

TREE OF LIFE LUTHERAN CHURCH
ANNUAL REPORT 2017
AGENDA

1. Call to order
2. Establish a quorum (count from tellers)
3. Opening prayer - Pastor Chris Lake
 - Consent Agenda (Items 4,5,6 & 7)
4. Approval of meeting agenda
5. Approval of minutes from January 22, 2017 annual meeting
6. Recognize special congregational meeting, May 21, 2017, with no actionable items.
7. Approval of minutes from August 6, 2017, special congregational meeting.
8. Recognition for two years of dedicated service to Tree of Life for Pastor Larry & Shirley
9. Recognition for service for retiring council members: Chuck Will & Lawrence Zuehlke
10. Nominations for council positions (3 year terms)
 - Larry Klotz
 - Annie Lindemann
 - Susie Rust
 - Richard Schaper
 - Kevin Solberg
11. Vote on election of council members
12. Motion to elect Jack Zimmer to serve 2 year term as president
13. Financial report for 2017 with update for 2017 stewardship and Seeds for Growth
14. Presentation and adoption of 2018 budget
15. Report of tellers*
16. Closing prayer
17. Motion to adjourn 2018 congregational meeting

Tree of Life Lutheran Church
Congregational Meeting
January 22, 2017

The meeting was called to order at 9:20am by President Dennis McConnell. A quorum was established by sign-in sheets distributed by Bunny Stoutes. An opening prayer was offered by Pastor Chris.

A motion was made to adopt today's meeting agenda by Larry Finke and was seconded by Ed Little. The motion carried. A motion was made to accept the minutes from the January 24, 2016 Annual Congregational meeting, the May 15, 2016 Special Congregational meeting, and the September 25, 2016 Special Congregational meeting by Doris Hoff and seconded by Jim Rust. The motion carried.

The slides presented at the meeting are included with these minutes.

Retiring Council members Julie Weeks and Ted Dinklage, interim Treasurer were recognized and thanked.

Highlights from 2016 include the new "Mucking" ministry; 500 worshipped on Christmas Eve; Peggy Hahn from the Synod office presented the concept of Church Governance in association with LEAD to the Tree of Life Council.

Nominations were made for church Council positions (3-year term) include Jim Voelz (Treasurer), Jack Zimmer, George Timmins, Kirk Helberg and Linda Baumgartner (second term). A motion was made to accept these nominations by Jim Rust and seconded by Dick Mong. Motion carried.

A motion was made by Carolyn McArthur to approve the suspension of Constitution Bylaw Article II, Section 2.08 to allow the current Council president to serve an additional year, while Pastor Chris is on sabbatical leave. The motion was seconded by Richard Obroskey. The motion carried. A motion was made by Jack Zimmer to elect Dennis McConnell to serve a partial, one-year term as Council president. The motion was seconded by Heidi Beckham. The motion carried.

A review of the 2016 finances revealed:

Offering and Income	\$531,407
Total Expenses	<u>546,212</u>
Borrowed from Seeds	41,349

The amount borrowed from Seeds was more than the difference between Offering and Income, and Total Expenses due to cash flow issues and timing of payments.

Pledged offerings	\$361,610
Non-pledged offerings	99,609
Other income	<u>70,094</u>
Total offering and inc.	531,313

Actual Expenses \$504,565

The Actual Expenses were 92% on the total budget. All of the above numbers were taken from the 2016 P&L statement.

Activity in Seeds in 2016 include donations of \$91,838 and disbursements of \$117,456 consisting of:

Remodel	\$ 91,838
Benevolence to Lutherhill	10,000
Debt reduction	10,000
Loan to Operating Fund	<u>41,325</u>
	\$117,456

Total Seeds activity for 2015-2017

Pledged	\$440,000
Donations through December 2016	\$302,187
Donations just in 2016	\$ 91,838

Disbursements:

Total remodel	\$102,277
Total loaned to Operating Fund	92,781
Benevolence	25,000
Debt reduction	<u>10,000</u>
	230,058

Remaining balance of current Seeds funds:

Checking Acct.	\$ 51,878
CD	<u>10,819</u>
	62,697

A suggestion was made by Jim Rust to include all of the Seeds financial slides in the annual report. There was a question about the debt reduction item of \$250,000 in the original Seeds budget concerning a time limit to achieve that amount of debt reduction. There is no time limit associated with that commitment.

The highlights of the 2017 budget include the four-month sabbatical by Pastor Chris Lake, Emily Work becoming director of Youth Ministries after she graduates from college, John Burkwall being paid full-time pay, there being one full time staff person in the church office, and health insurance costs increasing. An overview of the budget for 2017:

Offering and income	\$534,800
Expenses	<u>562,100</u>
Borrow from Seeds	27,300

90% of expenses go to Staff, Mortgage, Building and Grounds, Youth Ministry, Benevolence. Church Insurance. The remaining 10% of expenses are for Administration and Ministries. A motion to adopt the 2017 budget was made by Ron Bliese and seconded by Russ Bliese.

Jim Rust questioned the almost \$76,000 difference between the 2016 actual and 2017 proposed amounts of Non-Pledged income. That difference is due to people who pledged in 2016 but not in 2017; it was assumed that those people would continue giving at their 2016 level. There's a risk in making that assumption, but including the \$76,000 in the Non-Pledged income is based on strong historical data from those people. Melissa Chaffee suggested adding an expense line item for payments made back to Seeds. Right now, the amount owed to Seeds is shown as a liability on the Balance Sheet. The vote on the motion to adopt the 2017 budget was not opposed and carried.

There was no new business.

A closing prayer was led by Pastor Chris.

With there being no further business, a motion was made by George Timmins and seconded by Jim Rust to adjourn. The meeting ended at 10:15am.

Dennis McConnell, President

Susan Blough, Secretary

Tree of Life Lutheran Church
Congregational Meeting
May 21, 2017

President Dennis McConnell called the meeting to order at 9:30.

Pastor Chris began the meeting with prayer.

The president announced that the meeting was solely an informational meeting regarding the roof and the status of the budget.

