The Evangelical Covenant Church

# *follow me:*

## A Year of Transformational Ministry in the Evangelical Covenant Church

2024-2025 MISSION AND MINISTRY REPORT

# Greetings, Covenant Family!

As we joyfully mark **another year of God's faithfulness** in the Evangelical Covenant Church, we reflect on impactful ministry, strategic developments across our ministries, and strong financial performance. Our theme for the 2025 year, "Follow Me," reminds us of Jesus's timeless invitation that continues to transform lives.

This past year I have been deeply moved by the work of God both in our global partnerships and closer to home. We have seen thriving, intergenerational congregations rooted in prayer and discipleship. From ALIPE's baptism service at Lake Geneva in Wisconsin to the thousands of students who attended Unite 2024, our young people give me tremendous hope for the church of today and tomorrow.

As we continue to seek God's presence and wisdom, our vision for embodying a faithful presence both locally and globally as a Christ-centered, three-strand strong people is this: **Living into the kingdom of God through a prayerful, intergenerational, multiethnic, growing movement of churches, served by women and men striving to follow in the way of Jesus by loving others as Jesus loves us.**

This report highlights the remarkable ways God has moved through our ministries and partnerships around the world, all for God's glory and neighbor's good.

*With gratitude and hope,*

Tammy Swanson-Draheim | PRESIDENT, EVANGELICAL COVENANT CHURCH

# Following Jesus *in Ministry and Service*

## Serve Clergy

The call to “Follow Me” reverberates within our commitment to our ministers. Serve Clergy actively supports pastors through grants, cohorts, coaching, and training.

In 2024, we supported **2,540 ministers,** including, **676 active clergy** who seek to call people to follow Jesus. That support included $43,050 from the Ministers’ Care and Crisis Fund, which offers direct financial support to Covenant clergy facing unexpected hardships, such as sudden job loss, personal or family health challenges, and other significant disruptions.

Consumer Aid Grants in total of $60,000 helped alleviate debt relief and offer financial planning, and pastors who previously received assistance gave $69,000—a beautiful cycle of generosity. In addition, 133 leaders received grants totaling $63,900 through the Sustaining Pastoral Excellence program. Fifty-two pastors received $107,000 allocated for sabbatical support, ensuring their continued strength to serve in their settings.

# Following Jesus *into Communities*

## Love Mercy Do Justice

As we seek to join God in making things right in our broken world, we support the local church in its call to love, serve, and work together with people at the margins.

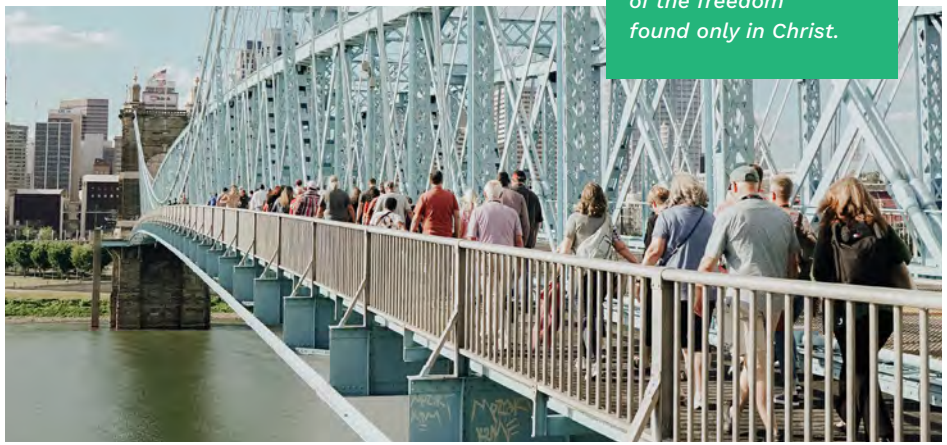
Through Community Development Ministry Grants, we distributed **approximately $80,000 to 10 churches,** who are addressing the needs of their local communities. The grants supported ministry with youth, special needs adults, individuals post-incarceration, foster parents, those experiencing generational poverty, and immigrants.

