



# Augustana Lutheran Church

Annual Meeting Agenda and Financial Reports

January 21, 2020

## AUGUSTANA MISSION STATEMENT

*Seeking to grow in faith,  
we proclaim, celebrate, and share  
Jesus Christ with all!*

## AUGUSTANA CORE VALUES:

- Inspire, challenge, and empower members to be God's people in the world through Christ-centered worship.
- Discover all that a personal relationship with Christ offers.
- Connect people in all phases of life through active participation in a dynamic Christian community.
- Glorify God by caring for and serving others through compassionate outreach.
- Be ridiculously generous in all things reflecting God's generosity to us.
- Support and expand our local, national, and global partnerships.
- Honor God by ensuring that all we do is gospel-based and relevant.

## AGENDA

**Call to Order – Chad Schmidt, President**

**Devotion – Pastor Mark Aune**

**Secretary's Report – Nancy Rys-Nicol**

**Elections:**

**Report of the Nominating Committee**

**Balloting**

**2019 Financial Report**

**2019 Harvest Fund Report**

**2019 Audit Committee Report**

**Proposed 2020 Budget**

**Other Business**

**Adjournment**

**Benediction**





## **Nominating Committee Recommendations for 2020**

### **CHURCH COUNCIL 3-year term (vote for 3)**

Matt Rundquist

Laurie Tostrud

Erik Townsend

### **HARVEST FUND 3-year term (vote for 1)**

Scott Foreman

### **AUDIT COMMITTEE 3-year term (vote for 2)**

Steve Ashley

Rick Clark

### **PERSONNEL COMMITTEE 3-year term (vote for 1)**

Chad Schmidt

### **COLUMBARIUM COMMITTEE 3-year term (vote for 1)**

Jim Andrews

### **NOMINATING COMMITTEE 2-year term (vote for 5)**

Jill Bjorklund

Jeff Rud

Nancy Rys-Nicol

Erin Munson

Chad Schmidt



## 2019 Augustana Lutheran Church Balance Sheet

	Balance as of 1/1/2019	Balance as of 12/31/2019	Annual Change
<b>ASSETS</b>			
CHECKING ACCT	\$ 639,464	\$ 660,135	\$ 20,671
ASSOCIATED BANK MM ACCT	\$ 272,625	\$ 404,354	\$ 131,729
MISSION INVESTMENT FUND	\$ 475,610	\$ 491,078	\$ 15,468
<b>TOTAL ASSETS</b>	<b>\$ 1,387,699</b>	<b>\$ 1,555,567</b>	<b>\$ 167,868</b>
<b>LIABILITIES &amp; NET ASSETS</b>			
PREPAID PLEDGES	\$ 63,640		\$ (63,640)
<b>TOTAL LIABILITIES</b>	<b>\$ 63,640</b>	<b>\$ -</b>	<b>\$ (63,640)</b>
<b>NET ASSETS</b>			
BUDGET FUND BALANCE	\$ 126,231		\$ -
DEDICATED FUNDS	\$ 1,232,579	\$ 1,232,579	\$ -
CURRENT PERIOD CHANGES			\$ -
<b>TOTAL NET ASSETS</b>	<b>\$ 1,324,058</b>	<b>\$ 1,555,567</b>	<b>\$ 231,509</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 1,387,699</b>	<b>\$ 1,555,567</b>	<b>\$ 167,868</b>

Please Note: The Balance Sheet does not reflect:

1. The value of the buildings and contents, insured for \$14.7 million.
2. The Harvest Fund, with a preliminary year-end market value of \$3,227,734 (excluding \$37,378 reported in the Augustana dedicated funds report).