Item 1 – Repair of the roof

Chuck Will, team leader of the building team, announced that the building team consulted with Redemption Roofing regarding possible hail damage to the roof. They suggested it was likely that the damage could be covered by insurance. At which time Church Mutual was contacted. An Insurance assessor was sent out and provided an estimate of the repairs. Redemption Roofing was also present while the assessor was determining damage. The estimate from Church Mutual was, \$86, 694.78. This is fully covered by the insurance company apart from a \$1,000 deductible. Redemption Roofing informed the building team that they would honor the estimate and do the work for the total cost of \$86,694.78. The recommendation of the building team is that Redemption Roofing be contracted to execute the work. Since the total cost of the roofing repair is covered by insurance and the \$1,000 deductible is available in the building fund, there is no need for a vote by the congregation.

Item 2 – The budget update was presented.

No action was needed.

Respectfully,

Linda Baumgartner

Council Secretary

Tree of Life Lutheran Church
Congregational Meeting
August 6, 2017

Meeting was called to order at 9:30 by Dennis McConnell, president.

Chuck Will, team leader of the property team shared with the group that the AC unit in the office area (south wing) is in need of repair. Several different air conditioning companies have been consulted. The proposals, all in the \$16,000 range, were to replace only the leaking evaporator unit; however, that would require use of the “old” R22 Freon. Currently R22 is extremely expensive. R22 Freon will be phased out and will no longer be available after 2020. The replacement or repair of the unit is complicated by the fact that the unit is in the attic and all equipment will have to pass through a 3x3 hatch.

The other three units in the sanctuary building also have the “old” Freon.

In addition to those proposals, another bid from Luxury Air LLC was made to fully replace the entire system. This would utilize R410A refrigerant. Luxury Air proposed using all new Carrier equipment. A budgetary quote is \$24,548, net payment in 30 days.

It is the recommendation of the building team that the entire system be replaced by Luxury Air. The team recommends using this company since they are the one who installed the air conditioning in the Fellowship Hall.

Chuck Will suggested that we allocate \$27,000 for the replacement. A discussion was held in which it was decided to allocate up to \$30,000 for the cost of replacement.

Chuck Will moved that we allocate up to \$30,000 to replace the AC unit for the office area with the work to be done by Luxury Air LLC. Ted Dinklage seconded. All were in favor. The motion passed.

Respectfully submitted,

Linda Baumgartner

Recording Secretary

TREE OF LIFE LUTHERAN CHURCH ANNUAL REPORT 2017 PASTOR'S REPORT

Last year I concluded my report with this question:

“What is God calling us to do next?”

I wish I knew then what I know now. I began 2017 with just 5 months from my sabbatical. I am still beyond thankful the church was willing to let me take time to rest and reflect for 4 months. I can say I feel healthier and more engaged in ministry as a result of this time I spent on sabbatical. I can not thank my staff enough for making sure things ran smoothly while I was out of the office. There is great joy working with such a professional and experienced team of people.

It is with some sadness that 2017 was also moment of loss for us. Ryan Dockery, who came to our ministry on a hope and prayer served us with great skill and dedication. It is a mixed blessing loosing him as he was an amazing youth director but he is going to make a stunning pastor! I take great pride knowing we played a role in his education and look forward to seeing his ministry play out before us. We also had to say good bye to Pastor Larry Smith who served us for two years and did a remarkable job. What a privilege it has been to have a Methodist pastor present in worship and helping build bridges Interdenominationally on regular basis. The result has profoundly changed this congregation forever. His retirement (for the second time) from ministry is well deserved and he will be missed.

After I returned from sabbatical I had hoped to ease back into ministry and pick and choose with care the things that I needed to get involved in. Tragically, the weather had other plans. I started back on Aug 17 and the effects of hurricane Harvey were in full force by Aug 24th. I completely

understand why attendance was massively down that day and perhaps I should have canceled worship that Sunday however, to be honest I was in denial that things were going to get bad. I truly did not want to get involved with another flooding event as I/we had done in the previous year. However, the size and scope of Harvey were so significant that doing nothing was not an option. The church did an amazing job of responding to the needs of the community. Emily Work and John Burkwall's choice to come and open up the church for those that needed a place to stay and then assisting our members to setup a shelter in 5 hours at the request of the county was amazing. Our muck and gut teams were on par and I have no idea how many homes we were helping do the "muck and gut." The end result was that we did what we needed to do and I am thankful that this congregation is willing to do the hard work to help out those who know and don't know. I am also thankful that with the help of the synod we are now in a position to respond with greater ease to these kinds of emergencies moving forward.

Let me conclude with some statistics that are valuable to report.

45 new members and transfers
8 Baptism

We have 5 funerals this year:

Doyle Ebel
Ron Bliese
George Marrero
Margaret Chomin
Don Jorgenson

Last of all we had 1 birth
Jesse Christenson

Looking forward 2018 will most likely bring its own surprises. My prayer is that we will respond when we should and continue to work towards the future. I wish to conclude this report with one final thank you. Dennis McConnell has been the longest serving council president since I have been here. He graciously agreed to on extra year so that we could have continuity in leadership while I was on sabbatical. He as brought grace and distinction to his work for the past 5 years and I am a better pastor because of him.

God's grace and peace to you,

Pastor Chris Lake

Edited to add worship attendance numbers:

2015: 154 people average

2016: 185 people average

2017: 191 people average

TREE OF LIFE LUTHER CHURCH

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PRESIDENT'S REPORT

The president's annual report gives us a chance to look back over the past year and at the same time look forward to our ministries over this next year and possibly longer. This 2018 report is special for me. My first order of business is to say **thank you** to all members who served on church council during the past 5 years, to Pastor Chris and to our dedicated staff for all of your help and work which made my job seem easy, to members of the congregation for allowing me to serve Tree of Life as president during the past 5 years, to my dear wife, Maxine, and above all, to our God and Father who has blessed us individually and as a congregation.

2013 through 2017 highlights

Ryan completed his time at Tree of Life to begin the next phase of his life in the ministry. We celebrated with joy as he and Breann, who grew up at Tree of Life, were married here.

Pastor Larry came out of retirement joining the Tree of Life staff to provide additional pastoral care with Pastor Chris and to expand our adult education programs, offering various Bible studies.

John is now playing for both early and late Sunday services as well as the Wednesday service at the Well. We also were privileged to help John and Pam celebrate their marriage.

Emily has assumed the role of directing our youth ministries.

Carrie has joined our staff as a seminary intern. After donating 2 years of service, we look forward to actually paying her this year.

