



2021 ANNUAL MEETING

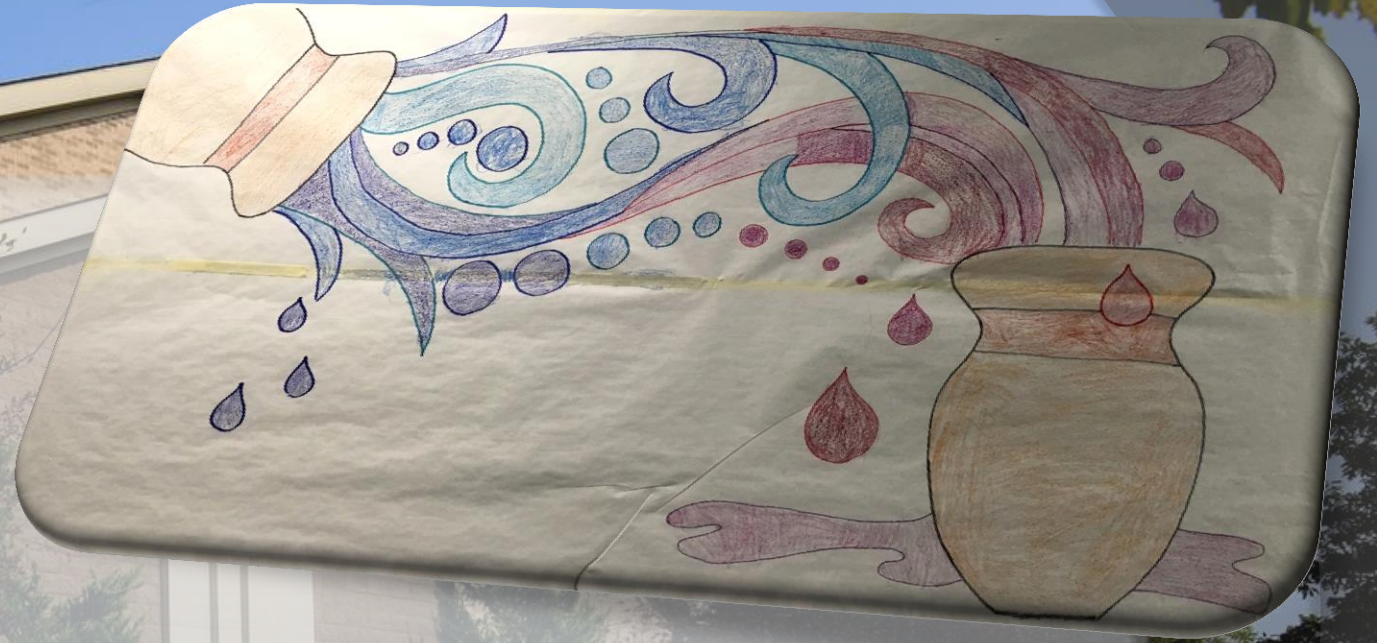
Sunday January 31, 2021

Lutheran Church
of the
Resurrection

Evangelical Lutheran Church in America

Agenda

- Opening Devotions
- Secretary's Report
- President's Report
- Pastors' Reports
- Treasurer's Report
- Council Team Reports
- Nominating Team Report / Election
- Discussion / Approval of 2021 Budget
- Adjournment / Benediction



Minutes of Annual Meeting from 2/10/2020

- Please see page 5
- Secretary to review
- Motion to approve minutes
- Second for motion
- Discussion on motion
- Modification of motion
- Vote on motion



Presidents Report

- Please see page 7
- Coming out of transition years, new pastor, great job by call committee, Jeff and Nate continue to be well received
- Continue to make progress on the Kairos recommendations to empower staff for day-to-day operation decisions
- Continued...