## 2019 Augustana Lutheran Church Income Statement / Budget

	<u>2019</u>	<u>2019</u>	<u>2020</u>
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
<b><u>INCOME</u></b>			
MEMBER COMMITMENTS	\$ 1,550,000	\$ 1,563,781	\$ 1,581,000
SHRINKAGE	\$ (40,000)		\$ -40,000
LOOSE OFFERING	\$ 17,000	\$ 17,321	\$ 15,000
LENT & EASTER	\$ 18,500	\$ 19,641	\$ 19,500
CHRISTMAS	\$ 15,000	\$ 16,009	\$ 16,000
ADULT MINISTRY	\$ 4,000	\$ 1,463	\$ 1,500
CONGREGATIONAL DINNERS	\$ 8,500	\$ 8,471	\$ 8,500
HEALTH MINISTRIES	\$ 11,000	\$ 8,328	\$ 10,000
PRESCHOOL	\$ 70,000	\$ 64,694	\$ 68,000
SUMMER CAMPS	\$ 3,500	\$ 2,485	\$ 3,500
YOUTH AND FAMILY MINISTRY	\$ 13,000	\$ 6,523	\$ 8,000
INTEREST INCOME	\$ 2,000	\$ 4,173	\$ 3,300
MISCELLANEOUS	\$ 28,000	\$ 25,630	\$ 30,000
<b>TOTAL INCOME</b>	<b>\$ 1,700,500</b>	<b>\$ 1,738,518</b>	<b>\$ 1,724,300</b>
<b><u>EXPENSES</u></b>			
<b><u>BENEVOLENCE</u></b>			
ST. PAUL AREA SYNOD	\$ 145,000	\$ 145,000	\$ 136,600
MISSIONARY - JACOBSON	\$ 10,000	\$ 10,000	\$ 10,000
ELCA WORLD HUNGER	\$ 8,500	\$ 8,500	\$ 8,500
360 COMMUNITIES	\$ 4,200	\$ 4,200	\$ 5,200
HABITAT FOR HUMANITY	\$ 15,000	\$ 15,000	\$ 15,000
LOAVES AND FISHES	\$ 7,000	\$ 7,168	\$ 7,000
LSS-REZEK TEEN TRANS. HOUSING	\$ 10,000	\$ 10,000	\$ 12,500
LUTHERAN SOCIAL SERVICE	\$ 12,500	\$ 12,500	\$ 15,000
LYNGBLOMSTEN	\$ 5,000	\$ 5,000	\$ 5,000
NEIGHBORS	\$ 10,000	\$ 10,000	\$ 12,500
PRESCHOOL SCHOLARSHIPS	\$ 10,000	\$ 10,000	\$ 10,000
CELL TOWER BENEVOLENCE	\$ 12,000	\$ 12,000	\$ 12,362
SEMINARY STUDENT	\$ 6,000	\$ 6,000	\$ 6,000
INTERFAITH ACTION OF GREATER ST PAUL	\$ 2,200	\$ 2,200	\$ 3,000
UNION GOSPEL MISSION	\$ 7,000	\$ 7,000	\$ 8,300
WAPOGASSET CAMP	\$ 5,000	\$ 5,000	\$ 6,000
HUMBLE WALK	\$ 3,000	\$ 3,000	\$ 3,000
FEED MY STARVING CHILDREN	\$ 3,000	\$ 3,000	\$ 4,000
LUTHERAN CAMPUS MINISTRY	\$ 4,600	\$ 4,600	\$ 5,600
<b>TOTAL BENEVOLENCE</b>	<b>\$ 280,000</b>	<b>\$ 280,168</b>	<b>\$ 285,562</b>



