



ST. MARK'S LUTHERAN CHURCH
2019 Annual Report
for the January 26, 2020 Meeting of the Congregation

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AGENDA FOR THE ANNUAL MEETING OF THE CONGREGATION
January 26, 2020

Greeting/Call to Order

Establishment of a Quorum (35 members)

Opening Prayer

Approval of Minutes: January 27, 2019 Annual Meeting

Election of 2020 Church Council Members/Nominations from Floor
(Nominated Council Members: Bob Lechner (continuing), Diane Wages(continuing), Sherri Coughlin (continuing), Michael Marquez, Freddie Lizaraga, Sheri Barker, Rachel Perez.

Election of 2020 Legacy Committee Members/Nominations from Floor
(Nominated Legacy Committee Members: Meredith McCall, Chris Lewis, Marcia Salvestrini, Rachel Perez, Karl Larsen.

Election of Nominating Committee Members/Nominations from Floor
(Roz Nelson, Diane Wages, Bob Lechner, Ann Larsen, Dorothy Geier, Freddie Lizaraga)

Election of Lay Representatives for 2020 Pacifica Synod Assembly - May 28-30 2020
at California Lutheran University, Thousand Oaks, CA

2019 Budget Report

Approval of 2020 Budget

Other Business

Closing Prayer

ANNUAL MEETING MINUTES
St Mark's Evangelical Lutheran Church
January 27, 2019

President Nancy Dreesen called the meeting to order at 10:20am. President Dreesen acknowledged that a quorum was present. Pastor Alicia Saenz let the congregation in prayer.

President Dreesen asked for a motion to accept the minutes of the January 28, 2018 Annual Meeting. ***Motion to approve the January 28, 2018 minutes of the Annual Meeting was made by Herb Geier, seconded and unanimously approved.***

Election of the 2019 Church Council. Continuing members: Raidel Cubero, Gabby Gutierrez, Skip Knudsen, Alicia Saenz, Pastor Boye, and Sherri Coughlin who is up for re-election. Bob Lechner, Dianne

Wages and Sherri Coughlin were elected as new members. ***Motion to adopt the Council as elected was made by Ann Larson, seconded and unanimously approved.***

Election of the 2019 Endowment Committee. Chris Lewis was elected to a second term on the Endowment Committee.

President Dreesen requested a volunteer to act as our Lay Representative to the 2019 Pacifica Synod Assembly. Since there was no one volunteered, President Dreesen requested that a member of the congregation consider accepting the position.

Nominating committee for the 2019 Church Council is to be Raidel Cubero, Skip Knudsen and Betty Torres.

Barbara Atwood presented the budget balance sheet for 2018. Barbara also presented a report via PowerPoint highlighting 2018 and focused on the 2019 proposed budget. As presented she is projecting a balanced budget for 2019. ***Motion to accept the 2019 Budget as presented was made by Billy Cox, seconded and unanimously accepted.***

ST. MARK'S CHURCH COUNCIL REPORT 2019

Bob Lechner, Council President

2019 was the year of transition for one congregation, two languages. Our congregation celebrated its 65th Anniversary, even as we searched for our place in the changing community around us.

We thank Council members for their work, and all the volunteers who generously gave their time.

- We began the transition process with Pastor Karin, Pastor Alicia and our Transition Team.
- Continued to keep up the property with monthly gardening groups. Had a major overhaul by the San Marcos congregation to make the front of the church more visible and welcoming.
- Men's fellowship met for monthly breakfast.
- Legacy Committee created a Gift Policy.
- Celebrated our 65th Anniversary with a brunch buffet, lots of photos and memorabilia.
- We said goodbye to Barb Atwood and the Dreesens and thanked them for their leadership.
- WELCA held its annual Friendship Tea in March.
- Met with Anne Gerriets, Church Building Consultant from the Mission Investment Fund to get suggestions for improving and maintaining the St. Marks campus.
- The church was tented for termites.
- We had 48 trees trimmed around the property.
- We purchased 12 new assisted listening devices and a system for simultaneous translation.

- We held Wednesday night soup suppers during Lent to talk about St. Mark's history through the decades.
- We updated the St. Mark's History map including key events since our first worship service in 1954.
- We held a Community Easter celebration with an egg hunt, lunch, games and prizes.
- WELCA sponsored a Community Summer Camp with program provided by Luther Glen counselors for 25 children.
- Glory purchased a new projection screen for Jacobson Hall. The Hispanic Ministry is paying to recover the chairs in Jacobson Hall.
- The Rev. Kate Schlechter resigned as St Mark's visitation pastor.
- We focused on several "areas of interest" like: Worship, Stewardship, Property and Member Care and formed some action teams around some of those areas.
- St. Mark's provided volunteers and leadership for Christmas in October, sponsored by Rotary.
- Victory Lutheran school children used our classrooms for a month while their campus was under construction.
- St. Mark's joined Amazon Smile, for another way to donate to the church.
- We had several bilingual services with presentations by the children of both congregations, potluck brunches and lots of fellowship, including a Children's Christmas Presentation in December.
- Held cottage meetings with all the stakeholders in the church to talk about our Purpose, Giftedness and Mission and to help complete our Site Ministry Profile.
- Esmeralda Gomez resigned, and we hired Maryury Lopez as Office Administrator.
- We helped 21 children with parents in prison through the Angel Tree Ministry.
- Completed a vitality survey for Tom Goellrich, Assistant to the Bishop.
- Faded banners have been replaced at the driveway and corner of Hilltop and I street.

