Augustana Lutheran Church

Annual Meeting Agenda and Financial Reports

January 16, 2018

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 – Scott Deyo, President

Devotion – Pastor Mark Aune

Secretary's Report – Nancy Rys-Nicol

Elections:

Report of the Nominating Committee

Balloting

2017 Financial Report

2017 Harvest Fund Report

2017 Audit Committee Report

Proposed 2018 Budget

Other Business

Adjournment

Benediction

Where FAITH meets Life

Nominating Committee Recommendations for 2018

Harvest Fund Committee - 3-year term (vote for 3)

Jeff Kandt

Stuart Simek

Erika Milne

Personnel Committee - (vote for 1)

Heather Johnston

Church Council - 3-year term (vote for 7)

Chris Blake

Karen Larson

Jenny Sanford

Paul Sherburne

Jennifer Simek

Tara Simons

Scott Thorson

Nominating Committee

Bruce Calhoun

Mary Hayes

Laurie Nelson

Laurie Prifrel

Matt Storlie

2017 Balance Sheet

	Balance as of 1/1/2017	Balance as of 12/31/2017	Annual Change
ASSETS			
CHECKING ACCT	$ 339,906	$ 521,878	$ 181,972
ASSOCIATED BANK MM ACCT	$ 210,249	$ 210,628	$ 379
MISSION INVESTMENT FUND	$ 366,431	$ 378,938	$ 12,507
TOTAL ASSETS	**$ 916,586**	**$ 1,111,444**	**$ 194,857**
LIABILITIES & NET ASSETS			
PREPAID PLEDGES	$ 35,227	$ 100,858	$ 65,631
TOTAL LIABILITIES	**$ 35,227**	**$ 100,858**	**$ 65,631**
NET ASSETS			
BUDGET FUND BALANCE	$ 125,072	$ 125,072	$ -
DEDICATED FUNDS	$ 756,287	$ 884,355	$ 128,067
CURRENT PERIOD CHANGES	$ -	$ 1,159	$ 1,159
TOTAL NET ASSETS	**$ 881,359**	**$ 1,010,585**	**$ 129,226**
TOTAL LIABILITIES & NET ASSETS	**$ 916,586**	**$ 1,111,444**	**$ 194,857**

Please Note: The Balance Sheet does not reflect 1) the value of the buildings and contents, insured for $14.7 million, or 2) the Harvest Fund, with a preliminary year-end market value of $991,821 (including $61,821 also reported in the Augustana dedicated funds report).