## 2019 Income Statement / Budget (continued)

	2019		2019		2020	
	Budget		Actual		Budget	
<b>PROGRAM MINISTRIES</b>						
ADULT MINISTRY	\$	15,000	\$	13,215	\$	12,000
CHILDREN'S MINISTRY	\$	19,500	\$	17,389	\$	19,500
CONGREGATIONAL DINNERS	\$	8,500	\$	7,995	\$	8,500
SUMMER CAMPS	\$	3,500	\$	2,480	\$	3,500
HEALTH MINISTRIES	\$	15,500	\$	11,816	\$	14,500
MUSIC	\$	22,800	\$	22,753	\$	22,800
PRESCHOOL	\$	3,500	\$	2,812	\$	3,500
NEW MEMBERS & VOLUNTEERS	\$	2,000	\$	1,377	\$	2,000
SOCIAL MINISTRY	\$	950	\$	22	\$	950
YOUTH & FAMILY MINISTRY	\$	31,000	\$	17,539	\$	26,000
<b>TOTAL PROGRAM MINISTRIES</b>	<b>\$</b>	<b>122,250</b>	<b>\$</b>	<b>97,397</b>	<b>\$</b>	<b>113,250</b>
<b>ADMINISTRATION</b>						
COMPENSATION	\$	855,000	\$	814,617	\$	872,100
STAFF BENEFITS	\$	186,250	\$	163,289	\$	181,250
STAFF DEVELOPMENT	\$	6,600	\$	4,409	\$	6,000
COMMUNICATIONS	\$	11,000	\$	8,561	\$	11,000
EQUIPMENT RENTAL	\$	12,000	\$	9,208	\$	11,000
HOME WORSHIP	\$	1,600	\$	1,176	\$	1,600
INS. & WORK. COMP	\$	19,400	\$	20,626	\$	21,500
MISCELLANEOUS	\$	9,500	\$	6,148	\$	17,500
OFFICE REPAIRS/SUPPLIES	\$	17,000	\$	18,700	\$	17,000
ORGAN & PIANOS	\$	3,500	\$	3,137	\$	3,500
PASTORS BOOK ALLOWANCE	\$	1,000	\$	492	\$	1,000
PASTORS EXPENSE ALLOWANCE	\$	1,000	\$	1,056	\$	1,000
POSTAGE	\$	8,000	\$	6,277	\$	8,000
SANCTUARY WORSHIP	\$	7,000	\$	6,080	\$	7,000
SERVICE FEES	\$	10,000	\$	9,643	\$	10,000
SPECIAL EVENTS	\$	3,500	\$	1,602	\$	3,500
STEWARDSHIP	\$	10,000	\$	9,985	\$	10,000
CONTINGENCY & BUDGET AMENDMENTS	\$	10,000	\$	10,000	\$	10,000
TECHNICAL SUPPORT	\$	19,000	\$	18,026	\$	19,000
<b>TOTAL ADMINISTRATION</b>	<b>\$</b>	<b>1,191,350</b>	<b>\$</b>	<b>1,113,031</b>	<b>\$</b>	<b>1,211,950</b>
<b>FACILITIES</b>						
CLEANING/KITCHEN SUPPLIES	\$	9,000	\$	8,327	\$	9,000
LANDSCAPE & GROUNDS	\$	9,000	\$	16,098	\$	13,500
MAINTENANCE	\$	24,000	\$	25,237	\$	25,000
CAPITAL PLAN ANNUAL SET ASIDE	\$	6,000	\$	6,000	\$	10,181
UTILITIES	\$	54,000	\$	50,317	\$	54,000
<b>TOTAL FACILITIES</b>	<b>\$</b>	<b>102,000</b>	<b>\$</b>	<b>105,979</b>	<b>\$</b>	<b>111,681</b>
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>1,695,600</b>	<b>\$</b>	<b>1,596,575</b>	<b>\$</b>	<b>1,722,443</b>
<b>NET INCOME BEFORE TRANSFERS</b>	<b>\$</b>	<b>4,900</b>	<b>\$</b>	<b>141,943</b>	<b>\$</b>	<b>1,857</b>
<b>BUDGET TRANSFER</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>141,943</b>	<b>\$</b>	<b>-</b>
<b>NET INCOME AFTER TRANSFERS</b>	<b>\$</b>	<b>4,900</b>	<b>\$</b>	<b>(0)</b>	<b>\$</b>	<b>1,857</b>