When Hurricane Beryl struck the Midsouth Conference, and Hurricanes Helene and Milton hit the Southeast Conference, LMDJ worked with the conferences, local pastors, and churches to offer relief to vulnerable single mothers and older adults.

Through the FREE initiative, our partners are working to bring justice, healing, and liberation to survivors of sex trafficking, both domestically and internationally. LMDJ is leading Covenanters in the fight against sex trafficking, following Jesus into the darkest corners of society. **Nine FREE partners received $104,000.** Our partner International International Justice Mission (IJM) celebrated a monumental victory when their advocacy efforts—including 5,000 emails to Congressional leaders—resulted in significant increased funding for international anti-trafficking programs in the proposed 2025 fiscal budget.

The pursuit of racial righteousness and reconciliation saw over **125 Covenant leaders participate in Immersive Discipleship Experiences,** enhancing their understanding and equipping them with practical tools. The Antiracism Discipleship Pathway showed remarkable success, with over 50% of participants increasing their scores on the Intercultural Development Inventory. The Covenant received a groundbreaking $1.25 million Lilly Grant to further this work, enhancing the Justice Journey for Kids curriculum to refine Sunday School, VBS, and congregation-wide discipleship content.

*One powerful moment at Gather 2024, led by LMDJ, was over 500 Covenanters crossed the historic John A. Roebling Suspension Bridge, singing freedom songs as an act of worship and declaration of the freedom found only in Christ.*



# Following Jesus *into Communities*

## Make and Deepen Disciples

We hosted free hybrid and in-person evangelism Harvest of Hope: Sowing Seeds of Faith and Justice events, with 250 registrations and more than 350 downloads of the conference recording. The “Healing BLESS Communities” devotional for Week of Prayer 2025 was released in English and Spanish, seeing significant digital and printed distribution, indicating growing interest. Workshops like “How to Create a Culture of BLESS” provided practical tools to integrate simple evangelism practices into daily life.

**UNITE 2024** was a powerful demonstration of Jesus’s call to “follow me,” with over **2,500 attendees** and nearly every student making a faith commitment—some for the first time and some responding that they feel a **call to ministry.**

## Start and Strengthen Churches

Through Missional Vitality we continue to invite churches to invest in missional health and leadership development through workshops and online resources.

Missional Vitality offered **12 workshops and online resources,** serving over **2,000 Covenanters from 36 churches** in eight regional conferences, helping to support the growth of healthy missional churches. In 2024, the Covenant celebrated seven new member churches. Churches reported more than 5,000 baptisms and decisions for Christ, with one church remarkably reporting nearly 800 decisions!

# Following Jesus *from Everywhere to Everywhere*

## Serve Globally

We are committed to the whole mission of God—extending the whole gospel to the whole world. Currently **75 global personnel serve in 26 countries,** forming and equipping communities of Christ-followers through culturally relevant evangelism and holistic, transformational ministries. Through Merge, **459 people participated in 39 short-term trips to 11 countries,** fostering meaningful relationships, witnessing God's work globally, and inspiring transformed lives and ministries back home.

Covenant World Relief and Development partnered with **28 partners in 21 countries on 40 community development projects,** addressing critical needs in food security, peacemaking, women's empowerment, and more.

Through Covenant Kids Congo, more than **600 children** from the northwest region of DR Congo were sponsored by Covenanters across the US and Canada. Over **$800,000 was raised for clean water initiatives** by 120 endurance-racing Covenanters and 80 Covenant Global 6K churches.

A significant milestone was the Paul Carlson Partnership's (PCP) **60th anniversary,** celebrating Dr. Paul Carlson's legacy of faith and commitment to following Jesus. We surpassed our fundraising goal, raising more than **$634,000** for critical resources like medicines, clean water, and nursing scholarships for the Covenant Church of Congo. PCP has **20 active medical ambassadors,** with two Congolese nurses trained in ophthalmology returning to Karawa to treat patients. Two malnutrition treatment centers have been completed, and three Congolese surgeons were trained to perform hysterectomies. The arrival of a significant medical equipment shipment, including **five X-ray machines with solar panels,** is enabling more accurate diagnoses and saving lives. New initiatives such as SIGN Fracture Care, focusing on long-bone fracture repair, have begun, supported by a generous Rotary International grant. Bridge repair and building in DR Congo also resumed, with three bridges slated for full function in 2025. The FUPROCAF Karawa Coffee project is also working to enter the international coffee marketplace, continuing to transform lives and livelihoods.