ANNUAL REPORT OF THE PASTOR

Rev. Karin Boye, Intentional Interim Pastor

I believe; help my unbelief. (Mark 9:24)

“I believe; help my unbelief” is the Moravian watchword for the year 2020 *; and I find it amazingly timely in a moment of reflection on the past year at St. Mark's Lutheran Church. But let's have a look at the context first. A father of a gravely ill son comes to Jesus asking for help. “If you can do anything” the father

says, “do it.” Jesus replies: “If? There are no ‘ifs’ among believers. Anything can happen.” – “Then I believe; help my unbelief!” the father cried; and Jesus went and healed the boy...

I think what we can learn from this scene is that faith is an important basis for the miracles which Jesus performs. Remember that in his home town Jesus “was not able to do any miracles there except to lay his hands on a few” and that “he marveled at their unbelief.” (Mark 6:4-6) So apparently there is a relationship between the ability of doing something extraordinary and the potential recipients. In other words, nothing can happen if the players involved don’t want it to happen. Or, with the words of wisdom and humor: To hope for change without doing something for it yourself is like waiting at a railway station for a boat to arrive...

For the community of faith at St. Mark’s Lutheran Church, 2019 was a tough year.

Two strong and instrumental leaders (Barbara Atwood and Nancy Dreesen) moved out of State, leaving Council in a real leadership crisis. None of the committees, or Council itself, were up to speed in what they were constitutionally charged and tasked with. It became apparent that leading the congregation was left in the hands of a few who tried their best (and did their best!) and the rest just went along. In October the combination of Council and Transition Team to one leadership body strengthened leadership but there is still a lot that needs to change in order to be more efficient, transparent and forthcoming.

After Easter, so called Action Teams replaced committee meetings by open invitations to anybody who might be interested and willing to learn more about four major aspects of congregational life at St. Mark’s (member care, worship, stewardship, and facility). This effort helped to get at least the Personnel Committee and the Property Committee working in a much healthier and more effective way. Also the Nominating Committee focused successfully on its tasks.

Among others (see p.), two well respected long-time (charter) members have passed away thus reminding everyone of the frailty of St. Mark’s. The congregation has aged and the only Caucasian population segment growing within a 5-mile radius of the church is the segment 65-years-plus. Also, the Latino population continues to grow in Chula Vista. So with this painful reality check the likelihood of attracting Anglo, young families with children again like in the 70ies seems to be an illusion, making it hard to imagine something other and different. If the congregation wants to grow St. Mark’s ministry focus will clearly have to shift toward the Hispanic population.

As soon as the ‘real’ transitional work had begun, the energy went toward maintaining what was and how it has been rather than opening up for ‘paths yet untrodden’. The level of change-resistance is still high. Out of the experience of isolation and silo mentality leadership and members were not able to utilize available resources like the ELCA gift planer, Lisa Higginbotham, Mission Investment Fund consultant, Anne Gerriets, Director for Evangelical Mission, Rev. Tom Goellrich, and mainline neighbors and partners in Chula Vista. Curiosity and creativity are running low so, except for what was always done (Quilt Ministry, Angel Tree, Project Hand etc.), the inwardly driven aspect of ministry continued throughout the year.

Staff changes in 2019 helped to unearth not functioning relationships and procedures of Council and Personnel Committee. In February the long-time musicians Margaret Gaillard and Dan Duran resigned, and Jason Chase came on board to alternate biweekly with Melissa Tierra providing music for Sunday

worship services. The model of contracted individuals for Sundays only is far from perfect but it assures at least some continuity. For years Jackson Salvestrini tended faithfully to soundboard and slides during Sunday mornings; he moved on to college, and volunteers are stepping up now to cover. The plan is to find a person who will be paid for this service. After some ongoing frustrations in the office and the inability of all involved to get the issues resolved, Esmeralda Gomez moved on in September, and Maryury Lopez became the new Administrative Assistant. This position is half-time, pushing the employee to the limits and at the same time leaving quite a bit of administrative work to the pastor.

Yet, there were also glimpses of light and hope. Even though struggling with continuity of its members, the Transition Team worked hard and successful to see who and what St. Mark's is all about in this time and in this place. At 16 meetings together with the congregation and 17 additional Team meetings everything was 'on the table' (from Old scars, racial and sexual bias, organizational functioning, and dysfunctional leadership etc. to care for each other, vital ministries, strong values, and the love for this congregation). I am very grateful for the Transition Team's accomplishments!

At this point St. Mark's overall financial situation is balanced and stable, and property and grounds are beginning to look clean and maintained. An audit revealed nothing to be concerned about and provided helpful recommendations for the next fiscal year. A Constitution Task Force is still at work to implement changes made by the ELCA Churchwide Assembly in August, as well as rewriting crucial parts of the Bylaws (foremost job descriptions for the committees!)

This leads me back to the Moravian watchword for the year 2020. I strongly believe that St. Mark's has a fair chance to move into the future with more confidence, a stronger leadership council, functioning committees, making crucial decisions, and having a clearer sense of Christ in her midst. At the same time I also doubt that this can be accomplished anytime soon – St. Mark's is keeping itself so 'busy' that this can be interpreted as 'vibrant and vital'. The questions linger: what is the larger picture and what is the overall direction of ministry? Unless all involved are willing to imagine change (for themselves, their life together as a community of believers and their mission in this world) and are open to take new and unfamiliar steps, 'being busy' will continue to look like St. Mark's ministry. And remember: Nothing can happen if the players involved don't want it to happen – So: I believe; help my unbelief.