We begin and have completed our New Seeds for Growth, a 3 year fund raising campaign, with total pledges of approximately \$440,000. The intention of this campaign was 3 fold, 1st to enable us to make some much needed renovations to our fellowship hall, 2nd to pay down mortgage principal, and 3rd to tithe from our first fruits, giving up to \$40,000 to selected organizations that help others outside our walls.

We donated \$10,000 to **Water to Thrive** to drill two of Tree of Life's wells in Africa to help people there enjoy access to clean, clear water. We donated \$6,000 to **Family Promise**, which provides opportunity for struggling families to get a helping hand. We donated \$10,000 to **Lutherhill** to help support their ministry of growing young people of faith, and we donated \$5,000 to the **ELCA Lead** program, which provides leadership guidance to churches. What a blessing to be able to financially support these exciting ministries!

We completed **renovation** on the restrooms, installation of shower and restroom facilities and replacement of the air conditioning system in the fellowship hall. We updated the sound board in the sanctuary, making it simpler to operate and much easier for our contemporary band. Additionally, we replaced the roof which was paid for by our insurance.

We assembled a team to develop a long range plan and vision for Tree of Life and we have implemented some of their suggestions.

Tree of Life will sponsor 70 participants in camp and our mission trip this summer. Parents will be asked to help support this ministries, and we will have a couple of fund raisers which we need and ask for congressional support.

From a more fiscal view, for 2017, your offerings, both pledged and unpledged, and other income totaled \$529,744, compared to \$356,110 in 2012. Tree of Life has at the end of December \$147,609 cash (\$23,344 operating cash and \$115,326 in Seeds), compared to cash on hand at the end of 2012 totaling \$29,872. Additionally our mortgage principal totals \$1,352,364 reduced from \$1,576,510 on December 31, 2012.

I believe over the past 5 years, to quote Pastor Chris, we have seen **money follow ministry**, and I hope you agree that over the past 5 years we have seen a joyous growth in ministries at Tree of Life.

Thank you for allowing me to serve you and Tree of Life during the past 5 years. Please keep Pastor Chris, our staff, and incoming church council members in your prayers.

*Commit to the Lord whatever you do, and he will establish your plans.
-Proverbs 16:3 (NIV)*

Blessings,

Dennis McConnell
President - Church Council
Tree of Life Lutheran Church

president@treechurch.net

"Be quick to listen, slow to speak and slow to become angry," James 1:19b

TREE OF LIFE LUTHERAN CHURCH

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YOUTH

The year 2017 has come to a finish. The year was beautifully filled with many blessings, milestones, and celebrations. This past year we witnessed 4 students (Erik Mittlesteadt, Parker Fry, Caden Pfluger, and Matthew Knauf) be confirmed. We celebrated the high school graduation of Kayla Adams, Jacqueline France, Annika Johnson, Jessika Graves, and Micayla Andrews. We shared communion for the first time with Trevor Toms, Isaiah Christenson, and Thomas Christenson.

Starting January 1st, I took over the position of Director of Youth and Family ministries full time from Ryan as he began the process of learning Pastor Chris's roles in the church. This better prepared Ryan to handle the church as we sent Pastor Chris on his sabbatical. We took a break over the summer from our weekly youth activities (WATT and Fusion) to help with the transition.

This summer we sent a total of 36 people to Lutherhill to experience and grow in God's love in a unique setting. We also sent 29 youth up to Taylorsville, North Carolina on a mission trip to work with the community there through an organization called Youth Works. We hosted another successful week of Vacation Bible School. With the help of over 50 adults and youth volunteers we were able to serve almost 70 youth from all over the community.

We continue to offer weekly Sunday school for high school aged all the way down to 3-year-olds. Our 6-8th graders have been exploring the Catechism and Ten Commandments at the teaching of Karen Solberg and Katherine Lake. Our 9-12th graders continued the curriculum called Faith Lens which takes the Gospel reading for that Sunday and connects it with current events going on in the world. It has been an incredible experience for them. Our elementary classes continued an amazing curriculum through Group Publishing called Hands-On. This has received positive feedback from both the youth and adults who are teaching each week. At the request to try something new to give the teachers a little more variety, we switched to a new curriculum through a group called PowerXpress. Each segment has up to eight different stations the students go to that allows them to experience commonly known bible stories in new and unique

ways. The adults teaching and the kids participating throughly enjoy this style of Sunday School and wish to continue doing so.

Wednesday nights we continue to invite, inspire, and include all youth and adults from the community. Every week we gather as a community for a shared meal. Then, we play and talk about what is going on in our lives. Youth are continuing to brings friends to share this important moment in their week. As I mentioned, we took the summer off to revision Wednesday nights without Ryan and how it would be shaped for the students each week. It came down to fellowship time with one another. Wednesday nights are, by far, one of my favorite moments of each week.

Taking on the tradition from Ryan and to further get to know each of the youth individually, I have spent my one day out of my week in different schools having lunch with students. At the beginning of the year, youth can sign up for me to bring them lunch from wherever they choose. These shared meals have been an amazing opportunity to talk one-on-one with our youth and get to see their world and where they spend a large amount of their time. As programming was being ramped up for the Fall, I stepped back from doing this formally and plan to pick it back up starting this year, 2018.

All of these programs and events could not be done without the many volunteer leaders that show up each and every week to lend a helping hand in the spiritual growth of our youth. I cannot thank the congregation, the staff, and Pastor Chris for the continued support and prayers for our youth ministry. Most of all, the blessings God has bestowed on each and every individual that come into contact with Tree of Life. All of this being said, I thank each and every one of you so very much for everything you all have done and continue to do. It all makes a difference in these youth's lives. I am very excited and look forward to what 2018 has for us!

God's Peace & Love,
Emily Work
Director of Youth & Family Ministries

TREE OF LIFE LUTHERAN CHURCH

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STEWARDSHIP

2017 recorded a very successful Stewardship Campaign. We used (for the second year in a row) a program called Committed to Christ—Steps for Generous Life. The 2016 campaign attempted to follow the book as precisely as possible and the results were disappointing. It was felt; however, the program concept was sound, and corrections/adjustments could be made. Jack Zimmer was the Stewardship Chair for both years, who was a fairly new member of Tree of Life and the time and experience he gained also contributed to better results.