## Augustana Lutheran Church 2019 Dedicated Funds Statement

	Balance 1/1/2019	2019 Receipts	2019 Expenses	Balance 12/31/2019
<b>PROGRAMMING</b>				
HEALTH MINISTRIES	\$ 7,730	\$ 245	\$ 325	\$ 7,650
CHILDRENS' MINISTRY REIMB	\$ 7,958	\$ 5,162	\$ 4,703	\$ 8,417
CONCERT SERIES	\$ 8,787	\$ 1,969	\$ 6,263	\$ 4,493
MUSIC MEMORIALS	\$ 11,330	\$ 2,875	\$ 1,079	\$ 13,126
MUSIC SCHOLARSHIPS	\$ 21,238	\$ 1,117	\$ 2,000	\$ 20,355
SENIOR MINISTRIES	\$ 3,941		\$ 800	\$ 3,141
YOUTH GLOBAL MISSION	\$ 13,607	\$ 16,729	\$ 28,091	\$ 2,246
WOMEN'S SPECIAL PROJECTS	\$ 2,157	\$ 270	\$ 1,046	\$ 1,381
PRESCHOOL DEDICATED	\$ -	\$ 3,654	\$ 1,541	\$ 2,113
<b>TOTAL PROGRAMMING</b>	<b>\$ 76,748</b>	<b>\$ 32,021</b>	<b>\$ 45,848</b>	<b>\$ 62,922</b>
<b>ADMINISTRATION</b>				
FACILITY RESERVE FUND <sup>1</sup>	\$ 52,000	\$ 31,521	\$ 33,521	\$ 52,000
EQUIPMENT RESERVE FUND <sup>2</sup>	\$ 25,000	\$ 31,417	\$ 26,416	\$ 30,001
HARVEST FUND	\$ 126,983	\$ 158,268	\$ 247,873	\$ 37,378
INTEREST	\$ -	\$ 14,500	\$ -	\$ 14,500
MEMORIAL GARDENS	\$ 21,260	\$ 3,835	\$ 884	\$ 24,211
OPERATING RESERVE FUND <sup>3</sup>	\$ 100,000	\$ 7,623	\$ 7,623	\$ 100,000
PLACE-MRA	\$ 2,930	\$ 1,000	\$ 1,730	\$ 2,200
PLACE-MT	\$ 6,520	\$ 1,400	\$ 3,859	\$ 4,061
REIMBURSABLE	\$ 15,849	\$ 9,643	\$ 20,468	\$ 5,024
COLUMBARIUM FUND	\$ 49,206	\$ 27,181	\$ 6,479	\$ 69,908
CAPITAL IMPROVEMENTS-OTHER <sup>4</sup>	\$ 214,467	\$ 153,037	\$ 63,417	\$ 304,087
CONSULTING	\$ -	\$ 20,647	\$ -	\$ 20,647
<b>TOTAL ADMINISTRATION</b>	<b>\$ 614,215</b>	<b>\$ 460,072</b>	<b>\$ 412,270</b>	<b>\$ 662,017</b>
<b>BENEVOLENCE</b>				
GLOBAL MISSION	\$ 29,809	\$ 75,973	\$ 57,151	\$ 48,631
GM- GUATEMALA	\$ 460	\$ 35,872	\$ 33,142	\$ 3,190
GM- TANZANIA	\$ 18,681	\$ 39,384	\$ 66,193	\$ (8,128)
DISCRETIONARY	\$ 15,042	\$ 1,600	\$ 9,304	\$ 7,338
ELCA SCHOLARSHIPS	\$ 6,364	\$ 88,896	\$ 84,848	\$ 10,412
COMMUNITY MISSION	\$ 28,582	\$ 88,675	\$ 48,410	\$ 68,847
CONFIRMATION OFFERING	\$ 4,028	\$ 976	\$ 1,130	\$ 3,873
KIDS' KINGDOM OFFERING	\$ 2,505	\$ 557	\$ 1,289	\$ 1,773
WORLD HUNGER	\$ -	\$ 130	\$ 120	\$ 10
NEW&EMERGING/SPECIAL NEED		\$ 7,624	\$ -	\$ 7,624
<b>TOTAL BENEVOLENCE</b>	<b>\$ 105,471</b>	<b>\$ 339,687</b>	<b>\$ 301,587</b>	<b>\$ 143,571</b>
<b>INDIVIDUAL MEMORIALS</b>	<b>\$ 436,144</b>	<b>\$ 114,144</b>	<b>\$ 53,103</b>	<b>\$ 497,185</b>
<b>TOTAL DEDICATED FUNDS</b>	<b>\$ 1,232,578</b>	<b>\$ 945,925</b>	<b>\$ 812,808</b>	<b>\$ 1,365,695</b>

<sup>1</sup> Dedicated fund for non-recurring building and grounds expenses not included in the Capital Improvement Plan and greater than \$2500.

<sup>2</sup> Dedicated fund for non-recurring technology expenses greater than \$500.

<sup>3</sup> Dedicated fund for non-capital expenses exceeding current year budget total (including use of reserves and contingency.)

<sup>4</sup> Dedicated fund for major capital expenses including building repairs, improvements, technology, vehicles, and other expenses related to durable assets, each of which equals or exceeds \$10,000.



