

University Lutheran Church of Hope

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University Lutheran Church of Hope's Mission is:

*To Know Christ and Make Christ Known
by proclaiming God's saving word
in worship, community, and service.*

2006 Annual Report to the Congregation

Presented at the Annual Meeting

February 4, 2007

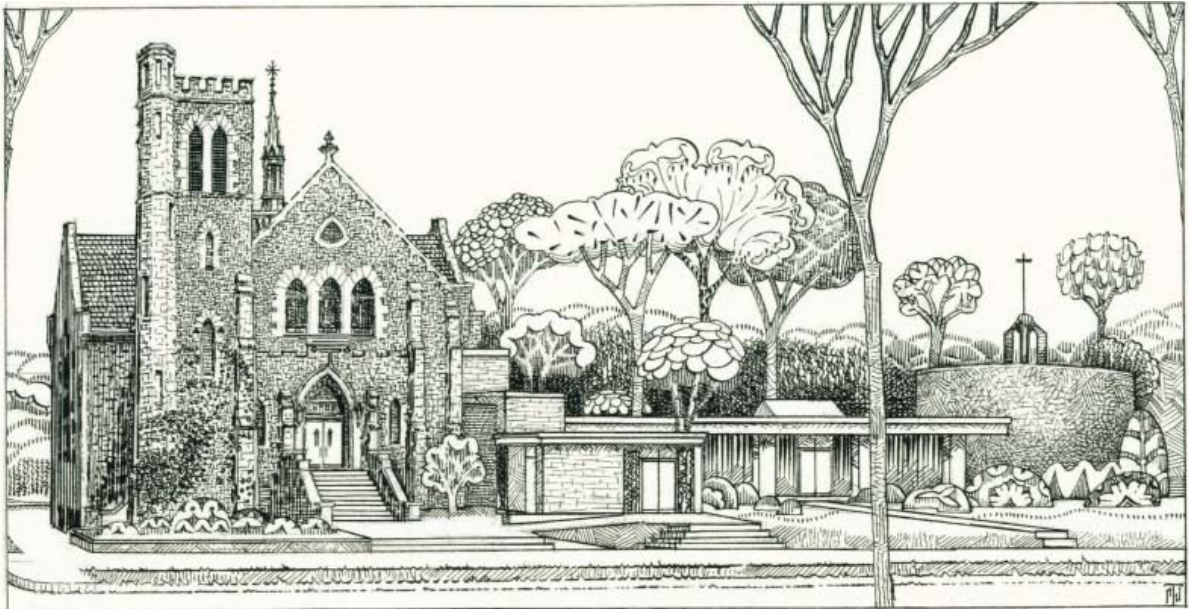


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Report of President Garvin Davenport

The 2006 year at University Lutheran Church of Hope began with the congregation taking on in good faith and with lots of confidence a rather sizable budget challenge. With determination born of our faith, we moved forward into what has proven to be an amazing year of accomplishment.

We entered into and completed—on time—the most ambitious ULCH building/facilities improvement project in 50 years, a project which directly supports our educational mission to children, youth and the broader community. Our entire staff and many members gave time, talent and resources—including a lot of elbow grease and sweat—to make this ambitious project a reality. A special note of thanks is due to Fred Kreider and the Facilities Commission members for the fantastic work they did in overseeing and coordinating the project.

Under the leadership of a special task force, we undertook a major and comprehensive mission renewal study which has included all segments of the congregation and which is now approaching completion.

We hired an interim youth director who has brought new strengths and vitality to our youth programs.

We found the will and the resources within our own congregation to close the financial gap and to end fiscal 2006 with a balanced budget.

As a result of this congregation-wide effort, and with much thankfulness, we enter 2007 in a strong position.

- Our facilities are not only much better suited to meet our own needs and to attract new members, but are also much more attractive to current and potential tenants and users who seek spaces for their own meetings, ceremonies and other activities.
- The Mission Renewal Task Force will soon be bringing to the congregation its recommendations for the future and how best we can pursue our ministry to

each other and to the broader community.

- Our worship services through the seasons of the church calendar have brought us together with holy word and sacred music, refreshing both our minds and souls as often as we gather together.
- Our educational programs for all ages remain strong with the potential to become even stronger, guided as they are by a highly professional and dedicated staff.
- Through the efforts of much careful study and analysis by staff and lay leadership led by our treasurer and a special finance committee convened in late fall, we have come very close to closing the gap between anticipated revenue and anticipated expenses for the current year, 2007.

In short, we found the means to support our essential priorities as a congregation of Christ's people. We made clear that we value greatly our pastoral and support staffs, our various benevolence and service missions and our programmatic diversity.

Personally, this year has been a tremendous learning experience; I feel grateful to have worked with so many people on so many worthy projects. I have greatly enjoyed working with Pastors Craig Shirley and Kwanza Yu and with our church administrator, Craig Wiester. I am especially grateful to Joan Campbell and Karmi Mattson who as past president and president-elect provided me with sage advice, patient correction and super support as needed.

We all thank God for these folks and for all who have been our companions on this year's journey of hope and accomplishment.

Agenda for the 2006 Annual Meeting **February 4, 2007**

While you have your lunch, enjoy Gospel Songs by a group from
Judson Memorial Baptist Church

Opening Hymn and Devotions

Approval of 2006 Annual Meeting Minutes

Treasurer's Report

Approval of 2007 Budget

Approval of Changes to the By-laws

Report from the Mission Renewal Task Force

Report from the Child Protection Task Force

Recognition of Outgoing Board Members

2007 Nominations Committee Report

- Officers
- Commissioners
- Commission members
- Committee and board members
- Representatives

Announcements

Closing Blessing

We thank Leslie Frost for serving as our parliamentarian.

Leadership Reports

Report of the Lead Pastor, Rev. Craig M. Shirley

Two words come to mind as key to this report - Relief and Thanks.

I am relieved that the work of remodeling is over (except for a few things here and there) and that we are back in full use of the building. It is beautiful and MUCH warmer and more comfortable with the new windows and lights. I hope you are enjoying it too. I am also relieved by the year-end financial statement that tells me there is so much life and so much support for this congregation that we can do anything we set our hearts and minds to.

