each other, and compelled to care and love their neighbors through various acts of service. Psalm 145:18 reminds us, "When the peace of Christ rules in our hearts, thankfulness overflows. Even in the darkest times, we can praise God for his love, sovereignty, and promise to be near us when we call."

**Fun** – When we are filled with gratitude, we can't help but have fun together. At Hillcrest, we want laughter to be commonplace. We want our worship, groups, serving, and conversations to be characterized by laughter and fun...lots of it. At Hillcrest...We. Love. To. Have. Fun. John 10:10 reminds us that Jesus came so that we might have "life to the full." We did (and will continue to do) men's events, women's events, block parties, and 4th Friday concerts because we believe there is a noticed correlation between fun and church health. This past year, we worked together to seek God's direction and vision for our church. We believe that this new vision for our church is better pursued with fun. It keeps us from taking ourselves too seriously - while we take God's mission and vision for us seriously.





It has been a delight to connect and re-connect with many of you this year! As the director of engagement my role is to facilitate deeper connections with Jesus and each other in community. The idea of being a host rather than a guest has been a primary motivation whether on Sunday mornings for our greeting team and coffee team to practice hospitality or during the week hosting events.

### **Maker Nights**

The purpose of Maker Nights is to create space for women to build relationships with each other while making something. During the five maker nights this past year, women had the opportunity to invite friends from different faith backgrounds and get to know other Hillcrest women. At our December gathering, we created Advent wreaths and I was able to share the history of Advent, sharing the gospel during the evening with the 30 women in attendance. This spring, Hillcrest members brought ten Afghan women to the Maker Night to welcome them into our community. Though there were language barriers and faith differences, making something is common ground to build community.

### **Hike and Reflect**

This past Lent, women participated in an early Sunday

morning Hike and Reflect time to slow down and be with Jesus. During these beautiful mornings at Lake Lenexa, we enjoyed Jesus' presence and his words to us. By slowing down, we were able to identify places we had been prone to hurry and miss Jesus' invitations to experience his love and share his love with others. I am hoping to create more space for these types of gatherings this fall as the weather turns cooler!

### **Redlining**

To better understand how to love our neighbors, a group of us attended a gallery talk at the Johnson County Arts and Heritage Museum on the practice of redlining. Redlining is a systematic denial and discrimination of providing housing services based on race and economic status. It was a powerful and eye-opening night which helped us to process our own experiences and ask how God might be inviting us to respond locally. There will be more upcoming opportunities to pray, learn, and pursue justice in this area over the course of the year.

I am eager to see where God moves us in the next year. There is so much to celebrate and be grateful for. I hope that each of us will continue to pray and ask Jesus to move us out of our comfort zones to welcome many more people and share his love.



Joining parents in their kids' journey of discipleship is the goal of Hillcrest's Kids Team. This past year has been one of many changes. Nicole Guthrie led the NexGen Team and invested years into our kids and families. Her leadership helped Hillcrest stay invested during the pandemic and other challenging seasons. We are thankful for her pastoral calling and voice over the last six years.

Rabin Noz and Abby Sweeney stepped into leadership during the 2021-2022 school year and helped to keep us connected to students and preschool families. When Abby stepped out of her role as preschool coordinator, she recommended a new preschool intern, Allie Vaughn. Allie was a volunteer with the preschool team and a wonderful leader for the kids. Since March, Allie has been leading our Sunday morning ministry for preschool with a dedicated volunteer team.

Rabin finished up his interim role with students as we moved into 2022. Nate Severson acted as a bridge for our students and families as he co-led the Search Team for our new student pastor, Jason Heppner, who began July 6. There is already good energy and momentum building with our sixth-twelfth grade students and their families under Jason's focused and exciting leadership.

Towards the end of the 2021-2022 school year, Lisa Osborne and Nate Powell formed a Family Team that included five parents with kids in the elementary area. This team worked together to evaluate our HC Kids' ministry, pray, and create a job description for a new children's pastor. Our hope is that this team will locate and bring a new children's pastor to Hillcrest sometime before January 2023.

With Weekday Preschool Director Gretchen Gordon, we're creating more bridges between our preschool families and the life of our church. It's exciting to think about the connections this will create. During the 2022 year, the HC Kids team has continued to walk alongside parents, kids, and families, creating meaningful gatherings on Sundays and fun family events about once a month. They have hosted family picnics at Meadowbrook Park, enjoyed the Sea Life Aquarium, taken in a Sunday lunch at Deanna Rose Farmstead, and more.

We were excited to "reopen" the Sunday morning nursery on Easter Sunday after two years of being closed. Mary Ann and Mike Bettis helped make that happen. A big thank you to the amazing volunteer teams that invest their hearts and lives alongside our staff team so that kids can fall in love with Jesus. That is what it is all about.