*Paul Carlson Partnership 60th Anniversary Celebration*

# Covenant Benefits

**Covenant Benefits** provides a comprehensive benefit package for denominational and conference staff, global personnel, local churches, camp staff, and retirees, acting as an advocate and liaison for insurance concerns. The health insurance plan provides access to medical, mental health, and dental services for over two thousand participants, striving for high quality and excellent value. Plan design changes were implemented for 2025 to offset costs, and premium rate increases of approximately nine percent are anticipated for 2026.

**The Covenant Pastor Pension Plan,** a multi-employer defined benefits plan closed to new participants as of December 31, 2019, continues to be evaluated annually. As of December 2024, the funded percentage of the plan was 109.6%, meaning for every dollar in anticipated payments, the plan has $1.09 funded. This increase from 105.9% in 2024, was primarily due to a 9.2% investment return in 2024. The Board of Pension and Benefits, with outside advisors, is evaluating options to reduce the plan's size and future liability, and will recommend a strategy in 2026, potentially including a lump sum window.

# Finance

Fiscal year 2023/2024 was marked by strong performance. **Revenue and support was $4.7 million, 17% higher than the prior fiscal year.** Total net assets increased by $5.2 million in FY2024. Key drivers for this revenue increase included a $1.9 million (28%) rise in contribution revenue, which included an endowment and funding for global ministry in Japan, youth ministry, Covenant World Relief and Development, and women's ministry.

Other revenue increased by $1.4 million (55%), primarily from the denomination's share of proceeds from closed churches held in restricted Living Legacy funds. Investment performance for assets held at Covenant Trust Company also contributed significantly, with a $2.2 million (76%) increase. Grant revenue was lower by $1.6 million due to a non-recurring Employee Retention Credit received in FY2023. The Evangelical Covenant Church successfully implemented prior year audit recommendations related to internal controls and received a "clean opinion" on its financial statements from our external auditors in FY2024.

**Looking ahead, the proposed FY2026 Mission and Ministry Budget aims to align financial planning with strategic objectives, ensuring responsible resource use for growing ministry impact and long-term sustainability.** Key assumptions for the FY2026 budget include a conservative 0% increase in church contributions and individual donations compared to FY2025. Total revenue is budgeted for a 4% increase. Combined investment fund revenue is planned at $550,000 for FY2026, a decrease from $1.1 million in FY2025, following a decision to retain both principal and investment earnings within the Living Legacy funds. The Covenant also anticipates recognizing $1.5 million in funds released from restrictions by National Covenant Properties as revenue for FY2026. The budget incorporates a 3% wage increase for employees effective January 2026 and a 9% increase in health insurance benefit costs due to medical inflation. The FY2026 Budget Proposal meets the Board policy requirement for a balanced budget, where total income plus a 5% draw from undesignated reserves is equal to or greater than total expenses. Overall, the budget reflects a 4% increase from the FY2025 approved budget.