Presidents Report

- The team structure has been expanded to reactivate the Property Team in addition to continuing the Outreach, Stewardship, and Governance Team's good work.
 - Outreach – making service more accessible, added marketing director, updated the video streaming capabilities, website refresh, and added signup-genius for volunteering.
 - Stewardship – Great job in keeping expenses under control and the financial health of the church. Taking a strategic look at building a reserve for expected maintenance.
 - Governance – Updated the constitution and by-laws to electronic format and made some suggested changes to the language to reflect the way the church is currently operating. Updated the trust language to improve transparency.
 - Property – converted several light fixtures from fluorescent to LED and managed the Derecho repairs.
- It's been a challenging year to be on council but it is rewarding to see us make progress toward our mission as a congregation.

Pastor's Report

- Pastor Jeff - Please see page 9
- Pastor Nate – Please see page 11



Treasurer's Report

- Please see page 41
- Secretary to review
- Motion to approve minutes
- Second for motion
- Discussion on motion
- Modification of motion
- Vote on motion



Council Team Reports

- Stewardship – page 12 - Bob Erlandson
- Property Advisory & Planning Team – page 13 - Bob Erlandson
- Outreach – page 14 Jennie Fredin



Nominating Team Recommendations

- Nominating Committee, page 22
 - Please add Stephanie Meier and Barry Lovseth to Council nominations
- Nominations Ballot for Council, Trust Fund, Auditing and Nominating pages 23-25 and addendum on page 49



2021 Growing, Sharing, Serving

- What we heard you say, you wanted us to do
- Partner Ministries
- Outreach Activities
- Spiritual Growth and Learning
- Small Groups
- Youth Ministry



2021 Budget Discussion

- Review of 2020 performance – see page 43
 - Receipts
 - Disbursements
 - Outstanding obligations
 - Ending balance
- 2021 Stewardship Appeal Results - see page 41
 - Predicting receipts based on 2020 performance
 - Three methods utilized, recommended approach to estimating receipts
 - Break down the numbers in line-by-line discussion
 - Total proposed budget \$747,810



2021 Budget

Sunday, January 31



Budget Overview

Stewardship Appreciation

2021 Budget

- Changes 2020 to 2021
- Budget Highlights
- Discussion

Background Slides from Annual Report

Stewardship Appreciation

Congregation Giving During Pandemic

Even with disruptions, congregation gave 98% of planned giving

Insurance Protection from Derecho Damage

Minimal deductibles instead of actual repair costs

CARES Act Application (Payroll Protection Program)

\$68.5K grant to support payroll

Praise God for our Congregation Stewardship Efforts

Ended Year with additional \$100K in savings

2021 Budget – Changes 2020 to 2021

Consolidated General and Growth & Outreach Funds

Transparency & Understandability

Examples: Staff & Ministry Funds

Pension/Major Medical Increased over \$30K

Payroll Adjustments for Staff – Approx \$15K

Examples: Cost of Living, Hour Adjustments, Pay Equity Increase

Total Ministry Increased by \$8K (aiming towards a tithe)

