

University Lutheran Church of Hope

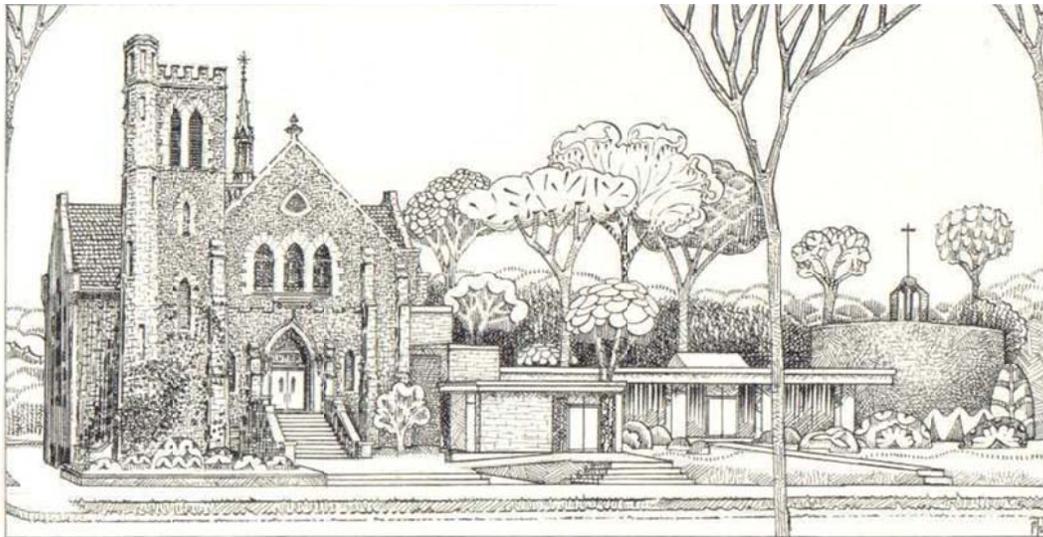
601 13th Ave. SE

Minneapolis, MN 55414-1437

(612) 331-5988

www.ulch.org

*University Lutheran Church of Hope
is a welcoming, Christian community of faith
centered in God's grace and
called to demonstrate God's love for the world.*



2014 Annual Report to the Congregation

Presented at the Annual Meeting

February 8, 2015

Complex World. Thoughtful Church

Table of Contents

<i>President's Report</i>	3
<i>Meeting Agenda</i>	5
<u><i>Leadership Reports</i></u>	6
<i>Pastor Craig Shirley</i>	7
<i>Visitation Pastor Esther Dant</i>	8
<i>Education Director Diane Shallue</i>	9
<i>Worship and Music Director Luke Tegtmeier</i>	10
<i>Director of Youth Ministry Jim Vitale</i>	12
<i>A Letter from the Bishop</i>	13
<i>Lutheran Campus Ministry: Tim Schroeder</i>	14
<u><i>Ministry & Team Reports</i></u>	
<i>Education</i>	15
<i>Facilities</i>	16
<i>Leadership Development & Communications</i>	17
<i>Relational Ministries</i>	18
<i>Trust Board</i>	19
<i>Worship and Music</i>	20
<i>Youth and Young Adults</i>	20
<i>Personnel Committee</i>	21
<u><i>Financial Reports and Other Reports</i></u>	22
<i>Notes on Financial Statements</i>	23
<i>Income Statement</i>	24
<i>Balance Sheet</i>	25
<i>Capital Campaign Income Statement</i>	26
<i>Capital Campaign Balance Sheet</i>	27
<i>2015 Budget</i>	28
<i>Leadership Development</i>	29
<i>Staff Roster</i>	30
<i>Church Statistical Report</i>	31
<i>Upcoming Farewell</i>	32



Complex world. Thoughtful church.

President's Report

University Lutheran Church of Hope is an incredibly vibrant community and busy place filled with thoughtful, faith-filled people engaged in all manner of ministry, worship, and work in the world around us. This past year was no exception, as the reports from our various ministry areas and working committees in this document attest. Indeed, at least from a leadership perspective, the year may have been even busier than usual as the Vision and Governance Board took on three major new initiatives in 2014.

Two of those projects should be quite familiar at this moment since they have been embedded in the life of the congregation over the past couple of months and are ongoing. One would be our "Hope for the Future" mission appeal, the latest in the cycle of capital commitment campaigns needed to continue payments on our mortgage (which is still a bit larger than we'd like it to be) and to sustain our beautiful, if aging and increasingly expensive facility and grounds. The other involved the establishment of a Call Committee to lead us in the process of identifying and securing a lead minister to replace Pastor Shirley who will be retiring sometime later this spring.

Your Vision and Governance Board actually did a lot of work in the first part of the year to prepare ourselves and the congregation at large for these important projects. It may seem like ages ago, but last spring we embarked upon an ambitious self-study and extensive planning process to review our mission, renew our commitments, and plan for the long-term vitality of this great congregation in the midst of our own changes and the many, ongoing changes in the neighborhood, campus, and community around us. This self-study, which involved dozens of Hope members and was led by a special, ad hoc committee of representatives from the Board and the congregation, was our third major initiative.

Working with Kairos and Associates, we fielded a comprehensive congregational survey and convened a "Leadership Vision Summit" with board members, staff, and a dozen other congregational leaders. We also hosted a series of "External Listening" sessions with key representatives and stakeholders from the surrounding neighborhood and community. The Kairos staff, led by Kirstin Wiersma (herself a child of Hope), conducted a series of interviews and focus groups that involved over 50 (yes, fifty!) members of Hope offering their feedback and perspectives.

When my term as President started, I worried that we might be taking on too much at once. I was, as many of you recall, particularly uninspired by the need for a new, three-year capital campaign. Now in retrospect, however, I think having all of this work to do has actually turned out to be a blessing. It has helped to re-energize us, to bring us together, and look ahead. In particular, this extensive self-study process afforded us the opportunity to reflect broadly and position ourselves ambitiously for the future.