Key disappointments of the 2016 campaign included an actual decrease in the number of pledges from 2015 and total dollars pledged. On the positive side, the emphasis on personal growth over the 7 weeks, the collateral materials and “temple talks” and coordinated sermons were well received, which is why we decided to stay with Committed to Christ, but make some modifications.

For 2017, a few key goals were set:

1. Increase the number of pledges of 57 by at least 20%.
2. Increase pledge dollars of \$282,240 by at least 20%.
3. Continue in a simplified manner, the personal journey of growth and be extremely purposeful in the selection of who would deliver the “temple talks”
4. Continue to theme the sermons on the personal growth topic of the week.
5. Begin “preparing” the members and “pre-closing” early in the campaign the idea that this journey of growth is also our Stewardship Campaign.
6. Emphasize the need for a pledge and address all objections members may have that kept them from pledging in 2016.
7. Introduce the concept of working towards a tithing gift.
8. Encourage and assist members to utilizing automatic, electronic contributions thru new upgraded software (Rhelm).

2017 Results:

1. Pledges increased from 57 to 78—a 27% increase over 2017
2. Pledged money increased from \$282,240 to \$356,218—a 21% increase
3. The Temple Talks and Sermons continued to be well received and got many compliments. This was a big commitment by the presenters, as they not only gave their talk at both morning services but also gave their talk at the Wednesday evening “Well Services”.
4. Co-Chairs, Jack Zimmer and Kirk Helberg, would serve as a substitute when a presenter couldn't make one of the services and at least one of them attended all three services each week, to be the drives for goals #5 and #6.
5. A booth was “manned” after Sunday services to educate members on Realm and assist them to either transfer from the old service and/or help them begin with Rhelm. As of this report, almost all conversions have occurred.

TREE OF LIFE LUTHERAN CHURCH

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BUILDING TEAM

Two major maintenance activities were completed in 2017

1. The roofs on the Sanctuary Building and Fellowship Building were completely replaced. The need for the new roofs was attributed to storm damage; consequently the cost was paid by our insurance with the exception of a \$1,000 deductible.

2. The HVAC unit serving the office area in the Sanctuary Building was completely replaced. Lead time and cost for installation of the new unit was considerable. The lead time was over three months due to the nature of the special design of the original unit. The cost was significant because all components of the unit needed replacing (in part due to the necessity to upgrade refrigerant from R-22). Thanks to the support of the congregation approximately 90% of the cost was paid with special HVAC donations.

Other notable activities in 2017 consisted of the following:

- Two general congregational work days were performed including inside and outside work items.
- Focused on general maintenance of HVAC units such as replacement of filters, belts and deteriorated insulation on condenser lines of four units.
- Upgrade of all florescent fixtures to LED's in the Fellowship Building was completed.
- Five overhead projectors were mounted in Fellowship Building classrooms.
- The Building Team established and maintained a Team Roster, Work List and Purpose and Procedure.

The Building Team will focus on the following activities in 2018:

- Continue to stress routine maintenance of all HVAC units; also a service agreement will be established with a HVAC contractor before summer.
- Upgrade all florescent fixtures in the Sanctuary Building. A Thrivent Action Team has been established and will in part defer the costs of this upgrade.
- Other activities especially effecting safety, security, building integrity and economic operation will be actioned.

The Building Team has the following concerns:

- Need for a plan to adequately fund replacement costs of seven HVAC units as these old units fail. Of particular concern are the two 20 ton units serving the sanctuary. Complete new units will be required due to the need to replace R-22 refrigerant.
- Lack of adequate budget to accomplish required maintenance action items by using subcontractors where advantageous.

Respectfully Submitted

Building Team Co-chairs

Chuck Will John Baumgartner

TREE OF LIFE LUTHERAN CHURCH ANNUAL REPORT 2017 FELLOWSHIP

The year of 2017 was a busy one for Fellowship. We began with March 1 with a soup supper for Ash Wednesday and continued for the following Wednesdays in Lent. We had a "Pastor Goodbye" potluck per the Lily Grant on April 23. On May 6, we coordinated the lunch for garage sale workers provided by Thrivent. On June 4, we provided the anniversary lunch with brisket from Jim Johnson and helpers (also per the Lily Grant). During June and July, we said goodbye to our campers with lunch provided by grandparents. In July we helped with the VBS dinners coordinated by Bunny Stoutes. In August, we provided the potluck luncheon to welcome home Pastor and say goodbye to Ryan.

Peace,

Daphne Cox

TREE OF LIFE LUTHER CHURCH ANNUAL REPORT 2017 OUTREACH TEAM

During 2017, the Outreach Team hosted Family Promise twice at Tree of Life. Our last hosting was completed in conjunction with the Family Promise program using other accommodations.

Bedding and bath supplies from our Family Promise program have been kept for future outreach opportunities. Excess supplies were given to the Dream Center in Conroe.

In September, we hosted muck and gut teams that came to provide assistance after the hurricane. We provided shelter, hot showers and food. The bedding and bath supplies were put to good use.

Creative Hands organized an Angel Tree for St. Vincent DePaul. 105 Christmas gifts were collected.

Diana Stigleman coordinated a winter coat drive in December.

Peace,

Linda Baumgartner

Shirley Finke

**TREE OF LIFE LUTHER CHURCH
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WELCOME TEAM**

Co-chairs Deb Zimmer & Judy Haight

Other members: Treva Allen, Mary Dinklage, Rachel Gros, Sharon Hardy, Peggy Little, & Mary Pressley

Our team encourages the initial contact of warmth from Tree of Life for the visitors. We strive to reach out, greet and invite the visitors and new members to activities of interest that will help them to grow in faith and service. 22 family units joined in 2017.

These new members have gone through the information class which we have recently added team job descriptions for them to circle, if interested. We then pass this information on to those teams.

In order to help the new members, get to know people, we have encouraged people to wear their name badges. The team has made name badges for all and have offered a way for anyone to be able to receive the hard plastic if they wish for \$10.

The other thing that we have focused on is the updating and promotion of the church photo directory that will help the new members get to know people in the congregation.

Our goal for 2018 is to further help these new members to become assimilated by calling them and inviting them to congregational social activities.

**TREE OF LIFE LUTHER CHURCH
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WORSHIP TEAM**

The Worship Team consists of all volunteers who serve our worship experience, primarily on Sunday mornings but also including other services during the week. These volunteers include: Assisting Ministers, Acolytes, Altar Guild, Communion Assistants, Ushers, Readers, Technicians for Sound, Media, and Visuals, Greeters, and Fellowship members. We appreciate our experienced servers, with special thanks to our Scheduler, Jim Voelz. We continually welcome and encourage new people to join us throughout the year.

