

# St. James Lutheran Church

*God calls us to follow Christ, make disciples, and live the Gospel*

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## **ANNUAL FINANCIAL REPORT OF THE CONGREGATION Annual Financial Meeting Lake Forest, Illinois 10:45 a.m. January 25, 2015**

### **Schedule**

9:30 a.m. Service of Holy Communion

10:45 a.m. Annual Meeting

*(supervised activities for children in Fellowship Hall)*

### **Agenda**

Opening Prayer

Call to Order

Report of the Tellers (Quorum)

Adoption of the Agenda

Approval of the Minutes, June 1, 2014

Final 2014 Review

Presentation of the 2015 General Fund Budget

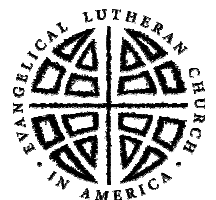
Discussion and Adoption of the 2015 General Fund Budget

Land Sale Update

Election of Synod Assembly Voting Members

Adjournment

Closing Prayer



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## Minutes of June 1, 2014 Governance Meeting

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Congregation President Peter Clemens invited Pastor Holmer to lead us in prayer.

Peter Clemens called the meeting to order at 11:00 a.m.

The tellers reported the presence of a quorum.

Peter Clemens noted that Report of the Pastor had been left off of the agenda and should be added following the Report of the President. He asked for a motion to approve the agenda as amended. A motion was made and seconded. The agenda was approved as amended.

Peter Clemens asked if there were any comments on the minutes of the January 26, 2014 Annual Financial Meeting. Linda Berner noted that Shelly Holmstrom represented the Social Ministry Committee in her comment on page 3 in the booklet. A motion was made and seconded to approve the minutes of the Annual Financial Meeting as corrected. The minutes were approved as corrected.

### REPORT OF THE PRESIDENT:

Peter Clemens commented that the celebration of the church's 50<sup>th</sup> anniversary proved to be the beginning of our thoughts of renewing. In looking toward the next 50 years, Council had decided they needed to start with goals for the next five years. The three main areas of focus were member involvement in outside community service and mission work, church attendance, and a capital appeal for needed infrastructure improvements and to retire the debt.

Refreshing the church began about 3 years ago as physical needs of the building and property were identified. It all started with replacing the shed. Peter noted that the fire inspector had been through the building during the past week and the only caution noted was one low battery in an exit light. Everything else was good, even the newly cleaned and organized storage closets.

Peter thanked Anne Linn and Jim Davoux for their leadership in the capital appeal. He also recognized the members of the leadership team.

With continuing financial support from our neighbors, the renewal of our land has continued over the past year, allowing views of the beauty of our surroundings.

Peter also noted that we have restructured the mortgage with a goal of retiring this debt at the end of the three-year capital appeal.

Peter concluded with thanks to the staff and many volunteers. He especially thanked Chic Martin for his work.

### REPORT OF PASTOR HOLMER:

Pastor Holmer began by noting what a blessing this morning's worship service had been. Both young people who presented the message spoke of growing up in St. James and the people who have supported them. Today showed us WHY we believe.

He thanked Peter Clemens for the work he has done. Peter is at the church almost every day. We are blessed by this kind of dedication. Peter will continue to work with the renewal projects going forward.

Pastor Holmer thanked the volunteer leaders of the congregation. We would be unable to run the church without them.

He noted that the speaking of faith series would continue in the fall. He urged those who have not yet shared their faith story to consider doing so.

Pastor Holmer is grateful to the congregation and to God for the opportunity to serve here.

### REPORTS OF THE COMMITTEES:

#### Nominating Committee:

Peter Clemens introduced the nominees for open positions on the Church Council.

For three-year terms: Carol Bennett, Donna Fortney, Josh Hornaday, and Craig Linn. This group was elected unanimously.

David Clough was elected to serve on the St. James Memorial Garden Board of Trustees.

Peter Clemens was elected to serve on the St. James Endowment Fund Board of Trustees.

David Van Singel and Ron Kok-Albias were elected to serve on the Audit Committee.

Peter Clemens suggested that an official audit be done during the next year. This would be prudent, especially with the appeal funds being collected and used in addition to normal budget concerns.

Peter Clemens, Kathy Lowell, Hugh Triplett, Dave Van Singel, Detlef Koska and Glenn Basgall were elected to serve on the Nominating Committee. This is a reorganization of this committee and length of terms will be determined by the members. In the future, two people will be elected each year.

*(Continued on page 4)*

**Endowment Fund Committee:**

Jim Davoux explained the use of the Nancy Moore Fund to pay down the mortgage, highlighting the details of this decision that are in his written report. There were no questions from the congregation.

**St. James Memorial Garden Board of Trustees:**

Detlef Koska noted that there were currently three benches in the Garden, but that only one would remain there. He urged everyone to consider his or her future needs and to sign up now for a place in the Garden.

Nancy Clemens asked if it was possible to expand the Garden. Detlef replied that plans did exist for an expansion when it becomes necessary.

Peter Clemens noted that there would be a new sidewalk leading from the back entrance of the church to the Memorial Garden. It would also connect to the emergency exists around the building.

**Sewing Group:**

Betty Benton appreciates having the report included in the booklet.

**Stewardship Committee:**

Richard Kaeske asked for an explanation of the chart depicting the personal commitment members made for worship attendance. Pastor Holmer explained that the chart showed the number of members and the percentage of members pledging to attend worship the given number of Sundays each month.

Peter Clemens noted that this committee is looking for a chairperson. He thanked John Crotty for his many years of service on the committee.

**Youth Ministry Team:**

Doug Dusthimer said that this summer's mission trip would be to Kittery, Maine at the end of July. He also said the recent sleep under had gone well. Debbie MacAyeal noted that youth activities had been better attended during the past year. Peter Clemens praised the good showing of confirmands at the May outdoor workday.

**Worship and Music Committee:**

Carol Bennett talked about the changes that have been discussed and tried for the Christmas Eve services. The 4:30 service is very well attended, but attendance at the late service has fallen off. The committee is trying to find the best time for this service. This committee would welcome more lay members.

**Women of St. James:**

Anne Linn commented that this is a wonderful group of women spanning all age groups. She encouraged all women to attend the activities.

**Christian Education:**

Debbie MacAyeal commented that this had been a very successful year for adult education. She also said there were some exciting new things coming up for the youth.

**Evangelism Committee:**

Barb Davoux commented that they were always looking for new members on this committee.

**Property Committee:**

Chic Martin reported on the Renewing Projects. He noted that renewing is a powerful word. He appreciates being asked to put this project together.

Over the past year the following has been done:

- Renewing the wooded areas (see report for details)
- New exterior up lighting which showcases the church
- Brighter lighting in the sanctuary
- Remodeling of the Common Room
- Retrofitting lighting in the rest of the church through Project Green

This year's projects:

- Renovation of the Sunday School room begins June 2
- The parking lot island will be finished in the next three weeks. It will include new lighting and an irrigation system
- The permit has been issued for the storm sewer installation
- Custom cabinets have been ordered for the Narthex and Sunday school/ kitchen areas. These have stone counter tops.
- Thermo-pain window installation in July
- Outside door replacement
- Stained glass will be taken down for repairs and cleaning
- The original carpeting chosen was discontinued. Because other items had been chosen based on the carpeting, Chic asked the company if it was possible to get the original. They agreed to make this possible for us.