I want to thank my colleagues on staff for all the work you have put in this year - many hours of extra meetings or additional responsibilities. In the same way I want to thank the many members of the congregation who have served in elected positions on the Board and the Commissions, on special task forces, in music and worship leadership, in teaching and on this special Room for Fresh Creations project that was so demanding. Many of you continue to give untold hours to Mission Renewal, completing projects around the building, helping with Families Moving Forward, Meals on Wheels, Loaves and Fishes and on and on.

God's blessings can be seen everywhere, even as we are challenged every day in new ways to do the work and mission God is calling us to. Thanks be to God for all of you.

Pax

Annual Report Pastor Kwanza Yu

It is appropriate that we hold our annual congregation meeting in the season of Epiphany. For it is into a dark world that we are called to bring the light of Jesus Christ as God's people and serve our neighbor. We are to be light to a people whose lives reflect desperation, despair, expectation, and hope – yes, to such a world you and I are called as people of faith with God's light illuminating our dark world through members at Hope. As I look to 2007 I share with you few highlights of our ministries in 2006:

- The Building Rededication worship, Sunday, November 19, 50 years and 1

day after the educational building was first dedicated in 1956. It was the rededication of the beautifully renovated education wing and a perfect opportunity to rededicate ourselves to God's mission.

- Serving approximately 120 at the 8th Hope Annual Thanksgiving community dinner on Thanksgiving Day, November 23.
- Seven of us traveled to Malawi to visit as guests of Bishop Bvumbwe and the Evangelical Lutheran Church in Malawi (ELCM), September 14 – October 3. This trip was as a culmination of the past five years of projects which have raised many dollars for support there through our partnership with the ELCM.
- Forming a strong community through the Families with Adopted and Multicultural Children: This group meets three times per year Sunday afternoon for fellowship and support. The group plans to have the third Peter Ostroushiko Benefit Concert this year.
- 17 of us, including 3 adult chaperones went a mission trip to Chicago, June 15 -20.
- Serving as a Board member of Augsburg Fortress of the ELCA publishing House.
- “Just for the Fun of It” – an informal group born two years ago at the annual women's retreat meets for fun on the regular basis through activities, such as cooking, outings, movies night, making Lefse, etc...
- Jack Dant, John Lauber and I visited the Rosebud Indian Mission to explore a possible summer project for high school youth in August.
- Serving as a member of the Korean Adoptee Ministry in Minnesota.

God puts blessings and challenges at our doorstep in 2007 and we say, “It's our mission. We'll do it.” And together, with the hand of God leading us and holding us and strengthening us, we will build on the foundation of 103 years of faithful obedience to Jesus Christ. God is taking us into an exciting future. Thanks be to God!

Report of Director of Christian Education **Diane Shallue**

I continue to serve ¾ time in the areas of Christian Education, Senior Club and Friendly Visitors. I supervise the nursery, energize the Library Committee, and provide resources for the confirmation teachers. I organize the Sunday School and assist the Adult Education Committee in planning educational opportunities for adults. During 2006, I served on the Building Committee and was very involved in the remodeling project with scrapping doors and painting as well as attending many meetings. Occasionally I provide the children's message and organize Faith Steps recognitions as I work towards the goal of involving children in worship in more intentional ways. In the summer, I worked with a group of Girl Scouts so that they could earn their religious award. I helped with Music Camp and organized two intergenerational events during the year. I assisted with the planning for the Lenten Wednesday night activities and those during Advent. These were the major tasks accomplished in 2006.

All this was done with wonderful dedicated partners in ministry. University Lutheran Church of Hope is a congregation with vitality and commitment. I will continue to equip and energize members for faithful work done in the name of the Lord. I look forward to watching faith grow and spread in 2007 through this congregation.

Report of Interim Youth Director **Audrey Keller**

What an energetic year it has been for the Youth Ministry program! The Dream Team has been established with a team of 10-12 committed individuals who work to support the vision for Youth Ministry through intentional programming. The team reflected on the values and assets of this congregation as well as the places where we desire growth. We chose to build upon the opportunity the youth have to ask questions and explore faith. We also chose to strengthen a focus of service. Through this discussion, the team has established 4 key focus points for the Youth Ministry Program.

- 1) Faith Development – Faith Formation – Continuing the Journey: How can we pass on faith as the journey of exploring, learning, questioning, and experiencing God continues?
- 2) Community Building – Building a Christian Community: How can we build relationships with people our own age as well as all those in the church?
- 3) Service – In the World and Our Community: How can we serve those in the world and here at University Lutheran Church of Hope
- 4) Youth Ministry – A Priority for the Community: How can we build a ministry that is energetic, Christ-centered, and sustaining?

The Dream Team is committed to focusing on these points by having a point person for each point, as well as making sure each event planned covers at least 2 of the 3 programming points (Faith Development, Community Building, and Service).

Another big project that has taken place is the development of University Lutheran Church of Hope's Child Protection Policy. Through a long process of research, discussion, reviews, meetings, and presentations, the policy has been approved by the board and is in place to keep our Children and volunteers safe. Thanks to the work of those on the Child Protection Policy Review Group who continue to support this policies implementation: Jill Fedje, Leslie Frost, Mary Anne Lofstrom, Diane Shallue, and Pastor Kwanza Yu.

I also think it's important to highlight some of the many great faith experience opportunities that took place this year. Here are some to highlight: Sunday Morning Youth Group, Confirmation, Sunday Socials, Loaves and Fishes, Ski Event, Lock-ins, ELCA National Youth Gathering, Camp Amnicon, Youth Bells and Choir, BBQs, Tuesday Night Summer Bonfires, and this year we have attended a wonderful Urban Immersion Retreat.

What an amazing team of volunteers come together to put these opportunities together! I am honored and blessed to work along side all of you in support the lives and faith of young people. Thank you God for a wonderful year!



Annual Report to Minneapolis Area Synod Congregations
From Bishop Craig E. Johnson
January 2007

Grace to you and peace in the name of Christ Jesus our Lord. We have a lot to celebrate as we reflect upon our church in the Minneapolis Area Synod in 2006. We have focused on mission this year through our initiative *Making a World of Difference*. This mission emphasis has been met with outstanding response and I am grateful to the congregations in our synod who have supported this work of building our church together.

New Churches:

Along with the new starts that were begun in 2005, one worshipping community was begun in the summer of 2006. River of Joy Lutheran Church of Credit River was initiated under the leadership of Pastor Steve Bonesho. River of Joy will be located west of 35W and south of Burnsville.