Growing our outreach

Facility Maintenance – Creating Reserve Fund - \$10K Yearly

Church is 15 years old – major repairs underway and more coming

Future Roof Costs – Approx \$80k

Multiple Heat Units - Seven Units Approx \$80K

2021 Budget – Changes 2020 to 2021

Budget Increase : \$67,467

Budget Expenses Total: \$747,810

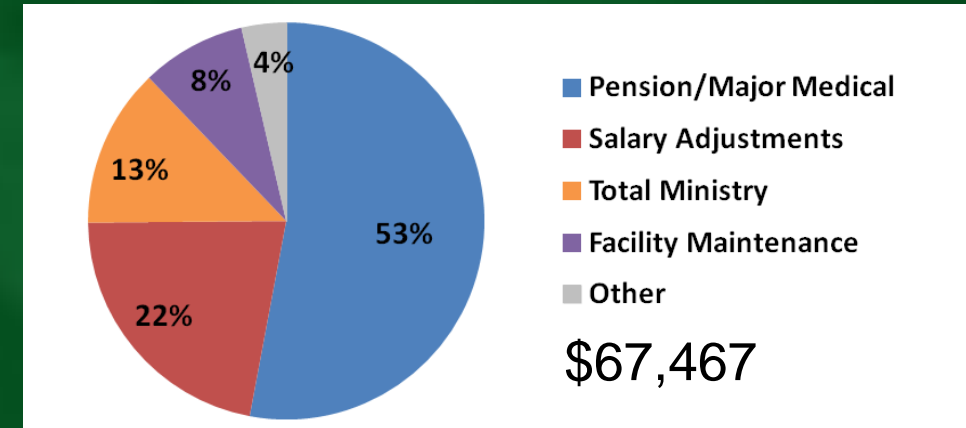
Estimated Income: \$680,000

Total Savings Non-designated in 2020 from
\$70,853 to \$140,031

Total for Designated funds in 2020 from
\$77,200 to \$102,747

Using Portion of Non-designated Excess to
Cover Gap

Major Line Item Increases



Praise God for our Congregation Stewardship Efforts

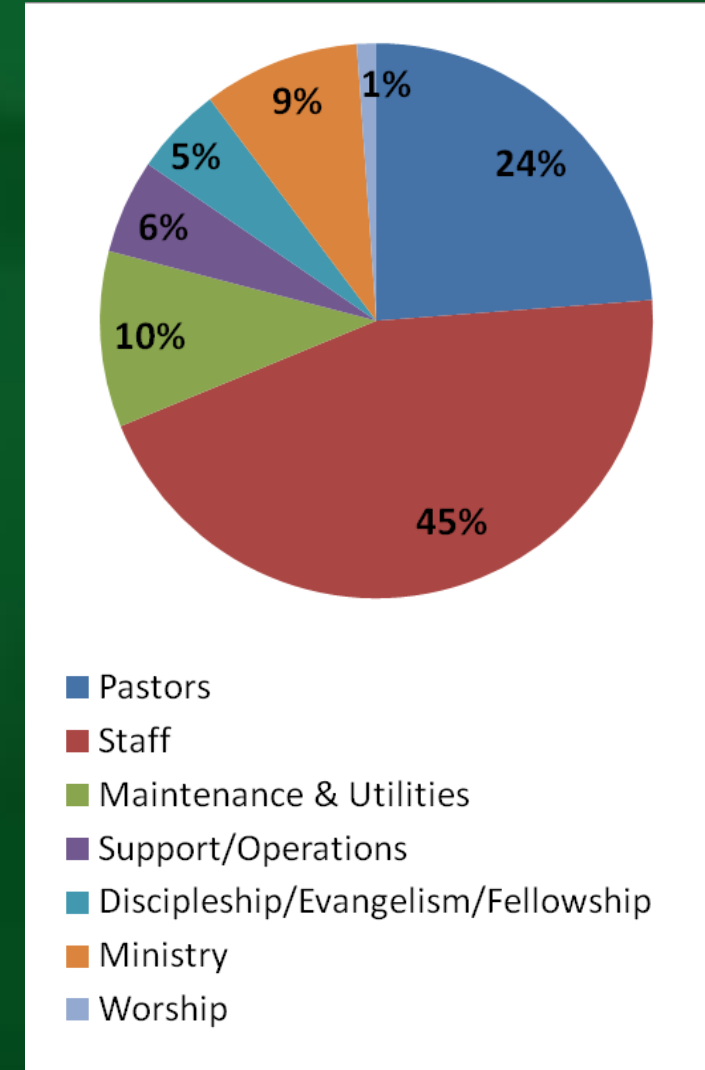
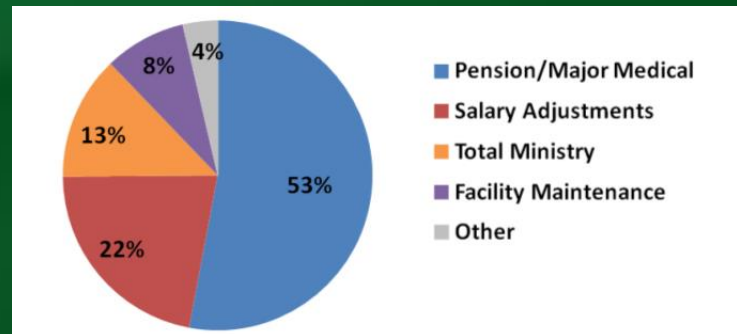
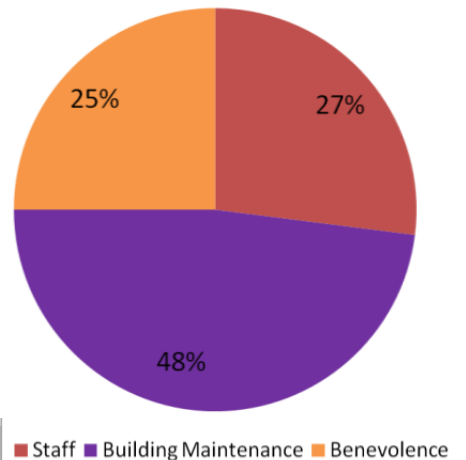
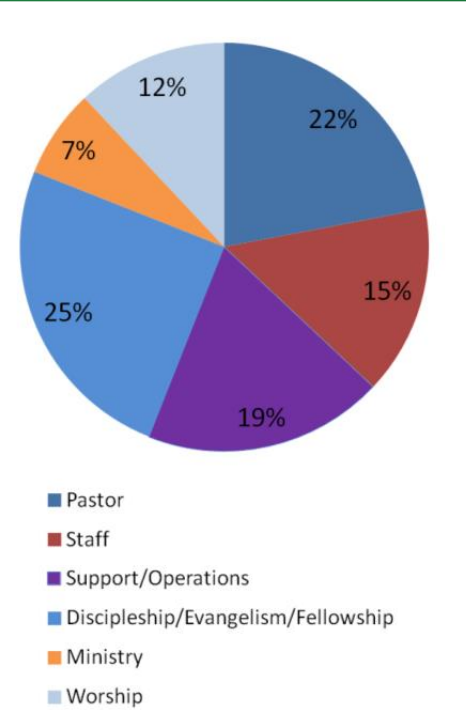
Budget Highlights 2020 to 2021