## *Minutes of June 1, 2014 Governance Meeting*

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- New Narthex lighting has been ordered
- The kitchen serving door will be replaced
- New ceiling in the Narthex
- Four restrooms in the old section of the building will be closed for remodeling.
- The sanctuary floor will be cleaned and sealed. Helpers will be needed to move the furniture before and after this work is done.
- New walkway from the back entrance to the Memorial Garden will be started in June.
- One of the benches in the Memorial Garden will stay there. The other two will be placed out front.

Chic asked everyone to bear with us through the mess of construction. His hope is to have everything completed by the end of September.

Jim Benton asked if the coffee machine would remain in the Narthex. Chic said that machine would be moved to the Fellowship Hall and there would be a new system in the Narthex.

In answer to a question, Chic noted that the Narthex restrooms will remain open.

Richard Kaeske asked for applause for all of the work Chic has done. The congregation complied with enthusiasm.

Chic thanked Peter Clemens for all he has done. They have become good friends. Peter has been very instrumental in moving the renewal work forward.

Pastor Holmer asked that any suggestions or questions about the work be directed to himself or Peter Clemens. They will get the information to Chic Martin. Chic has been kind enough to volunteer his time and expertise.

Peter Clemens noted that during the work on the Narthex, it may be necessary to use the back doors.

Peter Clemens thanked Linda Berner for her time and work as secretary.

Linda Berner read the resolutions.

The meeting was adjourned at 12:04 p.m.

Pastor Holmer led the congregation in a closing prayer.

Respectfully submitted,

Linda Berner

## *Treasurer's Report*

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What a year it was in 2014!

We had a wonderful launch of the Renewal Campaign and thanks to your generous support which ran way ahead of schedule, we did \$375,000 in projects throughout our entire building and grounds. We were able to take on some additional projects, in particular the island, as well as absorb some extra costs which became apparent as we started renovating parts of our 45 year old facility. While we borrowed as much as \$100,000 on a line of credit during the year in order to get the bulk of this work done during the summer, by year end this loan was down to \$22,000 and by early January 2015, it has been paid off in full.

Meanwhile we continued on our extensive property restoration, receiving \$181,000 in additional funding which covered work throughout our grounds as well as helped out with \$50,000 towards the storm sewer and island costs.

Thanks for your financial support and input on these projects and the leadership of Chic Martin and Pete Clemens to turn this vision into reality with a job well done.

The General Fund was able to come in at a slight surplus, which was pretty incredible considering we \$17,000 in additional property costs, where we at the mercy of the weather and our equipment. The light dimming system gave out in our sanctuary after 23 years, resulting in a late unexpected \$11,000 replacement. Utility costs ran higher as well, with higher gas heating from the cold winter in early 2014 and higher water

costs with the sprinkler systems. Fortunately our General Fund income ran \$17,000 ahead of budget, thanks to member contributions running slightly ahead, other income such as Thrivent contributions and money from the Contingency and Viola Long funds.

Our endowment investments had a solid year, earning \$12,000 for a 5.6% return (after 1.0% fees).

We have exciting news to follow as well in early 2015. The pending land sale, for which we received deposits of \$165,000 for in 2014, was closed on January 15, 2015.

Thanks to our Business Manager, Chris Meyer, who had so much more than normal on her hands; besides the General Fund- she also had the Renewal Campaign giving, Renewal Campaign projects and the Property Restoration projects. I am also grateful for Joe Voelcker and his team of counters who stick around after late service on Sundays. Without their hard work taking care of the contributions, payroll, bills and overall recordkeeping, these financials and this annual report would not be possible. I am also indebted to the guidance of Pastor Holmer, our Executive Committee, Council, Finance Committee and Endowment Committee throughout the year.

Jon Paul, Treasurer



## Consolidated Financial Summary Commentary

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While much of the annual report covers the General Fund, we have much else going on at St. James.

### **Changes in Net Assets:**

We had a net increase in net assets of \$331,746 in 2014, thanks to generous gifts to the Renewal Campaign fund and Property Restoration funds, much of which went towards capitalized projects that will benefit St. James for years to come.

These gifts totaled \$509,124 net of fundraising fees. \$559,004 was spent on projects, including funds carried over from 2013 and \$22,000 borrowed on the line of credit (paid off in early January 2015). \$376,098 of projects in 2014 were for capital items, including smaller projects funded by the General Fund and one memorial.

Most other activity in 2014 was normal. We did use \$10,841 from the Contingency, Viola Long and Maintenance funds so the General Fund could have a slight surplus, even with unexpected property expenses (higher utility costs and

\$10,980 to replace the sanctuary's light dimming system).

### **Summary of Net Assets:**

Our largest assets continue to be our building and grounds, which increased with the capital projects mentioned above. Investments increased slightly with appreciation offset by \$10,000 withdrawn from the Viola Long fund as designated for the General Fund and benevolence. The cash balances in restricted funds went up with the \$165,000 in deposits on the pending land sale, less \$27,200 of Renewal Fund cash raised in 2013 spent on projects in 2014.

Our liabilities include two new items- the \$165,000 deposit mentioned above and \$22,000 on the line of credit borrowed by the Renewal Campaign fund (which was paid off in early January).

Our net assets are now \$4,054,316, which continue to be roughly the value of our building and grounds.



## Consolidated Financial Results Summary

St James Lutheran Church	2013	2014
<b>Change in Consolidated Net Assets</b>		
Beginning Balance, Consolidated Net Assets	3,678,969	3,722,570
<b>Increases to Net Assets:</b>		
Renewal Campaign (net of fees)	27,200	328,124
Outside Gifts for Property and Building Projects	188,639	181,000
Mortgage Reduction from General Fund Payments	11,558	4,113
Mortgage Reduction from Nancy Moore Fund	95,718	-
Investment Income and Appreciation (net of fees)	20,235	12,395
Pastor Education Fund Gifts	1,200	-
Memorials & Memorial Garden (net of expenses)	4,827	3,801
General Fund Surplus	-	415
Total Increases to Net Assets	349,376	529,848
<b>Decreases to/Uses of Net Assets:</b>		
Pastor Sabbatical & Education Funds Spending	(34,869)	(4,355)
Nancy Moore Fund payment to General Fund	(95,718)	-
Property and Building Projects- From Outside Gifts	(150,913)	(179,977)
Property and Building Projects- From Internal Restricted Funds	(99,716)	-
Property and Building Projects- From Renewal Campaign	-	(376,035)
Property and Building Projects- From Other Memorials & Gifts	(5,000)	(2,992)
Add Back: Capitalized Projects	89,926	376,098
General Fund Deficit	(4,485)	-
Contingency, Viola Long & Maintenance payments to General Fund	(5,000)	(10,841)
Total Decreases to Net Assets	(305,775)	(198,102)
Increase in Net Assets	43,601	331,746
Ending Balance, Consolidated Net Assets	3,722,570	4,054,316
<b>Summary of Net Assets</b>		
Cash- General Fund	60,417	65,161
Cash- Restricted Funds	79,831	204,962
Prepaid Expenses	-	9,739
Investments- Endowments & Restricted Funds	210,816	213,182
Fixed Assets- Land, Building, Equipment, Memorial Garden	3,707,312	4,083,410
Total Assets	4,058,376	4,576,453
General Fund Current Liabilities	62,750	66,195
Deposits	-	165,000
Line of Credit	-	22,000
Mortgage	273,055	268,942
Total Liabilities	335,806	522,137
Consolidated Net Assets	3,722,570	4,054,316
<b>Unrestricted Liquid Net Assets</b>		
Cash- General Fund	60,417	65,161
Less: General Fund Current Liabilities	(62,750)	(66,195)
Unrestricted Liquid Net Assets	(2,334)	(1,034)