Totaling all of our partnerships and evangelical outreach churchwide support we have raised \$614,996 for these new starts that now include:

Alleluia Lutheran Church, St. Michael	River of Joy Lutheran Church, Credit River
Jacob's Well, Minneapolis	Spirit Garage Underground, Minneapolis
Living Presence Lutheran Church, Blaine	Spirit of Joy Lutheran Church, Buffalo
Mercy Seat Lutheran Church, Minneapolis	Sudanese Lutheran Church, Anoka
New Life Lutheran Church, Oak Grove	

Transformational Ministry in the City:

Work in the city includes the following congregations:

- Bread of Life Lutheran Church for the Deaf, Minneapolis
- Calvary Evangelical Lutheran Church/Our Saviour's Lutheran Church, Minneapolis
- Christ Church Lutheran, Minneapolis
- City South Cluster (6 churches)
- Evangelical Lutheran Church of the Redeemer, Minneapolis
- Hispanic Strategy; St. Paul's/El Milagro, Minneapolis
- Jordan New Life Lutheran Church, North Minneapolis
- Luther Memorial Lutheran Church, North Minneapolis
- Messiah Lutheran Church, LSS Center for Life
- Oromo Evangelical Lutheran Church, Minneapolis
- Our Saviour's Lutheran Church, Minneapolis
- River of Life Lutheran Church, Minneapolis
- Salem English Lutheran Church, Minneapolis
- Salem Evangelical Lutheran Church, Minneapolis
- St Olaf Lutheran Church, Minneapolis
- Trinity Lutheran Congregation, Riverside, Minneapolis

Funds from partner congregations, the synod, and the churchwide office have risen to \$1,055,558.

Sacred Places is a national program that helps congregations with large buildings in urban settings to see their spaces as assets for the community and assets for mission. The following congregations have joined the Sacred Places initiative and \$89,706 has been given to this work.

- Augustana Lutheran Church of Minneapolis
- Calvary Evangelical Lutheran Church of Minneapolis
- Christ Church Lutheran, Minneapolis
- Christ English Lutheran Church, Minneapolis
- Emanuel Evangelical Lutheran Church, Minneapolis
- Evangelical Lutheran Church of the Redeemer, Minneapolis
- Jordan New Life Community Church, Minneapolis
- Mount Olive Lutheran Church, Minneapolis
- St. Paul's Lutheran Church, NE Minneapolis

Global Outreach:

Twenty people from Global Health Ministries and the Minneapolis Area Synod, ELCA, pastors and laity traveled to Nigeria in November 2006. Our global emphasis with our companion synod, The Lutheran Church of Christ in Nigeria, has totaled \$68,190. This is just a beginning.

AIDS Clinic	\$ 270	Seminary Scholarships	\$40,385
Electric Generator	\$12,876	Wells, Midwives, other	\$14,659

During October 2006 pastors and laity traveled to Leipzig where a joint study of the works of Deitrich Bonhoeffer with German leaders was held. We have now experienced 14 exchanges with the Lutheran Church of Leipzig and Saxony since 2001. The majority of these exchanges have been with youth and Lutheran institutional conversations have enhanced relations between our churches. More exchanges are being planned.

Evangelism:

Our evangelism strategy has implemented Natural Church Development, a strategy that works on many phases of congregational life in order to reach a goal of excellence for congregations. There are currently 25 congregations participating in the program.

My deepest thanks to the 25 coaches who are helping to guide congregations in Natural Church Development. \$30,000 has been raised for this part of our mission which is enhancing congregational life and \$16,000 has been raised for Theological Training for Immigrant Leaders in the U.S.

Making a World of Difference Thumbnail Accounting:

Total dollars given/pledged by congregations	\$1,818,851.74
Total dollars given/pledged by individuals	\$431,371.58
ELCA dollars	\$351,504.00
Thrivent dollars	\$482,000.00
Minneapolis Area Synod and City of Minneapolis	\$685,045.46
Lutheran Community Foundation, Sacred Places, NCD	\$40,817.00
Total dollars invested	\$3,809,589.78
Additional dollars needed to fully fund all projects	\$2,547,883.22

Number of Congregations in which Making a World of Difference is investing	55
Number of Congregations in the Minneapolis Area Synod involved in Making a World of Difference	84

Disaster Relief/Hurricane Recovery:

Our congregations were exceedingly generous with relief for the Gulf Coast or Disaster Response. We have sent \$291,000 to the Texas-Louisiana Gulf Coast Synod, ELCA to help them cope with the extremely difficult recovery.

Many of our congregations sent teams to the Gulf Coast either for Camp Noah or clean-up. We are aware of the participation of the following congregational teams:

Camp Noah

Calvary Lutheran Church of Golden Valley
Central Lutheran Church, Elk River
Faith Evangelical Lutheran Church, Waconia
Grace Lutheran Church, Andover
Immanuel Lutheran Church, Eden Prairie
Minneapolis Area Synod Staff
Mount Olive Lutheran Church, Minneapolis
Mount Olivet Lutheran Church, Mpls (2 teams)
Mount Olivet Lutheran Church of Plymouth
St Andrew Lutheran Church, Eden Prairie
St Peder's Ev Lutheran Church, Minneapolis
Transfiguration, Lutheran Church of the, Mpls

Clean-Up

Advent Lutheran Church, Maple Grove
Calvary Lutheran Church of Golden Valley
Christ Lutheran Church, Otsego
Maple Grove Lutheran Church, Maple Grove
Mount Calvary Lutheran Church, Excelsior
Mount Olive Lutheran Church, Minneapolis
Oak Grove Lutheran Church, Richfield
Prairie Lutheran Church, Eden Prairie
Shepherd of the Hills Lutheran Church, Hopkins
St Andrew Lutheran Church, Eden Prairie
St Luke's Lutheran Church, Bloomington
St Paul's Evangelical Lutheran Church, Hanover
Transfiguration, Lutheran Church of the, Mpls
Valley of Peace Lutheran Church, Golden Valley
Westwood Lutheran Church, Saint Louis Park
Word of Peace Lutheran Church, Rogers

Challenges:

The challenges ahead remain with mission support. Regular giving to the administration of our synod and the churchwide organization has been flat since 1987. This means giving to important ministries such as Agora Ministries, Bread of Life Lutheran Church for the Deaf, colleges and universities, Churchwide Evangelical Outreach, Churchwide Global Mission, Luther Seminary, Lutheran Campus Ministry, Mission Renewal Initiative, and Minnesota Council of Churches has also been flat or in decline.