**2020
General
Funds
\$580,543**

**2020
Growth &
Outreach
\$99,800**

**Increase
\$67,467**

**2021
Budget
\$747,810**



2021 Budget Highlights

2021 Budget: \$747,810

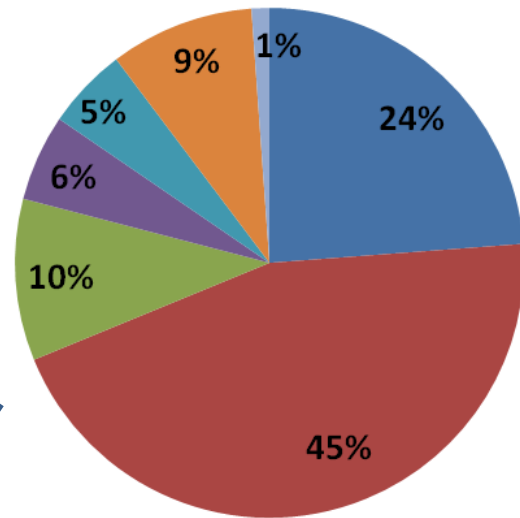


Estimated
Income of
\$680,000



Total Non-
designated
Savings
\$140,031*

**Finances at
Start of Year**



- Pastors
- Staff
- Maintenance & Utilities
- Support/Operations
- Discipleship/Evangelism/Fellowship
- Ministry
- Worship



Facility
Reserve
\$10,000



Total
Savings
\$62,221

**Finances at
End of Year**

* = General (\$101,802) + Growth & Outreach (\$38,229)

2021 Budget – Discussion

Budget expenses greater than estimated income

2021 Expenses \$747,810

2021 Income \$680,000

Difference being covered with savings excess

Positive Outlook

Some indications of increase in virtual attendance

Live services could create increase in attendance

Corrective Actions

Continue to Monitor Income and Expenses

Motion to approved proposed budget

Annual Report- Introduction

- Review of 2020
- Budget: \$680K
 - General: \$580K
 - Growth & Outreach: \$100K
- Receipts : \$727K
- Expenses: \$658K
- Combined Funds Increased: \$102K