## Statement of Financial Position

St James Lutheran Church  Statement of Financial Position	December 31, 2013				December 31, 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Cash	67,075	70,976	2,197	140,248	65,171	40,079	164,873	270,123
Prepaid Expenses	-	-	-	-	-	-	9,739	9,739
Investments	-	8,274	202,542	210,816	-	8,890	204,291	213,182
<b>Total Current Assets</b>	<b>67,075</b>	<b>79,250</b>	<b>204,739</b>	<b>351,063</b>	<b>65,171</b>	<b>48,969</b>	<b>378,903</b>	<b>493,043</b>
1350 Waukegan Road	250,000	-	-	250,000	250,000	-	-	250,000
Church Site	315,371	-	-	315,371	383,516	-	-	383,516
Church Building	2,805,488	-	-	2,805,488	3,102,460	-	-	3,102,460
Church Equipment	158,718	-	-	158,718	169,698	-	-	169,698
Memorial Garden	-	-	65,735	65,735	-	-	65,735	65,735
Equity in Pastor Residence	-	-	112,000	112,000	-	-	112,000	112,000
<b>Total Fixed Assets</b>	<b>3,529,577</b>	<b>-</b>	<b>177,735</b>	<b>3,707,312</b>	<b>3,905,675</b>	<b>-</b>	<b>177,735</b>	<b>4,083,410</b>
<b>Total Assets</b>	<b>3,596,652</b>	<b>79,250</b>	<b>382,474</b>	<b>4,058,376</b>	<b>3,970,846</b>	<b>48,969</b>	<b>556,638</b>	<b>4,576,453</b>
Accounts/Credit Cards Payable	1,050	-	-	1,050	1,012	-	-	1,012
Prepaid Pledges	61,700	-	-	61,700	65,183	-	-	65,183
Deposits	-	-	-	-	-	-	165,000	165,000
Line of Credit	-	-	-	-	-	22,000	-	22,000
<b>Total Current Liabilities</b>	<b>62,750</b>	<b>-</b>	<b>-</b>	<b>62,750</b>	<b>66,195</b>	<b>22,000</b>	<b>165,000</b>	<b>253,195</b>
Mortgage Payable	273,055	-	-	273,055	268,942	-	-	268,942
<b>Total Liabilities</b>	<b>335,806</b>	<b>-</b>	<b>-</b>	<b>335,806</b>	<b>335,137</b>	<b>22,000</b>	<b>165,000</b>	<b>522,137</b>
Net Assets, Beginning of Year	3,109,584	203,789	365,597	3,678,969	3,260,846	79,250	382,474	3,722,570
Surplus (Deficit)	(45,939)	(124,539)	16,878	(153,600)	(5,348)	(52,281)	9,164	(48,464)
Mortgage Reduction	107,275	-	-	107,275	4,113	-	-	4,113
Capitalized Projects	89,926	-	-	89,926	376,098	-	-	376,098
<b>Increase in Net Assets</b>	<b>151,262</b>	<b>(124,539)</b>	<b>16,878</b>	<b>43,601</b>	<b>374,863</b>	<b>(52,281)</b>	<b>9,164</b>	<b>331,746</b>
<b>Net Assets, Ending of Year</b>	<b>3,260,846</b>	<b>79,250</b>	<b>382,474</b>	<b>3,722,570</b>	<b>3,635,709</b>	<b>26,969</b>	<b>391,638</b>	<b>4,054,316</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>3,596,652</b>	<b>79,250</b>	<b>382,474</b>	<b>4,058,376</b>	<b>3,970,846</b>	<b>48,969</b>	<b>556,638</b>	<b>4,576,453</b>

**Statement of Financial Position-** equivalent to the Balance Sheet in the corporate world.

**Unrestricted** (General Fund, Contingency Fund, and Designated Funds that have been released to be spent for their designated purposes).

**Temporarily Restricted-** Funds that are restricted until they are released for spending on their designated purposes. These funds are listed in the Statement of Changes in Net Assets schedule.

**Permanently Restricted-** Endowments and funds where the principal is to be kept intact.

Our net assets (equivalent to Retained Earnings in the corporate world) increased due to money given to the Renewal Campaign fund and Property Restoration fund that were used for capital projects.

Our cash balance increased \$129,876 primarily from \$165,000 in deposits towards the pending land sale expected to close around January 15, 2015. Offsetting this was the Renewal Campaign cash

drawn down by \$29,000 for projects in 2014. Most of our cash balances are restricted; the unrestricted balances are very similar to 2013.

Prepaid expenses are related to the pending land sale.

Investments went up \$2,366; \$12,366 was earned (5.6% after 1.0% fees), while \$10,000 was given by the Viola Long fund based on earnings the past two years- \$5,000 went to the General Fund in 2014 and \$5,000 will go to benevolence for the Sagrado Corazon parish in early 2015.

The bulk of our assets are invested in real estate.

General Fund liabilities are similar to last year. The Renewal Campaign had \$22,000 left on the line of credit from 2014 projects (this was paid off in early January 2015). The deposits as mentioned above are from the pending land sale. We continue to pay down the mortgage slightly from regular monthly payments, with the big reduction expected at the end of the Renewal Campaign.

## Statement of Changes in Net Assets

St James Lutheran Church	Year Ended 2013					Year Ended 2014			
	Beginning Balance	Surplus (Deficit)		Mortgage Reduction/ Capitalized Projects	Ending Balance	Surplus (Deficit)			Ending Balance
		Regular Revenue Income (Expense)	Projects Funded			Regular Revenue Income (Expense)	Projects/ Mortgage Funded	Mortgage Reduction/ Capitalized Projects	
<b>Statement of Changes in Net Assets</b>									
General Fund	3,062,357	(4,485)		197,201	3,255,073	415		380,210	3,635,699
Contingency Fund	47,227	(4,975)	(36,479)		5,773	(5,763)			10
<b>Total Unrestricted Funds</b>	<b>3,109,584</b>	<b>(9,460)</b>	<b>(36,479)</b>	<b>197,201</b>	<b>3,260,846</b>	<b>(5,348)</b>	<b>-</b>	<b>380,210</b>	<b>3,635,709</b>
Nancy Moore Fund	92,561	3,157	(95,718)		-				-
Major Maintenance Fund	27,122	10	(27,045)		88	(78)			10
Other Restricted Funds	19,474	632	(11,832)		8,274	616			8,890
Other Memorial Funds	24,163	4,359	(24,360)		4,163	1,415	(2,992)		2,586
Pastor Education & Sabbatical	40,469	(33,669)			6,800	(4,355)			2,445
Property Restoration Gifts	-	188,639	(155,913)		32,726	181,000	(179,977)		33,749
Renewal Campaign	-	27,200			27,200	328,124	(376,035)		(20,711)
<b>Temporarily Restricted Funds</b>	<b>203,789</b>	<b>190,329</b>	<b>(314,867)</b>	<b>-</b>	<b>79,250</b>	<b>506,724</b>	<b>(559,004)</b>	<b>-</b>	<b>26,969</b>
Endowment Investment Funds	14,751	5,857			20,608	(3,108)			17,500
Viola Long Fund	115,096	6,308			121,405	4,045			125,449
Tony Danielson Fund	73,974	4,055			78,029	5,813			83,842
Land Endowment Fund	-	-			-	29			29
Memorial Garden Fund	49,774	658			50,432	2,386			52,818
Pastor Residence Fund	112,000	-			112,000	-			112,000
<b>Permanently Restricted Funds</b>	<b>365,597</b>	<b>16,878</b>	<b>-</b>	<b>-</b>	<b>382,474</b>	<b>9,164</b>	<b>-</b>	<b>-</b>	<b>391,638</b>
<b>Total All Funds</b>	<b>3,678,969</b>	<b>197,747</b>	<b>(351,347)</b>	<b>197,201</b>	<b>3,722,570</b>	<b>510,540</b>	<b>(559,004)</b>	<b>380,210</b>	<b>4,054,316</b>