Based upon our self-study, reflection, and discernment (as well as several extra meetings and a weekend retreat), the Board identified what four of the core values that define Hope and constitute our collective "holy purpose."

- Sense of community: we know (a lot about) each other; people are real; many feel safe

- and not judged here; there are smaller communities within the larger community
- Importance of being connected to the world: we are curious about the world around us (people, places, nature, systems, events); our faith isn't just a personal relationship with God, but also (arguably foremost) our relationship and interaction with our "neighbor"
 - Faith is lived out through our vocation: our work / what we do outside of church has meaning; throughout work we are helping others, improving the world, fighting for justice; "church" isn't the only place we live out our faith
 - Intergenerational congregation – appreciation of different stages of life and how our faith is nurtured and expressed in different ways at different stages; desire to be connected with people in different stages of life.

I mention these core ideas and principles in this context not only because they have proven indispensable in informing and grounding all of our activities and efforts in 2014. I reiterate them because it is also my hope and prayer that they can help guide us in coming months and years—as we search for a new leader, renew our personal commitments to this historic congregation, and continue to reflect on our collective mission and ministry in the midst of a changing neighborhood at the heart of a large, secular campus community in an increasingly complex world.

Hope Church is, as I have said on many occasions, blessed by a top-shelf, incredibly professional and hard-working staff. We've got an unbelievably passionate and committed stable of volunteers and lay leaders in this congregation—folks who not only keep all of our usual programs and commitments humming along, but who step up time and again to take on extra tasks and new initiatives. And we also have a wonderful new team moving into positions of leadership for the next phase of mission, ministry, and life together. Hope's foundation is firm and our future bright. Thanks be to God.

Doug Hartmann
Congregational President

*University Lutheran Church of Hope
is a welcoming, Christian community of faith
centered in God's Grace and
called to demonstrate God's love for the world.*

Congregational Meeting

Agenda for February 8, 2015

1. *Opening hymn, prayer, and comments*
2. *Adoption of rules for the meeting*
3. *Approval of previous minutes*
4. *Personnel Committee report for 2014*
5. *Treasurer's report for 2014*
6. *Ministry Area presentations*
 - *Youth and Young Adults – Cory and Katie Olson*
 - *Education – Kirsten Mebust*
 - *Worship and Music – Paul Odenbach*
 - *Relational Ministries – Paige Whitney*
 - *Facilities Team – Fred Kreider*
 - *Trust Board Report – Paul Demeules*
7. *Review of benevolences distributed during 2014*
8. *Message from Pastor Shirley*
9. *Hope for the Future report*
10. *Call Committee update*
11. *Presentation and approval of 2015 budget*
12. *Recognition of outgoing board members*
13. *2015 Leadership Development report and election*
14. *Announcements*
15. *Closing blessing*

Leadership, Ministry and Team Reports

Lead Pastor Craig Shirley

From Psalm 46: God is our refuge and strength, a very present help in trouble. Therefore we will not fear, though the earth should change.

2015 will be a time of change. Every year is a time of change – certainly. But for our family, it will look quite different. Both my wife and I plan to retire in 2015 and that is a huge change for two people who have worked full time for all our adult lives! How will we get along being home together all the time? Friends tell us it will be just fine.

But with my retirement, this year means a change for the congregation as you begin the process of calling a new senior pastor. For some, that change is exciting and holds promise of a new person, a new personality in the pulpit and leading the congregation. For others, the change is discouraging. “We were just getting used to you” people say.

The neighborhood has changed as well. Last year we were anticipating what all the changes might mean for us here with new apartment buildings opening, the possibility of more students worshipping with us. Through a partnership with the Minneapolis Area Synod, we have added a new staff position for Lutheran Campus Ministry outreach. Tim Schroeder, a first year seminarian at Luther, came to us with several years of experience as a student leader and lay staff person at the University of Wisconsin Stout. We are glad to have him meeting and greeting the students who worship with us on Sundays.

The other change that happened on staff this year was the addition of Jim Vitale. He too is a M.Div. Luther student in the CYF (Children, Youth and Family) program. He and the youth of the congregation are getting to know each other better after the change in youth ministry leadership and you can read about what they are doing in another part of this report.

The year 2015 may bring other staff changes as well, but for now I continue to give thanks for Esther Dant, visitation; Gayle Bidne, business manager, Diane Shallue, Christian Education and small group ministry; Luke Tegtemeier, Music Director and our custodian Geremew Beshah. Together with the fine leadership of the Vision and Governance Board and the many committees and task forces of the congregation, University Lutheran Church of Hope can celebrate its 110th year of service to our neighborhood and the larger community with pride.

Especially challenging this year will be the “Hope for the Future” capital campaign. This is part of a long-term commitment the congregation made ten years ago to keep our building up to date and in good repair in order to meet the needs of our many constituents, including PEASE Academy, now the only “sober” high school in the metropolitan area. The work that PEASE is able to do with students with substance abuse issues is truly life changing. I was thrilled to hear testimonials from former students as the school celebrated its 25th anniversary in a gala event. Most of those years have been spent here in our building and we are privileged to be able to offer our building as the home of this important school.

Change does happen whether we want it or not. The Christian church is changing and Lutherans throughout the world are working to grow and meet the changing society that is before us. This congregation is no exception. We want to grow and continue to be influential as well as faithful to our calling to be Christ in the world. How that looks tomorrow will be different than it is today; just as we are different than we were 110 years ago. But through it all we pray that God is leading and the Holy Spirit is guiding us as followers of Jesus Christ. Amen.

Rev. Craig M. Shirley
Lead Pastor

Visitation Pastor Esther Dant

“The great use of life is to spend it for something that will outlast it”
WILLIAM JAMES

“Why does a bicycle have to lean against the wall?”