## 2019 Harvest Fund Letter to the Congregation

The Harvest Fund Endowment was established by the congregation in 1991 to support the mission and ministry of Augustana. It is overseen by the Harvest Fund Endowment committee, whose members are elected at the Annual Meeting. During 2019, the Harvest Fund received ridiculously generous gifts of over \$157,000. As of December 31, 2019, **the total assets of the Harvest Fund exceeded \$3,250,000**. Please note that the exact year-end InFaith investment performance and reporting numbers are not yet available. Once those numbers are finalized by InFaith, the 2019 Harvest Fund reporting will be updated accordingly and submitted to the audit committee for review. This is an incredible blessing.

This committee generally meets quarterly and the full committee met four times in 2019 to monitor fund investment returns, work on enhancing the understanding of the Harvest Fund to the congregation and continue to refine the processes and relationship with InFaith. The 2019 distribution of \$110,000, which was based on the 2018 year-end Harvest Fund balance, was made available for church support and ministry in 2019. Based on new gifts, less the 2019 distribution plus earnings on the Harvest fund, the 2020 distribution is likely to exceed \$120,000.

This past year, distributions went to support Augustana's participation in the capital campaign of Wapogasset Bible camp and the Lyngblomsten Capital Appeal. Other grants went to Operation Grace for the dental van and grants were made for congregational music programs and scholarships at the University of Iringa. A large portion of available funds were allocated for the planned roof repair and replacement, as well as other maintenance issues. Many other grants were made that are not mentioned here. All were a blessing for the life and mission of the church.

The committee is addressing two significant management issues regarding the Harvest Fund. The first is establishing a policy for requesting and approving grant making. In the past this has been done effectively on an informal basis. The committee is now reviewing ways to implement best practices as the size of the annual distribution has skyrocketed.

The second is the investment management of the fund itself. The investment policy statement approved last year establishes benchmarks and asset allocation criteria. The sudden large increase in Harvest fund assets and operational needs has prompted a review of costs, investment performance and reporting. This has been conducted with InFaith and others. The committee anticipates it will make decisions about fund management going forward in the first half of the year.

Leaving a legacy for the ministry and mission of the church is a privilege and a responsibility for our congregation. Thank you to all of you who have made contributions this past year.

A very special thank you goes out to Jeff Kandt, Stuart Simek, Erika Milne, Peter Skwira and Pastor Aune for the giving of their time and talents on this committee in 2019.

Respectfully submitted,  
Scott Foreman – Chair



## 2019 Harvest Fund Report

Augustana Lutheran Church

12/31/2019

### Contribution Summary of Invested Funds

Designations	Balance 12/31/18	Current Year Contributions	Balance 12/31/19
Missions	\$23,726	\$0	\$23,726
Scholarships-ELCA Seminary	\$24,326	\$385	\$24,711
Youth Ministry	\$61,641	\$1,305	\$62,946
Music Ministry	\$61,082	\$2,337	\$63,418
Community & Social Ministry	\$131,500	\$1,125	\$132,625
Special Needs-Augustana	\$196,072	\$1,353	\$197,425
Selian Hospital	\$33,689	\$0	\$33,689
Undesignated	\$2,177,332	\$150,795	\$2,328,127
Tumaini University	\$119,916	\$370	\$120,286
New/Emerging	\$34	\$0	\$34
<b>Total Contributions</b>	<b>\$2,829,318</b>	<b>\$157,669</b>	<b>\$2,986,987</b>
	Last Year	\$1,974,236	
	% Increase	-92.01%	

### Market Value and Performance Summary of Invested Funds

Total Harvest Fund Value; 12/31/2018	\$	2,879,852
Contributions 2019	\$	157,669
2019 Distribution	\$	110,000
*Return on Investments	\$	-
Interest and Dividend Income		
Appreciation (Depreciation) of Investments		
Administrative Fee		
*Total Investment Value; at InFaith 12/31/2019	\$	3,227,735
Total Cash Balance; at Augustana 12/31/2019	\$	37,378
<b>TOTAL HARVEST FUND VALUE 12/31/2019</b>	<b>\$</b>	<b>3,265,113</b>

"waiting on InFaith  
year-end reporting that is  
available end of January"

<b>Total Distributions Since Fund Inception</b>	\$	443,335
<b>Total Harvest Fund Assets and Distributions to Date</b>	\$	3,708,448
<b>Total Gifts to Harvest Fund</b>	\$	2,986,987

\*These numbers are "estimates" or "left blank" as we will not have final InFaith numbers until month end

Scott Foreman, Chair

Harvest Fund

Updated 1/13/2020