



# **SHEPHERD OF THE CROSS**

## **SHARING THE GOOD NEWS**

2023 Annual Report

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# A Message from our Pastor, Pastor Aleese

Ever have a little kid come up to you, excitedly inviting you to “come and see”? Perhaps they want to show you something they’ve created or show off a new dance move or sport trick they’ve learned. Or, going one step further, perhaps they want you to come and *join* them in what they’re already doing.

*Come and see.* It’s a simple invitation. And, if you’re anything like me, it’s challenging to resist the innocent voice of a child, coupled with a little hand outstretched, begging you to do something.

**So then, what would it be like for Jesus to extend that same invitation to us? And, having been invited by Jesus to “come and see,” what would it be like to extend that invitation to others?**

Well, in the Gospel of John, it’s this simple invitation that kick-starts Jesus’ ministry.<sup>1</sup> With his first two followers in tow, Jesus turns to them and asks: “What are you looking for?” To which they respond: “Where are you staying?” Honestly, of all the things those disciples *could’ve* said, their response seems strange. They could’ve answered that they’re looking for hope, for direction, for stability, for freedom! But instead, they respond with a question: Where are you staying?

It seems silly. But beneath this question is something more than our English translations can capture. For this question is really a question of: where can we *find you*, Jesus? And how can we come to know you and know who *God* is? All legitimate questions. And, if we’re honest, questions that perhaps we’ve asked as well. And yet, when Jesus responds, rather than offering them a nice-and-neat answer, Jesus responds with an invitation: *Come and see.* Come and *live* with me; come and *experience* God for yourself; and come and *join* in what God is doing in the world.

Today, as followers of Jesus, we, too, have received this same invitation to “come and see” - not just to look on from a distance; but to pull up a chair, to spend time with Jesus, to grow in faith not just through knowledge but through experience, and to join in what God is doing. Which, if you look at the report that follows, you’ll *begin* to see examples of how we have “come and seen” Jesus in the past year! And in so doing, we have been a part of sharing God’s Good News to the world!

But here’s the deal: our *response* to Jesus’ invitation isn’t something that is ever “complete.” Our response and our responsibility is not done after a year, after a class is finished, or after a project is wrapped up. Rather, day by day, Jesus continually invites us to *come and see*: for us to be *transformed* by grace and to join in what God is doing. *And then*, having received that invitation, now we are the ones sent to extend that very same invitation to those around us.

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<sup>1</sup> Ref. John 1:35-42.

So then, how do we offer that invitation? Well, it doesn't have to be complicated. But just as a child's invitation to "come and see" starts from *their own* experience, and *their own* excitement, our invitation to others must also come from *our own* experience and *our own* excitement.

**So with that in mind, as we as a congregation move into 2024, my invitation to you is this:** if you have experienced Christ anew, igniting a passion and excitement within you, don't hold it in! Share it! *And*, if you have found that Shepherd has fostered an environment in which you can *continue* to come and see just who God is for you and for the sake of the world, don't hold it in! Share it - not merely for the sake of growing *our specific* congregation, but for the sake of sharing God's Good News with all the world.

Still today, Jesus invites us, *come and see*. And still today, all of us - not just pastors or leaders in certain positions - are sent with *the same purpose* to witness to all we have seen and heard. So as we wrap up 2023 and celebrate what God has done through this congregation and our partners in the greater Muscatine area, may we also look forward...and *move forward...together*, as we recommit ourselves once again to God's mission.

Peace,

Pastor Aleese Kenitzer

# A Message from our President, Delene McConnaha

Dear Beloved Members of Shepherd of the Cross,

Grace and peace to you in the name of our Lord and Savior, Jesus Christ.

As we come together in reflection and anticipation at the beginning of another year, I am filled with gratitude for the blessings that our faith community has experienced together.

I was watching a movie the other night and a person said to God, “Here I am, where are you?” I thought to myself, that should be God asking us, “Here I am, where are you?” I know that God is always with us – through the good times and the tough times. And we have had both good and tough times this year, as a congregation and as individuals. But maintaining faith and seeking God's grace has been a source of strength and guidance during both joyous and challenging times. “We are here, God!”

As you will see in the following pages of this report, we have been present with God beside us and I'd like to highlight all the blessings we have experienced together.

## **Sharing the Good News by Cultivating Faith:**

This past year has been a testament to our commitment to cultivate faith within our hearts and within our community. In times of joy and challenges alike, we have sought comfort and strength through prayer, Scripture, and worship. As we continue our journey of faith, let us deepen our spiritual roots, grounding ourselves in the unwavering love of God. Through personal devotion and shared worship, let us strengthen our connection to the source of all Good News.