It is my hope and prayer that our congregations reach a deep hunger for mission so that more and more neighbors are gathered into our congregations to hear the freedom of the Gospel.
Thank you for your faithfulness.

Commission Reports

Facilities Commission

Fred Kreider, Commissioner

This year, the Facilities commission was a lot of different animals. We started off like a lamb, soon became a lion, then a hibernating bear, then a voracious, awakening bear! I hope 2007 is going to be more like a lamb the whole year!

The boiler system continued to play havoc with our wits and dollars. It's just so complex, and so many things play into it, that it takes some time to figure things out. But, we think it is going to be tame for awhile.

The Room for Fresh Creations project came up quickly and kept us (and a lot of you!) very busy for a couple of pretty long stretches. It enabled the church to improve and forced us to do some freshening that probably would not have been done without that larger, overall project. And Staff was great putting up with the disruption during this whole time.

This summer we got rid of the old gas mower that Robert was constantly repairing and with help from the Garden Club, purchased a cordless electric mower.

There is still a lot to be done, and we're always open to having new members to the commission. No skills necessary, but a desire to help and learn is required! And, if you're already on another commission, we'd still like you to come and join us on work days/nights. Look for it on the calendar at <http://www.ulch.org> and click on the calendar link!

Education Commission

Lisa Morse, Commissioner

The focus of the Education Commission is to create faith-building opportunities for those of all ages. To this end, we have undertaken a variety of activities this past year, including:

- Expansion of the Faith Step Program milestones and integration of several class-level Faith Step achievements into worship where they were acknowledged by the congregation.
- Sponsorship of Service Sundays and Prayer Partner Sunday last spring.

- Coordination of Godly Play teacher training through the Center for the Theology of Childhood.
- Encouragement of in-home discussion and reflection through Lenten devotional materials and Advent Table Talk cards.
- Provision of behind-the-scenes support for a stellar line up of speakers for Sunday morning's Adult Forum, as well as mid-week Lenten and Advent series that entailed fellowship, education and worship for all ages.

Many thanks to the Facilities Commission, Diane Shallue, Pastor Shirley and all the volunteers and staff who worked tirelessly to plan, pack, unpack, reorganize and refurbish the Education Wing as part of this past year's Room for Fresh Creations remodeling project. What a fabulous improvement that we can all take pride in!

Stewardship Commission

Pastor Craig Shirley, Interim Commissioner

The Stewardship Commission was very pleased with how 2006 ended financially. We met our budget! The congregation is to be congratulated and thanked for your generosity. The number of people pledging this year is up almost 15% and more and more people are contributing regularly through Simply Giving.

It was fun to celebrate the completion of the Room for Fresh Creations remodeling project with a festive worship service and a wonderful fellowship meal with almost 230 people in attendance! We also had good response on Volunteer Appreciation Sunday when people could send notes of appreciation to anyone they wanted to within the church in order to thank them for their service.

We tried some new things like the Financial Fitness Club, which didn't catch on the way we thought it might, but we look forward to the new year with new leadership and new ideas. Thanks to all members of University Lutheran Church for your contribution of time, for you amazing talents, and your generosity.

Care & Nurture Commission

Sharla Aaseng, Commissioner

The Care and Nurture commission accomplished its yearly projects with some variations due to the construction. In February we put together and sent twenty-two “Valentine Care” packages to our members away at college or in the military. Then in March and later, in June, we received 12 new members who have since become involved in different aspects of our congregation’s life. Instead of a new member picnic we decided to introduce these new members with the help of their sponsors at a fellowship meal. That went quite well and we plan to continue this way. We had a special coffee hour for the newly graduated in June. Throughout the year the commission continues to provide devotional materials in various areas throughout the church, greeters for Sunday mornings, sponsors for new members, and to explore new ways to enhance the “nurture” aspect of our commission. At the end of the year we elected to put up a bulletin board on all the small group ministries here at Hope. The main purpose was to inform our own members, visitors and new members about all the possibilities for fellowship, especially around a specific interest. It is not quite finished but it will be shortly. The other organizations operating under the umbrella of Care & Nurture are the Friendly Visitors program, and the Prayer Chain. Thank you to all the volunteers and their hours of devotion to our congregation.

Worship Commission

Diane Greve, Commissioner

The worship commissioners for this year were Diane Greve, commissioner, and Per Halaas, Susan Hanson, Brian Sorenson, Sheryll Mennicke and Lorraine Berger. Sheryll and Lorraine resigned from the committee midway through the year and Matt Fujinaka was appointed to the commission in his role as lead usher. Tim Strand remained the primary staff representative and Pastor Shirley attended as time allowed.

- During the year we developed a new page regarding our worship services for the ULCH web site.

- We worked with the Education Commission to design a model for mid-week Lenten and Advent services. This involved a light meal at 5:30 PM followed by educational options for all ages from 6:00 - 7:00 and a reflective worship service from 7:00-7:30. We were pleased with the attendance and appreciation for these evenings and suggest we continue to offer them in 2007.
- The commission decided to recommend to the Board of Commissioners that ULCH purchase the new hymnal. With permission of the Board, we raised money for the hymnals in time to get the introductory price. We are grateful for the faithful response from our membership. The hymnals will be dedicated in February 2007.
- On November 19, a special worship service was held for the rededication of the newly remodeled education and office space. Bishop Johnson of the Minneapolis Area Synod was present to preach and participate in the dedication ceremony.
- At the 2006 Annual Meeting, a resolution was passed to form a task force to consider the best use of the Sunday morning time and whether it was time to have only one service, or if it was still best to keep two services. The task force was formed and had barely begun it's work when the Mission Renewal Task Force requested that this task force wait until the MRTF survey work was complete. A separate sub-team from the MRTF was then formed and is meeting. They are now wrestling with this question along with other possibilities for worship.