Faithfully yours in Christ

Pastor Karin Boye, Intentional Interim

* since 1731 the Moravian Church publishes daily scripture texts for spiritual inspiration and renewal.

*I give thanks to my God always for you, for the grace of God that was given to you in Christ Jesus.
1 Cor 1:4.*

Our achievements and challenges during 2019:

Goals:

- * Following the Instruction of our Lord Jesus Christ, we want to follow the Commandment of the great commission and bring the good news of justification by grace through faith in Jesus Christ to the community of Chula Vista.
- * Increase the number of people who attend the Spanish Worship Services at St. Mark's Church.
- * Continue with our Bible study every other week at the church and when invited to a church members house for the Bible Study, have an additional Bible Study at that residence.
- * Recruitment of volunteers within the congregation for different activities and committees of the church.

Achievements:

- The Worship Service in Spanish has maintained an average attendance of 20-25 people every Sunday.
- During 2019 we celebrated:
 - **Baptisms**
 - Destenny Kazandra Morales Gonzalez 06/16/2019
 - Hector Armando Morales Carmen
 - **First Communion**
 - Destenny Kazandra Morales Gonzalez 06/16/2019
 - Alejandro Naranjo Ruiz 08/11/2019
 - Isabel Veronica Yager 10/05/2019
 - **Quinceañera**
 - Destenny Kazandra Morales Gonzalez 07/20/2019 (Before celebrating the quinceañera the young woman was instructed in the foundations of the Christian Lutheran faith)
 - **Sweet 16 Worship Celebration** (Same as a quinceñera)
 - Isabel Veronica Yager 10/05/2019 (Before celebrating the quinceñera the young woman was instructed in the foundations of the Christian Lutheran faith.)
 - **Wedding Anniversary**
 - Victoria & Juan Santana 11/17/2019
 - **Funeral**
 - Sijifredo Saenz 06/14/2019

Regular Activities

- Several visitations to different church members at the Hospital
- Classes for First Communion continue on Sundays at 9:00 a.m.
- Two projects of cutting bushes were completed in order to increase visibility of our church from the street.
- There is a potluck on the second Sunday of the month after the Worship Service in Spanish. This meal has the purpose that current members invite family and friends to come just as guests so that they know our church, our congregation and our Christian denomination. We hope that if they come as guests, without any pressure, they might like our church and come back.
- In an effort to achieve more unity among the members of the two worship services of St. Mark's Church, we held a few bilingual services, including:
 - The celebration of St Mark's 65th anniversary
 - A worship service in which a Vitality Survey was done,
 - Christmas celebration with the Christmas story presented by the children that included a posada song and little bells presentation.

All these Worship Services were followed by a meal, there was beautiful fellowship between the members of St. Mark's Spanish- speaking and those who speak the English language.

-Several flyers inviting to our worship services in both languages English and Spanish were distributed around the Chula Vista community. The Spanish-speaking members of our congregation have worked very hard distributing these flyers and talking about our church to people around Chula Vista and its surroundings, as well as inviting friends and family. We will continue with these efforts during 2020.

-Two members of the Second Service are serving in the Church Council.

Challenges:

- The participation in the activities for the transition of our church have been difficult because of the language barrier, but I have done my best to accommodate translation for Spanish speakers and it has been a blessing to participate in the Transition Team meetings, these have opened our eyes to different approaches and possibilities for our Ministry. These meetings have also helped so that people from the first and second service have a common goal to work at and get to know each other.
- One of the challenges for the people of the second service, in order to serve in different committees of our church, is the lack of time as most of us have two jobs, but even with that, people serve, donate of their time, and their gifts as much as they possibly can.
- During 2019 we lost two families who moved to a different state due to better housing and work opportunities.
- Unfortunately, we lost a member who died in 2019, he is now with the Lord.

Next steps:

- We have activities planned for outreach events to increase awareness and connections of St. Marks with the local community.

- Continue with efforts to show people the way to Jesus Christ, our Lord and Savior, for the Glory of God.

Conclusion:

Thanks to all of you for your contributions and support to our church and to me. It is a blessing to serve in such a faithful, supportive and loving congregation. May God Bless you always.

Respectfully,
Alicia Sáenz

MINISTRY REPORTS

Pastoral Acts

Membership		2012	2017	2019
	Family Units	275	174	307
Number of Worship Services				
	9 am Sunday	53		
	10:45 Sunday	50		
	Youth / SS	52		
	Wednesday	16		
Average Attendance				
	9am Sunday	84		
	10:45 Sunday Spanish Ministry	36		
	Youth/SS	9		
	Wednesday	25		

	English	Spanish
Baptisms	5	2

Confirmation	0	0
Quinceañera/Sweet 16	0	2
First Communion	0	3
Marriages/Rededication	0	2
Funerals	6	1
Visits & off-campus Communion	79	

Funerals/Burials 2019

English- Barbara Mai-Yepsen, Colette Marie Robinson, Duane Haugen, Betty Lou Cunningham, Lyle Edward Kannegiesser, Robert Wayne Bergan
 Spanish- Sijifredo Saenz 06/14 /2019