## **Sharing the Good News in Community:**

Our church is more than individuals gathering together; it is a community tied together by the love of Christ. We have shared the Good News within our congregation and beyond. Through acts of kindness, compassion, and genuine fellowship, we embodied the teachings of Jesus. May our interactions be filled with grace and may our community be a beacon of light, attracting those who seek the warmth of God's love.

## **Sharing the Good News through Collaboration:**

The power of collaboration has extended beyond the boundaries of our church walls. In the coming year, let us explore new ways to partner with other faith communities and organizations. By working together, we can increase our impact and bring about positive change in our local communities. Through collaboration, we can share the Good News in ways that exceed denominational lines and build bridges of understanding and cooperation.

### **Sharing the Good News in Service:**

Genuine fellowship is expressed through selfless service. We have heeded the call to serve others with humility and love. Whether through outreach programs, volunteer initiatives, or individual acts of kindness, we let our service be an expression of the Good News.

Let us begin this new year with renewed commitment to cultivate our faith, foster a thriving community, engage in meaningful collaboration, and serve with unwavering dedication. Together, let us be bearers of the Good News in all that we do.

Trusting in the belief that God is always with us in all that we do can bring comfort and a sense of purpose. May we as a congregation and individuals find the support and comfort we seek in our faith journeys.

May God's grace continue to guide us, and may the love of Christ shine brightly through our lives.

Blessings and peace,  
Delene McConnaha

# Sharing the Good News by Cultivating Faith

In the past few years, we've emphasized the importance of faith formation for people of all ages...together. We've come to find that there is something special that happens when generations come together to learn, to grow, and to serve. From this, our Education Team helped lead special **GOLF (Generation of Living Faith) Nights**, focusing one night on the sacrament of baptism (including a special science experiment!) and another night on the season of Lent (including a chance to burn palms into ashes for the coming year).



Those events led us into the season of Lent as we gathered for our **Lenten Midweek Gatherings** - a unique opportunity to reflect on Scripture as we continued forward on our own journeys to seek Christ - and led us into Holy Week as we **worshiped around the table for Maundy Thursday**.



But it wasn't just with our Shepherds that we cultivated faith in the past year. Partnering with Grace Lutheran and Zion Lutheran, our commitment to programs like **Family Faith Nights** and a **summer Book Club** continued. This fall, a new adult group formed - **Big Questions** - and our confirmation ministry program took on a new name - GIFT (Growing in Faith Together.) To jump start the year, our youth took a trip to Camp EWALU to discover just what is so amazing about God's grace through faith.



Finally, by fall, we experimented with yet another way for generations to interact together...this time in worship. For the past few months, we transformed the Children's Sermon into a **Storytelling time**, offering a time for everyone to engage in the story of God's Word.



Looking forward, we are excited to continue to cultivate faith so that kids, youth, *and* adults - might experience God's love even *more* profoundly.

# Sharing the Good News by Fostering Community

People of all ages and stages of life are looking for a place to authentically belong, and for a place to call home. At Shepherd, this continues to be a priority for us to embody a safe and welcoming community for support and care.

This happens each and every Sunday in fellowship after worship, but it also happens at specific times. This year, with the help of our Social Team, we hosted a **Game Night** in February, a **River Bandits** outing with others from Grace Lutheran and Zion Lutheran, and a night out at **The Lighthouse** to give space for relationships to deepen and for new ones to begin.

Speaking of new relationships, this year we also **welcomed Lynn and Nancy** to our flock as new members, and we **welcomed Josie and Ainsley** to the fold of Christ through the sacrament of baptism.

Yet, at the same time that we welcomed people *into* our midst, we also said **farewell** to members who's calling took them outside Muscatine: Dave and Amy Bakke. Though a challenge to say "farewell" to dear friends, we trust that we are bound together with all the saints in the body of Christ. As a sign of that connection, and continued growth, we planted a tree in honor of the Bakke's.