This was one of Lula Guthrie’s last riddles for me. The very large collection of beanie baby bingo prizes in her window sill was called “Lu’s zoo,” by her daughter Mary. Lula went home yesterday. Another loving generous heart till she died. Joy Agrimson went home also. A remarkable woman, buying her own home long before it was ‘acceptable’ for women to do...and speaking out in support of gays and lesbians long before people were ready to think differently or openly. Andi Wolfe Nelson lived at the speed of light before her illness continued to take its toll. I loved hearing her brilliant, pragmatic thoughts. The losses for these families are deep and will continue. I pray that they also know peace for the presence and love they gave their cherished loved ones.

Compassion Care heard a friend share with us her daughter’s suicide. It was very humbling, but crucial to continue to learn of pain and it’s crippling of our lives. Gathered around a full table, the group meets monthly to learn and share our work and to strengthen each other.

Friendly Visitors head up our special Homecoming for Homebound. The bright smiles not only are on the faces of the Homebound, but members as well. Helen Good said at my next visit, “I had Arthur French in Sunday School! It was so good to see him.” Regular visiting also continues by these caring people.

A new event began at Augustana for our Homebound. Once a month we have Holy Communion together in a small dining room. Our numbers have grown there and it is good to be together for this.

Our Senior Group is a faithful group. We look forward to a variety of programs that make us smile, and think more deeply. Our January program will find us exploring with Pastor Shirley this year of transition. Two of our homebound who now prepare to put their home on the market, gave me this plaque for Christmas, **“Don’t worry about tomorrow...God is already there.”**

YES, HE ISAND THAT WILL NEVER CHANGE.

(p.s. “Why does a bicycle have to lean against the wall?” “Because it’s two tired.”)

Pastor Esther Dant
Visitation Pastor

Christian Education and Small Group Ministry

We always give thanks to God for all of you and mention you in our prayers, constantly remembering before our God and Father your work of faith and labor of love and steadfastness of hope in our Lord Jesus Christ.” I Thessalonians 1: 1

I want to echo Paul’s words in First Thessalonians. I am so thankful for the many people with whom I serve here at University Lutheran Church of Hope. There are three parts to this thanksgiving: **1. The work of faith 2. The labor of love 3. The steadfastness of hope.**

I have experienced all three in my ten years serving in this congregation –**faith** in God and the mission of this congregation; **love** that is manifested in caring for others; **hope** in God’s continued purpose for this congregation ministering in this neighborhood. I am thankful for laughter and celebration, for joyful serving together, and for the energy radiated into the university community. I am especially thankful for the welcome given to children and their families during worship. Of four congregations in which I have served as an associate in ministry, this congregation is the most welcoming of children in worship. I have never heard a complaint about noisy children in worship in my ten years of service. That is a cause for celebration!

As we move into 2015 with a time of celebration of the assets and strengths of this congregation, as we are steadfast in the face of staff transitions, as we labor in love to reach out to the people moving into this neighborhood, I continue to be thankful for what is and hopeful for what is coming.

“May the God of hope fill you with all joy and peace in believing so that you may abound in hope by the power of the Holy Spirit.” Romans 15: 13

Diane Shallue

Director of Christian Education and Small Group Ministries

Worship and Music Ministry

2014 was my first complete calendar year at Hope, and it was a very busy one indeed! My report is divided into three sections: items that are notable but not necessarily new; items that were new for 2014; and challenges/plans for 2015.

Notables:

Worship at Hope continues to include music from a wide variety of styles and musicians. The music program at Hope involves some 70 musicians, not counting Sunday School children. These include singers in Hope Choir and Festival Choir (see below), ringers in the Handbell Choir, and instrumentalists of all kinds. Hope is blessed with many instrumentalists; this was perhaps most noticeable on Easter Sunday when we had a small orchestra of members playing brass, string, and woodwind instruments. Christmas Eve this year also featured a wide variety of instrumentalists. And the resident trio of Tim Gustafson, Mark Nelson, and Paul Odenbach continue to make incredible, original music during our worship. We were even blessed by the presence of the Minnesota Boychoir on a Sunday morning in March.

New items for 2014:

- In January we re-formed the Worship Committee into a Worship Planning Task Force. These are small groups of about five people that meet four to six times to do “big-picture” planning for a liturgical season. Then we assemble a new group of people for the next season.
- In the winter a new chorus called “Magpies and Ravens” started using our chapel as their rehearsal space on Saturdays. They continue to do so, paying their rent by singing for Sunday worship once a semester.
- In April the Hope Choir and Festival Choir plus a small chamber orchestra presented Bach’s Cantata 38, “Aus Tiefer Not”. This was the first time a Festival Choir was put together – they met for five rehearsals with Hope Choir, sang a major work, and were thanked and dismissed. It seems to be a great ministry to people who want to sing but cannot commit to every Wednesday of every week.
- In June we started using Ministry Scheduler Pro (MSP) to schedule Assisting Ministers, Ushers, Communion clean-up folks, Communion Servers, Lectors, Greeters, Acolytes, Offering Counters, Bulletin Collators, and the Altar Guild. Although the Altar Guild has decided to return to their former scheduling method, feedback from other groups has been overwhelmingly positive.
- This summer we removed, re-leathered, and reinstalled one of the organ’s two main air reservoirs. It was well past its lifetime, as was evidenced by the large holes in the aging leather. Many thanks to Bob Shallue and Pastor Shirley for helping me with their “in-house” labor to keep the cost low.
- The biggest project of the summer was drastically updating the catalogues for the Hope Choir and handbell music libraries. Many, many thanks Jo Schroeder and Mary Ann Teske for their invaluable help on that project!