Baptisms

English - Isabella McCall Roy, Estrella Uribe, Valeria Uribe, Kai Dennis Coughlin, Richard Roy
 Spanish - Destenny Kazandra Morales Gonzales 06/16/2019, Hector Armando Morales Carmen

First Communion

Destenny Kazandra Morales Gonzalez 06/16/2019
 Alejandro Naranjo Ruiz 08/11/2019
 Isabel Veronica Yager 10/05/2019

Quinceañera

Destenny Kazandra Morales Gonzalez 07/20/2019 (Before celebrating the quinceañera the young woman was instructed in the foundations of the Christian Lutheran faith)

Sweet 16 Worship Celebration (Same as a quinceañera)

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Wedding Anniversary

-Victoria & Juan Santana 11/17/2019

TRANSITION TEAM 2019

St. Mark's has completed one full year of the Transition Process. The Transition Team, comprised of Chris Lewis, Laura Ortiz, Sheri Barker, Carolyn Lechner, Gabby Gutierrez and Frank Lizaraga, was installed

in January and met, at least, every other week from February 20 to October 1. These team meetings were alternated with congregational potlucks that were hosted by the Transition Team through Lent and again from June through September. This has been followed by monthly potlucks to share a Bible Study and discussion related to the Transition Process.

During September and October, Transition Team members met with each of the established small groups in St. Marks to discuss several important questions related to the Call and to gather feedback about the most important Values that guide the St. Marks and San Marcos (Spanish speaking) congregation. The Transition Team has also provided regular articles in the church newsletter and bi-weekly updates during church services to keep the congregation informed.

Recently, the Transition Team has been busy completing the *Transition Team Report* that will guide the Call Committee in creating the *Ministry Site Profile*, a multi-page “business card” that a prospective pastor will use in determining if God is calling him or her to apply to be our new settled pastor.

The purpose of the Transition time is to mobilize, discover, and generate the capacity to thrive anew. The two major goals are:

1. To discover a new and deepened sense of identity and purpose for the congregation
2. To establish a healthy relationship with the next ministerial leader who will walk with the congregation toward our renewed sense of purpose.

The addition of a Transition Team has allowed our Church Council to focus on continuing to support the ministries of the church and the regular business of the church. In recent months, the Transition Team has met with Church Council monthly to improve communication between the two groups. The next step for the Transition Team will be to assist the Call Committee in preparing the *Ministry Site Profile*, and then, finally, to serve as the Mutual Ministry Team in support of our new settled pastor.

Respectfully Submitted, **Sheri Barker- Co-Chair of the Transition Team**

ANNUAL AUDIT REPORT

With this report, the Audit Committee presents the results of its audit for the period beginning January 1, 2018 and ending December 31, 2018 financial books and records of St. Mark’s Evangelical Lutheran Church of Chula Vista, California, to the Congregational Council.

The audit was performed on Wednesday, October 16, 2019 by a committee consisting of the following members: Diane Nissen, Tom Larsen, Audrey Voigt, and Diane Wages.

In the examination of receipts and disbursements, no material discrepancies were discovered, however, the committee did make note of the following items:

- **Assets:**
 - Bank Accounts:

- Cash Balances total \$211,581.44 at December 31,2018
 - Union Bank
 - Checking - \$93,432.08
 - MMDA - \$117,846.72
 - Mission Investment - \$302.64
 - Monthly reconciliations were signed and dated by the person performing the reconciliations.
 - Fixed Assets:
 - *Finding: No listing available of fixed assets (furniture fixtures and equipment)*
 - *Recommendation: An inventory of furniture, fixtures and equipment be performed and a permanent file kept where activity of acquisitions and disposals is recorded.*
 - **Liabilities:**
 - Mission Investment Loan balance at 12/31/18 matches the Mission Investment Fund annual statement.
 - **Receipts:**
 - Receipts are properly safeguarded, deposited in a time manner, and properly classified in the financial statements.
 - Donations of the congregation have been used and recorded as stipulated by the donors.
 - Cash is maintained and counted in double custody.
 - Accounting systems are effective in reducing the possibility of loss or errors.
 - **Disbursements:**
 - Scope of the audit was review of a sampling of payments made during the fiscal year 2018. The payments were checked for appropriateness, Request for Check documents, and backup including receipts, invoices, or other documentation.
 - A total of 23 payments were reviewed. All payments appeared appropriate.
 - *Findings:*
 - *Request for Check forms were not always signed indicating approval.*

Recommendation:

 - *Establish or reinstate a policy regarding Check Requests. Policy should include that all payments to individuals should have a completed and approved Check Request form attached, identify who is authorized to approve check requests, and documentation (receipts or invoices) to support the dollar amount requested.*
 - **Payroll:**
 - Review was performed comparing the “Preview Payroll Details Report” to the actual time sheets:
 - *Findings:*
 - *Time sheets were not always signed by Supervisor.*
 - *Recommendation:*
 - *Establish or reinstate a policy regarding Time Sheets. Identify who is authorized to approve the Time Sheet.*