2017 Income Statement / Budget

	2017 Budget	2017 Income Statement	2018 Budget
INCOME			
MEMBER COMMITMENTS	$ 1,455,000	$ 1,461,393	$ 1,520,000
SHRINKAGE	$ (40,000)	$ -	$ (40,000)
LOOSE OFFERING	$ 21,000	$ 17,066	$ 17,000
LENT & EASTER	$ 21,000	$ 20,018	$ 20,000
CHRISTMAS	$ 15,000	$ 16,269	$ 15,000
ADULT MINISTRY	$ 7,000	$ 916	$ 7,000
CONGREGATIONAL DINNERS	$ 10,000	$ 9,245	$ 7,000
HEALTH MINISTRIES	$ 8,000	$ 8,799	$ 8,000
PRESCHOOL	$ 94,000	$ 79,885	$ 73,155
SUMMER CAMPS	$ 5,000	$ 998	$ 3,500
YOUTH AND FAMILY MINISTRY	$ 19,000	$ 19,904	$ 19,000
INTEREST INCOME	$ 500	$ 2,918	$ 2,000
MISCELLANEOUS	$ 14,000	$ 7,547	$ 10,000
TOTAL INCOME	**$ 1,629,500**	**$ 1,644,958**	**$ 1,661,655**
EXPENSES			
BENEVOLENCE			
ST. PAUL AREA SYNOD	$ 161,500	$ 161,500	$ 156,000
MISSIONARY - JACOBSON	$ 8,600	$ 8,600	$ 10,000
ELCA WORLD HUNGER	$ 4,000	$ 4,000	$ 6,000
360 COMMUNITIES	$ 4,200	$ 4,200	$ 4,200
HABITAT FOR HUMANITY	$ 12,000	$ 12,000	$ 12,000
LOAVES AND FISHES	$ 12,000	$ 6,414	$ 12,000
LSS-REZEK TEEN TRANS. HOUSING	$ 3,500	$ 3,500	$ 5,000
LUTHERAN SOCIAL SERVICE	$ 7,000	$ 7,000	$ 10,000
LYNGBLOMSTEN	$ 3,000	$ 3,000	$ 5,000
NEIGHBORS	$ 4,500	$ 4,500	$ 7,000
PRESCHOOL SCHOLARSHIPS	$ 10,000	$ 10,000	$ 10,000
PUEBLO DE FE	$ 3,000	$ 3,000	$ -
SEMINARY STUDENT	$ 5,000	$ 5,000	$ 6,000
INTERFAITH ACTION OF GREATER ST PAUL	$ 2,200	$ 2,200	$ 2,200
UNION GOSPEL MISSION	$ 2,000	$ 2,000	$ 5,000
WAPOGASSET CAMP	$ 2,500	$ 2,500	$ 5,000
HUMBLE WALK	$ 3,000	$ 3,000	$ 3,000
FEED MY STARVING CHILDREN	$ 2,000	$ 2,000	$ 2,000
LUTHERAN CAMPUS MINISTRY	$ 2,000	$ 2,000	$ 3,600
TOTAL BENEVOLENCE	**$ 252,000**	**$ 246,414**	**$ 264,000**

Income Statement / Budget (continued)

	2017 Budget	2017 Income Statement	2018 Budget
PROGRAM MINISTRIES			
ADULT MINISTRY	$ 19,000	$ 12,403	$ 19,000
CHILDREN'S MINISTRY	$ 19,500	$ 19,479	$ 19,500
CONGREGATIONAL DINNERS	$ 10,000	$ 10,151	$ 7,000
SUMMER CAMPS	$ 5,000	$ 963	$ 3,500
HEALTH MINISTRIES	$ 13,457	$ 15,695	$ 13,457
MUSIC	$ 22,800	$ 21,395	$ 22,800
PRESCHOOL	$ 4,440	$ 4,074	$ 4,496
EVANGELISM	$ 1,900	$ 240	$ 1,900
NEW MEMBERS & VOLUNTEERS	$ 3,000	$ 2,783	$ 3,000
SOCIAL MINISTRY	$ 950	$ 776	$ 950
YOUTH & FAMILY MINISTRY	$ 46,000	$ 27,889	$ 46,000
TOTAL PROGRAM MINISTRIES	**$ 146,047**	**$ 115,849**	**$ 141,603**
ADMINISTRATION			
COMPENSATION	$ 810,521	$ 771,025	$ 830,000
STAFF BENEFITS	$ 193,000	$ 191,354	$ 186,081
STAFF DEVELOPMENT	$ 5,000	$ 4,681	$ 5,000
COMMUNICATIONS	$ 12,000	$ 10,284	$ 12,000
EQUIPMENT RENTAL	$ 20,000	$ 14,897	$ 20,000
HOME WORSHIP	$ 1,600	$ 1,448	$ 1,600
INS. & WORK. COMP	$ 17,400	$ 16,055	$ 17,400
MISCELLANEOUS	$ 9,500	$ 11,960	$ 9,500
OFFICE REPAIRS/SUPPLIES	$ 18,000	$ 14,661	$ 18,000
ORGAN & PIANOS	$ 3,500	$ 4,169	$ 3,500
PASTORS' BOOK ALLOWANCE	$ 1,000	$ 709	$ 1,000
PASTORS' EXPENSE ALLOWANCE	$ 1,000	$ 983	$ 1,000
POSTAGE	$ 10,000	$ 8,514	$ 10,000
SANCTUARY WORSHIP	$ 7,000	$ 4,758	$ 7,000
SERVICE FEES	$ 10,000	$ 12,307	$ 11,000
SPECIAL EVENTS	$ 3,000	$ 4,431	$ 3,000
STEWARDSHIP	$ 8,000	$ 8,290	$ 8,000
TECHNICAL SUPPORT	$ 14,000	$ 15,383	$ 15,000
TOTAL ADMINISTRATION	**$ 1,144,521**	**$ 1,095,909**	**$ 1,159,081**
FACILITIES			
CLEANING/KITCHEN SUPPLIES	$ 9,000	$ 9,711	$ 9,000
LANDSCAPE & GROUNDS	$ 6,500	$ 5,161	$ 6,500
MAINTENANCE	$ 15,200	$ 24,219	$ 20,000
UTILITIES	$ 54,000	$ 44,537	$ 54,000
TOTAL FACILITIES	**$ 84,700**	**$ 83,628**	**$ 89,500**
TOTAL EXPENSES	**$ 1,627,268**	**$ 1,541,799**	**$ 1,654,184**
NET INCOME BEFORE TRANSFERS	**$ 2,232**	**$ 103,159**	**$ 7,471**
BUDGET TRANSFER	**$ -**	**$ 102,000**	**$ -**
NET INCOME AFTER TRANSFERS	**$ 2,232**	**$ 1,159**	**$ 7,471**