This year Instruction Notes were updated as needed for all of the various roles. Workshops were held for those serving as Altar Guild members, Communion Assistants, and Ushers.

Mary Nye and Susie Rust, Team Leaders

**TREE OF LIFE LUTHERAN CHURCH
COMPARATIVE BALANCE SHEET
AS OF DECEMBER 31, 2017 AND 2016**

	12/31/17	12/31/16	INCREASE (DECREASE)
ASSETS			
Cash and Investments:			
General Fund:			
Operating Fund Checking	23,242.55	22,210.21	1,032.34
Mission Investment Fund Checking	102.03	101.66	0.37
Total General Fund	<u>23,344.58</u>	<u>22,311.87</u>	<u>1,032.71</u>
Dedicated Funds:			
New Seeds for Growth:			
Dedicated/New Seeds Checking	70,931.81	97,489.77	(26,557.96)
Flexible Certificate of Deposit	34,052.03	0.00	34,052.03
Certificates of Deposit	10,342.92	10,819.42	(476.50)
Total New Seeds for Growth	<u>115,326.76</u>	<u>108,309.19</u>	<u>7,017.57</u>
Hurricane Relief	8,937.74	0.00	8,937.74
Pastor's Sabbatical Checking	0.00	0.00	0.00
Total Dedicated Funds	<u>124,264.50</u>	<u>108,309.19</u>	<u>15,955.31</u>
Total Cash and Investments	<u>147,609.08</u>	<u>130,621.06</u>	<u>16,988.02</u>
Fixed Assets			
Buildings	2,623,725.23	2,623,725.23	0.00
Children's Park	66,964.80	66,964.80	0.00
Furniture & Equipment	66,268.63	63,983.67	2,284.96
Land	411,021.00	411,021.00	0.00
Musical Instruments	87,000.00	87,000.00	0.00
Prayer Garden	3,424.94	3,424.94	0.00
Sound System	42,436.47	42,436.47	0.00
Total Fixed Assets	<u>3,300,841.07</u>	<u>3,298,556.11</u>	<u>2,284.96</u>
TOTAL ASSETS	<u>3,448,450.15</u>	<u>3,429,177.17</u>	<u>19,272.98</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	1,770.68	2,995.92	(1,225.24)
Water to Thrive	4,192.09	4,192.09	0.00
Painting Loan	0.00	5,000.00	(5,000.00)
Payroll Taxes	2,793.72	2,637.67	156.05
Total Current Liabilities	<u>8,756.49</u>	<u>14,825.68</u>	<u>(6,069.19)</u>
Long Term Liabilities			
New Seeds For Growth	110,219.82	92,077.46	18,142.36
Church Mortgage	1,352,364.34	1,400,847.69	(48,483.35)
Total Long Term Liabilities	<u>1,462,584.16</u>	<u>1,492,925.15</u>	<u>(30,340.99)</u>
TOTAL LIABILITIES	<u>1,471,340.65</u>	<u>1,507,750.83</u>	<u>(36,410.18)</u>
EQUITY			
Dedicated	217.00	81,431.74	(81,214.74)
Unrestricted	1,976,892.50	1,839,994.60	136,897.90
TOTAL EQUITY	<u>1,977,109.50</u>	<u>1,921,426.34</u>	<u>55,683.16</u>

TOTAL LIABILITIES AND EQUITY

3,448,450.15 3,429,177.17 19,272.98

Tree of Life Lutheran Church
Dedicated Funds
Activity through December 31, 2017

	<u>Actual to Date</u>	<u>Budget</u>	<u>Budget Balance</u>
New Seeds For Growth:			
Donations	384,806.49	440,000.00	55,193.51
Expenditures:			
Debt Reduction	25,000.00	250,000.00	225,000.00
Remodeling	105,349.91	150,000.00	44,650.09
Water to Thrive	10,000.00	10,000.00	0.00
Family Promise	6,000.00	10,000.00	4,000.00
Lutherhill - Galveston	10,000.00	10,000.00	0.00
LEAD	5,000.00	10,000.00	5,000.00
Loans to (from) Operating Fund	110,219.82	0.00	(110,219.82)
Total Expenditures	<u>271,569.73</u>	<u>440,000.00</u>	<u>168,430.27</u>
New Seeds for Growth Balance	<u><u>113,236.76</u></u>	<u><u>0.00</u></u>	<u><u>(113,236.76)</u></u>
Pastor Sabbatical:			
Grant Revenues	45,822.00	45,822.00	0.00
Expenditures:			
Airfare	4,040.89	8,123.00	4,082.11
Equipment & Supplies	210.84	155.00	(55.84)
Car Rental	1,626.77	849.00	(777.77)
Meals & Lodging	24,213.33	18,891.00	(5,322.33)
Books	0.00	1,200.00	1,200.00
Telephone	557.42	609.00	51.58
Post-Leave Activities	452.75	1,944.00	1,491.25
Honoraria	12,000.00	12,000.00	0.00
Payroll Taxes	688.49	0.00	(688.49)
Congregational Event	2,031.51	2,051.00	19.49
Total Expenditures	<u>45,822.00</u>	<u>45,822.00</u>	<u>(0.00)</u>
Pastor Sabbatical Balance	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>
Other Dedicated Funds:			
Building Repairs & Maintenance:			
Receipts:			
Insurance Claims	85,694.78	85,694.78	0.00
Donations	21,485.00	21,485.00	0.00
Total Receipts	<u>107,179.78</u>	<u>107,179.78</u>	<u>0.00</u>
Expenditures:			
Roof Repairs	85,694.78	85,694.78	0.00
Air Conditioning	21,485.00	21,485.00	0.00
Total Expenditures	<u>107,179.78</u>	<u>107,179.78</u>	<u>0.00</u>
Building Repairs & Maint. Balance	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>
Hurricane Relief:			
Hurricane Relief Donations	17,423.00	17,423.00	0.00
Hurricane Relief Expenditures	8,485.26	17,423.00	8,937.74
Hurricane Relief Balance	<u><u>8,937.74</u></u>	<u><u>0.00</u></u>	<u><u>(8,937.74)</u></u>