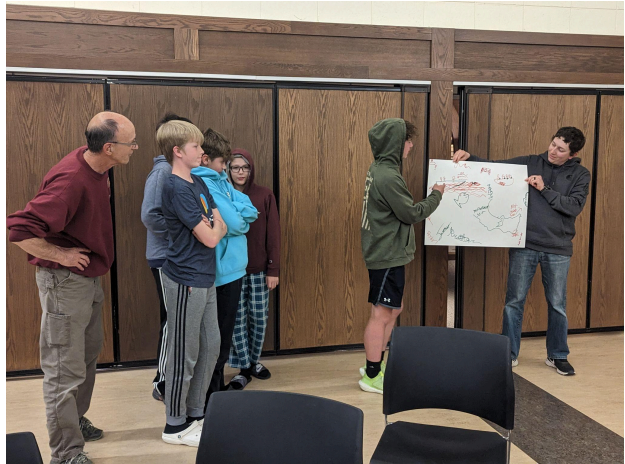
Today, the face of our community may look different at Shepherd than it did even five-years ago. However, together, drawn together by the Spirit, we live in community with Christ and with one another.





# Sharing the Good News by Embodying Collaboration

As one in the body of Christ, we were never created to live on our own, nor to live in separate communities. We were created, and called, to be one in the body of Christ. In the past years, we've taken this call seriously by embodying our collaboration with Grace Lutheran and Zion Lutheran in our continued **Family Faith Night** program. From that, kids have had the opportunity to learn stories of the Bible, youth have learned basic fundamentals of what it means to follow Jesus, and adults have leaned into questions of faith. And, to have a bit of fun, this crew has also participated in social events like **Trunk or Treat** - impacting not only the three ELCA congregations in Muscatine city limits, but families within our community as well.



In addition to our work with Grace and Zion, this year SOTC also extended a hand of hospitality to **New Era Lutheran** as they awaited a more permanent leader. This led to **two joint worship services** - one at Shepherd and one at New Era. In the words of a Council member upon reflecting on our experience, "In worshiping together, we not only *talked* about what it means to be one, but we exemplified that. And we should be proud of that."

Beyond our Lutheran sphere, we also took another step to work with six other congregations to be a part of **Christian Day Camp** this summer. What started as a dream - to bring Bible Camp to Muscatine for kids to experience God's love - ended in



a smashing success. Over 80 kids attended, with at least 40 volunteers throughout the week. Given its success, this coming summer (June 2024), Christian Day Camp will be back with not only a session for elementary kids, but also a session for middle school youth, *and* day options for preschool children.

As if the summer wasn't full enough, we also took up the charge of coordinating a **RAGBRAI Pie Sale** (thank you Mackenzie Gilbert!). At first glance, this effort may have seemed to be a simple fundraiser. But once again, this endeavor provided an opportunity for people of varying denominations to work together, to talk together, and to recognize that we have more in common than different.



## Sharing the Good News by Extending Ourselves in Service

Our mission statement states: “Led by Christ, and transformed by his love and grace, we welcome all to join us as shepherds, in praise, worship, and compassionate service to others.” As disciples of Jesus, we exist not just for our sake, but for the sake of service to our neighbors.

In 2023, we offered ourselves to people, groups, and organizations within the greater Muscatine community numerous times. We hosted a sock drive along with our fellow ELCA congregations, and just recently began a winter outwear drive. Responding to several **Ukrainian refugee families** who are making Muscatine home, many in the congregation rose to the occasion to provide basic household necessities.



In the fall, SOTC once again hosted its **Soup Supper**. This time, half of the proceeds were designated toward an Emergency Community Discretionary Fund and half of the proceeds were designated to the Southeastern Iowa Synod Mission Support. Already, just months after the Soup Fest, funds from this fundraiser have helped sponsor rent deposits, heaters, and gas. Moving into 2024, Shepherd will continue to be in conversation with our fellow ELCA congregations, and other congregations in Muscatine, to ensure that we are utilizing the funds entrusted to us in the most beneficial way possible to assist people in need.



Beyond the Soup Fest, our **Family Faith Night** crew continued its practice of **regular Service Nights**. From caroling at area nursing facilities, to removing a stone-hedge from Discovery Park, to a night of doing random acts of kindness,

to sorting and packaging diapers, to sorting clothes at MCSA, our Shepherds, along with those in other congregations, have let their lights shine in the community.



Beyond special projects like these, we contributed \$3,508.18 to the mission and ministry of the **Southeastern Iowa Synod** this year. Through our mission support, we support vital ministries like Lutheran Campus Ministry at our public colleges, case workers for families served through Lutheran Services of Iowa (LSI), coaching for newly called pastors and training for congregations in transition, and so, so much more that is done in the name of Jesus Christ.