Outreach and Evangelism Commission

Marty Lewis-Hunstiger &
James Hlavka, co-commissioners

The Outreach and Evangelism Commission sponsored four major events during 2006:

- Spring 2006 Hope Forum April 17 at Weisman Museum. Dr. Chris Macosko, Professor in the Department of Chemical Engineering and Materials Science at the U. of M., and Dr. Alan Padgett, Professor of Systematic Theology at Luther Seminary, discussed Intelligent Design: A Christian Conversation.
- Pride Weekend June 24-25 – helped staff the Reconciling in Christ booth at Pride Festival, marched in Pride parade with Hope banner and Welcome banner made by Pauline Hendrickson.
- The National Night Out Block Party with dedication of our Peace Pole was held August 1.
- The annual Thanksgiving Dinner on November 23 drew more than 150 people.

We supported other commissions and work groups with their projects:

- Congregational Life: Planned, prepared and served two fellowship meals
- Garden Club: Helped publicize and staff annual spring plant sale.
- Worship Commission: Supported Pride weekend service, helped publicize summer music camp.

Ongoing work:

- Advertising in The Bridge newspaper.
- Maintaining visitor packets in pew racks.

Social Justice Commission

No report available

Congregational Life Commission

No report available



Financial Reports

Treasurer's Report

Norris Waalen, Treasurer

We made it! Thanks to your generous giving, we received \$98,748 in December, enabling us to meet our budget goals and have a small income of \$4,536. It replenished our cash.

Actual revenue (January – December) is \$ 579,299 versus Budget for same period \$ 562,352. The difference is \$ +16,947. *This includes both General Giving and the Bakers Dozen.*

The Bakers Dozen represented the anticipated shortfall in revenue for the year of \$ 49,500.

The General Fund is the *operating budget that pays the bills*: staff, programs, heat, and maintenance of our facilities.

General fund and Bakers Dozen (combined)

2006 Revenue Comparison of Actual to Budget: Each Month & Year to Date

<u>Month</u>	<u>Sunday</u> <u>#</u>	<i>*Bakers Dozen month</i>		<i>as of December 31, 2006</i>		<u>Over (under)</u> <u>Budget</u>
		<u>Actual</u> <u>Month</u>	<u>Budget</u> <u>Month</u>	<u>Year to Date</u> <u>Actual</u>	<u>Budget</u>	
January		\$ 41,699	37,854	\$ 41,699	\$ 37,854	\$ 3,845
February		51,061	46,708	92,760	84,562	8,198
March		40,228	39,623	132,988	124,185	8,803
April	* 5	58,139	67,031	191,127	191,216	(89)
May		37,612	41,045	228,739	232,261	(3,522)
June	* 5	36,304	49,568	265,043	281,829	(16,786)
July	5	51,341	40,923	316,384	322,752	(6,368)
August		35,206	38,071	351,590	360,823	(9,233)
September		41,813	41,971	393,408	402,793	(9,390)
October	* 5	47,905	56,451	441,308	459,244	(17,936)
November		39,242	39,180	480,550	498,424	(17,873)
December		<u>98,749</u>	<u>63,428</u>	<u>579,299</u>	<u>562,352</u>	<u>+16,947</u>
Totals		\$ 579,299	562,352			

2006 Results: Income (contributions and rentals) were greater than budget by \$ 16,947. Expenses exceeded the budget by \$ 12,410. Therefore a **net income of \$ 4,537**. This helps replenish cash.

Total contributions increased 14.1% over our budget (without Bakers Dozen). Our 2006 budget was based on 2.5% increase and 11.2% for Bakers Dozen totaling 13.7%.

Thank you to everyone for contributing generously and enabling a balanced budget.

University Lutheran Church of Hope
Balance Sheet
As of December 31, 2006

	Dec 31, 06	Dec 31, 05	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
1100001 · Wells Fargo Checking	56,891.50	16,143.93	40,747.57
5100001 · Wells Fargo Savings	10,537.35	42,235.26	(31,697.91)
Total Checking/Savings	67,428.85	58,379.19	9,049.66
Accounts Receivable			
1100101 · Accounts Receivable	(1,278.80)	244.96	(1,523.76)
Total Accounts Receivable	(1,278.80)	244.96	(1,523.76)
Other Current Assets			
1499 · Undeposited Funds	(100.00)	50.00	(150.00)
Total Other Current Assets	(100.00)	50.00	(150.00)
Total Current Assets	66,050.05	58,674.15	7,375.90
Fixed Assets			
1101001 · Equipment	46,368.43	46,368.43	0.00
1101002 · Buildings	866,318.48	866,318.48	0.00
1101003 · Parking Lot	93,717.63	93,717.63	0.00
Total Fixed Assets	1,006,404.54	1,006,404.54	0.00
TOTAL ASSETS	1,072,454.59	1,065,078.69	7,375.90
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 · Accounts Payable	(79.77)	919.66	(999.43)
Total Accounts Payable	(79.77)	919.66	(999.43)
Other Current Liabilities			
1200101 · OASDI Withheld	0.01	0.03	(0.02)
1200109 · AAL Withholding	50.00	100.00	(50.00)
1200110 · Credit Union Loan	6,000.00	6,000.00	0.00
Total Other Current Liabilities	6,050.01	6,100.03	(50.02)
Total Current Liabilities	5,970.24	7,019.69	(1,049.45)
Long Term Liabilities			
1500001 · Thrivent Mortgage	556,228.25	556,228.25	0.00
Total Long Term Liabilities	556,228.25	556,228.25	0.00
Total Liabilities	562,198.49	563,247.94	(1,049.45)
Equity			
1700000 · Dedicated Accounts	77,804.79	73,915.98	3,888.81
3000 · Opening Bal Equity	410,246.99	410,247.01	(0.02)
3900 · Fund Balance	17,667.76	37,086.86	(19,419.10)
Net Income	4,536.56	(19,419.10)	23,955.66
Total Equity	510,256.10	501,830.75	8,425.35
TOTAL LIABILITIES & EQUITY	1,072,454.59	1,065,078.69	7,375.90