2017 Dedicated Funds Statement

	Balance 1/1/2017	2017 Receipts	2017 Expenses	Balance 12/31/2017
PROGRAMMING				
HEALTH MINISTRIES	$ 4,377	$ -	$ 1,469	$ 2,908
CHILDRENS' MINISTRY REIMB	$ 5,013	$ 6,659	$ 4,875	$ 6,797
CONCERT SERIES	$ 14,820	$ 5,674	$ 10,917	$ 9,577
MUSIC MEMORIALS	$ 15,475	$ 3,670	$ 805	$ 18,341
MUSIC SCHOLARSHIPS	$ 24,194	$ 994	$ 2,000	$ 23,188
SENIOR MINISTRIES	$ 3,941	$ -	$ -	$ 3,941
YOUTH GLOBAL MISSION	$ -	$ -	$ -	$ -
WOMEN"S SPECIAL PROJECTS	$ 1,619	$ 405	$ -	$ 2,024
TOTAL PROGRAMMING	**$ 69,439**	**$ 17,402**	**$ 20,066**	**$ 66,775**
ADMINISTRATION				
FACILITY RESERVE FUND	$ 100,000	$ 52,302	$ 22,251	$ 130,051
EQUIPMENT RESERVE FUND	$ 25,000	$ 10,142	$ 8,338	$ 26,804
HARVEST FUND	$ 48,876	$ 65,876	$ 52,932	$ 61,821
INTEREST	$ 10,535	$ 8,449	$ -	$ 18,984
MEMORIAL GARDENS	$ 17,087	$ 2,885	$ -	$ 19,972
OPERATING RESERVE FUND	$ 96,777	$ 48,539	$ 25,315	$ 120,001
PLACE-MRA	$ 3,688	$ 1,000	$ 1,158	$ 3,530
PLACE-MT	$ 8,710	$ 800	$ 1,955	$ 7,555
REIMBURSABLE	$ 6,737	$ 17,020	$ 6,738	$ 17,019
COLUMBARIUM FUND	$ 27,956	$ 9,588	$ 2,051	$ 35,493
TOTAL ADMINISTRATION	**$ 345,366**	**$ 216,601**	**$ 120,737**	**$ 441,230**
MORTGAGE FUND BALANCE	**$ 82,027**	**$ 99,312**	**$ 181,339**	**$ -**
BENEVOLENCE				
GLOBAL MISSION	$ 12,115	$ 54,309	$ 31,966	$ 34,458
GM- GUATEMALA	$ 4,251	$ 35,433	$ 37,182	$ 2,502
GM- TANZANIA	$ 303	$ 60,087	$ 37,965	$ 22,426
DISCRETIONARY	$ 16,787	$ 14,324	$ 13,808	$ 17,303
ELCA SCHOLARSHIPS	$ 17,719	$ 89,047	$ 105,000	$ 1,766
COMMUNITY MISSION	$ 27,491	$ 64,375	$ 57,801	$ 34,065
HYMNALS	$ 547	$ -	$ -	$ 547
CONFIRMATION OFFERING	$ 705	$ 2,174	$ 73	$ 2,806
KIDS' KINGDOM OFFERING	$ 1,614	$ 1,441	$ 503	$ 2,552
WORLD HUNGER	$ -	$ 14,575	$ 14,575	$ -
OTHER BENEVOLENCE	$ 9,984	$ -	$ 3,500	$ 6,484
TOTAL BENEVOLENCE	**$ 91,516**	**$ 335,766**	**$ 302,374**	**$ 124,908**
INDIVIDUAL MEMORIALS	**$ 167,939**	**$ 107,272**	**$ 23,770**	**$ 251,441**
TOTAL DEDICATED FUNDS	**$ 756,287**	**$ 776,353**	**$ 648,286**	**$ 884,354**