INTRODUCTION TO 2021 BUDGET			
<u>I. Review of 2020</u>			
<u>Since we've combined our two funds for 2021 the figures below represent the combined funds</u>			
- Our original receipts estimate was \$679,800 - a 15% decrease from 2020 totals			
- 2020 receipts were \$727,701 or 107% of our target of \$679,800			
- 2020 expenses were \$657,973 or 97% of our 2020 budget of \$680,343			
- We began the year with \$104,691 in the combined funds and ended the year with \$206,743			
- Most years we receive an average of 98% of pledges as income and we base future receipts projections on that pattern. In 2020 we received 97.8% of pledges as income, compared to 95.7% in 2019.			
Takeaway - Receipts were higher this year because members continued to give through the pandemic closures and we were able to take advantage of some funding opportunities offered during the pandemic. Expenses were lower due to the closures so we were able to come out of the year with a surplus.			
<u>II. Recent history of estimated & actual receipts and pledges for the year</u>			
<u>Estimated receipts for:</u>	<u>Actual receipts for:</u>	<u>Pledges for:</u>	<u>Cards/SG Received</u>
2021-\$		\$ 567,563	183
2020-\$679,800	\$ 727,701	\$ 577,770	205
2019-\$684,000	\$ 740,387	\$ 643,151	224
2018-\$683,000	\$ 802,339	\$ 663,448	227
2017-\$690,000	\$ 677,561	\$ 549,317	251
Takeaway - Total pledges are down \$10000 from 2020 and 2020 receipts are \$13000 down from 2019			

Annual Report – Budget Estimating

- Two Approaches Considered:
 - Average previous year totals
 - Average individual budget items
- Proposed Income of \$680,000

III. Two indicators of 2020 receipts for planning the budget:			
#1 Pledges/Total Receipts - pledges average 82.5% of eventual receipts over the last 4 years			
<u>Year</u>	<u>Pledges</u>	<u>Actual Receipts</u>	<u>Pledges/Receipts</u>
2017	\$ 549,317	\$ 677,561	81%
2018	\$ 663,448	\$ 802,339	83%
2019	\$ 643,151	\$ 740,387	87%
2020	\$ 577,770	\$ 727,701	79%
2021	\$ 567,563	\$ 683,811	83%
OR Another option would be to forecast each piece			
Average pledges that become income (4 year average) - 98%			
Average pledged giving as a percent of total envelope giving (4 year average) - 86%			
Estimate of loose offering and other income - \$32000			
Pledges		\$ 567,563	
Giving Toward Pledges		\$ 556,212	
Total Envelope Giving		\$ 646,758	
Loose Offering		\$ 11,000	
Other income		\$ 21,000	
Total Income 2020		\$ 678,758	
IV. Summary - General Fund proposed income of \$680,000.			