# Sharing the Good News within the Southeastern Iowa Synod

**More than 300 people attended the Synod Revival at Grand View University in May**



**Members at Bethlehem Vinton made birthday kits to distribute to the local food bank**



**Rostered Ministers attending the ordination of Pr. Nathaniel Adkins who serves at First Lutheran Church in Fairfield**



The Southeastern Iowa Synod is made up of 135 congregations and one worshipping community gathered together by the Spirit to proclaim the good news of Jesus Christ. In 2023,

- More than 250 voting members gathered online for the synod's annual assembly
- A new Spanish-speaking worshipping community, Iglesia Camino de Emaús, was launched in the Quad Cities in partnership with the Northern Illinois Synod.
- 115 pastors, deacons, and professional ministers gathered for the Fall Gathering
- The three Iowa synods teamed up to raise more than \$92,000 to fight hunger as part of the Bishops' RAGBRAI Ride Against Hunger
- Office of the Bishop staff joined 66 congregations for Sunday worship
- The Office of the Bishop hosts or attends about 250 hours of meetings on Zoom a month on average
- Our synod launched a new website, seiasynod.org
- Raised more than \$7000 for ELCA World Hunger with synod partners the Grand Canyon Synod as a part of the Lenten Challenge.



**The three Iowa Bishops completed the 50th annual RAGBRAI and raise over \$92,000 to fight hunger**



**A member from St. Andrews, Ames talks about community ministries at the Synod Revival**



**In 2023, the synod launched a coaching network to connect and inspire leaders and congregations**

# Sharing the Good News: By the Numbers

## **Total membership as of January 1, 2023: 163**

Baptized members: 163

Confirmed members: 126

## **In 2023, we received new members by:**

Holy Baptism: 2

Transfer: 2

Affirmation of Faith/New Members: 0

From other sources for statistical adjustment: 1

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Total received in membership: 5

## **In 2023, we reduced membership by:**

Death: 0

Transfer: 0

Inactivity: 2<sup>2</sup>

Request for removal: 0

From other sources for statistical adjustment: 4

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Total removed from membership: 6

## **Total membership as of December 31, 2023: 162**

Baptized members: 165

Confirmed members: 96<sup>3</sup>

Members confirmed during 2023: 1

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<sup>2</sup> Per Council's role and responsibility, Council reviewed our membership roster this summer-fall. Families that have been disconnected from SOTC for 2+ years were contacted and asked to respond within a designated time frame whether they desired to retrain their membership. Of those contacted, 2 individuals were removed from our roster due to inactivity.

<sup>3</sup> Formerly, the number of confirmed members was taken from the previous year's annual report. In preparation for this year's annual report, we reviewed data we have within our electronic and written records. We found that we have incomplete records for several of our members. In 2024, Council will be reviewing our records and will contact members whom we do not have complete information for whom we do not have complete records.

# Sharing the Good News: Entrusting Our Financial Resources to Christ

## Statement of Financial Position<sup>4</sup>

### Checking

General Checking Funds	\$16,863.22
<b>Total Checking</b>	<b>\$16,863.22</b>

### Savings

General Savings Funds	\$11,189.949
Christian Day Camp	\$2,701.56
ELCA Good Gifts	\$453.32
Emergency Discretionary Fund	\$941.50
Faith Together Muscatine	\$1,309.46
Flowers	\$209.41
Mission Group	\$2,083.02
PCB	\$230.45
Products of the Flock	\$507.35
Soup Fest	\$284.32
Sunday School	\$333.35
Undesignated Memorial Fund	\$508.00
Vision Fund	\$50.05
Youth of the Cross	\$2,462.21
<b>Total Savings</b>	<b>\$23,203.00</b>

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<sup>4</sup> Note this financial report is presented on a cash-basis, which does not include any fixed assets. See note under Audit Committee Report noting the rationale for presenting a financial report on a cash-basis. Balances are as of 12/31/2023.

**Capital Campaign Savings**

Building Expansion/Capital Campaign	\$602.66
HVAC Capital Campaign	\$20,680.00
Capital Campaign - Other	\$36.04
<b>Total Capital Campaign Savings</b>	<b>\$21,318.70</b>

**Total Banking Accounts** **\$61,384.92**

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**Year to Date:**

Revenue needed to meet 2023 General Budget:	\$135,636.00
Revenue - General Budget:	\$127,064.95
Expenses - General Budget:	\$126,500.30
<b>Difference between General Budget Revenue and General Budget Expenses:</b>	<b>\$564.65</b>



## 2023 Budget, Actual 2023 Expenses, 2024 Budget Spreadsheet

The following is a representation of the 2023 budget, 2023 expenses, and the approved 2024 budget. Note that any expense paid for outside the general budget (i.e.: funds from Youth of the Cross, Capital Campaign Savings, special offerings, etc.) were allocated to a Shepherding Team under "Other." This is necessary to account for all expenses. See the previous page for a presentation of the difference between 2023 general offerings and budgeted expenses.