**TREE OF LIFE LUTHERAN CHURCH
OPERATING FUND REVENUES, EXPENSES & BUDGETS
THROUGH DECEMBER 31, 2017**

	<u>Actual</u>		<u>Budget</u>			
Revenues:						
Pledged Offering	37,037.47	316,027.22	282,240.00	33,787.22	112.0%	282,240.00
Non-pledged Offering	14,073.47	147,476.50	175,566.00	(28,089.50)	84.0%	175,566.00
Other Revenue:						
Camps/Retreats/Missions	855.00	16,841.43				
Car Seat Program	0.00	475.00				
Fusion	0.00	776.00				
Garage Sale	0.00	21,585.61				
Kroger Rewards	0.00	289.99				
Memorials	50.00	2,795.00				
Money Wall	1,470.00	4,817.00				
Other	1,716.76	10,519.89				
Refunds	0.00	439.32				
Special Projects	0.00	700.00				
Thrivent	0.00	1,790.00				
VBS-Other	0.00	824.35				
VBS T-Shirts	5.00	1,630.00				
Water to Thrive	0.00	65.29				
WATT	0.00	230.87				
Total Other Income	4,096.76	63,779.75	72,893.00	(9,113.25)	87.5%	72,893.00
Building Use Fees	300.00	2,300.00	4,000.00	(1,700.00)	57.5%	4,000.00
Interest	7.46	160.77	100.00	60.77	160.8%	100.00
Total Income	55,515.16	529,744.24	534,799.00	(5,054.76)	99.1%	534,799.00
Borrowed from (Repaid to) Seeds	0.00	18,142.53				
Total Available for Spending	55,515.16	547,886.77	534,799.00	(5,054.76)		534,799.00
Expenses:						
Administration:						
Computer/Software	124.83	5,796.14	5,500.00	296.14	105.4%	5,500.00
Copier, Lease & Maintenance	327.86	4,377.01	6,000.00	(1,622.99)	73.0%	6,000.00
Office Supplies	14.47	2,869.83	3,200.00	(330.17)	89.7%	3,200.00
Postage	0.00	458.13	700.00	(241.87)	65.4%	700.00
Telephone	322.04	4,499.05	4,200.00	299.05	107.1%	4,200.00
Total Administration	789.20	18,000.16	19,600.00	(1,599.84)	91.8%	19,600.00
Benevolence:						
Car Seat Expense	0.00	1,245.86	1,500.00	(254.14)	83.1%	1,500.00
Pastor Discretionary	(50.00)	1,035.43	1,200.00	(164.57)	86.3%	1,200.00
Seminary Scholarship	0.00	1,013.07	2,000.00	(986.93)	50.7%	2,000.00
Synod Benevolence	2,000.00	24,000.00	24,000.00	0.00	100.0%	24,000.00

**TREE OF LIFE LUTHERAN CHURCH
OPERATING FUND REVENUES, EXPENSES & BUDGETS
THROUGH DECEMBER 31, 2017**

	<u>Actual</u>		<u>Budget</u>			
Total Benevolence	1,950.00	27,294.36	28,700.00	(1,405.64)	95.1%	28,700.00
Buildings:						
Building Maintenance	169.88	5,381.27	11,000.00	(5,618.73)	48.9%	11,000.00
Security	269.88	3,478.10	1,515.00	1,963.10	229.6%	1,515.00
Utilities:						
Electricity	1,639.31	14,734.48	15,000.00	(265.52)	98.2%	15,000.00
Electricity - Ideal Impact	43.52	3,384.79	4,743.00	(1,358.21)	71.4%	4,743.00
Natural Gas	51.07	297.70	350.00	(52.30)	85.1%	350.00
Water	272.12	3,275.76	6,000.00	(2,724.24)	54.6%	6,000.00
Total Utilities	2,006.02	21,692.73	26,093.00	(4,400.27)	83.1%	26,093.00
Total Buildings	2,445.78	30,552.10	38,608.00	(8,055.90)	79.1%	38,608.00
Education:						
Adult Education	0.00	680.99	1,500.00	(819.01)	45.4%	1,500.00
Confirmation	0.00	1,855.64	2,500.00	(644.36)	74.2%	2,500.00
Education Supplies	0.00	0.00	200.00	(200.00)	0.0%	200.00
Sunday School	0.00	(207.51)	900.00	(1,107.51)	-23.1%	900.00
Total Education	0.00	2,329.12	5,100.00	(2,770.88)	45.7%	5,100.00
Evangelism:						
Advertising	499.00	2,238.26	3,000.00	(761.74)	74.6%	3,000.00
Equipment	0.00	0.00	400.00	(400.00)	0.0%	400.00
Evangelism Supplies	26.53	773.25	1,400.00	(626.75)	55.2%	1,400.00
General Outreach	258.61	1,019.74	500.00	519.74	203.9%	500.00
Image Rights	10.49	326.72	500.00	(173.28)	65.3%	500.00
Printing	0.00	0.00	200.00	(200.00)	0.0%	200.00
Website Fees	0.00	643.75	775.00	(131.25)	83.1%	775.00
Total Evangelism	794.63	5,001.72	6,775.00	(1,773.28)	73.8%	6,775.00
Fellowship:						
Fellowship Supplies	690.73	5,468.67	6,000.00	(531.33)	91.1%	6,000.00
Kitchen Supplies	1.88	244.66	300.00	(55.34)	81.6%	300.00
Total Fellowship	692.61	5,713.33	6,300.00	(586.67)	90.7%	6,300.00
Grounds:						
Lawn Service	600.00	7,200.00	7,788.00	(588.00)	92.4%	7,788.00
Trash Service	249.41	3,207.57	5,500.00	(2,292.43)	58.3%	5,500.00
Total Grounds	849.41	10,407.57	13,288.00	(2,880.43)	78.3%	13,288.00