- **Congregational Council Meeting Minutes:** All 2018 Council meeting minutes are on file and available for review in the office.
- **Insurance Policies:** Policies are in place and in force including:
 - Church Mutual Insurance Company policy covering Building and Personal Property in the amount of \$5,645,700 for the period beginning April 16, 2018 until April 16, 2021. Policy additionally includes, but not limited to, General Liability Coverage, Directors, Officers and Trustees Liability, Employment Practices, and Automobile Liability.
 - Church Mutual Insurance Company policy covering Workers Compensation and Employers Liability for the period from May 1, 2019 to May 1, 2020.
 - Certificates of Liability Insurance naming St. Mark's as additionally insured are in file for the following users of St. Mark's property: Victory Lutheran Church and Center for Lutheran Education (expires April 1, 2020), Lutheran Social Services (expires July 1, 2020), and the Girl Scouts (expires January 1, 2020).
 - A policy from Church Mutual Insurance Company names Areumdaum Church, 580 Hilltop Drive as the insured, and names St. Mark's Evangelical Lutheran Church of Chula Vista as additional insured.
 - *Findings:*
 - *Policy in file covering Areumdaum Church expired March 23, 2018.*
 - *No Certificates of Liability Insurance naming St. Mark's as additionally insured are on file for Glory Lutheran Church, or Verizon (cell tower).*
 - *Recommendation:*
 - *Obtain current policy from Areumdaum Church.*
 - *Obtain Certificates of Liability Insurance from Glory Lutheran Church and Verizon.*

Memorial Endowment Fund: Scope of the audit included the review of the financial activity of the Memorial Endowment in 2018 including:

- Confirmation of the December 31, 2017 Fund Balance of \$125,597, and confirmation of the Fund Balance of \$113,580 as of December 31 2018.
- Confirmation of Distributions for the period totaling \$7,312.89.
- All Distributions were supported by approved motions evidenced in the Committee Minutes.
- Committee records were complete and in good order.

Based on the audit work performed, the Audit Committee found no significant, material departure from best practices of church accounting. Testing performed also found, with some exceptions as noted in this report, that controls governing the financial operations appear to be reasonable in light of all factors, including the size of the congregation and its budget.

Respectfully submitted,

Audit Committee

ST.MARK'S LUTHERAN CHURCH

Balance Sheet

As of December 31, 2019

	Dec 31, 19
ASSETS	
Current Assets	
Checking/Savings	
10000 · CURRENT ASSETS	
10100 · Petty Cash-Office	100.00
10200 · Union Bank-Checking	82,086.67
10300 · Mission Investment Fund	305.48
Total 10000 · CURRENT ASSETS	82,492.15
10201 · Union Bank Money Market	
10201.1 · Reserve Facilities	40,000.00
10201.2 · Reserve Pastoral Call	25,000.00
10201.3 · Reserve Debt Service	13,000.00
10201.4 · Money Market Main	39,964.49
Total 10201 · Union Bank Money Market	117,964.49
Total Checking/Savings	200,456.64
Total Current Assets	200,456.64
Fixed Assets	
FIXED ASSETS	
12100 · Land and Building	5,495,000.00
12300 · Furniture,Fixtures & Equip	826,000.00
Total FIXED ASSETS	6,321,000.00
Total Fixed Assets	6,321,000.00
Other Assets	
OTHER ASSETS	
14200 · Deposits & Prepaid Expenses	
14205 · Prepaid Insurance	2,182.03
14200 · Deposits & Prepaid Expenses - Other	1,967.78
Total 14200 · Deposits & Prepaid Expenses	4,149.81
Total OTHER ASSETS	4,149.81
Total Other Assets	4,149.81
TOTAL ASSETS	6,525,606.45
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
CURRENT LIABILITES	
OTHER CURRENT LIABILITIES	
20700 · Security Deposit	400.00
Total OTHER CURRENT LIABILITIES	400.00
PAYROLL LIABILITIES	
20100 · Accrued Payroll Taxes	380.97
20110 · CA Withholding	16.71
20220 · Pre Tax Retirement	-300.00
Total PAYROLL LIABILITIES	97.68
Total CURRENT LIABILITES	497.68
DESIGNATED FUND/ACTIVITIES	
ACTIVITIES	
30264 · Property	41.86
34400 · Fellowship Club	119.05
34500 · Thursday Quilters	3,046.59
34700 · WELCA	1,933.73
36570 · Clearing Acc't - Office	-50.00

ST.MARK'S LUTHERAN CHURCH

Balance Sheet

As of December 31, 2019

	<u>Dec 31, 19</u>
Total ACTIVITIES	5,091.23
DESIGNATED FUNDS	
30215 · Buildings and Grounds	30.00
30255 · Hearning Aid Fund	175.00
30325 · Sunday School	201.00
30330 · Project Hand	3,905.10
30340 · Designated Hispanic Ministry	
30341 · Spanish Ministry Grant	69.36
30340 · Designated Hispanic Ministry - Other	36,478.36
Total 30340 · Designated Hispanic Ministry	36,547.72
30370 · WELCA ThanksOffering	17.00
30440 · VBS-Vacation Bible School	95.00
31170 · Honoring & Remembrance Fund	1,816.16
32030 · Worship/Flowers	45.15
32080 · Angel Tree	1,616.24
33071 · Prayer Quilt Ministry	1,701.36
Total DESIGNATED FUNDS	46,149.73
Total DESIGNATED FUND/ACTIVITIES	51,240.96
Total Other Current Liabilities	51,738.64
Total Current Liabilities	51,738.64
Long Term Liabilities	
21000 · Revitalization Loan	295,399.96
Total Long Term Liabilities	295,399.96
Total Liabilities	347,138.60
Equity	
EQUITY	
38000 · Church Equity	5,845,830.41
Total EQUITY	5,845,830.41
3000 · Opening Bal Equity	2,500.34
39000 · Retained Earnings	282,353.70
Net Income	47,783.40
Total Equity	6,178,467.85
TOTAL LIABILITIES & EQUITY	6,525,606.45