### Education

Category	2023 Budget	2023 Actual	2024 Budget
Adult Education	\$150.00	\$0.00	\$100.00
Background Checks	\$50.00	\$0.00	\$35.00
Bibles	\$150.00	\$174.69	\$100.00
Christmas Program	\$50.00	\$0.00	\$0
Conferences/Training	\$150.00	\$0.00	\$0
Curriculum	\$250.00	\$542.75	\$250.00
Devotionals	\$200.00	\$174.25	\$100.00
Education Materials	\$300.00	\$19.25	\$300.00
Milestone Gifts	\$200.00	\$182.37	\$200.00
Summer Programming	\$0	\$0.00	\$100.00
Vacation Bible School	\$100.00	\$42.65	\$0
Education Other	\$0	\$3,806.63	\$0
<b>TOTAL</b>	<b>\$1,600.00</b>	<b>\$4,942.59</b>	<b>\$1,185.00</b>

#### Notes:

- Our curriculum costs are shared between SOTC, Grace, and Zion. The total cost is listed above. Grace and Zion also contributed one-third of the cost. Because shared ministry funds are housed at SOTC, the total cost for curriculum is shown within our records.
- Many of the Education Other charges were associated with Christian Day Camp and Family Faith Nights. Funds from our general budget *did not* fund these expenses. Designated funds from outside the congregation paid for these expenses. Again, because the bank account for Christian Day Camp and Family Faith Nights are housed at SOTC, the total cost of other expenses is shown within our records.

*Worship and Music/Altar Guild*

Category	2023 Budget	2023 Actual	2024 Budget
Banners and Linens	\$125.00	\$0.00	\$125.00
Copyright Fees	\$650.00	\$687.00	\$700.00
Music	\$150.00	\$54.08	\$100.00
Musician Compensation	\$3,000.00	\$3,567.03	\$3,000.00
Supply Pastor	\$1,250.00	\$253.40	\$500.00
Worship Supplies	\$1,250.00	\$1,335.00	\$1,300.00
Worship and Music Other	\$0	\$192.60	\$0
<b>TOTAL</b>	<b>\$6,425.00</b>	<b>\$6,089.11</b>	<b>\$5,725.00</b>

Notes:

- Items allocated to Worship and Music Other are items that were paid for from outside the general budget. Items include expenses such as Easter and Christmas flowers.

*Property*

Category	2023 Budget	2023 Actual	2024 Budget
Cleaning/Paper Supplies	\$600.00	\$143.50	\$450.00
Floor Cleaning	\$1,800.00	\$19.17	\$0
Furnace Inspection	\$100.00	\$0.00	\$100.00
General Maintenance	\$1,000.00	\$165.95	\$1,000.00
Landscaping	\$750.00	\$0.00	\$250.00
Snow Removal	\$2,000.00	\$1,725.00	\$2,000.00
Utilities	\$6,000.00	\$5,585.52	\$6,000.00
Property Other	\$0	\$0.00	\$0
<b>TOTAL</b>	<b>\$12,250.00</b>	<b>\$7,639.14</b>	<b>\$9,800.00</b>

Notes:

- Costs for floor cleaning were greatly reduced because our Property Team completed the job. Costs were simply the raw material cost. Thank you Property Team!

*Stewardship/Evangelism*

Category	2023 Budget	2023 Actual	2024 Budget
Community Gifts	\$0.00	\$1,785.26	\$0.00
General Materials	\$50.00	\$50.00	\$50.00
ICON Systems	\$400.00	\$462.00	\$500.00
Mission Support/Benevolence	\$2,668.00	\$3,508.18	\$4,800.00
New Member Gifts	\$200.00	\$0.00	\$200.00
Stewardship Other	\$0	\$10,923.03	\$0
<b>TOTAL</b>	<b>\$3,318.00</b>	<b>\$16,728.47</b>	<b>\$5,550.00</b>

Notes:

- In 2023, we added Community Gifts as a line item within the Stewardship Budget as a “money in-money out” line item. This item uses money from designated funds to assist people/organizations in need in the greater Muscatine community. Funds for this line item *did not* come from the general budget.
- Funds allocated to Stewardship Other were a result of the RABGRAI Pie Sale. Money was deposited into SOTC’s account and then distributed to partnering churches.