**TREE OF LIFE LUTHERAN CHURCH
OPERATING FUND REVENUES, EXPENSES & BUDGETS
THROUGH DECEMBER 31, 2017**

	<u>Actual</u>		<u>Budget</u>			
Insurance:						
Church Liability Insurance	187.17	10,473.28	11,944.00	(1,470.72)	87.7%	11,944.00
Worker's Compensation	1,038.39	2,754.28	2,500.00	254.28	110.2%	2,500.00
Total Insurance	1,225.56	13,227.56	14,444.00	(1,216.44)	91.6%	14,444.00
Mortgage:						
Interest	4,191.31	51,782.37	50,668.00	1,114.37	102.2%	50,668.00
Principal	3,747.50	43,483.35	44,598.00	(1,114.65)	97.5%	44,598.00
Total Mortgage	7,938.81	95,265.72	95,266.00	(0.28)	100.0%	95,266.00
Other Expenses:						
Bank Charges	97.98	1,913.61	600.00	1,313.61	318.9%	600.00
Council Misc	0.00	10.00	100.00	(90.00)	10.0%	100.00
IRS 2010 Penalty	100.00	1,200.00	1,200.00	0.00	100.0%	1,200.00
Painting Loan	0.00	5,000.00	5,000.00	0.00	100.0%	5,000.00
Synod Conventions	0.00	540.00	470.00	70.00	114.9%	470.00
Total Other Expenses	197.98	8,663.61	7,370.00	1,293.61	117.6%	7,370.00
Staff:						
Assistant Office Manager:						
Mileage	0.00	183.46	100.00	83.46	183.5%	100.00
Salary	0.00	6,586.26	7,237.00	(650.74)	91.0%	7,237.00
Total Assistant Office Manager	0.00	6,769.72	7,337.00	(567.28)	92.3%	7,337.00
Associate Minister:						
Housing Allowance	750.00	3,000.00	3,000.00	0.00	100.0%	3,000.00
Professional Expenses	74.55	175.48	1,000.00	(824.52)	17.5%	1,000.00
Salary	330.00	9,960.00	9,960.00	0.00	100.0%	9,960.00
Stephen Ministry	118.60	1,753.60	2,200.00	(446.40)	79.7%	2,200.00
Total Associate Minister	1,273.15	14,889.08	16,160.00	(1,270.92)	92.1%	16,160.00
Cleaning Staff:						
Salary	1,250.00	10,000.00	10,000.00	0.00	100.0%	10,000.00
Total Cleaning Staff	1,250.00	10,000.00	10,000.00	0.00	100.0%	10,000.00
Music Staff:						
Instrumentalist	0.00	0.00	250.00	(250.00)	0.0%	250.00

**TREE OF LIFE LUTHERAN CHURCH
OPERATING FUND REVENUES, EXPENSES & BUDGETS
THROUGH DECEMBER 31, 2017**

	Actual		Budget			
Organist/Choir Director	2,083.34	25,000.41	25,000.00	0.41	100.0%	25,000.00
Substitute Organist	0.00	150.00	500.00	(350.00)	30.0%	500.00
Total Music Staff	2,083.34	25,150.41	25,750.00	(599.59)	97.7%	25,750.00
Nursery:						
Salary	538.54	6,349.11	6,565.00	(215.89)	96.7%	6,565.00
Total Nursery	538.54	6,349.11	6,565.00	(215.89)	96.7%	6,565.00
Office Manager:						
Continuing Education	0.00	738.95	1,000.00	(261.05)	73.9%	1,000.00
ELCA Benefits	1,170.55	14,046.60	13,140.00	906.60	106.9%	13,140.00
Salary	1,907.76	22,861.95	23,800.00	(938.05)	96.1%	23,800.00
Total Office Manager	3,078.31	37,647.50	37,940.00	(292.50)	99.2%	37,940.00
Pastor:						
Continuing Education	63.84	2,434.45	4,000.00	(1,565.55)	60.9%	4,000.00
ELCA Benefits Package	3,166.74	38,001.92	39,300.00	(1,298.08)	96.7%	39,300.00
Housing Allowance	2,910.00	34,920.00	34,923.00	(3.00)	100.0%	34,923.00
Professional Expenses	0.00	1,977.69	1,500.00	477.69	131.8%	1,500.00
Salary	2,850.30	34,203.60	34,200.00	3.60	100.0%	34,200.00
Social Security Allowances	542.00	6,504.00	6,500.00	4.00	100.1%	6,500.00
Substitute Pastor	0.00	1,100.00	750.00	350.00	146.7%	750.00
Travel/Mileage	50.58	760.39	2,300.00	(1,539.61)	33.1%	2,300.00
Total Pastor	9,583.46	119,902.05	123,473.00	(3,570.95)	97.1%	123,473.00
Visual Tech.:						
Salary	200.00	2,400.00	2,400.00	0.00	100.0%	2,400.00
Total Visual Tech.	200.00	2,400.00	2,400.00	0.00	100.0%	2,400.00
Youth Director:						
ELCA Benefits	0.00	5,950.40	5,840.00	110.40	101.9%	5,840.00
Salary	0.00	18,386.72	18,387.00	(0.28)	100.0%	18,387.00
Total Youth Director	0.00	24,337.12	24,227.00	110.12	100.5%	24,227.00
Youth Director II:						
Salary	1,833.38	18,667.04	18,667.00	0.04	100.0%	18,667.00
Total Youth Director II	1,833.38	18,667.04	18,667.00	0.04	100.0%	18,667.00
Payroll Tax Expense	622.94	9,437.18	9,310.00	127.18	101.4%	9,310.00

**TREE OF LIFE LUTHERAN CHURCH
OPERATING FUND REVENUES, EXPENSES & BUDGETS
THROUGH DECEMBER 31, 2017**

	<u>Actual</u>		<u>Budget</u>			
Total Staff	20,463.12	275,549.21	281,829.00	(6,279.79)	97.8%	281,829.00
Stewardship	0.00	0.00	1,000.00	(1,000.00)	0.0%	1,000.00
Worship & Music:						
Choir & Handbell Attire	0.00	13.72	50.00	(36.28)	27.4%	50.00
Choir Music	216.00	1,140.38	2,500.00	(1,359.62)	45.6%	2,500.00
Copyrights	50.00	1,050.00	755.00	295.00	139.1%	755.00
Handbell Music	0.00	37.65	200.00	(162.35)	18.8%	200.00
Sanctuary Supplies	289.93	3,186.35	3,000.00	186.35	106.2%	3,000.00
Worship Planning	108.82	2,229.35	2,000.00	229.35	111.5%	2,000.00
Total Worship & Music	664.75	7,657.45	8,505.00	(847.55)	90.0%	8,505.00
Youth Ministry:						
Camp / Mission Trip	100.00	37,649.96	30,000.00	7,649.96	125.5%	30,000.00
VBS	0.00	3,386.67	4,600.00	(1,213.33)	73.6%	4,600.00
Youth Fellowship	135.74	3,332.01	3,900.00	(567.99)	85.4%	3,900.00
Total Youth Ministry	235.74	44,368.64	38,500.00	5,868.64	115.2%	38,500.00
Total Expenses	38,247.59	544,030.55	565,285.00	(21,254.45)	96.2%	565,285.00
Net	17,267.57	(14,286.31)	(30,486.00)	16,199.69	46.9%	(30,486.00)