University Lutheran Church of Hope
Profit & Loss
January through December 2006

	Jan - Dec 06	Jan - Dec 05	\$ Change	% Change
Ordinary Income/Expense				
Income				
1500100 · General Giving	501,450.31	444,075.73	57,374.58	12.9%
1500200 · Holiday Giving	11,290.15	15,999.39	(4,709.24)	(29.4)%
1500300 · Rental Income	45,114.55	44,494.34	620.21	1.4%
1500600 · Make Up Shortfall	21,444.19	0.00	21,444.19	100.0%
Total Income	579,299.20	504,569.46	74,729.74	14.8%
Expense				
1600100 · Salaries & Benefits	371,100.66	348,980.56	22,120.10	6.3%
1600200 · Administration	35,088.44	33,256.59	1,831.85	5.5%
1600300 · Facilities Commission	85,383.90	70,318.18	15,065.72	21.4%
1600400 · Education Commission	3,436.84	3,990.34	(553.50)	(13.9)%
1600500 · Social Justice Commission	3,485.00	963.67	2,521.33	261.6%
1600600 · Worship Commission	4,805.13	4,436.60	368.53	8.3%
1600700 · Congregational Life Commission	779.90	(23.27)	803.17	3,451.5%
1600800 · Stewardship Commission	36,069.73	29,963.08	6,106.65	20.4%
1600900 · Care & Nurture Commission	1,131.55	1,203.16	(71.61)	(6.0)%
1601000 · Outreach & Evangelism Commission	2,785.49	1,875.65	909.84	48.5%
1601200 · Finance	30,696.00	29,024.00	1,672.00	5.8%
Total Expense	574,762.64	523,988.56	50,774.08	9.7%
Net Ordinary Income	4,536.56	(19,419.10)	23,955.66	123.4%
Other Income/Expense				
Other Income				
8000 · Extraordinary - Non reoccurring	0.00	0.00	0.00	0.0%
Total Other Income	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	4,536.56	(19,419.10)	23,955.66	123.4%

**Room for Fresh Creations
2005 and 2006 Financial Report of Cash Received and Cash Paid Out**

Cash Received for RFC Project

Contributions in 2005	\$212,398
Contributions in 2006	185,372
Grant from Trust Funds	6,500
Proceeds from Mortgage spent on Project	1,149,478
Proceeds from Mortgage cash	<u>87,185</u>

Total cash received for project thru 12-31-06 \$1,640,933

Uses of Cash for RFC Project

Construction Related:	
Architect Fees	\$154,095
Construction Costs: Labor & Material	1,314,804
Interest during Construction	9,231
Insurance	3,208
Painting and Supplies	<u>931</u>
Total Construction Related	1,482,269

All Other Expenses

Furnishing	\$11,723
Refinancing costs	15,576
Temporary Office and Two Moves	20,445
Fundraising and Publicity	<u>34,147</u>
Total All Other Expenses	81,891

Total Construction and All other Expenses Paid Out (1,564,160)

Cash Balance upon Completion of RFC \$76,773

Operating Activity Since Completion

Rent Received from Pease (RFC's portion)	16,084
Less Mortgage Payments (RFC's share)	<u>(32,707)</u>

Net Cash Withdrawal Since Completion (16,623)

RFC Cash Balance at December 31, 2006 60,150

Plus Onward 2 Funds at December 31, 2006 68,940

Cash Available for Mortgage Payments 129,090

Notes:

Prior Mortgage originating 11-5-1998 for \$605,000	
Balance of mortgage upon Refinancing	533,160
Refinancing fee included in mortgage \$ 5,332	
Additional mortgage for RFC 1,236,508	<u>1,241,840</u>
New (One) Mortgage upon Refinancing 10-18-06	<u><u>1,775,000</u></u>

Fixed rate is 6.7% for 20 years, level payments fully amortized in 20 years
2% prepayment fee if refinanced with outside lender before October 2, 2011

Monthly Mortgage payment

Paid by General Fund	2,558
Paid by Above Fund	<u>10,890</u>
Total Monthly Payment	<u><u>\$13,448</u></u>

Notable Unexpected costs incurred during project

Demolition and Rebuild Exterior Fireplace	\$25,275
Storm Sewer Disconnect	20,286
Air Conditioning & furnishing paid by Pease via extra rent	20,494
Concrete curbs and sidewalks	<u>13,746</u>
Total (partial list) Unexpected Costs	<u><u>\$79,801</u></u>

Submitted by Norris Waalen

On behalf of the RFC Finance Committee

Other Reports

Mission Renewal Task Force Report

Lisa Morse, Chair

Through the course of establishing the “Room for Fresh Creations” Remodeling Project in the fall of 2005 under the guidance of Kairos, a Christian resource development firm, members of the congregation raised questions and concerns about the mission of University Lutheran Church of Hope (Hope) as a congregation in a rapidly changing urban neighborhood. To address this and to better equip Hope in its strategic planning, Jeff Kjellberg, a Kairos Consultant, proposed that we undergo a mission renewal process. The 2005 Board of Commissioners supported this recommendation and appealed to Hope’s Trust Board for financial support. Funding was approved by the Trust Board in January 2006.

In March 2006, the Board of Commissioners established the Mission Renewal Task Force (MRTF) to work under the guidance of Jeff Kjellberg and address the following objective:

To explore and identify primary mission priorities for this congregation through in-depth conversations with leaders and members, formalized survey feedback from the congregation, and guidance from a professional consultant. As a result, develop and implement a missional focus for Hope and ensure that its structure, staffing, and financial resources align with these mission priorities.

To this end, in what we called “Phase I,” the MRTF prepared and presented the Congregational Survey. In “Phase II” we created the sub-teams for further exploration (Worship, Youth (Dream Team), Hope in the World, Staffing & Governance). Now, in “Phase III,” we begin building the structures that will carry Hope forward with the long-term best interests of our congregation in mind.

The MRTF and its sub-teams are steadily working through their charters with the following time line in mind:

February / Mid-March:

MRTF and Sub-Team charter work underway; Preliminary MRTF recommendations are presented to the Board of

Commissioners and staff for feedback.

Late March / Late May:

MRTF and sub-teams refine their recommendations; plans for executing recommendations are developed.

Early June / Mid-June:

MRTF presents recommendations impacting fall worship, future programming and events, etc. to the congregation at a Congregational Meeting.

Mid-June / August:

Preparations for implementation of recommendations are underway.

September:

Approved Mission Renewal recommendations are rolled out.

In God’s gracious timing, we find ourselves at a crossroads seriously grappling with what it means to be University Lutheran Church of Hope, why it is important that we continue to exist into the future, and how we will make a difference in the world going forward. God has richly blessed us with an immensely talented, faithful, and proven core of members and resources. It is important to remember that through this mission renewal process our congregation has all the right mechanisms in place to navigate these transitional times.