*Technology*

Category	2023 Budget	2023 Actual	2024 Budget
Audio/Visual Supplies	\$750.00	\$66.25	\$700.00
Copier	\$1500.00	\$1,797.24	\$1,750.00
Online Tech Subscriptions	\$300.00	\$114.48	\$300.00
Phone/Internet	\$1,700.00	\$1,362.03	\$1,500.00
Website/Social Media	\$150.00	\$137.58	\$150.00
Technology Other	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$4,400.00</b>	<b>\$3,477.58</b>	<b>\$4,400.00</b>

*Social*

Category	2023 Budget	2023 Actual	2024 Budget
Kitchen Supplies	\$300.00	\$4.82	\$300.00
Special Events	\$100.00	\$0.00	\$100.00
Social Other	\$0	\$1,424.24	\$0
<b>TOTAL</b>	<b>\$400.00</b>	<b>\$1,429.06</b>	<b>\$400.00</b>

Notes:

- Many kitchen supplies were donated by members; thus, we did not need to use budgeted funds for this expense.
- Items allocated to Social Other related to tickets for the River Bandits game. Funds did *not* come from the general budget to pay for this expense. Members who attended the game paid for their ticket(s).

*Administration and Finance*

Category	2023 Budget	2023 Actual	2024 Budget
Administration: Bank Fees	\$125.00	-\$143.36	\$125.00
Administration: Liability Insurance	\$5,000.00	\$4,944.00	\$5,000.00
Administration: Office Supplies	\$500.00	\$508.36	\$500.00
Workers Compensation	\$625.00	\$558.00	\$625.00
Admin and Finance Other	\$0	\$0.00	\$0
<b>TOTAL</b>	<b>\$6,250.00</b>	<b>\$5,867.00</b>	<b>\$6,250.00</b>

Notes:

- Bank Fees shows an income of \$143.36 because credit card points, resulting in cash back to our checking account, were allocated to this line item.

*Church Council*

Category	2023 Budget	2023 Actual	2024 Budget
Administration: Synod Assembly	\$600.00	\$150.00	\$525.00
Pastor Allowances: Continuing Education	\$850.00	\$495.83	\$500.00
Pastor Allowances: Travel Reimbursement	\$500.00	\$419.85	\$300.00
Pastor Allowances: Professional Expenses	\$1,580.00	\$420.00	\$525.00
Pastor Salary: Health Ins and Retirement	\$19,118.00	\$19,118.04	\$13,963.00
Pastor Salary: Housing	\$18,000.00	\$18,000.00	\$18,000.00
Pastor Salary: Base Salary	\$37,290.00	\$37,289.76	\$44,492.00
Pastor Salary: Social Security	\$4,955.00	\$4,995.04	\$5103.00
Janitorial Compensation	\$2,500.00	\$2,233.80	\$2,500.00
Office Manager Compensation	\$13,200.00	\$12,048.30	\$13,500.00
Payroll Taxes (Staff)	\$2,400.00	\$2,802.71	\$3,100.00
Council Other	\$0	\$333.43	\$0
<b>TOTAL</b>	<b>\$100,993.00</b>	<b>\$98,306.76</b>	<b>\$102,508.00</b>
<b>TOTAL OVERALL</b>	<b>\$135,636.00</b>	<b>\$144,476.71</b>	<b>\$135,818.00</b>

Notes:

- Items allocated to Council-Other are items that were paid for from outside the general budget.

## **Audit Committee Report**

*Note: A preliminary report by the Audit Committee was presented to the Congregation Council during Council's meeting on Tuesday, December 12, 2023. At that time, Council was not aware of #2 and #3 under "Topics for Consideration and Deficiencies. Upon receiving this report, Council - along with the Administration and Finance Team - have been working to create practical solutions in response to the recommendations. The Audit Report is presented here for information only. If you have specific questions or concerns, contact our Audit Committee members (Konnie Wilke, Wendy Thompson, Roger Luft), treasurer (Matt Bentz) or president (Delene McConnaha).*

### **To the Congregation Council of Shepherd of the Cross Lutheran Church ("SOTC")**

#### **Audit Committee Authorization and Purpose**

Pursuant to section C13.03 of the Constitution, Bylaws and Continuing Resolutions of SOTC, the Congregation Council elected three voting members of the congregation to serve on the SOTC Audit Committee. The primary purpose of the Audit Committee is to assist the Congregation Council in fulfilling its general oversight of the congregation's accounting, financial reporting, and internal control systems.