ST. MARK'S LUTHERAN CHURCH
2020 Proposed Budget

	2018 Actual thru 12/31/18	2019 Actual thru 12/31/19	2019 Budget	2020 Budget Proposal
<u>INCOME</u>				
40100 - Envelopes	255,247	240,159	263,021	240,000
40900 - Spanish Ministry	11,451	12,420	12,000	13,000
40200 - Loose Offering	3,272	1,706	4,000	2,000
40210 - Adopt a Bill	8,846	20		
TOTAL MEMBER GIVING	278,816	254,305	279,021	255,000
40500 - Other Income (Special)	3,257	2,010	5,000	2,100
40501 - Thrivent Choice	2,790	3,343	5,000	4,000
41000 - Interest Income	62	130	40	100
<u>FACILITY USE FEES</u>				
41101-Lutheran Social Services	8,100	8,100	8,100	8,100
411021-Areudaun Church	17,700	17,200	18,000	18,000
41104 -Glory Lutheran Church	7,200	7,450	7,200	7,200
41105 - Upper Room	-	-		
41100 - Facility Use Fees - Other	5,555	7,240	4,800	6,000
TOTAL FACILITY USE FEES	38,555	39,990	38,100	39,300
<u>MISCELLANEOUS INCOME</u>				
49901 - Verizon Income	19,720	20,297	19,720	20,400
49900 - Miscellaneous - Other				
TOTAL MISCELLANEOUS INCOME	19,720	20,297	19,720	20,400
TOTAL INCOME	343,200	320,075	346,881	320,900

<u>EXPENSES</u>				
<u>SALARIES & BENEFITS</u>				
50100 - Clergy Salary	23,205	58,895	59,720	100,000
50101 - Clergy Housing Allowance	15,995	29,777	29,880	
50105 - Clergy Professional Expenses		165	500	
50110 - Clergy Auto & Travel Allowance		-	1,800	
501320 - Clergy Pension, Medical, Disability	6,270	17,797	16,870	
53810 - Continuing Education - Pastor		1,358	1,500	
50600 - Staff Salaries	46,093	55,328	73,216	71,344
Pastor - Spanish Ministry (\$26,000 annual max)				
Office Assistant (\$18,200 annual max)				
Bookkeeper (10,400 annual max)				
Grounds Keeper (\$7,280 annual max)				
Custodian (\$7,280 annual max)				
Sunday School Attendant (\$2,184 annual max)				
51010 - Independent Contract Musicians	8,175	8,550	12,000	10,000
51011 - Contract Supply Pastors	4,828	375	1,000	875
51013 - Independent Worship Tech.	20	-		2,500
51014 - Contract Nursery Attendant		-		
51015 - Contract Visitation Pastors	575	2,688	1,000	1,000
53800 - Payroll Taxes	3,620	4162	5,600	5,500
TOTAL SALARIES & BENEFITS	108,781	179,095	203,086	191,219

ST. MARK'S LUTHERAN CHURCH
2020 Proposed Budget

	2018 Actual thru 12/31/18	2019 Actual thru 12/31/19	2019 Budget	2020 Budget Proposal
ADMINISTRATION				
53801 - Property Taxes	362	369	350	370
54100 - Payroll Expense	960	1,046	1,200	1,200
54120 - Bank Charge	119	54	120	100
54150 - Computer Equipment & Supplies	119	-		
54200 - Insurance	9,597	7,909	10,000	10,000
54350 - 98 Copier-Lease & Supplies	6,000	6,090	6,000	6,000
54500 - Loan Payment Interest Expense	13,910	12,216	12,000	10,713
54600 - Office Supply & Printing	549	894	1,000	1,000
54650 - Outside Services	120	120		
54700 - Postage	113	60	500	300
55000 - Mileage Reimb. Staff	1,064	2,711	1,200	2,000
56900 - Misc Admin Expense	135	40	250	244
TOTAL ADMINISTRATION	33,048	31,509	32,620	31,927
BUILDINGS & GROUNDS				
57100 - Ground Contract				
57250 - Building Maintenance	11,492	15,184	18,825	5,000
57350 - Termite Protection Program	1,712	2,489	2,400	2,600
57400 - Utilities	22,754	20,171	25,000	23,000
59900 - Miscellaneous	79	292	500	-
TOTAL BUILDINGS & GROUNDS	36,037	38,136	46,725	30,600
TOTAL CHRISTIAN EDUCATION	165	-	500	500
TOTAL COUNCIL & CONVENTIONS	1,571	964	1,800	1,800
TOTAL EVANGELISM & FELLOWSHIP	1,296	1,154	1,000	1,000
WORSHIP				
74100 - Altar & Communion Supply	554	561	600	600
74200 - Worship Music	60	293	600	300
74400 - Worship Materials	1,258	1,329	600	600
75900 - Miscellaneous	233			
TOTAL WORSHIP	2,105	2,183	1,800	1,500
TOTAL YOUTH			500	
TOTAL SYNOD BENEVOLENCE	15,315	19,250	19,250	20,000
TOTAL MISSION				1,000
TOTAL EXPENSE	198,318	272,291	307,281	279,546
Net Income	144,882	47,784	39,600	41,354
LOAN PRINCIPAL PAYMENT	40,129	39,850	39,600	41,354
Net Cash Flow	104,753	7,934		-

ST. MARKS ALTAR COMMITTEE REPORT 2019

We on the Altar Committee are again very thankful to have served the staff and congregation this past year.