**Statement of Changes in Net Assets-** equivalent to Retained Earnings statement in the corporate world.

**Unrestricted Funds:**

The General Fund net assets increased with the capital projects and the regular mortgage reduction. The Contingency Fund was drawn down to help cover extra property expenses for utilities and repairs in the General Fund.

**Temporarily Restricted Funds:**

Other Memorials - the screen in the narthex was made possible through one memorial. Pastor Education Fund- we continued to provide education opportunities for Pastor Holmer; we will begin replenishing this fund again in 2015.

**Property Restoration Gifts-** we were blessed again this year with significant donations for outside projects throughout 2014. The balance in the fund should be completed with other outside projects by spring 2015.

**Renewal Campaign Fund-** we had a wonderful response to the launch of the three year campaign, raising \$328,124 net of fundraising costs. Lots of work was done which is covered in more detail in the Renewal Campaign sections. In order to complete all the first year projects, the fund borrowed on the line of credit, which was down to \$22,000 by end December and paid off in full by early January. By early January this fund was back to a positive balance of about \$10,000.

**Permanently Restricted Funds:**

The Memorial Garden had more plots sold in 2014. The Tony Danielson fund went up from allocated investment earnings and appreciation, as did the Viola Long fund. The Viola Long fund increase is after \$10,000 donated 50-50 between the General Fund and benevolence. The Endowment Investment Funds are down slightly just due to timing of allocations to the above endowment funds.

## Statement of Net Activity

St James Lutheran Church	Year Ended 2013				Year Ended 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Statement of Activites</b>								
Member Contributions	544,232	-	-	544,232	552,088	-	-	552,088
Property & Building Project Gifts	-	188,639	-	188,639	-	181,000	-	181,000
Capital Campaign	-	37,000	-	37,000	-	352,242	-	352,242
Pastor Education	-	1,200	-	1,200	-	-	-	-
Other Income	2,879	-	-	2,879	5,869	-	-	5,869
Investment Income	70	4,004	24,606	28,680	45	650	13,965	14,660
Special Benevolence	-	4,043	-	4,043	-	2,598	-	2,598
Memorials & Memorial Garden	-	4,170	1,500	5,670	-	1,892	2,900	4,792
Contribution to Major Maintenance	-	-	-	-	-	-	-	-
Net Assets Released From Restrictions	353,779	(353,779)	-	-	571,514	(566,514)	(5,000)	-
<b>Total Contributions &amp; Revenues</b>	<b>900,960</b>	<b>(114,724)</b>	<b>26,106</b>	<b>812,342</b>	<b>1,129,516</b>	<b>(28,132)</b>	<b>11,865</b>	<b>1,113,248</b>
Personnel	330,320	-	-	330,320	341,045	-	-	341,045
Benevolence- Budgeted	84,985	-	-	84,985	81,769	-	-	81,769
Benevolence- Special Offerings	4,043	-	-	4,043	2,598	-	-	2,598
Administration	20,877	-	-	20,877	20,746	-	-	20,746
Finance	138,438	15	-	138,453	31,445	-	-	31,445
Investment Expenses	-	-	3,070	3,070	-	-	2,185	2,185
Fund Raising Expenses	-	9,800	-	9,800	-	24,148	-	24,148
Property	58,242	-	-	58,242	73,322	-	-	73,322
Property Restoration	255,629	-	-	255,629	557,511	-	-	557,511
Christian Education	9,619	-	-	9,619	9,454	-	-	9,454
Pastor Sabbatical & Education	34,869	-	-	34,869	4,355	-	-	4,355
Worship & Music	4,962	-	-	4,962	7,451	-	-	7,451
Evangelism, Fellowship & Stewardship	4,917	-	-	4,917	5,169	-	-	5,169
Memorial Garden	-	-	843	843	-	-	516	516
<b>Total Expenses</b>	<b>946,899</b>	<b>9,815</b>	<b>3,913</b>	<b>960,627</b>	<b>1,134,864</b>	<b>24,148</b>	<b>2,701</b>	<b>1,161,713</b>
<b>Surplus (Deficit)</b>	<b>(45,939)</b>	<b>(124,539)</b>	<b>22,193</b>	<b>(148,285)</b>	<b>(5,348)</b>	<b>(52,281)</b>	<b>9,164</b>	<b>(48,464)</b>

**Statement of Activities-** somewhat equivalent to the Profit & Loss statement in the corporate world, except that it is reported on a cash basis.

Contributions and revenues went up over \$300,000 versus last year to \$1,113,248, with the increase coming from the Renewal Campaign. About half our income came from member contributions, another 48% comes from the Renewal Campaign and Property Restoration gifts. \$571,514 was released from restricted funds- most of this, \$557,511, went towards property projects; the remainder went towards General Fund needs.

Of our expenses, 50% were for General Fund costs, 48% for property projects and 2% for Renewal Campaign fundraising costs.

Overall we had a deficit of \$48,464, mainly in our temporarily restricted assets, as we used early gifts from the Renewal Campaign received in 2013 towards projects in 2014. Unrestricted funds had a slight deficit as we used Contingency funds to help with General Fund costs. Permanently restricted funds had a slight surplus from investment income offset partially by donations from the Viola Long fund to the General Fund.

## Statement of Cash Flows

St James Lutheran Church Statement of Cash Flows	Year Ended	
	2013	2014
Increase in Net Assets	43,601	331,746
(Increase) Decrease in Current Assets		
Prepaid Expenses	-	(9,739)
Increase (Decrease) in Current Liabilities		
Accounts/Credit Cards Payable	(2,075)	(39)
Prepaid Pledges	25,528	3,483
Deposits	-	165,000
<b>Total Operating Activities</b>	<b>67,053</b>	<b>490,452</b>
Investing Activities		
Capitalized Property & Building Projects	(89,926)	(376,098)
(Increase) Decrease in Investments	105,698	(2,366)
<b>Total Investing Activities</b>	<b>15,772</b>	<b>(378,463)</b>
Financing Activities		
Payments on Mortgage	(107,275)	(4,113)
Line of Credit Borrowing	-	22,000
<b>Total Financing Activities</b>	<b>(107,275)</b>	<b>17,887</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(24,450)</b>	<b>129,876</b>
Cash- Beginning Balance	164,698	140,248
<b>Cash- Ending Balance</b>	<b>140,248</b>	<b>270,123</b>

**Statement of Cash Flows-** similar to the cash flow statement in the corporate world, except in non-profits the increase in net assets number is used, in corporate it is the net income number.