- This summer Rosalie Eldevik also attended an Orff Schulwerk training event at St. Thomas University. This is a very hands-on approach to music education for children, and is most seen in the use of the small xylophones in church.
- In September both of our regular adult ensembles were moved: the weekly Hope Choir rehearsal was moved from the chapel to the church. The Handbell Choir was moved from the balcony to the front of the church to allow them to play with hymns and the organ more often.
- Also in September the 8:30 service was moved into the chapel. The size of the 8:30 congregation fits this space perfectly, and allows us to make more use of this wonderful space.
- This fall also saw the premiere of a new website for Hope. Although not very music-related, this was a project that required a good deal of my time, and so seems to deserve mention here. I continue to be the point person on staff for the website.
- In October the Festival Choir returned (with a different roster) and combined with the choirs of University Baptist Church, Grace University Lutheran, and our own Hope Choir to present Felix Mendelssohn's *Psalm 42: Wie der Hirsch* with an orchestra of nearly 30 players. Dr. Peter Mercer-Taylor, Associate Professor of Music at the University of Minnesota, presented an entertaining and enlightening lecture on Mendelssohn immediately before the very well-attended event.

Plans and challenges for next year (in prioritized order):

- In Fall 2015 we will be missing fully half of our handbell ringers due to retirements, college, and other life changes. Therefore the focus for this spring is recruitment.
- The new Worship Planning Task Force model has many positive attributes, but one of the main downfalls is that it takes a lot of work to find about 20 new members for this group over the course of the year. Again, recruiting is the challenge.
- The organ has had one reservoir re-leathered, but there is another one of the same age in the basement. Although this one is not yet ruptured, it should be re-leathered this summer.
- Having updated the Hope Choir and Handbell Choir libraries during summer 2014, I hope to create an electronic catalogue of the Children's Choir music library during summer 2015. The fact that it is not currently cataloged makes it virtually useless right now.
- Hope Choir has very nice, relatively new vestments that include green, purple, and red scapulars to go over their albs. It would be wonderful to raise the money to buy blue and gold scapulars for Advent and Easter, thus completing the liturgical year.

Luke Tegtmeier
Minister of Worship and Music

Youth Ministry

In the past year, the University Lutheran Church of Hope Youth Group has continued its traditional involvement in a multitude of different events surrounding faith formation, volunteerism, and leadership. The youth participated in a number of retreats, one of which was held in January at Luther Seminary and concerned faith and racial justice; they also used grant money to make fleece blankets for Families Moving Forward (FMF), hosted the Easter breakfast, and enjoying the annual trip to Camp Amnicon. Our confirmation students had a blast participating in Moonlight Madness last November and look forward to a service event this summer. The coming year will be jam-packed and exciting, and it is highlighted by the 2015 ELCA National Youth Gathering in Detroit. The youth have already begun fundraising for this highly anticipated event, and we have planned more fund raising for the coming months. While in Detroit, our youth will explore their faith, learn about their God, and serve a community-in-need. Along with our trip to Detroit, we will attend faith exploration trips to other churches, distribute homemade blankets for FMF, host the Easter breakfast, enjoy a canoeing trip to the Apostle Islands through Camp Amnicon, and of course, meet every Sunday morning to discuss their faith, their community, and the world. We are really excited about the year to come and thank God for these opportunities to develop our faith, serve our community, and lead the church.

Jim Vitale
Director of Youth Ministry

A Letter from the Bishop

The Bishop's Annual Report to Minneapolis Area Synod Congregations
January 2015

Greetings in the name of Christ.

Thank you for your partnership in the Gospel and for our shared witness as the Minneapolis Area Synod of the ELCA. The past year has been blessed with many opportunities to grow in faith and share God's love. I especially celebrate the chance I have had to visit every congregation in our synod. I learned so much, felt God's power and witness in such wonderful and varied ways, and experienced profound hospitality. Building on these deepening relationships, I now meet with every congregation going through a call process to discuss its Ministry Site Profile and new opportunities for shared mission.

The commitment to listen in congregations has continued with a visioning process facilitated by Kairos Consulting. A key outcome of the process is the vision statement our Synod Council recently approved: "The Minneapolis Area Synod works together so that all experience gracious invitation into life-giving Christian community and live in just and healthy neighborhoods."

This vision can only be accomplished if we work together—with most of the work done in local congregations and ministries. Still, the Bishop's Office plays a significant role. We serve as "talent scouts for Jesus," actively looking for gifted pastors and leaders whom congregations and ministries might call. We support the leaders who serve here—providing peer groups, mentoring, and opportunities for worship and growth. With the award of a \$25,000 Lilly Endowment grant, we can provide resources for pastors and leaders meeting in peer groups for prayer and support. Our fall and spring toolkit gatherings for congregational presidents and council members are well attended and appreciated.

We are also working hard to develop a multi-layered resource website—a kind of "online farmer's market"—that provides easy access to best ideas and best practices from congregations around the synod and around the world. This has also been a year for fostering multiple connections among congregations and ministries (e.g., cohorts of congregations in first-ring suburbs, in north Minneapolis, and among congregations with 75-100 people in worship). There are many ways in which our congregations are stronger together, and the synod plays an important role in strengthening those connections.

Our connections with the global church continue to grow through our companion synods in Leipzig and Nigeria. This year we rejoiced at the completion of our \$450,000 campaign in honor of the 100th anniversary of Lutheran Church of Christ in Nigeria (LCCN), to support its work in healthcare and malaria eradication. Thanks to all who gave so generously!

We spent significant time assessing our synod governance structure and approved changes that provide greater flexibility and efficiency, as well as more focus on generative and visionary work.

We have given important attention to fiduciary and stewardship responsibilities—and are delighted to report that the results of both the FY 2013 and FY 2014 audits were an unmodified opinion, which is a clean opinion, or the best possible opinion that can be obtained. Our synod staff is smaller than three years ago and we have reduced our office space accordingly. However, the Minneapolis skyline—our best office feature—is the first thing you see when you arrive. We hope you'll come and visit!

Finally, I am humbled by the profound privilege of serving with such an extraordinary team as our synod staff: Jerry Wahl, Janet Thompson, Deb Stehlin, Kristin Raymakers, Lynda Nordholm, Bob Hulteen, John Hilden, Jeni Huff, Karen Ohm Eckenrode, and Kelly Chatman. We give our thanks especially to Jerry Wahl, who retired at the end of December after serving

this synod both as a pastor and a synod staff member. Thanks also to our Synod Council, to our Conference Deans, and the vast array of leaders serving on synod committees.