2017 Harvest Fund Letter to the Congregation

The Harvest Fund is an endowment fund 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. 2017 marked the first full year of the Harvest Fund working in partnership with InFaith.

This committee generally meets quarterly and the full committee met four times in 2017 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 2017 distribution of $30,000, which was based on 2016 year-end Harvest fund balance, resulted in a 10.3% over the previous year and was made available for church support in 2017. The 2018 distribution, which will be based on the year end 2017 Harvest fund balance, is expected to be somewhat larger than 2017 and will be transmitted no later than 2nd quarter 2018. Amongst other things, the Augustana special needs portion of the fund and the undesignated portion went to support Augustana's participation in Luther Seminary's Intern program, resulting in last year's pastoral internships.

In 2017, the Harvest Fund received $35,926 in new contributions – a slight increase over the previous year. As of December 31, 2017, the total assets of the Harvest Fund were roughly $992,000. Please note that the year-end InFaith investment performance and reporting numbers are not yet available. Once these numbers are finalized by InFaith, the 2017 Harvest Fund reporting will be updated accordingly and submitted to the audit committee.

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

A very special thank you goes out to Heather Johnston (who just finished a six year term on the committee and two years as chair), Andy Hunter, Tom Wallace, Jeff Kandt, Stuart Simek, Scott Deyo and Pastor Aune for the giving of their time and talents on this committee in 2017.

Respectfully submitted,

Scott Foreman – Chair

2017 Harvest Fund Report

Contribution Summary of Invested Funds

Designations	Balance 12/31/16	Current Year Contributions	Balance 12/31/17
Missions	$23,726	-	$23,726
Scholarships-ELCA Seminary	$24,051	175	$24,226
Youth Ministry	$54,846	5,410	$60,256
Music Ministry	$53,045	6,492	$59,537
Community & Social Ministry	$54,235	945	$55,180
Special Needs-Augustana	$183,051	800	$183,851
Selian Hospital	$33,689	-	$33,689
Undesignated	$272,597	22,104	$294,701
Tumaini University	$119,916	-	$119,916
Total Contributions	$819,156	$35,926	$855,082
	LY	$33,598	
	% INC	6.93%	

Market Value and Performance Summary of Invested Funds

Total Harvest Fund Value; 12/31/2016	$	909,764
Contributions	$	35,926
2016 Distribution	$	(30,000)
*Return on Investments	$	-
Interest and Dividend Income		
Appreciation (Depreciation) of Investments		
Administrative Fee		
*Total Investment Value; at InFaith 12/31/2017	$	930,000
Total Cash Balance; at Augustana 12/31/2017	$	61,821
TOTAL HARVEST FUND VALUE 12/31/2017	**$**	**991,821**
Total Distributions Since Fund Inception	$	300,335
Total Harvest Fund Assets and Distributions to Date	$	1,292,156
Total Gifts to Harvest Fund	$	855,082

* Exact 2017 InFaith returns and values were not available when this report was completed. The report will be updated and audited as soon as firm year-end data is available.

Andrew Hunter, Financial Secretary
Updated 1/7/2018
Harvest Fund