Lisa Osborne  
Elementary Director



Gretchen Gordon  
Weekday Preschool Director



Allie Vaughn  
Preschool Intern



In the midst of challenging times, God still moves his kingdom forward around the world. We, at Hillcrest, are privileged to be part of God's global movement. Here is a list of some of the ways Hillcrest has been engaged in missions over the past year:

Financial support to 35 missionaries and partners.

Hillcrest's people engaged with our Advent Conspiracy 2021 campaign, which donated \$53,054 to Freedom Fire towards a used van, a sports and discipleship program, and camp scholarships. Freedom Fire Urban Ministries is a Kansas City mission organization strengthening young people of the inner city by equipping them to guide the community spiritually, economically, and socially.

In March, we hosted the yearly Mission Adelante Donation Drive, filling truckloads of donated clothes, furniture, and household items for the Adelante Thrift Store. The store serves the community and supports the ministry of Mission Adelante.

In June, adults and high schoolers went on a Missions trip to Alaska at Covenant Bible Camp. The team of

high schoolers and adults served in various capacities for youth from various villages off the road system in Western Alaska.

Thanks to missions giving surpluses, the Missions Team gave to multiple mission partners one-time bonuses of \$60,000. It enabled partners to kickstart or fully fund projects they would not have been able to undertake.

We were able to invite these missionaries and partners to our services:

Cathy Tilden – Sonrise Ministries

Janet Rowlands – Pioneers

Eric Zander – Vianova

Jarrett Meek – Mission Adelante

Emma Stephens – Student Mobilization

Rick Mumford – Search KC

Larry Williams – Youth for Christ

We know that it is the prayers of God's people that sustains the fulfillment of the Great Commission. We are grateful for the Missionary Prayer Team that gathers prayer requests from our mission partners and for those who faithfully pray.





The care of property at Hillcrest is under the care of the Property Team.

### Highlights in Properties

This last fiscal year was spent in preparing for long overdue renovations of the Hillcrest facilities.

The contract to renovate three restrooms on the main floor was awarded. The actual work of construction began in July when all materials were available.

Exterior painting of the main building was awarded; however, the start date was delayed until July due to excessive moisture and cool weather in the spring.

Parking lot repair is another project that will need to be completed the fall of 2022.

This past fiscal year found the main building used more frequently, while the Student Center was still not utilized. With the excitement of a new student pastor, the Student Center was evaluated to see what upgrades might be needed to use this facility again.

A new air conditioner and furnace were installed in the Birch House.

The annual fall and spring clean-up days provided fellowship for the church family, along with a Boy Scout Pack and their families working together to improve the campus grounds.

Thanks to the many members who stepped up and gave of their time and talents to do various upgrades as needed around the church campus.

We want to praise God for his gracious provision and the Hillcrest congregation for your generous giving during the past year. We were able to exceed our budgeted giving and are well positioned to be able to move into this next year pursuing new life together in Jesus.

### **Financial Update**

Faithful generosity combined with sound expense stewardship has supported the ministry priorities reflected throughout this annual report. Hillcrest tithes and offerings exceeded \$1,500,000, and because expenses were well managed, coupled with the \$212,000 in PPP loan forgiveness and other COVID relief funds, we ended the year with an operating surplus of over \$360,000.

### **Other Updates**

**Future Needs** – The church leadership continues to seek God’s direction for maintenance and care of our church building and grounds. Certain deferred maintenance is under review among leadership and professional experts. (The \$360,000 surplus will be split between capital reserves and the general fund increasing the capital reserve balance to \$600,000.)

**Mission Partner “Bonuses”** – Thanks to an accumulation of mission giving surpluses, the Missions Team, with the approval of the HGB, was able to bless multiple mission partners, with one-time bonuses. These one-time gifts totaled \$60,000 and were able to kickstart or fully fund projects these partners would not otherwise have been able to undertake.

**Budget for 2022-2023** – The Finance Team developed a top-line giving expectation of \$1,600,000 based on review by team members, HGB and church staff. The staff developed the ministry budget based on our vision and priorities. This budget was approved by the congregation on June 26, 2022.

**This Year** – As we embark on the journey of pursuing new life together in Jesus, we are anticipating that the financial impacts of this new vision will produce an increase in year over year giving. So, with the grace of God and the support of the congregation, we expect to be financially stable through the next year and reach as many people, if not more than we have in the past.