We all look forward to our shared mission and thank you for our vital partnership. Please let us know how we can serve one another better—God’s work and our hands. May God fill your Epiphany Season with joy and hope.

In Christ,
Bishop Ann Svennungsen

Lutheran Campus Ministry

Lutheran Campus Ministry at the UofM is continuing to do innovative ministry with young adults! This has been an exciting year so far with a new staff model of bringing Tim Schroeder on board as well as employing two other part-time interns to assist with Community Service/Social Justice as well as a part-time Worship Coordinator. The partnership between University Lutheran Church of Hope and Grace has been growing and strengthening over this last year, as we celebrate and lift up campus ministry as a mutual interest in encouraging young adults to nurture their faith while they are studying at the University. This Fall I have focused on getting to know the culture of the Lutheran Campus Ministry as well as get integrated into the congregational setting here at Hope. I have been warmly welcomed, and witness to the passion and dedication to Hope’s mission of inviting students into our community.

Some updates on the Lutheran Campus Ministry organization: We went up to Thrivent Financials’ Heartwood Retreat Center last Fall for our annual Fall Retreat Getaway, we’ve dedicated many hours of outreach handing out fliers on campus, as well as hosting a block party for the neighboring dormitories down the street from Grace. We had many social activities, Bible study small groups, as well as an amazing array of guest speakers and preachers. We also had a mile marker year in **Celebrating 100 Years** of doing Campus Ministry at the UofM. **THANK YOU for all the support** that you have offered to Campus Ministry and the impact and presence you have here at the University!

Lutheran Campus Ministry is looking forward to a Leadership Retreat at the end of January, an awesome inner city Spring Break immersion, and a continued focus on faith development. As I look at my goals for my campus ministry presence here at Hope, I am looking to start a Young Men’s Ministry group, continue to connect and invite our visiting and attending University students, and select a few to assist me in some peer ministry of welcoming other students. It has been a blessing to join you this year, and I look forward to all that we at Hope have in store for us in 2015!

Timothy Schroeder
Lutheran Campus Ministry Liaison

Education Ministry

At University Lutheran Church of Hope, we have education opportunities for all ages and in many modes. Education is key to our theme, “Complex world. Thoughtful church.” We desire to help children and adults shape their faith, integrate the search for truth with inspiring stories from scripture and personal experience, understand and care for God’s world more fully as we learn about our community and other communities across the globe, and engage people in deeper relationships with each other as we embrace questions and reflect with wonder on our experiences and opportunities for service to others. Many people took part in our programs this year as leadership volunteers as well as participants. Many thanks to the following volunteers who shape every part of our Christian Education ministry:

Children’s Ministry Team: Madhu Bhat, Ann Beane, Arthur French, Sara Tufvesson Doure, Shelly Parry, Ruth Phelps

Confirmation: Kirsten Mebust and parents of our confirmation students

Library team: Sharon Peterson, Jo Schroeder, Marjorie Haddad and Kirsten Mebust

Adult Forum Planning Team: Scott Hvizdos, chairperson: Donna Neste, Ruth Fingerson, Ruth Hedman, Carol Steinberg

In addition to weekly Christian education for children and Adult Forums on Sunday, and maintaining the lending library with a range of genres of good books, many other events happened this year. Some highlights:

--God’s Work, Our Hands Sunday on September 7. We had a lively group go to Community Emergency Services to sort food and move furniture and paint.

--Intergenerational Advent event for all ages on November 30, where we created four towers of boxes illustrating the four verses of the Advent Hymn, “Prepare the Royal Highway”

--Prayer partners during Lent, in which adults pray weekly for all children ages birth through grade 8 and send them a greeting card at Easter;

--Acolyte training in the spring for the fourth grade students;

--Care for families with new babies. Diane Shallue did home visits and brought faith development materials and a meal.

This is not an exhaustive list. As you reflect on where you learned about your faith and God’s call to service in the world this year, chances are, the volunteers and staff of University Lutheran Church of Hope’s education ministries were a part of the mix.

In the coming year, we are thinking about changes occurring in our congregation and neighborhood. Efforts to shape Christian education for young children together with their parents are under way. We are looking for parents who want to have a hand in shaping Christian education for children as we explore possibilities. We are also aware that with new leadership for the whole congregation, there are possibilities for new adult education offerings that will emerge. We hope you will consider being part of a leadership team for the education offerings that have been meaningful to you.

Kirsten Mebust

Facilities Team

A look back at 2014, and we begin with a new LED lighting system in the Sanctuary and the exterior of the building. We received a rebate from Xcel Energy and a grant from the Center for Energy & Environment.

We have bids coming in for future projects and the Vision and Governance Board will help guide us in determining the priorities of what needs updating first in this building.

The Garden Group does a really great job with keeping our grounds looking fresh. But the volunteers are few and the hours are many. Please consider volunteering this spring when the time for planting is here, and this summer when the time for maintenance is here. An hour here and there helps a lot.

The Green Team has been keeping ideas and process documented for things relating to environment and facilities. Things take time, and big things need long range planning. And this team does it well.

The smaller things that have taken place are:

- Replaced kick stops on the exterior doors, so they stay propped open.
- Repaired parking lot fence in multiple places. Fixed parking lot lights.
- Worked with PEASE staff on a few minor maintenance items and replaced carpet.
- Parking lot striping.

Please consider joining our team if you have a skill, or a desire to learn how to do little jobs around the building. We meet on the 2nd Wednesday of the month at 6:30 pm.