# Financial Performance

*Fiscal Year 2024*

| | ACTUAL FY2024 | BUDGET FY2024 | % VS BUDGET |
|---|---|---|---|
| **BASE MISSION PROVISION** | | | |
| Church and Individual Giving | $9,922,717 | $10,042,591 | -1% |
| Affiliate Fees | 4,213,608 | $4,426,974 | -5% |
| Annual Bequest Draws | 1,542,437 | $1,855,793 | -17% |
| Living Legacy | 590,463 | $975,411 | -39% |
| Combined Investment Fund | | 0% | |
| Funds held at NCP released from restrictions | | | |
| Rent and Other Income | 645,666 | $997,603 | -35% |
| **Total Income** | **$16,914,891** | $18,298,372 | -8% |
| **BASE MISSION INVESTMENT** | | | |
| Serve Globally | 4,956,735 | $5,256,998 | -6% |
| Serve Locally | 3,631,626 | $4,451,135 | -18% |
| Serve Clergy | 1,017,574 | $1,058,583 | -4% |
| Operations | 1,949,298 | $1,633,458 | 19% |
| Marketing and Communications | 1,330,232 | $1,505,422 | -12% |
| President's Office | 1,048,766 | $772,070 | 36% |
| Finance | 1,121,431 | $1,129,724 | -1% |
| Advancement | 1,074,355 | $1,142,392 | -6% |
| North Park University Support | 950,000 | $1,000,000 | -5% |
| CHET Support | 50,000 | $ — | |
| Other | | $348,590 | |
| **Total Base Mission Investment** | **$17,130,016** | **$18,298,372** | -6% |
| **Net Income** | **(215,125)** | **—** | |

# MISSION ADVANCEMENT

The ability to “Follow Me” and live out Jesus’s mission is deeply rooted in the generous support of the Covenant family. **The Advancement team fosters a culture of generosity, extending the invitation to support the collective mission and ministry of the Covenant.** In 2024, 4,392 donors, churches, and partners contributed over $17 million, strengthening the mission as vital strands in the cord that binds the church together.

*“A triple-braided cord is not easily broken.”*

ECCLESIASTES 4:12

NATIONAL COVENANT PROPERTIES

YOU INVEST • WE LEND • MINISTRY GROWS

*As reported to the Annual Meeting June 2024.*

**National Covenant Properties** (NCP), with more than 55 years of encouraging Covenanters to participate in God's kingdom, continues to serve member churches and affiliate organizations and is supported by over **3,500 mission-minded investors**. The real estate services team collaborated on **34 real estate projects totaling $29 million** in the past year, assisting churches in creating innovative community spaces. This partnership resulted in **$23 million in new loans** this past year, and at the end of 2024, NCP had 225 loans to Covenant churches, camps, and affiliate organizations, totaling **$250 million in commitments**. Ministry partnerships between mission-minded investors and the Covenant have led to $343 million in interest paid to investors, $1.1 billion in loans to support ministries, and 1,520 loans to fund ministry facilities. More importantly, this has resulted in more Covenant churches established, more connections with neighbors, and more lives transformed, leading to more disciples.

# NORTH PARK UNIVERSITY
CHICAGO

*As reported to the Annual Meeting June 2024.*

**North Park University** prepares students for lives of significance and service through education rooted in the liberal arts, professional studies, and theology, emphasizing its North Park Promise to affirm students in their identity in Christ, help them discover their gifts, and prepare them for service. **Over 650 degrees were conferred this year.** University Ministries is thriving, with growing participation in weekly chapel, small groups, and mentoring relationships that support students' faith formation and spiritual growth. Students engage in local and global outreach through service days, mission trips, and partnerships, **extending the gospel beyond campus.**

# NORTH PARK THEOLOGICAL SEMINARY

*As reported to the Annual Meeting June 2024.*

**North Park Theological Seminary** (NPTS) had a fruitful Midwinter 2025 conference, which included awarding Curtis Ivanoff the Distinguished Alumni Award and connecting with President Swanson-Draheim and superintendents to expand the “Ignite and Equip” model to more Covenant students. NPTS finalized an agreement with Midtown Covenant Church in Sacramento, California, for an urban church planting/ministry certificate and with Covenant Missional Vitality for a congregational health and vitality certificate. NPTS continues to reimagine the Christian studies/Bible and theology degree. A joint committee from the seminary and university have been working out details to offer the new major beginning in spring 2026.

The School of Restorative Arts continues teaching at Illinois River and Logan Correctional centers, with **the first cohort from Logan** graduating in May 2025. NPTS received approval to roll over $70,000 from the Lilly Endowment Thriving in Ministry grant and continues to receive funding from the “One Thriving Seminary” (Pathways) grant, while also applying for a new Pathways for Tomorrow grant.