Overall our cash balances went up nearly \$130,000, mainly from the \$165,000 in deposits for the pending land sale. Of this money, \$9,739 was spent on prepaid expenses in advance of the sale.

We also had \$22,000 left on the line of credit borrowed to finish projects from the first year of the Renewal Campaign. This was paid off in early January.

Our net assets increased \$331,746, but most of this was for capital projects of \$376,098 primarily from the Renewal Campaign and Property Restoration funds.

## Renewal Campaign Summary

St James Renewal Campaign	Actual	Budget	Variance	Comments
<b>By Year</b>				
<b>2013</b>				
Donations	37,000	37,000	-	
Fundraising Expenses	9,800	9,800	-	
Balance December 31, 2013	27,200	27,200	-	
<b>2014</b>				
Donations	352,242	286,485	65,757	Giving much sooner than expected
Fundraising Expenses	24,148	27,600	(3,452)	Lower out of pocket expenses
Net Donations	328,094	258,885	69,209	
Line of Credit	22,000	13,761	8,239	
Interest Expense	1,493	962	531	
Net Financing	20,507	12,799	7,708	
Total Sources	348,601	271,684	76,917	
Project Spending	374,542	298,884	75,658	Projects added; some overruns
Surplus (Deficit)	(25,941)	(27,200)	1,259	
Balance December 31, 2014	1,259	-	1,259	
<b>2015 (to January 6th)</b>				
Donations	31,680	1,911	29,769	Giving much sooner than expected
Line of Credit	(22,000)	(1,911)	(20,089)	Line of credit paid off sooner
Balance January 6, 2015	10,939	-	10,939	
<b>All Years Combined</b>				
Donations	420,922	325,396	95,526	
Fundraising Expenses	33,948	37,400	(3,452)	
Net Donations	386,974	287,996	98,978	
Line of Credit	-	11,850	(11,850)	
Interest Expense	1,493	962	531	
Net Financing	(1,493)	10,888	(12,381)	
Total Sources	385,481	298,884	86,597	
Project Spending	374,542	298,884	75,658	
Balance January 6, 2015	10,939	-	10,939	

We had a successful launch to the Renewal Campaign. Our members generously pledged \$758,000 and through early January 2015, we had received \$421,000, 55% of the total. This was \$95,000 ahead of what we had projected to receive to this point.

Thanks to your generosity, we were able to take on some additional projects, as well as cover additional costs on certain projects as will be covered in the next section listing the projects. In total we spent \$375,000 on projects, \$76,000 more than planned, \$45,000 of which was for additional projects.

Fundraising expenses of \$34,000 were \$3,500 less than budgeted.

We borrowed sooner on the line of credit and had about \$500 more than budgeted for interest expense. At year-end there was still \$22,000 open on the line of credit, \$8,000 more than we had planned. However, thanks to donations in early January 2015, we paid off the line of credit, and have \$11,000 left over in cash for 2015 projects. We paid off the line months ahead of when we expected to.

## Renewal Campaign Projects

St James Renewal Campaign	Actual	Budget	Variance	Comments
<b>Projects- Year 1</b>				
Storm Sewer	6,217	19,000	(12,783)	22,300 covered by other fund
Sunday School	66,043	69,500	(3,457)	
Narthex	67,778	78,100	(10,322)	9k of lighting supplied for free by ComEd
Sanctuary	22,822	9,325	13,497	repairs needed to stained glass, sealing of floors
Fellowship Hall	14,519	16,000	(1,481)	closets much less to build, install
Kitchen	18,830	15,000	3,830	design changes, expense to replace fire shutter
Restrooms	29,282	8,500	20,782	45 years old, more extensive refurbishment required
Window Replacement	41,360	43,610	(2,250)	
West Exterior Wall	4,900	5,000	(100)	
Carpeting Halls & Offices	17,640	17,000	640	includes material for year 2 install
Gas expense for Chic	357		357	
Sidewalks	41,882	15,000	26,882	additional costs - rewiring lights, sprinkler system, sod
Contingency		2,849	(2,849)	
<b>Projects Originally for Year 1</b>	<b>331,631</b>	<b>298,884</b>	<b>32,747</b>	
<b>Projects- Year 2</b>				
				pulled forward due to success of fundraising
Carpeting in offices	6,000	7,300	(1,300)	material on hand, only installation costs left
Cove Lighting	-	2,500	(2,500)	done by ComEd at no charge
<b>Projects Moved Up From Year 2</b>	<b>6,000</b>	<b>9,800</b>	<b>(3,800)</b>	
<b>Other Projects</b>				
Island	17,761		17,761	excludes 28,190 covered by other fund (landscaping, walkway)
Doors	4,104		4,104	rotted doors in nursery, Sunday School, Fellowship Hall
Other	8,784		8,784	labor expense, common items for multiple projects
Sanitation	2,262		2,262	dumpsters and cleanup expenses
Parking Lot	4,000		4,000	parking lot drainage corrections
<b>Other Projects</b>	<b>36,911</b>	<b>-</b>	<b>36,911</b>	
<b>All Projects</b>	<b>374,542</b>	<b>308,684</b>	<b>65,858</b>	

A lot of wonderful work went on in our building and grounds during 2014, thanks to funding by the Renewal Campaign and the leadership of Chic Martin and Pete Clemens.

We had an extensive list of projects totaling \$323,000 for this first year, covering all throughout our facility as listed above. In addition, we were able to take on a number of additional projects because of the generous giving.

With the age of our building and grounds, it was not surprising that we get some surprises along the way, in particular, finding more extensive refurbishment was needed for our bathrooms as well as repairs for the stained glass. The sidewalk project

also entailed additional costs for rewiring lights, putting in a sprinkler system and installing sod.

Fortunately we got help in different ways which lowered some costs. Commonwealth Edison supplied \$9,000 of lighting for free in the narthex and did the cove lighting for free. The property restoration fund covered \$22,300 of the storm sewer costs and \$28,200 of the island costs.

With our funding, we took on additional projects, including redoing the island, fixing our parking lot drainage and replacing some rotted doors.

## General Fund 2015 Budget Summary

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>Receipts</b>				
Member Contributions Pledged	496,847	504,200	499,812	511,000
Member Contributions Non-Pledged	47,385	42,500	52,276	47,400
Other Revenue	2,879	3,300	5,869	3,200
Investment Income	45	50	43	48
Transfers In From Other Funds	100,718	2,000	11,323	8,000
<b>Total Receipts</b>	<b>647,873</b>	<b>552,050</b>	<b>569,322</b>	<b>569,648</b>
<b>Disbursements</b>				
Personnel	330,320	342,666	341,045	357,486
Benevolence Budgeted	84,985	82,700	81,769	82,700
Administration	20,877	19,690	20,746	19,753
Finance	138,438	30,015	29,951	30,069
Property	58,242	56,000	73,322	56,030
Christian Education	9,619	8,430	9,454	10,150
Worship & Music	4,962	7,000	7,451	7,010
Evangelism, Fellowship, Steward	4,917	5,550	5,169	6,450
<b>Total Disbursements</b>	<b>652,358</b>	<b>552,050</b>	<b>568,907</b>	<b>569,648</b>
<b>Surplus (Deficit)</b>	<b>(4,485)</b>	<b>(0)</b>	<b>415</b>	<b>0</b>

The General Fund had a slight surplus of \$415 in 2014. Receipts exceeded budget by \$17,272, which we needed to offset the higher property costs, an area harder to control due to weather and equipment breakdowns, which ran \$17,322 over budget.