#### **Management's Responsibility for the Financial Records and Statements**

Management of SOTC is responsible for the preparation and fair presentation of the organization's financial records; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

The Audit Committee was instructed to conduct a financial audit and submit a written report to the Congregation Council summarizing the 2023 audit process and results. Any limitations or deficiencies noted during the audit process and recommendations for improvement were to be included in this report.

The Audit Committee designed and performed procedures to obtain evidence concerning the amounts presented in the December 31, 2023 financial statements. The procedures selected were dependent on the Audit Committee's judgment, including the assessment of the risks of material misstatement of the financial records and statements. In making those risk assessments, the Audit Committee considered existing internal controls relevant to the organization's preparation and fair presentation of the financial statements.

## Limitations

Independent outside certified public accountants were **not** engaged to conduct the financial audit and, therefore, the Congregation Council is reminded the performance by the Audit Committee of various auditing procedures and this resultant final written report are **not** to be construed as an independent financial audit in accordance with generally accepted auditing standards.

## Opinion

Subject to the aforementioned **Limitations** and the **Topics for Consideration and Deficiencies** which follow, the Audit Committee believes its work sufficient to provide the Congregation Council reasonable assurance that:

- 1) the financial records are materially accurate;
- 2) the financial controls are designed and operating effectively; and
- 3) the congregation's December 31, 2023 financial statements accurately reflect the congregation's financial results and position in all material respects.

## Topics for Consideration and Deficiencies

- 1) The Statement of Financial Position is prepared on a cash basis. Since accrual accounting is not employed, no accounts receivable or payable are shown on the financial statements. Also, no amounts for the church building, equipment, fixtures and land are shown as assets of SOTC. Obviously, omission of these assets greatly understates the true net assets position of the church.

*In 2022, Council - in collaboration with our Property and Technology Teams - worked to complete a Fixed Asset spreadsheet. The intent was to outline our assets a) to have a complete listing of our assets outside of bank accounts, and b) to aid in planning for future large purchases (i.e.: replacement of AC units, computers, etc.) We were able to complete a portion of this spreadsheet for planning purposes, but were unable to accurately complete the spreadsheet to reflect an accurate listing of what our assets are worth. Because of this, Council moved to continue presenting our statement of financial position based on a cash basis. When an estimate of our assets is necessary, we will rely on numbers provided by our insurance company.*

- 2) More money counters who are willing to help (3.5 on audit checklist). Recommend a rotation of maybe 8 or more people that would be scheduled. Leadership needs to follow up with this recommendation.

- 3) Consider any payments (including recurring payments) that an expense report needs to be prepared. Matt and Pastor have already discussed this recommendation. This would be helpful for the new treasurer to have where are expenses are classified.

Respectfully submitted by the SOTC Audit Committee:

Roger Luft  
Wendy Thompson  
Konrad Wilke



# Life Together: Through the Work of the Church

## Annual Meeting Minutes – January 29, 2023

### Call Meeting to Order

Meeting called to order by Delene McConnaha at 10:09 a.m.

### Approval of Agenda

**MOTION by Roger Luft to approve this meeting's agenda. Second by Kim Bartling. Unanimously approved.**

### Approval of Minutes from Congregational Meetings in 2022

**MOTION by Gladys Reif to approve the minutes from the 2022 Congregational Meeting. Second by Connie Stalheim. Unanimously approved.**

### Treasurer's Report - Statement of Financial Position

- **Statement of Financial Position: Pg. 11-12 on Annual Report.**
  - **Checking balance is \$5,830.96**
  - **General savings balance is \$22,994,91. Capital Campaign Savings is \$21,308.06.**
  - **Difference between 2022 income and budgeted expenses: -\$1,876.98**
  - **Difference between 2022 general offering and budgeted expenses: -\$18,794.04**
  - **Note: We began 2022 with approximately \$11,000 in our checking account. By mid-year, we transferred \$5,000 from savings into checking to cover expenses. Now, as we enter 2023, we begin the year with approximately \$5,800 in our checking account. Beginning in 2023, we transferred \$5,000 from general savings into checking.**
- **Questions may be directed to Pastor Aleese or Matt Bentz.**

### Audit Committee Report

- **Audit Committee Report was received by the SOTC Council and approved. Items of note were considering church musicians employees and gathering W-9s for any contract worker. See annual report for full report. Committee members are: Roger Luft, Wendy Thompson and Konrad Wilke.**