TREE OF LIFE LUTHERAN CHURCH 2018 Budget Worksheet

	2017 Budget	2017 Actual	2018 Budget
Revenue:			
Pledged Offerings	282,240	316,027	356,218
Non-pledged Offering	175,566	147,477	95,758
Building Use Fees	4,000	2,300	2,600
Interest	100	161	120
Other Revenue	72,893	63,780	69,136
Total Revenue	534,799	529,745	523,832
Expenditures:			
Fixed Expenditures:			
Staff			
Associate Minister			
Housing Allowance	3,000	3,000	0
Professional Expenses	1,000	175	0
Salary	9,960	9,960	12,600
Total Associate Minister	13,960	13,135	12,600
Asst. Office Manager			
Mileage	100	184	240
Salary	7,237	6,586	2,600
Total Asst. Mgr	7,337	6,770	2,840
Cleaning Staff			
Salary	10,000	10,000	15,000
Total Cleaning Staff	10,000	10,000	15,000
Music Staff			
Instrumentalist	250	0	300
Organist/Director	25,000	25,000	26,250
Substitute Organist	500	150	300
Total Music Staff	25,750	25,150	26,850
Nursery			
Salary	6,565	6,349	6,815
Total Nursery	6,565	6,349	6,815
Office Manager			
Continuing Education	1,000	739	1,200
ELCA Benefits	13,140	14,047	14,052
Salary	23,800	22,862	24,041
Total Office Manager	37,940	37,648	39,293
Pastor			
Continuing Education	4,000	2,434	3,184
ELCA Benefits	39,300	38,002	38,003
Housing Allowance	34,923	34,920	34,920
Professional Expenses	1,500	1,978	1,847
Salary	34,200	34,204	35,916
S S Allowances	6,500	6,504	6,503
Substitute Pastor	750	1,100	1,500
Travel/Mileage	2,300	760	1,200
Total Pastor	123,473	119,902	123,073
Visual Tech.			
Salary	2,400	2,400	2,520
Total Visual Tech.	2,400	2,400	2,520

Youth Director (Dockery)			
ELCA Benefits	5,840	5,950	0
Salary	18,387	18,387	0
Total Youth Director	24,227	24,337	0
Youth Director II (Work)			
Salary	18,667	18,667	23,100
Total Youth Director II	18,667	18,667	23,100
Payroll Tax Expense	9,310	9,437	8,638
Total Staff	279,629	273,795	260,729
Mortgage			
Interest	50,668	51,783	50,409
Principal	44,598	43,483	44,857
Total Mortgage	95,266	95,266	95,266
Total Fixed Expenses	374,895	369,061	355,995
Operating Expenses:			
Administration			
Computer/Software	5,500	5,796	5,000
Copier	6,000	4,377	5,090
Office Supplies	3,200	2,870	3,000
Postage	700	458	560
Telephone	4,200	4,499	4,085
Total Administration	19,600	18,000	17,735
Benevolence			
Car Seat Expenses	1,500	1,246	1,620
Pastor Discretionary	1,200	1,035	1,000
Seminary Scholarship	2,000	1,013	0
Synod Benevolence	24,000	24,000	24,000
Total Benevolence	28,700	27,294	26,620
Buildings			
Building Maintenance	11,000	5,381	9,000
Security	1,515	3,478	3,480
Utilities			
Electricity	15,000	14,734	14,930
Elec. Ideal Impact	4,743	3,385	4,180
Natural Gas	350	298	310
Water	6,000	3,276	4,050
Total Utilities	26,093	21,693	23,470
Total Buildings	38,608	30,552	35,950
Education			
Adult Education	1,500	681	870
Confirmation	2,500	1,856	2,000
Education Supplies	200	0	200
Stephen Ministry	2,200	1,754	1,800
Sunday School	900	(208)	550
Total Education	7,300	4,083	5,420
Evangelism			
Advertising	3,000	2,238	6,500
Equipment	400	0	0
Evangelism Supplies	1,400	773	0
General Outreach	500	1,020	7,220
Image Rights	500	327	400
Outreach Supplies	0	0	1,000
Printing	200	0	0

Website Fees	775	644	700
Total Evangelism	6,775	5,002	15,820
Fellowship			
Fellowship Supplies	6,000	5,469	6,000
Kitchen Supplies	300	244	420
Total Fellowship	6,300	5,713	6,420
Grounds			
Lawn Service	7,788	7,200	7,200
Trash Service	5,500	3,208	4,400
Total Grounds	13,288	10,408	11,600
Insurance			
Church Liability	11,944	10,473	11,560
Worker's Compensation	2,500	2,755	2,200
Total Insurance	14,444	13,228	13,760
Other Expenses			
Bank Fees	600	1,914	1,650
Council Misc.	100	10	100
IRS 2010 Penalty	1,200	1,200	1,200
Painting Loan	5,000	5,000	0
Synod Conventions	470	540	540
Total Other Expenses	7,370	8,664	3,490
Stewardship	1,000	0	300
Worship & Music			
Choir & Handbell Attire	50	14	200
Choir Music	2,500	1,140	700
Copyrights	755	1,050	730
Handbell Music	200	38	100
Sanctuary Supplies	3,000	3,186	2,910
Worship Planning	2,000	2,229	2,500
Total Worship & Music	8,505	7,657	7,140
Youth Ministry			
Camp / Mission Trip	30,000	37,550	15,125
Youth Gathering			26,940
Curriculum	0	(242)	0
VBS	4,600	3,628	3,400
Youth Fellowship	3,900	3,332	2,400
Total Youth Ministry	38,500	44,268	47,865
Total Operating Expenses	190,390	174,869	192,120
Total Expenditures	565,285	543,930	548,115
Net Operating Revenue	(30,486)	(14,185)	(24,283)