Receipts came in stronger from all sources- member contributions were \$5,388 more than budget, other income was \$2,569 more from several sources including Thrivent Choice and we received \$9,323 more than budgeted from other funds, in particular \$5,000 from the Viola Long fund (versus \$2,000 budgeted) and \$5,765 from the contingency funds.

These receipts enabled us to cover the higher property costs, in particular the unexpected \$10,980 to replace the light dimming system for the sanctuary which gave out after 23 years. We also had higher utility costs due to the cold winter early in the year and higher water costs with the sprinkler systems installed in 2015.

Other department expenses offset each other. Personnel costs ran under with lower than budgeted pension costs, nursery time and automobile expenses.

Benevolence costs were less for two ministries where giving is based on actual needs. Administrative costs ran higher with advance payments on the new copier and Christian Education costs were more due to participation in the Senior High youth trip.

For 2015 we have a balanced budget, with receipts and expenses budgeted to run very close to 2014 amounts. Member donations should grow based on pledges received, while other donations and money contributed by other funds will fall.

While overall expenses will remain level, there are a couple big swings. Personnel costs are budgeted at \$16,441 more due mainly to higher medical costs; raises are modest averaging 1.5%. On the other hand, property costs are budgeted \$17,292 less than 2014 spending, as we don't anticipate any major repairs and we expect utility costs to fall thanks to efficiencies from spending. Other costs are similar to the 2014 budget, although we are spending more on Christian Education and Fellowship.



## General Fund Receipts

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>Receipts</b>				
<b>Member Contr. Pledged</b>				
Current Operations	384,175	442,500	372,166	445,817
Current Operations/Prepaid	112,672	61,700	127,646	65,183
<b>Member Contr. Pledged</b>	<b>496,847</b>	<b>504,200</b>	<b>499,812</b>	<b>511,000</b>
<b>Member Contr. Non-Pledged</b>				
Current Operations/Non-Pledged	37,539	32,500	39,423	35,700
Seasonal Offerings	6,575	6,500	8,429	7,500
Loose Offerings	2,789	3,000	3,911	3,600
Sunday School Offerings	482	500	512	600
<b>Total Member Contr. Non-Pledged</b>	<b>47,385</b>	<b>42,500</b>	<b>52,276</b>	<b>47,400</b>
<b>Total Member Contributions</b>	<b>544,232</b>	<b>546,700</b>	<b>552,088</b>	<b>558,400</b>
<b>Other Revenue</b>				
Miscellaneous Income	0	0	1,901	600
Church Use	1,675	1,200	575	600
Chase Reward Credit	574	600	428	500
Thrivent Choice	630	1,500	2,965	1,500
<b>Total Other Revenue</b>	<b>2,879</b>	<b>3,300</b>	<b>5,869</b>	<b>3,200</b>
<b>Investment Income</b>				
Interest Income	45	50	43	48
<b>Interfund Transfers</b>				
From Endowments	0	2,000	5,000	8,000
From Nancy Moore Fund	95,718	0	0	0
From Contingency Fund	5,000	0	5,765	0
From Other Memorials	0	0	480	0
From Major Maintenance	5,000	0	78	0
<b>Total Interfund Transfers</b>	<b>100,718</b>	<b>2,000</b>	<b>11,323</b>	<b>8,000</b>
<b>Total Receipts</b>	<b>647,873</b>	<b>552,050</b>	<b>569,322</b>	<b>569,648</b>

We were blessed with contributions and income from a number of sources that ran ahead of budget in 2014. Overall receipts came in \$17,272 or 3.1% ahead of budget.

Member donations came in \$5,388 or 1% ahead, as non-pledged contributions outpaced a smaller shortfall in pledged donations. Other revenue ran \$2,569 ahead thanks to Thrivent Choice donations and other various sources.

We received more than expected from the Viola Long fund, \$5,000, based on investment income

during the past two years. We also drew down the contingency fund to help cover the property costs.

Based on pledges we are able to take up the member contributions budget by \$6,312 over last year's actual contributions. Other income is similar to the 2014 budget; we aren't counting on any unusual items like we received last year. The endowment transfer of \$8,000 includes \$5,000 that has already been set aside, which will be given in early 2015 and passed along to Sagrado Corazon, the parish in Waukegan that we are supporting once again.

## General Fund Disbursements - Personnel

		2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>Ministry - Pastor</b>					
	Salary	54,844	56,921	56,921	59,039
	Housing Allowance	49,000	49,000	49,000	49,000
	Social Security	14,542	14,538	14,538	14,862
	Pension & Benefits	33,995	37,190	36,771	43,256
	Auto Expense Reimbursement	1,379	2,150	1,635	1,800
	Books & Subscriptions	99	0	0	200
	Professional Expenses	155	0	195	250
	Continuing Education	900	0	0	900
<b>Total Ministry</b>		<b>154,914</b>	<b>159,799</b>	<b>159,060</b>	<b>169,307</b>
<b>Administration Personnel</b>					
	Business Manager Salary	30,782	29,623	29,623	28,771
	Business Manager ER SS & Med	2,164	2,075	2,075	2,010
	Business Manager Pension & Ben	16,270	18,875	18,565	21,464
	<b>Total Business Manager</b>	<b>49,216</b>	<b>50,573</b>	<b>50,263</b>	<b>52,245</b>
	Secretary Salary	18,067	17,070	17,070	16,579
	Secretary ER SS & Med.	1,229	1,153	1,153	1,115
	Secretary Pension & Benefits	14,636	16,723	16,428	18,920
	<b>Total Secretary</b>	<b>33,932</b>	<b>34,946</b>	<b>34,651</b>	<b>36,614</b>
	Dir of Discipleship Salary & Employer SS/Med	14,525	22,061	22,061	22,502
	Youth Ministry Coord Salary & Employer SS/Med	13,440	9,151	9,151	9,333
	Nursery Supervisor Salary & Employer SS/Med	2,411	3,203	2,928	3,294
	<b>Total 5101 - Administration Personnel</b>	<b>113,708</b>	<b>119,933</b>	<b>119,054</b>	<b>123,988</b>
<b>Music Personnel</b>					
	Director of Music & Employer SS/Med	21,849	22,286	22,286	22,731
	Organist & Employer SS/Med	22,400	22,848	22,848	23,304
	Bell Choir Director & Employer SS/Med	3,941	4,020	4,020	4,100
	Youth Choir Director & Employer SS/Med	4,998	5,098	5,098	5,201
	Brass Ensemble Director & Employer SS/Med	3,941	4,020	4,020	4,100
	Damascus Road Coordinator & Employer SS/Med	4,570	4,661	4,661	4,755
	<b>Total Music Personnel</b>	<b>61,699</b>	<b>62,933</b>	<b>62,932</b>	<b>64,191</b>
<b>Total Personnel</b>		<b>330,320</b>	<b>342,666</b>	<b>341,046</b>	<b>357,486</b>

Personnel costs, 62% of our budget, came in \$1,621 under budget for 2014 thanks to slightly lower benefit costs, nursery hours and pastor auto reimbursement costs than budgeted.