**Statement of Financial Position**

	<u>6/30/22</u>
<b>ASSETS</b>	
General Fund	\$ 588,722
Capital Reserve	417,124
Missions	182,153
Benevolence	39,759
Savings	92,427
<b>Cash &amp; Cash Equivalents</b>	<b>1,320,185</b>
<b>Investments</b>	<b>267,715</b>
<b>Fixed Assets</b>	<b>4,684,390</b>
<b>Other Assets</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>\$ 6,272,289</b>
<b>LIABILITIES &amp; NET ASSETS</b>	
<b>Current Liabilities</b>	<b>\$ -</b>
<b>PPP Loan</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>
<b>NET ASSETS</b>	
<b>Fund Balance</b>	<b>5,055,331</b>
<b>Ministry Fund Balance - Designated</b>	<b>384,118</b>
<b>Capital Expenditure Reserve</b>	<b>417,124</b>
<b>Net Surplus</b>	<b>415,716</b>
<b>TOTAL NET ASSETS</b>	<b>6,272,289</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 6,272,289</b>



### Statement of Activities

	<b>Actual</b> <b><u>6/30/22</u></b>	<b>Budget</b> <b><u>2021-2022</u></b>
<b>Income</b>		
Giving	\$ 1,518,271	\$ 1,300,000
General Fund - PPP Loan Proceeds	211,740	150,000
<b>Total Income</b>	<b>1,730,011</b>	<b>1,450,000</b>
<b>Ministry &amp; Operating Expenses</b>		
Personnel Expense	718,045	808,329
Properties	157,039	139,768
Operating Expense	94,027	94,234
Ministry Programs	87,597	95,418
IT & Media	29,372	52,251
Missions	278,683	260,000
Capital Expense & Operating Reserve	-	-
<b>Total Ministry &amp; Operating Expense</b>	<b>1,364,762</b>	<b>1,450,000</b>
<b>Operating Surplus / (Deficit)</b>	<b>365,249</b>	<b>-</b>
<b>Other Income / (Expense)^</b>	<b>50,467</b>	<b>-</b>
<b>Net Surplus / (Deficit)</b>	<b>\$ 415,716</b>	<b>\$ -</b>

^ Non-operating budget ministry items that fluctuate annually (i.e. Missions, Preschool, Benevolence, etc.)

## Hillcrest Covenant Church - Budget Comparison

	Budget 2022-2023	Budget 2021-2022
<b>Income</b>		
Giving	\$ 1,600,000	\$ 1,300,000
General Fund - PPP Loan Proceeds	-	150,000
<b>Total Income</b>	1,600,000	1,450,000
<b>Ministry &amp; Operating Expenses</b>		
Personnel Expense	864,000	808,329
Properties	160,000	139,768
Operating Expense	96,000	94,234
Ministry Programs	112,000	95,418
IT & Media	48,000	52,251
Missions	320,000	260,000
<b>Total Ministry &amp; Operating Expense</b>	\$ 1,600,000	\$ 1,450,000

**Hillcrest Governance Board**

Nate Powell, Lead Pastor

Jeff Kurtz, Chair

Tom Shaver, Vice Chair

Jimmy Tompkins, Treasurer

Dawn Dolliver, Secretary

Mindy Vaughn

Karen Eichenberger

Kyle Stagnito

**Births**

Pax James Hauser: 8.3.21

Parents: Naomi and Jon Hauser

Averie Collins Posladek: 8.20.21

Parents: Sam and Kassie Posladek

**Adult Baptisms**

Brandon Louis Haggard: 10.10.21

Kaitlyn Renee Gemmill: 10.10.21

**Dedications**

Eden Phoenix Guthrie: 9.26.21

Pax James Hauser: 9.26.21

**Deaths**

Grace Kettermann: 7.6.21

Gary Gunn: 7.24.21

Margaret (Peggy) Miller Colburn: 8.13.21

Phyllis Nason: 11.5.21

Mary Larsen: 2.28.22

Martha Philgreen: 4.18.22

Elaine Gerlinger: 5.15.22



**Annual Celebration Worship Service | August 28, 2022**  
“Pursuing new life together in Jesus”

**Call to Worship / Opening Songs** – Jason Sivewright

**A New Vision** – Nate Powell  
Introduce Staff Team and Board Members  
**Group Life Kick-Off** – Nate Severson

**Vision Stories**  
**Follow Jesus** – Jackie Shaver  
**Welcome Everyone** – Brad and Iris Hardin and family (video)  
Worship Together  
**Follow Jesus** – Mary Hamilton and Evangeline McCoy

**Announcements / Prayer** – Jason Heppner  
**Love All** – Dana Ator and Cynthia Sheridan (video)

**Larson Award Presentation** – Jeff Kurtz  
**Sending** – Jessica Fick and Nate Powell

*(Following the 9:00 am service there will be time for questions/comments of the annual report.)*