Budget Detail – Background

Summary of 2020 Actuals/2020 Budget/2021 Budget

		General	2020	Building	2,020	2,021
		Budget	Actual	Budget	Building	combined
Acct #	Name	Budget	Actual	Budget	Actual	Budget
INCOME						
7102-7118/7140	General Fund Envelope/loose change/DD	\$ 562,000	\$ 549,565	\$ 99,800	\$ 106,250	\$ 659,000
	Payroll Protection Loan	\$ -	\$ 63,652		\$ 4,848	\$ -
7135-7145	Other Income	18,000	3,397	-		21,000
TOTAL INCOME		\$ 580,000	\$ 616,613	\$ 99,800	\$ 111,098	\$ 680,000
EXPENSES						
	Pastors' Salaries	\$ 119,833	\$ 124,258	\$ -	\$ -	\$ 128,500
	Office salaries	78,664	74,628	17,680	25,776	106,768
	Staff Retirement Costs	7,400	7,400	500	1,000	8,400
	Staff Health Benefit costs	10,560	10,560	-	-	10,560
	LCR Employer's share of taxes	20,484	19,953	1,362	1,952	22,085
	Custodial Staff salaries	36,774	37,749	-	-	42,003
	Youth Staff Salaries	86,139	86,139	-	-	87,431
	Youth Cell Phone costs	900	900	-	-	900
	Music & Nursery Salaries	55,266	47,542	-	-	52,365
	Medical Reimbursement - Senior pastor	900	-	-	-	-
	Medical Reimbursement - Associate Pastor	750	-	-	-	-
	Pension/Major Medical	9,646	14,939	-	-	45,376
	Education Allowance - Senior Pastor	500	-	-	-	1,400
	Call Process expenses	-	-	2,500	9,677	2,000
	Magazines/Books	300	100	-	-	300
	Staff Training	-	-	6,000	172	6,000
	Travel Allowance-Senior Pastor	1,500	-	-	-	1,500
	Travel Allowance-Associate Pastor	250	-	-	-	250
Subtotal Staff		\$ 429,866	\$ 424,167	28,042	\$ 38,576	\$ 515,838
8031	Computer Software	900	1,789	500	381	2,000
8032	New Technology /hardware costs	800	976	5,000	16,121	6,000
8033	Ministry Design web Site support	1,000	240	-	-	240
8034	Tech Support	2,500	3,321	-	-	2,500
8035	Computer Services/Backup	700	270	-	-	500
Subtotal Technology		\$ 5,900	\$ 6,597	5,500	\$ 16,502	\$ 11,240

	Alarm System Maintenance	1,356	1,576	-	-	1,576
	Fire System Maintenance	300	535	-	-	535
	Annual Bldg Inspections	-	-	-	-	2,400
	Bldg General Maintenance			43,800	50,462	25,000
	Yearly Bldg Reserve Fund	-	-	-	-	10,000
	Yearly Bldg Upgrades					11,700
Facility Maintenance		\$ 1,656	\$ 2,111	43,800	\$ 50,462	\$ 51,211
8062	Electric	15,000	14,584	-	-	15,000
8063	Gas	3,500	3,031	-	-	3,500
8065	Telephone/ Internet	2,500	3,003	-	-	3,010
8066	Water	1,500	1,345	-	-	1,500
8067	Waste Service	2,000	1,990	-	-	2,000
Subtotal Utilities		\$ 24,500	\$ 23,954	-	\$ -	\$ 25,010
8071	Copier Service	\$ 5,353	\$ 3,529	-	\$ -	\$ 5,353
8073	Copier Paper	1,500	897	-	-	1,500
8075	Postage	2,100	2,681	-	-	2,700
8077	Office Supplies	1,300	1,442	-	-	1,500
8079	Custodial Supplies	1,700	2,341	-	-	2,400
8080	Petty Cash	25	-	-	-	25
8081	Misc. Office	500	80	-	-	500
Subtotal Operating Supplies		\$ 12,478	\$ 10,970	-	\$ -	\$ 13,978
8086	Offering Envelopes	1,500	1,175	-	-	1,200
8085	Fall Stewardship appeal	1,500	993			1,200
8088	Vanco/ACH/Paypal/Fees	2,200	1,442	100	53	1,500
Subtotal Stewardship		\$ 5,200	\$ 3,610	100	\$ 53	\$ 3,900
8094	General Insurance	10,278	10,242	-	-	10,278
8095	Synod assembly-pastors	900	120	-	-	900
8099	Council Retreat/Training pastors	300	-	-	-	500
Subtotal Other Operating		\$ 11,478	\$ 10,362	-	\$ -	\$ 11,678
TOTAL SUPPORT		\$ 491,078	\$ 481,772	77,442	\$ 105,594	\$ 632,855