The 2015 budget is up \$16,441 or 4.8% over 2014 spending. Most of the increase, \$11,875 is in pension and medical

benefits, up 16.5% particularly due to medical costs climbing. Salaries and employer taxes are up nominally, 1.5% or \$2,865. Pastor expenses are up \$1,320 as we resume Continuing Education and book expenses. The housing allowance remains level.

## General Fund Disbursements - Benevolence

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>ELCA Benevolence</b>	63,000	60,000	60,000	55,000
<b>Bethel New Life</b>	2,000	2,000	2,000	2,000
<b>C.O.O.L.</b>	5,000	5,000	5,000	5,000
<b>Lutheran Social Services IL</b>	3,000	3,000	3,000	3,000
<b>LSSI Prisoner/Family Ministry</b>	2,000	2,000	2,000	2,000
<b>Sagrado Corazon</b>	0	0	0	5,000
<b>CROP</b>	200	0	0	0
<b>A.J. Katzenmeier</b>	285	600	269	600
<b>Habitat for Humanity</b>	3,000	3,000	3,000	3,000
<b>PADS</b>	2,000	2,000	2,000	2,000
<b>PADS Plus</b>	500	500	500	500
<b>Career Resource Center</b>	1,500	1,500	1,500	1,500
<b>Lake County United</b>	2,000	2,000	2,000	2,000
<b>Chaplaincy</b>	500	500	500	500
<b>Women's Opportunity Fund</b>	0	0	0	0
<b>I-Plus</b>	0	0	0	0
<b>Help within the Family</b>	0	600	0	600
<b>Total Benevolence</b>	84,985	82,700	81,769	82,700

Benevolence spending came in at budget except for Help within the Family (no specific needs) and AJ Katzenmeier (based on actual need).

Although the budget for 2015 appears to be flat for 2014, there are two important changes. First, the ELCA benevolence is now pegged to roughly 10% of member giving, so this has been reduced to \$55,000 accordingly. Second, we are resuming

donations to Sagrado Corazon, the parish in Waukegan. This however will be funded by \$5,000 that is coming from the Viola Long fund as part of its designated benevolence outreach.

Thus the benevolence spending budget coming directly from the General Fund is down \$5,000 to \$77,700 for 2015.

Through Special Offerings additional money was raised as follows:

COOL	540
CROPWalk	3,315
ELCA World Hunger	613
WOSJ Bake Sale for COOL	600
<b>Total Special Offerings</b>	<b>\$5,068</b>

Fundraisers sponsored by St. James raised additional funds as follows:

FOODSTOCK	20,000
COOL 5K/10K	5,500

## General Fund Disbursements - Administration

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Equipment Lease & Repair	8,340	8,400	9,177	8,000
Technology	0	0	109	200
Computer Software & Update	905	1,000	1,041	1,050
Telephone	3,567	2,400	2,053	2,100
Web Hosting Fee	100	240	240	240
Office Supplies	3,182	3,000	3,396	3,200
Postage	2,122	2,000	1,996	2,100
Offering Envelopes	373	350	318	323
Synod Assembly	793	600	640	640
Admin Staff Training	15	100	523	300
Online Giving transaction fees	156	300	213	200
Miscellaneous Administrative	1,324	1,300	1,040	1,400
<b>Total Administration</b>	<b>20,877</b>	<b>19,690</b>	<b>20,746</b>	<b>19,753</b>

Administrative costs came in \$1,056 or 5.4%, primarily due to advance payments on a new copier lease as well as some supply and

miscellaneous costs. Without the additional advance lease payments, we budgeted 2015 to be similar to the 2104 budget.

## General Fund Disbursements - Finance

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Mortgage Interest	17,610	12,199	12,557	12,109
Mortgage Principal Payment	107,275	4,406	4,113	4,560
Property Insurance	8,285	8,850	8,816	9,000
Umbrella Liability Insurance	1,750	1,750	1,750	1,750
Worker's Comp. Insurance	2,879	2,100	2,019	2,050
Property Taxes/Drainage Fees	639	710	696	600
<b>Total Finance</b>	<b>138,438</b>	<b>30,015</b>	<b>29,951</b>	<b>30,069</b>

Finance costs finished right near budget and we expect 2015 to be level to 2014.

## General Fund Disbursements - Fellowship

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Fellowship Events	1,376	1,100	1,029	1,200
Church Food	3,401	3,200	3,941	4,000
<b>Total Fellowship</b>	<b>4,495</b>	<b>4,300</b>	<b>4,830</b>	<b>5,200</b>

**Fellowship Events:** Funds are provided for rental of space at parks and beaches, etc. for beach parties and picnics. The Rally Day tent is covered by this line item (total cost \$675). Other outings and dinners are self supporting by the participants.

This is the area that plans opportunities for members to relax together and strengthen our "family ties."

**Church Coffee and Food:** Coffee system and supplies are included here.

More spent on food in 2014 with a number of fellowship events so \$900 more added for 2015 budget..

## General Fund Disbursements - Property

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>Utilities</b>				
<b>Electric</b>	12,042	11,400	10,101	9,000
<b>Gas</b>	8,313	8,050	12,373	10,500
<b>Water/Sewer</b>	830	550	2,003	1,200
<b>Total Utilities</b>	21,185	20,000	24,478	20,700
<b>Custodial Service &amp; Supply</b>	9,831	9,970	9,840	9,150
<b>Maintenance &amp; Repairs</b>				
<b>Disposal</b>	911	914	1,219	1,220
<b>Fire Alarm</b>	669	800	923	950
<b>HVAC Maintenance</b>	2,792	2,480	1,860	2,480
<b>Lawn Service/Treatment</b>	7,434	7,205	7,604	6,800
<b>Maint/Repair Other</b>	2,549	2,780	14,979	3,000
<b>Maint/Repair Supplies</b>	764	750	1,285	750
<b>Pest Control</b>	1,019	677	677	680
<b>Security System</b>	924	924	707	800
<b>Snow Removal</b>	9,675	9,500	9,750	9,500
<b>Total Maintenance &amp; Repairs</b>	26,737	26,030	39,005	26,180
<b>Little House Expenses</b>	489	0	0	0
<b>Total Property</b>	58,242	56,000	73,322	56,030

Since property represents 10% of our budget and expenses can fluctuate, we expanded the categories we report on in this area. While we control it as much as we can, weather happens and equipment falls apart.

We got hit hard in a couple areas- utilities ran \$4,478 higher than budget or 22%, primarily with the cold winter in the early months and additional gas costs. Also, water costs rose with our additional sprinkler systems. Helping us out though, was the more efficient light bulbs installed, reducing our electricity costs.

The biggest variance was maintenance and repairs, \$12,975 over budget. In particular, we had light dimming system go out after many years in the sanctuary. Fortunately we had money in the General Fund to cover this 11<sup>th</sup> hour unexpected repair of \$10,980. Otherwise

we also had miscellaneous lighting, electrical and landscaping repair costs.