Each week we clean and prepare the Altar area for our Sunday morning service. Communion is set up for our service. After our service, communion is prepared for the Spanish service.

Parament colors are changed according to the church calendar.

We meet the 1st Tuesday of each month at 10 am. Anyone who would like to join us is welcome.

As our congregation moves into 2020, we ask you to pray for our church and its leaders.

Your St. Marks Altar Committee

SUNDAY COFFEE MINISTRY REPORT 2019

Again, a very big THANK YOU to all the wonderful volunteers who continue to help with the Sunday Coffee Ministry.

It's a great way to greet people you might not usually see from church.

We can always use more help.

Thank you again for your support.

Karl and Ann Larsen

LEGACY COMMITTEE REPORT 2019

St. Mark's Lutheran Church Endowment Fund
Bylaws

...as each who has received a gift, employ it for another, good stewards of God's varied grace...whoever renders service, as one who renders it by the strength which God supplies; in order that in everything God may be glorified.
1 Peter 1:10-11

Purpose

An Endowment Fund ("the Fund") is an account that can hold funds from both current and estate gifts, from which distributions are made for ministry. This document describes how our congregation defines ministry and outlines the overall management of the Fund. Ideally, the principal of the Fund grows over time, and every measure is made for the cost basis to be untouched. Growth primarily derives from

additional gifts, but also from investment returns. A distribution strategy is employed to create sustainable and stable funding to ministry and intended from earnings of the fund.

Our endowment fund was created and is recognized as a permanent endowment through the increased activities of our church by whom it was made. It must not be permitted to impoverish the congregation by becoming a substitute for our service to God, nor to take from us the joy of giving to the extension of His Kingdom. To be a blessing to us all, as well as to others, it must be directed by us into channels of service beyond our abilities and normal programs.

Operation

I. Legacy Committee II. Conflicts of Interest and Ethics III. Investment Policy IV. Distribution Policy V. Termination of the Fund

I. Legacy Committee (“the Committee”)

1. The Committee will be comprised of:
 - a. Five members, and the Pastor ex-officio.
 - b. Each member will serve a term of three years.
 - c. No member shall serve more than two continuous terms of three years.
 - d. After a lapse of one year, a former committee member may be re-elected.
2. The Nominating Committee will nominate a candidate for the Committee. Any member may self-nominate or nominate another at the Annual Congregational Meeting.
3. The Committee members will be elected during the Annual Congregational Meeting.
4. If there is a vacancy on the Congregation Council shall appoint someone to fulfill the term of the vacancy.
5. The Committee will meet monthly, and as needed.
6. A quorum shall consist of at least three members.
7. Any motion or resolution with a unanimous vote of at least three members Present can carry.
8. The Committee will elect from its membership:
 - a. Chairperson
 - b. Secretary
 - c. Treasurer
 - d. Vice Chair

e. Member

9. The Committee will report to the Church Council at least annually and as needed. The committee will report to the Congregation annually through the annual report.
10. The financial records of the Fund must be audited at least annually. In accordance with the audit procedures of the church, this audit will be performed at the same time and by the same practice as St. Mark's overall finances.

II. Conflicts of Interest and Ethics

11. Members of the Committee will not be held liable for any investment losses.
12. Members of the Committee will be held liable for his or her own willful misconduct.
13. Members of the Committee will not be able to provide services to the Fund for a fee.
14. Members of the Committee will not be able to engage in transactions for the Fund in which he or she has a direct or indirect financial interest.
15. The Committee Chair and the Committee Treasurer will serve as the two designated signers for transactions.
16. These Endowment By-laws will be reviewed annually by the Committee.

III. Investment Policy

17. Transactions larger than 25% of the Fund must be approved by the Church Council, including a transfer from the current custodian to a new custodian, a purchase of a new asset, or a liquidation of a current asset.
18. Our primary investment objective is capital appreciation with a secondary objective of preservation of capital.
19. The Committee will use outside professional management advice to manage investments.
20. The Fund can be held in the ELCA Endowment Fund Pooled Trust – Fund A, the ELCA Mission Investment Fund, a state bank, a federal bank, a FINRA registered broker-dealer, trust company, or a foundation.

IV. Distribution Policy

21. The Committee is limited to an annual distribution of 4% of the Fund balance, defined by the account balance as of December 31 of the previous year, which includes all interest, dividends, realized/unrealized capital gains from the previous

- year. Any distribution that is larger, may be approved by the Congregation Council.
22. There is a mandatory distribution required of the fund of 4% to fund ministry.
23. A grant application will be available for requests. Recipients will be determined by the Legacy Committee.
24. The Committee is not limited in its use of the distribution for ministry to its congregation. The Committee may share up to 25% of the distribution with the following recipients: our synod, ELCA Churchwide ministries, ELCA-related ministries, or all other non-Lutheran charities within the San Diego area.
25. The distribution shall not be used for operating budget nor for capital expenditures of St. Mark's Lutheran Church.