8130	Sunday School budget	2,500	2,284	-	-	2,500
8140	Adult Faith/Small Group	1,000	111	-	-	750
8144	Stephen Ministry Training & Supplies	4,000	144	-	-	4,000
8145	Nursery Supplies	100	10	-	-	100
8146	Wee Wisdom costs	600	857	-	-	1,000
8150	Confirmation Budget	1,900	1,401	-	-	1,500
8153	Preschool VBS Budget	1,000	160	-	-	1,000
8155	Bibles Costs	500	179	-	-	500
8157	Background Checks Costs	1,000	-	-	-	500
8162	Day Camp Budget	1,700	-	-	-	1,700
8163	WNL Budget	1,500	1,439	-	-	1,500
8164	EDGE Budget	3,500	3,508	-	-	3,500
8166	EWALU Scholarships	4,500	1,500	-	-	3,500
8168	High School Mission Trip/ Fall Retreat	9,000	1,800	-	-	9,000
8169	College Ministry Budget	500	100	-	-	250
8173	YAC Supplies/Equip/Repair	500	130	-	-	250
8180	Van - gas & maintenace	1,500	506	-	-	1,000
TOTAL DISCIPLESHIP		\$ 35,300	\$ 14,130	-	\$ -	\$ 32,550
				-		
8255	Advertising Costs	1,000	884	-	-	1,000
8260	New Member Class	200	46	-	-	150
	Outreach Budget	-	-	2,000	136	1,500
8261	Lifetree Café Budget	1,000	290	-	-	500
TOTAL EVANGELISM		\$ 2,200	\$ 1,220	2,000	\$ 136	\$ 3,150
8325	Fellowship Activities	1,000	544	-	-	1,000
8326	Café Costs	3,000	706	-	-	1,500
8341	Kitchen Supplies Budget	300	291	-	-	300
TOTAL FELLOWSHIP		\$ 4,300	\$ 1,541	-	\$ -	\$ 2,800

Global Mission Partners							
8451	ELCA/Synod	30,000	30,000	-	-	33,000	
8462	Quilters Benevolence	200	200	-	-	200	
Local Mission Partners							
8455	EWALU	-	-	3,000	3,000	3,000	
8458	Take Away Hunger	3,500		5,500	-	5,500	
	Habitat 4 Humanity-Marion	-	-	5,000	5,000	3,000	
	Camp Chisomo scholarships	-	-	6,858	2,502	5,000	
8459	Jail Chaplaincy & Bible Study Supplies	1,000	1,000	-	-	1,000	
8460	Mission of Hope Meals	1,200	323	-	-	1,200	
8471	Other Benevolence	3,000	5,737	-	-	16,100	
TOTAL MINISTRY		\$ 38,900	\$ 37,260	20,358	\$ 10,502	\$ 68,000	
8520	Worship Resources Budget	150	427	-	-	150	
8521	Communion Supplies Budget	300	450	-	-	500	
8522	Pulpit Speakers	400	-	-	-	400	
8523	New Song Service Budget	200	206	-	-	200	
8524	Music Instrument Repair Budget	500	263	-	-	500	
8525	Resurrection Choir Budget	500	139	-	-	500	
8526	Hand Bell Music Budget	500	460	-	-	500	
8527	Copyright Usage	1,810	2,075	-	-	2,100	
8528	Devotional books	1,200	429	-	-	600	
8529	Altar Candles Budget	600	305	-	-	600	
8532	Evening Song Budget	200	-	-	-	200	
8533	Galileans Budget	300	34	-	-	150	
8534	Band/Choirs Christmas Budget	630	-	-	-	630	
8535	King's Men Music Budget	-	-	-	-	100	
8536	Flowers	75	68	-	-	75	
8537	Worship Furnishings	150	9	-	-	100	
8538	Worship Electronics/Technology	250	359	-	-	400	
8590	Miscellaneous Worship	1,000	593	-	-	750	
TOTAL WORSHIP		\$ 8,765	\$ 5,817	-	\$ -	\$ 8,455	
TOTAL EXPENSES		580,543	541,741	99,800	116,232	747,810	
NET BUDGET		\$ (543)	\$ 74,872	-	\$ (5,134)	\$ (67,810)	

Motion to Approve Budget

- Please see page 45
- Stewardship Team to review
- Motion to approve minutes
- Second for motion
- Discussion on motion
- Modification of motion if required
- Vote on motion

Thanks and Blessings to

- Council
- Staff
- Treasurer
- Recording Secretary
- Congregation



Motion to Adjourn

- Benediction