Fred Kreider

Leadership Development and Communications

With so many exciting initiatives at University Lutheran Church of Hope this past year, many people were called upon to assume leadership roles. In the spring, a committee was assembled to work with Kairos to implement a congregational survey, focus group discussions, and interviews. This fall, nominations for the call committee were solicited and volunteers sought to lead the mission appeal and capital campaign. Thank you to the many members of our congregation who not only take-on these leadership roles, but perform them with such skill, enthusiasm, and compassion.

One position on the Vision and Governance Board remained unfilled throughout 2014: Hope for the World. I am happy to report that for 2015, however, there are nominees for all V & G Board positions. We still need people to serve on several key committees in 2015, including stewardship, facilities, and leadership development. Nominations will be taken from the floor at the 2015 Annual Meeting. These committees are vital to the ongoing work and mission of the congregation. Please consider serving on them.

While we are thankful for so many people volunteering their time in leadership positions this past year, it should be noted that the Executive Committee was primarily responsible for recruiting these leaders. The Leadership Development committee did not have enough members to do this work. While the President and Vice President are ex-officio members of this committee, additional members are needed to ensure we are recruiting broadly throughout the congregation.

Beth Kautz
Vice President

Relational Ministries

The Relational Ministries Area includes many groups and projects that build community and foster connections within our congregation. Staff members who help in this area are Diane Shallue, who organizes Hope Connections and other small groups, and Pastor Esther Dant, who runs Friendly Visitors, Senior Group Ministry, and Compassion Care. Below, you will find brief updates on volunteer-led projects:

Dan O’Loughlin along with Rebecca Halvorson, Wayne Lee, John Lauber and Elizabeth Lincoln and many, many others deserve thanks for the great Fellowship Meals served the second Sunday of each month. They are working on a regular schedule each month for clean up, so keep an eye out for that and please sign up in advance.

The Funeral Committee under the leadership of Leona Reyelts, Arloene Stevens, and Pauline Hendrickson, have served funeral lunches throughout the last year. The Funeral Committee extends their thanks to everyone that has helped and would like to welcome any newcomers as well.

This year Pat and Larry Lindquist packaged and sent “Care Packages” to our young adult college students and military personnel. Many thanks to them and to Jack Parry who has helped Pat Lindquist on this project for the last 10+ years. This small but stalwart crew is ready to pass the torch, so if anybody wants to take on this yearly project, Pat will happily provide the details.

Sunday morning coffee continues to be a valuable time for socializing in the lounge after the 10:30 service. We are all in debt to the generous individuals who have donated their time to this ongoing effort. As everyone knows, people schmooze about three to four times longer if coffee and snacks are available! This is run by volunteers just like you and there are even step-by-step instructions posted about how to make the coffee. The sign-up sheet is found every Sunday on the serving table in the lounge, so go ahead and sign up for a week this year!

Paige Whitney

Trust Board

In 2014 the Hope Trust Board approved grants of \$19,386.00 for various ministries at University Lutheran Church of Hope. These included funding for landscaping and revitalizing the outdoor area by the church's front steps, a small gift from Hope to a congregation in Berlin, Germany, carried by member Beth Kautz during a visit there, the purchase of some much-needed kitchen utensils for our much-used kitchen, scheduling software for the church office, Orff instrument training for our children's music program, and audio-visual equipment for use by our youth group, Sunday School, and others.

Finally, for the second year out of a three-year agreement with the Vision and Governance Board, the Trust Board allocated over \$13,000 out of the total Trust fund disbursements (noted above) to support ministries ranging from education forums to Welcome Back Student events, to small group ministry, senior programming and Compassion Care, to campus ministry support, to worship ministry, including musicians for special services, as well as to youth and young adult trips, retreats, and programming. Each year such disbursements are to be determined by consultation between the Trust Board and Vision and Governance Board.

Thanks to a good year in the stock market, Hope's conservatively-managed trust fund gained approximately 6.7% in value over last year's ending balance, raising the total fund value to \$580,618.70, as shown in the University Lutheran Church of Hope Trust Funds Balance Sheet for December 31, 2014. Currently the Trust Board can annually distribute as much as 5.5% of the latest five-year average value of the trust fund.

As always, many thanks go out to all those who support Hope's Trust fund and the special ministries that it supports above and beyond what we can do through the church's general budget.

For the Hope Trust Board
Merrill Morse

Worship and Music Ministry

This year at Hope has been a vibrant and exciting one on the worship and music front. It was the first full year with Luke Tegtmeier as our Minister of Worship and Music. I refer you to his report for an extensive list of activities and changes that have occurred over this past year.

Ministry Scheduler Pro has seemed to work out quite well for scheduling many of the needs of the congregation's worship life. The increase in people involved in planning worship over this past year was exciting and we hope that this continues to be a way to not only plan worship, but to nourish the people doing the planning as well!

We are all blessed by the many people at Hope that make worship happen (all of us!). Of course, the pool of people to draw from in specific roles can always be larger. It would be great if you approach anyone in leadership, including Luke or myself if you have any interest in giving your valuable time in the form of altar guild, ushering, communion assistant, lector, worship assistant, acolyte, musicians (ringers, singers, any other instruments), worship committee or any other area that you feel you could add to worship and music here at Hope. In addition, I hope that you would approach me with any new ideas or things that are working particularly well or not so well in an effort to better give our praise in worship.

Paul Odenbach

Youth and Young Adult Ministries

Youth and Young-Adult Ministries are two areas dedicated to strengthening the bonds between younger members of our congregation. We welcomed two new staff members this year, Jim Vitale, Youth Director and Tim Schroeder, Lutheran Campus Ministry Liaison, to support these vital ministry areas.

This has been a busy year for the youth. The youth spent a week at Camp Amnicon, went on faith explorations, gathered for Sunday morning youth group, put on a chili feed outreach fundraiser, and supported Families Moving Forward with their Bags of Hope. The youth have also been hard at work planning and fundraising for the upcoming National Youth Gathering this summer.