## Update Regarding Lutheran Chaplaincy Outreach

- **The Lutheran Chaplaincy board has decided to fold the LCO program for financial reasons and the reality that spiritual care is different from when it started in 2003. Now, there are pastors on staff at the UIHC. The recommendation by Lutheran Chaplaincy Outreach is to allow funds SOTC recently donated to be put towards “The Chaplain Cindy Ford Breed Scholarship,” an endowed scholarship at Wartburg Theological Seminary in Dubuque, in recognition of the disbanding of the LCO program.**

## Amendments to Constitution

**MOTION by SOTC Council to accept the amendments to the SOTC constitution as presented. Second by Leslie Eichelberger. Unanimously approved.**

Nominations and Elections for Council Positions, Synod Assembly, and Nominating Committee – *nominations can be found on page 25 of this report*

- Council Positions
  - Council President: Delene McConnaha
  - Council Vice President: Kim Bartling
  - Secretary: Erin Jorgensen
  - Treasurer: Matt Bentz
  - Liaison 1: Mark Petersen
  - Liaison 2: Mackenzie Gilbert
  - Liaison 3: Melissa Booth
- Synod Assembly Voting Members: Joseph Reddy and Matt Bentz
- Nominating Committee
  - Vice President: Kim Bartling
  - Outgoing Member of Council: Connie Stalheim
  - Member of Stewardship Team: Mackenzie Gilbert
  - Voting Member of Congregation: Leslie Eichelberger

**MOTION by SOTC Council to approve the slate of nominations as presented. Second by Roger Luft. Unanimously approved.**

Year in Review – video presentation about Life Together

Link: <https://www.youtube.com/watch?v=oPIBv8umSYM&t=21s>

Adjourn

**MOTION by Mike Schulte to adjourn this meeting at 10:27 a.m. Second by Mark Petersen. Unanimously approved.**

## Congregational Budget Meeting Minutes – November 19, 2023

Call Meeting to Order – Delene McConnaha

Approval of Agenda

**MOTION by Gladys Reif to approve the agenda as written. Second by Judy Bartling. Unanimously approved.**

Report from Treasurer on Financial Position of Congregation – Matt Bentz

- **Checking Account Balance: \$11,114.97**
- **Savings Account Balance: \$21,000.93**
  - **Designated Savings: \$9,812.81**
  - **Undesignated Savings: \$11,188.12**
- **Capital Campaign Savings Balance: \$21,316.04**
  - **Reserved for HVAC: \$20,680.00**
  - **Undesignated: \$636.04**

**No motion needed**

Presentation and Discussion of Budget – Financial Update

- **Proposed 2024 Budget**
  - **2023 SOTC Budget: \$135,636.00**
  - **2024 Proposed SOTC Budget: \$139,841.00**

Vote on proposed budget

*Note that the budget, as presented, has been reviewed and recommended by our Congregational Council for adoption on October 24, 2023.*

**MOTION by Mike Schulte to approve the 2024 budget as presented. Second by Mark Petersen. Unanimously approved.**

**No discussion.**

Adjournment

**MOTION by Mike Schulte to adjourn. Second by Bryan Walton. Unanimously approved.**

## **Agenda for Annual Meeting – January 28, 2024**

Call Meeting to Order

Approval of Agenda

Approval of Minutes from Congregational Meetings in 2023

Statement of Financial Position and Audit Committee Report

Nominations and Elections for Council Positions, Synod Assembly, and Nominating Committee – *nominations can be found on page 28 of this report*

Year in Review

Adjourn

## Nominations for Election, January 2024

### Council Positions

	Completing year 2 of term (January 2024-Jan 2025)	Nominated in 2024 for a 2-year term (Jan 2024-Jan 2026)
President	Delene McConnaha	
Vice President		Gladys Reif
Secretary	Erin Jorgensen	
Treasurer		OPEN
Liaison 1		Connie Hoekstra
Liaison 2		Joanne Drinkall
Liaison 3	Melissa Booth	

### Synod Assembly Voting Members

Leslie Eichelberger  
Connie Hoekstra

### Nominating Committee

	Completing Year 2 of term (Jan 2024-Jan 2025)	Nominated in 2024 for a 2-year term (Jan 2024-Jan 2026)
Vice President		Gladys Reif
Outgoing Member of Council		Kim Bartling
Member of Stewardship Team	Mackenzie Gilbert	
Voting Member of Congregation	Leslie Eichelberger	