The current MRTF Core Team is chaired by Lisa Morse (Board member). Task Force members include Sharla Aaseng (Board member), Jack Dant (Dream Team member), John Hustad, Uli Koester, Elaine Millam, Sonja Peterson (Personnel member) and Marilyn Preus. Pastor Craig Shirley serves as liaison to the staff.

The Hope Church Trust

Plant your seeds now and trust in the Lord, that these seeds will bear fruit, even when you are gone.

The Hope Church Trust manages two funds, the Endowment Fund and the Special Gifts Fund. On the Endowment Fund, only the earnings from the fund can be made available for approved projects. We are pleased to report that sufficient earnings are available this year. When earnings are available, the maximum amount to be made available to worthy projects is 5% of the average value of the fund at the end of the previous 5 years. This year that total is \$15,644.77.

Contributions to the Endowment Fund during the year were \$5,143 while expenditures on previously approved projects were \$16,880.72.

The end of year numbers for the Endowment Fund are as follows:

-Total Endowment Fund Contributions:
\$306,999.19.

-Endowment Funds Committed to Projects:
\$6,313.72.

In Special Gifts the total contributed was \$2,429 while expenditures were \$500. Remaining funds in Special Gifts total \$32,215.34.



Rummage Sale

Ruth Fingerson, Rummage Sale
Coordinator

Our rummage sale is a community event with a long history. It has become a loving place for outreach and service to others. This year we earned \$11,324.49. We gave 10% of that amount to charities outside of Hope.

This money funded several projects:

- Lounge furniture - \$2500
- Sunday School storage - \$4800
- Camp Amnicon - \$1000
- High school youth trip - \$1200
- Confirmation group trip - \$1500
- QRS - \$500
- Senior group - \$200

Revenues have been declining the past few years. We need more donations, and especially more customers. Many Hope people do not realize that we have many high quality items at low prices, and that it is a fun event for the whole family. Give a child \$2.00, and see what she or he comes home with! Working within a budget is a great experience for a child.

It is never too early to make requests for funding from next year's sale.

Benevolences for 2006

	<u>Amount</u>
Bread for the World	978.84
Families Moving Forward	900.00
ISAIAH	2,500.00
Lutheran Social Services	3,173.52
Minneapolis Area Synod of the ELCA	28,993.89
Rosebud Mission	150.00
Second Harvest Foodshelf	100.00
	<u>36,796.25</u>

Minutes
University Lutheran Church of Hope
Annual Meeting
February 5, 2006

President Joan Campbell called the Annual Meeting to order at 12:20. Pastor Craig Shirley opened with prayer. We sang “We are all in Mission”, the hymn printed in the Annual Report.

Pastor Craig Shirley called our attention to the “table tents” scattered around the room. These describe the budget and work of the church in a different form. Rather than as line items, they describe our budget as mission and support areas.

Joan again took the microphone, asking for a round of applause to Rebecca Tetlie and to Norm and Sharla Aaseng who have prepared the food for us.

Minutes of the last Annual were adopted, moved, seconded, and carried.

Treasurer Norris Waalen took over the proceedings to discuss the budget for 2006. He presented charts to aid in our understanding. He pointed out that we ended up 2005 with a deficit of just under \$20,000. He continued his comprehensive report.

Looking further, he discussed the 2006 budget and how it was prepared. Part of the planning involves working to make up the shortfall from last year, as well as looking after the rest of the deficit for the current year; these items together total \$49,500.

Pastor Craig Shirley took the microphone to encourage increases in giving with members working toward the tithe.

Treasurer Norris Wallen then outlined the various areas in which we need additional funds. He further went on to outline the “extra month” campaign, looking to raise these additional funds. We will be looking for these additional contributions by April 23, June 11, and October 15, all in 2006.

Sarah Wille spoke about the importance of encouraging more resources for Youth activities, both in time and in cash.

Treasurer Norris Waalen moved approval of the budget. The motion is seconded.

Donna Nesta spoke to the reductions to the Social Justice budget, finding this movement distressing. She moved the “General” category in the “Making up the Shortfall” budget be designated to ISALAH. Kirsten Mebust seconded, then spoke to the issue, reporting that University Lutheran Church of Hope failed to pay any dues to ISALAH in 2005 and that we hope to meet this year’s dues and make up for last year’s oversight. She feels we need to meet our obligation.

Norris clarified that none of the moneys in the “Making up the Shortfall” area are new spending. Replying to a query from Tim Abrahamson, it was further clarified that their dues usually come from the Social Justice budget. Merrill Morse asked, does the motion raise the budget by \$2,000? The reply is no, this is simply naming an item on the budget. Further discussion ensued, with David Ranheim and others speaking.

Leslie Frost cautioned us about changing the budget from the floor of the meeting, suggesting we ask the Board of Commissioners to figure out how to do what we want.

Dianne Star asked whether the “Making up the Shortfall” lines are in the budget; Norris replies that they are not on the expense side, but they have been created as revenue lines.

The amendment failed in vote.

We returned to discussion of the budget. Dianne Star brought up the issue of the SouthEast Neighborhood’s proposals to install solar energy systems. President Joan Campbell replied that there is no plan to do this.

Tim Abrahamson asked about a “green roof” on the building, a sod roof to mitigate the storm water runoff expense. Martin Thompson indicated this has been reviewed, indicating this is very expensive. Joan also mentioned landscaping on our parking lot.

Norris Waalen returned to the microphone, suggesting most members’ giving likely goes to other charities. If so, members might think about moving large parts of their charitable giving to University Lutheran Church of Hope. He said the next 3-4 years are critical, that members need to ask how they can make it happen. Martha Swenson related how we might put in rain gardens to mitigate the storm water situation.

The budget was adopted by unanimous vote.

Joan Campbell recognized outgoing Board of Commissioners members, Marty Dorow, Rebecca Tetlie, Dan O’Loughlin, Kathy Knudson, Jill, James Hlavka, and Jim Gamble.

Marilyn Preus, chair of the Nominating Committee, took the podium to give the report of that committee. She read the names of the nominees; they are also printed in the Annual Report. She moved acceptance of the report. Rebecca Tetlie reminded us that we need a Youth Representative; this will be done at the Board meeting. Marty Lewis-Hunstiger reported that James Hlavka has volunteered to be co-commissioner of Outreach; she moved this. She went on ask about adding new members to Commissions; can this be done during the year without congregational approval? Joan thought yes.