V. Termination of the Fund

26. If termination of the Fund is recommended by the Legacy Committee, any disposition of principal and accumulated income shall be exclusively for religious, charitable, and educational purposes to such organizations as shall at the time qualify as an exempt organization or organizations under Section 501(c)3 of the Internal Revenue Law. The Legacy Committee shall determine and propose the recipient(s) to the Church Council regarding the distributions of the funds. The Church Council shall confirm the 501(c)3 status of the recipient(s) of the distribution.

**St. Marks Lutheran Church Memorial Endowment Fund
2019 Financial Statement**

ORIGINAL PRINCIPAL BALANCE:\$100K					
Quarter Ending:	Q4-2018	Q1-2019	Q2-2019	Q3-2019	Q4-2019
American West/Banner Bank					
Checking	88	88	88	768	88
Total Banner	88	88	88	768	88
Thrivent Investment					
Moderate Allocation	113,492	124,779	127,533	123,384	129,495
Total Thrivent	113,492	124,779	127,533	123,384	129,495
Gran Total	113,580	124,779	127,533	124,152	129,583

2019 Net Asset Value: Growth/(Decline)

Total Asset Change minus(Distributions) \$ 20,543

2019 Approved Budget \$ 4,540.00

College Scholarships \$	3,000.00
Camp Scholarships \$	860.00
Christmas in October \$	680.00

Total Distributions \$ 4,540.00
=====

2020 Proposed Budget (4% of final 2019 Total Balance \$ 5,183

PRAYER QUILT MINISTRY 2019

The Prayer Quilt Ministry (which is ALL the members of St. Mark's) has wrapped 155 recipients in prayers and love this year, and we have tied additional prayers into 12 quilts. Since this Ministry began in 2004, we have wrapped more than 4,200 recipients in our prayers. Prayer Quilts have been tied at Sunday Services Bible studies, church meetings, at home and at other churches.

On one Saturday of each month members and friends of St. Mark's gather for a Prayer Quilting Saturday where quilts are cut out, sewn, put together, and ties are put in. This quilting time is a drop-in, drop-out time, and some stay for an hour, many for an hour, many for the 3 hours. There are usually 8-12 who meet for quilting and fellowship. Being able to sew is not needed- there are many jobs that go into the completed prayer quilt. Each of our sessions ends in prayer being said and tied into prayer quilts.

Information about the Prayer Quilt Ministry has been sent to many churches as it has been requested by those who have received quilts. The web-site address is: www.prayerquilt.org.

In addition to prayer quilts, we have given 51 Prayer Pockets to our first responders (police/firefighters/and others) protecting and caring for our community- each one with a cross inside.

This year 13 Prayer Squares were tied to bring comfort as a reminder of God's love, and 3 Baptismal Prayer Squares were given to those who were baptized.

The children in our congregation are a wonderful part of the Prayer Quilt Ministry. They are invited to tie prayers into the quilts as the names and prayer requests are read on Sunday mornings before their time with Pastor, then they help carry the quilts out to the Narthex where they are tied by the adults.

We are thankful for your love, your prayers, and your donations of time, materials and money. Donations by check need to be written to St. Mark's and designated for the PRAYER Quilt Ministry. See or call Roz Nelson (422-5463), Jen Armer(422-8793) or the church office 619 427-5515 to request a prayer quilt.

Roz Nelson/Prayer Quilt Ministry

PROPERTY COMMITTEE ANNUAL REPORT 2019

The Committee, reformed in the month of December. We accomplished a few things in that period of time.

- We, thanks to the help of volunteers, cleaned up the front entrance of overgrowth.
- We implanted, not yet complete, reparations to the parking lot below the Verizon tower.
- We acquired estimates for several projects around the grounds, including cleaning up landscaping and several paint projects.
- We submitted estimates to the council for approval, that is still pending.
- Several paint projects have been started, again with volunteer help.

Going forward, we will be tackling several needs as the budget allows as well as utilizing our existing budget to improve the appearance and aesthetic draw of the building.

Thanks again to all of our volunteers.
Respectfully submitted.
The Property Committee.

WOMEN OF ST. MARK'S FINANCIAL REPORT

Financial Report 2019

St Mark's Women's Financial Report 2019

Balance on Hand 12/31/2018 \$ 2,196.33

Income

Circles and General Meetings	\$ 319.50
Friendship Tea Offering	\$ 569.50
Friendship Tea Silent Auction	\$ 1,068.00
LRCC Day Camp	\$ 660.00

Total Income \$ 2,617.00

Disbursements

WELCA

Pacifica SWO Offering	\$ 200.00
SWO Convention Expense	\$ 80.00
Subtotal WELCA	\$ 280.00

Benevolences and Scholarships

Lutheran Border Concerns	\$ 353.75
Subtotal Benevolences	\$ 353.75

Expenses

LRCC Day Camp	\$ 2,185.00
Banners for LRCC Day Camp	\$ 60.85
Subtotal Expenses	\$ 2,245.85

Total Disbursements **\$ 2,879.60**

Net Income/(Loss) \$ (262.60)

Balance Left on Hand 12/31/2019 \$ 1,933.73