Young Adult ministries saw a much needed rejuvenation this year. With the departure of our Young Adult Coordinator a couple of years ago, there has been somewhat of a void in our ministry area. The new Young Adult Team formed itself over the past year and is focused on welcoming young adults into the church community. The team planned several after-church lunches for the young adults, and are hoping to add other activities such as kick-ball and bowling in the coming year.

Katie Olson

Personnel Committee

The Personnel Committee consisted of me, President Doug Hartmann, Vice President Beth Kautz, and members Garvin Davenport, Shelly Parry and Jan Sanden. Pastor Craig Shirley sits on the committee *ex officio*.

After one year of work with us, Jody Wendt (Youth Director) decided not to continue in Seminary and tendered her resignation. Rebecca Tetlie headed up a committee to select a new Youth Director through the Children, Youth and Families program at Luther Seminary. We were very happy to welcome our new Youth Director Jim Vitale on board in the fall.

We also decided to enter into an agreement with Lutheran Campus Ministry whereby we fund another Seminary student to worship with us on Sundays and greet young adults in worship; and then connect them with Lutheran Campus Ministry. We're delighted to have Tim Schroeder ably holding this new position.

The change that has caused the most impact, though, was the official announcement by Pastor Craig Shirley of his intention to retire in Spring 2015. A Call Committee was formed on October 19, 2014 by a congregational vote at a meeting called for that purpose. Under the Bylaws the Call Committee is chaired by the immediate Past President (Karen Westwood) and includes two members of the Personnel Committee (Beth Kautz and Garvin Davenport) and four members-at-large (Matt Fry, Clair Gustafson, Melissa Odenbach and John Rydeen). The committee first met on November 3, 2014 and has continued to meet throughout November, December and January. We are on track to interview candidates beginning in February.

It is a great pleasure to work with the wonderful staff at University Lutheran Church of Hope. They each do an enormous amount of work that many of us never see. I suggest that we each take a little time to notice and thank our staff for what they do.

Karen Westwood
Chair, Personnel Committee and Past President

Financial Reports
and
Other Reports

Notes to the Financial Statements

General Operations

Great news ULCH members: Our current year giving and rental income exceeded our expenses by \$27,489.75. We were able to build up our financial position, as well as invest in Ministry with the help of a ULCH trust grant. Our 2014 expenses were \$23,619.76 under budget. Our staffing returned to normal this fall, and we are delighted to have Tim and Jim as new members of our staff.

Our building continues to challenge us with maintenance and upkeep. We can look forward to replacing the roofs on the education wing in the coming years and we will replace the chapel roof this spring. The big news on the income side of our statement was the additional parking lot revenues we have received: 2014 was \$60,117.04 vs. \$51,815.14 in 2013. We projected parking revenue at \$54,001.00 and we exceeded that by \$6,116.04. This additional income has given us a very healthy balance sheet. Our free cash flow is \$139,136.40.

We are in the process of refinancing our mortgage to reduce our monthly mortgage payment and take advantage of the historic low rates in the marketplace. This should save us significant monies in 2015 and into the future.

Thank you for your faithful and regular support for the ministries here at ULCH in the Marcy Holmes neighborhood and across the globe as we seek to proclaim the gospel.

PEASE Academy

PEASE Academy continues as our long term tenant and we are thankful that our facility can be used so productively during the week. They have leased additional space (Room #102) and we anticipate that they will renew their 3 year lease in September of this year.

Invitation to Hope 2 (I2H2)

Our building fund ended 2014 with a balance of \$201,989.37 down from the \$217,589.70 balance at the end of 2013. We used monies from this fund for the installation of new lighting in the parking lot and a payment to Kairos for consulting on the current capital campaign (Hope for the Future).

Tim Abrahamson
Treasurer

University Lutheran Church of Hope
Income Statement
January through December 2014

	Jan - Dec 14	Jan - Dec 13
Ordinary Income/Expense		
Income		
1500100 · General Giving	463,131.40	477,787.42
1500300 · Rental Income	105,575.60	95,123.67
Total Income	568,707.00	572,911.09
Expense		
1600100 · Salaries & Benefits	311,528.72	301,388.72
1600200 · Administration	23,552.11	23,653.06
1600300 · Operations	128,367.70	136,505.06
1600400 · Education Ministries	244.43	1,459.24
1600500 · Hope in the World	1,193.25	(907.62)
1600600 · Worship Ministries	6,013.51	2,946.06
1600700 · Relational Ministries	1,255.30	(1,000.60)
1600800 · Benevolences	29,323.02	31,500.60
1601100 · Ldrshp Dvlpmnt & Communications	280.00	0.00
1601200 · Youth & Young Adults Ministry	(1,236.79)	1,246.40
1601600 · Ministry Block Grant	0.00	4.00
1602000 · Finance	45,696.00	30,696.00
66900 · Reconciliation Discrepancies	(5,000.00)	0.00
Total Expense	541,217.25	527,490.92
Net Income	27,489.75	45,420.17