Fortunately custodial expenses came in very close to budget for 2014.

The 2015 budget is not much different in total than the 2014 budget, with a few shifts.

The utility budget is reallocated- less electrical with more efficient lighting, more in gas heating to be safe, and more in water/sewer with our sprinkler systems (but less than 2014 actual as we plan to run these less in some areas).

Custodial is reduced as we plan to wash all windows just twice a year rather four times.

The hardest area to budget is maintenance and repairs- we kept this similar to the 2014 budget, with hopes nothing significant breaks early on us.

## General Fund Disbursements - Christian Education

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>Sunday School Programs</b>	263	300	326	300
<b>Sunday School Text/Supplies</b>	1,643	1,600	1,019	1,600
<b>Bible Presentations</b>	200	0	0	0
<b>First Communion</b>	43	50	100	100
<b>Confirmation</b>	1,825	1,555	991	1,600
<b>Vacation Bible School</b>	126	150	(203)	150
<b>GIVE 5</b>	0	0	14	500
<b>Youth Activities Middle School</b>	486	375	373	450
<b>Youth Activities High School</b>	393	500	412	200
<b>High School Mission Trip</b>	3,272	3,000	4,658	3,700
<b>College Youth Activities</b>	140	150	0	150
<b>Adult Education Costs</b>	1,226	750	1,262	1,300
<b>Adult Library</b>	0	0	0	100
<b>Total Christian Education</b>	9,619	8,430	8,953	10,150

**Sunday School Supplies and Texts:** Includes all books, movies and craft materials for the 2 curricula in use: a rotational series on bible stories for kindergarten through 6th grade plus a classroom style curriculum for pre-school and 7th and 8th grade.

**Programs:** Special events such as Rally Day, Happy Birthday Jesus Party after the Christmas Pageant and Year End Party .

**Bible Presentations:** Bibles are given to 3rd graders by their parents each year.

**Campfirmation/Confirmation:** Includes curriculum and one half the cost of the 7th grade kick-off retreat and the 8th grade campfirmation week at Augustana College. The cost of the program depends on the number of students.

**Vacation Bible School:** The registration fees are less than the total cost of this program. All leaders are

volunteers and VBS is open to members and non-members alike.

**Youth Activities College:** Mailings have been done to keep in touch with our college students. This area covers cost of postage and cost of items ( ie. Starbucks gift cards).

**Youth Activities Middle School:** In order to keep monthly outings affordable, no more than \$5 per person is collected each session. Costs above participant payments are covered by this line item.

**Youth Activities High School:** In 2014, all high school activities are funded through this line item and participant fees.

**Adult Education:** Quarterly devotion books, Lent and Advent devotions and other study materials for adults.

**Adult and Children's Library:** Incidental supplies for cataloging and repairing our library books.

Christian Education ran \$1,024 over budget for 2014, in particular, \$2,158 for Senior High Mission trips with more youth attending and \$512 more for adult education with a number of series and greater attendance. Children education costs were \$1,407 under budget.

The budget for 2015 is increased by \$696 over 2014 spending, with more put in children and adult education and less spent than last year for youth mission trips.

## General Fund Disbursements - Worship & Music

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>Guest Musicians</b>	800	900	775	900
<b>Guest Organist</b>	775	700	525	700
<b>Pulpit Service</b>	0	1,350	1,500	1,350
<b>Professional Growth</b>	270	270	270	280
<b>Music Equipment</b>	0	430	644	430
<b>Music/License</b>	1,459	1,450	1,463	1,450
<b>Altar Guild</b>	398	400	374	400
<b>Piano, Organ, Bells Maint.</b>	1,260	1,500	1,900	1,500
<b>Total Worship &amp; Music</b>	4,962	7,000	7,451	7,010

**Professional Growth:** Includes professional dues for music staff.

**Music Equipment:** Includes equipment for either Damascus Road or other music groups.

**Music/License:** Includes sheet music for all choirs and ensembles as well as copyright licenses to several organizations so that liturgy and music can be reproduced in our worship bulletins.

**Guest Musicians:** Includes substitutes and/or additional musicians for music ensembles for special occasions or when volunteer ensemble members are not available.

**Altar Guild:** Includes wine and wafers (volunteers bake and donate the bread that is used), new linens, hand

candles, oil for oil candles, supplemental flowers for special services, albs worn by worship servants and acolytes and maintenance of all of the above. The cost of the weekly flowers is \$48. Congregation members sponsoring this expense are asked to contribute \$45 per week.

**Piano, Organ and Bells Maintenance:** Includes periodic tuning and repairs to 4 pianos, the pipe organ and the handbells.

**Guest Organist and Choir Director:** To provide for substitutes when the organist and choir director are on paid time off.

**Pulpit Service:** Allows for five guest preachers annually.

These costs came in \$451 over budget; main item is \$400 more for organ and piano tuning. 2015 budget kept similar to 2014 budget.

## General Fund Disbursements - Evangelism

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>Total Evangelism</b>	201	1,000	251	1,000

This is the area that provides funds for means of reaching out to our neighbors to invite them in as well as reaching out to our own members to encourage them to be an active part of our community of believers.

## General Fund Disbursements - Stewardship

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
<b>Total Stewardship</b>	221	250	88	250

The stewardship committee uses our own volunteer design talent to put together materials for the annual fall financial stewardship drive as well as the time and talent efforts.

**2014-2015 Officers of the  
Congregation  
and Church Council**

**President**

Randy Daniel

**Vice President**

Carol Bennett

**Secretary**

Linda Berner

**Treasurer**

Jon Paul

**Financial Secretary**

Joe Voelcker

**Council Members**

Glenn Basgall

Carol Bennett

Linda Berner

Randy Daniel

Brooke Davis

Tom Ebert

Donna Fortney

Suzanne Gerber

Josh Hornaday

Sarah Lewis

Craig Linn

Brenda Shinn

**Pastor**

Richard E. Holmer

**Standing Committee Chairs  
and Other Leaders**

**Christian Education**

Barb Basgall

**Church Property**

Chic Martin

**Evangelism**

Tom Ebert

**Fellowship**

Brenda Shinn

**Finance**

Joe Voelcker

**Social Ministry**

Ann Anderson

**Stewardship**

Jon Paul

**Worship & Music**

Donna Fortney

**Youth Ministry Team**

Sue Ebert

**Endowment Board of Trustees**

**Chair Person**

Jim Davoux

**Memorial Garden Board of**

**Trustees Chair Person**

Detlef Koska

**Sewing Circle**

Betty Benton

**Women of St. James**

TBD

**Altar Guild**

Carol Bennett

**Church Staff**

**Business Manager**

Chris Meyer

**Church Secretary**

Donna Jarvi

**Director of Discipleship**

Debbie MacAyeal

**Youth Director**

Doug Dusthimer

**Nursery Supervisor**

Caitlin McGarrigle

**Director of Music**

Tim Haskett

**Organist**

Wendy Unrath

**Damascus Road**

Donna Jarvi

**Director of  
Children's Music**

Wendy Wieggers

**Bell Choir Director**

Gretchen Haskett

**Brass Ensemble Director**

Daniel Heiman