We voted to affirm James Hlavka as co-commissioner of Outreach. The slate was elected by unanimous vote.

Joan then turned the microphone over to our new President, Garvin Davenport. He started his tenure by asking for a round of applause to recognize Joan Campbell’s work.

Garvin went on to speak of his feeling of honor being asked to be President. He pledged to do his best during this very exciting year, with the challenges we face. He indicated his pride at being a member here. He also assured us that we will hear from him, especially those who have skills in Stewardship.

Garvin asked for presentation of resolutions.

Dianne Star started by reading her proposed resolution, taking umbrage at proposed legislation that would put restrictions on marriage into the constitution of Minnesota. The resolution will be referred to the Social Justice Commission. The resolution was proposed and seconded. Donna Neste offered a friendly amendment, asking for

April 1, rather than March. Dianne Star accepted this amendment. Jill asked for clarification; does this proposal order Social Justice to act on our behalf, or to come back with a recommendation? Dianne indicated her intention is to ask SJ how to respond; SJ would come back to us with how they suggest we handle it. Jill responded that, for her, this is an important issue and that the congregation itself should be able to review this and participate in the process. Jill went on to suggest an amendment to delete “determine” and substitute “study and recommend”. Joan Campbell pointed out that, between congregational meetings, the Board of Commissioners acts on their behalf; that a congregational meeting should not be necessary. David Ranheim expressed his concern that we not bring this back to the congregation, but rather to the Board of Commissioners who can then act. Sonja Peterson read the suggested revised wording. The new resolution states that the Board of Commissioners is acting for the congregation. The resolution passed unanimously.

Worship Commissioner Diane Greve took the podium with a resolution on forming a task force to review Sunday morning worship programs and the schedule. The text of the resolution is

"Resolved, that the Board of Commissioners create a task force to review Sunday morning worship options and programs as well as the impact of any changes in schedule. Membership should include but not be limited to representation from staff; the worship, education and outreach commissions; those who regularly attend the 8:30am service and those who regularly attend the 11:00am service."

David Ranheim asked for clarification, is this something we have discussed before?

Diane replied that this is a narrowly-focused issue. The resolution was adopted unanimously.

Kirsten Mebust announced that, as a member of ISALAH and a member of the Education Commission, that the Lenten Journey this year will involve small groups, studying the Bible and reflecting what these lessons may be calling us to do. She solicits sign-ups for these programs, allowing her to make plans.

Chris Collin asked about child care during these meetings, Diane Shallue replied in the affirmative. She further related that the materials are good and that the sessions should be excellent.

David Ranheim saluted Marty Dorow and her years of excellent service as Worship Commissioner, as President, head of the Personnel Committee, and head of the Room for Fresh Creations effort.

Pastor Kwanza Yu led us in a closing prayer.

-Craig M. Wiester, Recording Secretary

Nominating Committee Report

February 4, 2007

(Underlined names are nominees)

Officers

President Karmi Mattson
Past-President Garvin Davenport
President-Elect Bob Moluf 2007
Secretary-Treasurer Norris Waalen

Commissions

Care and Nurture

Commissioner: Sharla Aaseng
Bernice Davenport 2007
Kathy Kufus
Nancy Miller

Outreach and Evangelism

Co-Commissioner: Marty Lewis-Hunstiger
Co-Commissioner:
Paul Demeules
Kay Else
Tim Hopkins 2007
Norris Waalen

Congregational Life

Commissioner: _____
Marilyn Asp
Sara Burson 2007
James/Carol Flaten
Pat Frolen
Pauline Hendrickson 2007
Sarah Lauber 2007
Jean Tjoflat

Social Justice

Co-Commissioner: Donna Neste 2007
Co-Commissioner: Karen Westwood 2007
Dean Bronson
Ann Lee
Jack Sielaff 2007
Steve/Nancy Struthers
Paige Whitney 2007

Education

Commissioner: Lisa Morse
Madhu Bhat
Arthur French
Don Hauge 2007
Mary Anne Lofstrom
Rebecca Tetlie

Stewardship

Commissioner: Tim Gustafson 2007
Louise Bjorkman
Jill Fedje
Jim Gamble
Mark Nelson

Facilities

Commissioner: Fred Kreider
Norm Aaseng
Daryl Hintz
Mike Kneer
Kathy Knudson
Ken Lynes
Ken Sarkela

Worship

Commissioner: Jim Hlavka 2007
Matt Fujinaka 2007
Diane Greve
Per Halaas
Sue Hanson
Linnea Pignatello 2007

Committee and Board Members

Nominating Committee

Karen Lindesmith
Ruth Phelps
John Pignatello
Jo Schroeder 2007
Jan Sanden

Personnel Committee

Ann Agrimson
Garvin Davenport 2007
Sonja Peterson
Bob Swanson

Trust Board

John Beane
Mike Fingerson
Beth Kautz
Tim Killeen
Karen Lindesmith
Don Millam
Lisa Morse

Representatives

Fairview Association

Diane Greve 2007
Bob Hoisington

Luther Seminary

Bruce Eldevik

Plymouth Youth Center

Mildred Holmgren
Gretchen Peik

Synod Convention—May 31-June 2, 2007

Gustavus Adolphus College, St. Peter, MN

Delegates:

Karmi Mattson (President) 2007
Bob Moluf (President-Elect) 2007
Wayne Westwood

Alternate:

Kirsten Mebust

University Lutheran Church of Hope Staff

as of December 31, 2006

Lead Pastor	Craig Shirley
Pastor	Kwanza Yu
Education Director	Diane Shallue
Cantor	Timothy Strand
Children's Choir Director	Kayla Else
Administrator	Craig Wiester
Nursery Attendant	Marcia Rae Evenson
Custodian	Robert Bailey
Weekend Custodian	Adam Real

Statistical Report

	<u>Baptized</u>	<u>Confirmed</u>
<u>Membership Beginning of 2006</u>	736	617
<u>Members Received in 2006</u>		
Baptized	1	
Affirmation of Faith	3	1
Other	2	1
Transferred	6	4
Total New Members Received	12	6
Existing Baptized Members Confirmed		7
Total Gains	12	13
<u>Baptized Members Removed in 2006</u>		
Death	7	7
Inactivity	2	2
Request	11	8
Transfer	7	7
Total Members Removed	27	24
Net Change in Membership	-15	-11
<u>Membership as of December 31, 2006</u>	721	606