University Lutheran Church of Hope
Balance Sheet
As of December 31, 2014

	<u>Dec 31, 14</u>	<u>Dec 31, 13</u>
ASSETS		
Current Assets		
Checking/Savings		
1100001 - Wells Fargo Checking	129,767.49	90,460.56
2100001 - Wells Fargo Deposit Account	8,892.32	8,757.32
5100001 - Wells Fargo Savings	58,425.53	68,394.92
Total Checking/Savings	<u>197,085.34</u>	<u>167,612.80</u>
Accounts Receivable		
1100101 - Accounts Receivable	2,584.17	0.00
Total Accounts Receivable	<u>2,584.17</u>	<u>0.00</u>
Other Current Assets		
1101200 - PEASE Additional Payment	(3,521.28)	0.00
Total Other Current Assets	<u>(3,521.28)</u>	<u>0.00</u>
Total Current Assets	196,148.23	167,612.80
Fixed Assets		
1101001 - Equipment	46,368.43	46,368.43
1101002 - Buildings	866,318.48	866,318.48
1101003 - Parking Lot	93,370.63	93,370.63
1101004 - RFC 2006 Remodeling	1,649,271.97	1,649,271.97
1101005 - RFC 2006 Furnishings	11,722.25	11,722.25
1101006 - I2H 2010 Improvements	14,256.00	14,256.00
Total Fixed Assets	<u>2,681,307.76</u>	<u>2,681,307.76</u>
TOTAL ASSETS	<u>2,877,455.99</u>	<u>2,848,920.56</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
1200112 - State Sales Tax	2,945.33	618.13
Total Other Current Liabilities	<u>2,945.33</u>	<u>618.13</u>
Total Current Liabilities	2,945.33	618.13
Long Term Liabilities		
1500001 - Thrivent Mortgage	1,350,037.74	1,405,760.58
Total Long Term Liabilities	<u>1,350,037.74</u>	<u>1,405,760.58</u>
Total Liabilities	1,352,983.07	1,406,378.71
Equity		
1700000 - Dedicated Accounts	57,011.82	58,293.34
3000 - Opening Bal Equity	444,480.76	444,480.76
3100 - RFC Fund Remodeling	429,850.75	429,850.75
3200 - I2H Fund Remodeling	14,256.00	14,256.00
3900 - Fund Balance	495,661.00	394,517.99
Net Income	83,212.59	101,143.01
Total Equity	<u>1,467,461.10</u>	<u>1,384,248.51</u>
TOTAL LIABILITIES & EQUITY	<u>2,820,444.17</u>	<u>2,790,627.22</u>

7:37 PM
01/21/15
Cash Basis

Capital Campaign Income Statement January through December 2014

	Jan - Dec 14	Jan - Dec 13
Ordinary Income/Expense		
Income		
Capitalized Interest	1,857.74	2,010.82
Contributions Income	73,243.00	92,822.00
Grants	0.00	0.00
Legacies & Bequests	0.00	0.00
Reimbursed Expenses	0.00	-535.23
Total Income	75,100.74	94,297.59
Expense		
Building Improvements	-2,509.92	71,932.10
Mortgage Subsidy	83,026.68	83,026.68
Professional Fees		
Consulting	6,000.00	0.00
Total Professional Fees	6,000.00	0.00
Repairs		
Building Repairs	4,184.31	1,750.00
Total Repairs	4,184.31	1,750.00
Total Expense	90,701.07	156,708.78
Net Ordinary Income	-15,600.33	-62,411.19
Net Income	-15,600.33	-62,411.19

8:08 AM
01/22/15
Cash Basis

Building Fund
Capital Campaign Balance Sheet
As of December 31, 2014

	<u>Dec 31, 14</u>	<u>Dec 31, 13</u>
ASSETS		
Current Assets		
Checking/Savings		
Mission Plus	201,989.37	217,589.70
Total Checking/Savings	<u>201,989.37</u>	<u>217,589.70</u>
Total Current Assets	<u>201,989.37</u>	<u>217,589.70</u>
 TOTAL ASSETS	 <u><u>201,989.37</u></u>	 <u><u>217,589.70</u></u>
 LIABILITIES & EQUITY		
Equity		
Opening Bal Equity	220,664.17	220,664.17
Retained Earnings	-3,074.47	59,336.72
Net Income	-15,600.33	-62,411.19
Total Equity	<u>201,989.37</u>	<u>217,589.70</u>
 TOTAL LIABILITIES & EQUITY	 <u><u>201,989.37</u></u>	 <u><u>217,589.70</u></u>

**University Lutheran Church of Hope
2015 Budget**

	2015 Budget
Income	
Total Giving	448,300
Total Rental Income	94,247
	542,547
 Expense	
Salaries and Benefits	323,677
Administration	25,385
Operations	140,381
Education	200
Hope in the World	1,250
Worship Ministries	5,100
Relational Ministries	1,300
ELCA in Mission: Benevolence	28,243
Leadership Development & Communications	0.00
Youth & Young Adults Ministry	1,315
Finance	30,696
Mortgage Refinance Savings	-15,000
	542,547
 Total Expense	 542,547
 Difference: Net Income	 0.00

LDC (2yrs, no term limit)

_____	2017
_____	2017
_____	2017
Ex Officio	John Rydeen, Vice President
Ex Officio	Beth Kautz, President

Trust Board (4 years, 2 consecutive terms max)

Merrill Morse	2017, Term 1
Greg Davenport	2017, Term 1
Deb Bordsen	2016, Term 2
Joan Campbell	2016, Term 1
<u>Kathryn Carpenter</u>	2019, Term 2
Paul Demeules	2016, Term 1
Luther Ranheim	2018, Term 1

Synod Convention – 2 Lay Delegates, 1 Alternate

_____	(TBD)
_____	(TBD)
_____	(TBD)

University Lutheran Church of Hope Staff

Lead Pastor	Craig Shirley
Visitation Pastor	Esther Dant
Education Director	Diane Shallue
Youth Director	Jim Vitale
Lutheran Campus Ministry Liaison	Tim Schroeder
Minister of Worship and Music	Luke Tegtmeier
Administrator	Gayle Bidne

Statistical Report

<u>Membership beginning of 2014</u>	722
<u>Members received in 2014</u>	
Baptized - Children	5
Baptized - Adults	0
Affirmation of Faith	0
Transfer	2
Other Sources	2
Total gains	9
<u>Members removed in 2014</u>	
Death	2
Transfer	5
Other	2
Total Removed	9
<u>Membership as of December 31, 2014</u>	722
Number of Baptized who were Confirmed	6

Upcoming farewell

This coming spring after 35 years in ministry--the last 13+ of which have been here at University Lutheran Church of Hope--Pastor Craig Shirley will be retiring from active ministry. Plans to mark this occasion and celebrate his ministry and service to the Church are now beginning and a committee is being assembled. If you are interested and willing to assist in planning and preparation for this event, please contact Past President and Personnel Committee Chair, Doug Hartmann (hartm021@umn.edu; 651-387-4556).