The NPTS 2025 Symposium on Theological Interpretation of Scripture: Hospitality & Immigration, held in February 2025, had over **300 people registered and more than 75 Covenant churches represented**

# Covenant Ministries of Benevolence

*As reported to the Annual Meeting June 2024.*

**Covenant Ministries of Benevolence** (CMB) reported that 2024 was one of its healthiest years, both missionally and operationally. One strategic goal of CMB is to advocate for risk assessment and mitigation, evidenced by Covenant Living, EMC Health, and Ädelbrook receiving clean audits. National uncertainty regarding federal funding is a concern, prompting affiliates to be more cautious in fiscal projections. Covenant Living, Ädelbrook, and Covenant Initiatives for Care are all in various stages of reviewing and implementing strategic plans.

- **Ädelbrook Behavioral and Developmental Services** celebrated its **125th anniversary.** Founded in 1900 as the Swedish Christian Orphanage, it sought to “provide a home for homeless and neglected children, ensuring their physical needs were met and the word of God was taught…so that each child may discover the joy and security of a Christian faith.” Though its avenues have morphed, Ädelbrook continues its original mission. In 2024, Ädelbrook expanded services, adding another school serving students from Connecticut and Massachusetts, and opening a second vocational retail business, ÄdelBOOKS and More, providing valuable skill-building and community integration opportunities. Cromwell Academy also celebrated two student graduations.

# Covenant Ministries of Benevolence

- **Covenant Initiatives for Care (CIC) / Covenant Ability Network** named Laura Daire as the executive director of Covenant Ability Network of Minnesota (CANMN) in October 2024. She brings more than 17 years of experience to the role. Covenant Ability Network of Illinois (CANIL) is in the process of purchasing two new homes to transition residents from older accommodations, which will also increase overall capacity, representing a significant change from an uncertain future just three years ago.

  CIC is in its second year of partnership with Transform Capital and North Park University, offering internship experiences that provide vocational training, cohort-learning, and community engagement in dis-invested communities, supporting over 900 internships to date through zero percent interest loans from CIC.

- **Covenant Children's Ministries** introduced a new Mission and Ministry Grant Program at Midwinter 2024, designed to encourage churches and affiliated organizations to develop programs serving at-risk children, youth, and families through collaborative partnerships.

- **Covenant Living and Community Services** named David Erickson as president and CEO in June 2024. He finalized an agreement to welcome two communities in Knoxville, Tennessee, to the Covenant Living family and was instrumental in preserving Covenant Living's **AAA rating** from Fitch. Covenant Living continues to innovate in promoting high levels of resident and employee engagement across its 20 communities. FY24 proved to be one of its best in history for occupancy, with a rate in the **mid-90th percentile** across all three business lines (independent, assisted/memory care, and skilled), compared to the national average in the low 80s.

- **EMC Health** highlighted Erin Nelson and Colleen Montague of Jessica's House, who released a book, *When Grief Comes Home: A Gentle Guide for Living Through Loss While Supporting Your Child.*

# COVENANT TRUST

*As reported to the Annual Meeting June 2024.*

**Covenant Trust Company** (CTC) experienced an exceptionally beneficial year in 2024. Covenant Estate Planning Services (CEPS), the planned giving arm of the Covenant, facilitated a total of **$14,580,758 in giving to Covenant entities in 2024.** Since its inception, CTC has facilitated over **$273 million in legacy giving.** In 2024, CTC had record revenue of $10.32 million and saw stable trends in fundings and clients, with assets under care totaling $2.32 billion. For the **first time in Covenant Trust's history, its board of directors declared a shareholder dividend, paying a total of $762,633.75, with $254,211.25 each going to Covenant Ministries of Benevolence, the Evangelical Covenant Church, and North Park University.** A strategic review in 2024 identified opportunities to better serve clients, including developing a segmentation strategy to better address client needs. Despite changes resulting from the action plan, CTC emphasizes that its standard of care and client focus will remain its chief value proposition.

The Evangelical Covenant Church

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