

ANNUAL REPORT 2025



Evangelical
Lutheran Church
in America



ANNUAL CONGREGATIONAL MEETING OPENING LITURGY

Recognizing that our faith is a living, busy, active and mighty thing, may the grace of our Lord Jesus Christ and the communion of the Holy Spirit be with each of you.

And also with you.

Teach us to love you with all our heart, soul, mind and strength.

Receive our prayer, O God.

Descend on our hearts, that we may love others in the ways Jesus loves us.

Receive our prayer, O God.

Empower us to be enthusiastic in pursuing your vision for our congregation.

Receive our prayer, O God.

Move us to engage issues in our community in Christlike ways, and to pursue deep and authentic relationships with those with whom we serve and partner.

Receive our prayer, O God.

Strengthen us to face the barriers we encounter in doing your work, learning to work with others amid disagreement.

Receive our prayer, O God.

Give us the ability to adapt to the cultural, economic and social changes that occur in the neighborhoods we serve.

Receive our prayer, O God.

Guide us to be a healthy congregation that learns from its failures as well as its successes and offers wisdom to others.

Receive our prayer, O God.

As we strive to become the church that we proclaim to be, raise up leaders who focus on the gospel of freedom, forgiveness and reconciliation as given to us through God's indescribable act of love in the death and resurrection of Jesus Christ. Renew us daily in our baptism, that we may discover vitality in our relationships with you, each other and those we serve in the world.

Amen.

Founded on Faith



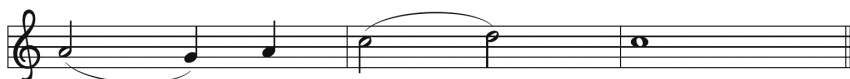
1 Found - ed on faith, the church— a - live by grace—
2 Your cross, O Christ, re - news our life each day.
3 E - quipped by prayer, we live the Spir - it's call.
4 Grow - ing in grace for God's cre - at - ed earth,
5 Found - ed on faith, called forth, em - pow'ed to serve,



pro - claims the gos - pel here and ev - 'ry place.
Bap - tized in you, we learn and teach and pray.
Em - pow'ed to serve with gifts, both great and small,
we yearn for jus - tice, peace, and hu - man worth;
we share God's end - less love with - out re - serve.



The word of God re - sounds through time and space:
Fed by your love, with thank - ful hearts, we say:
we bring the liv - ing hope of God to all.
a world re - stored; a faith - ful, car - ing church.
Then let us shout a - loud the liv - ing Word!



Al - le - lu - ia!

All Creation Sings, 1048

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AGENDA
KNIFE RIVER LUTHERAN CHURCH
ANNUAL MEETING OF THE CONGREGATION
10:00 am Sunday, February 15, 2026

Call to Order: President Helene Hedlund	<u>Page</u>
Determination of Quorum	
Opening Prayer: Pastor Mark Holman	
Approval of Agenda	1-2
Approval of Minutes of Annual Meeting held February 9, 2025.	3-5
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Reports (Motion to accept will be entertained after all reports are presented):	
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NEW BUSINESS:

Election of Council

Jan Swanson has resigned from the Council. Thank you for your service, Jan!!

Gretta Ojard has completed her year as appointed youth representative. Thank you!!

The Knife River Lutheran Church Nominating Committee

Slate of Nominees

Office	Name	Term Expires
<u>Church Council</u>		
President	Helene Hedlund	2027 (can serve until annual meeting 2029)
Vice President	David Grong	2026 (can serve until annual meeting 2029)
Secretary	Kay Bloom	2026 (can serve until annual meeting 2030)
Treasurer	Ed Lee	2026 (can serve until annual meeting 2028)
Members	Steve Berger	2027 (can serve until annual meeting 2031)
	Anne Jaspersen	2027 (can serve until annual meeting 2031)
	Jillian McCorison	2027 (can serve until annual meeting 2031)
	Vicky Gorman	2026 (can serve until annual meeting 2028)
	LeAllan Estrem	2026 (can serve until annual meeting 2030)
	Open Position	2027- To fill Jan Swansons term
<u>Endowment Committee</u>	Debbie Allert	2028 (can serve until annual meeting 2028)
	Lawrence Burkhard	2026 (can serve until annual meeting 2032)
	Lee Bujold	2027 (can serve until annual meeting 2030)
	Scott Jaspersen	2027 (can serve until annual meeting 2030)
	Melanie McMillion	2026 (can serve until annual meeting 2029)
<u>2026 Auditors</u>	Kate Monger	1 year term
	Karin Harris	1 year term
<u>2026 Synod Assembly Delegates</u>	Linda Grong	1 year term
	David Grong	1 year term

Bylaws Amendment – Vote

Other

Closing Remarks – President Helene Hedlund

Closing Prayer – Pastor Mark Holman

Adjourn

DRAFT ONLY
KNIFE RIVER LUTHERAN CHURCH
2024 ANNUAL MEETING OF THE CONGREGATION
10:30 am Sunday, February 9, 2025

Meeting called to order by President Helene Hedlund
Quorum determined by Acting Secretary Jan Swanson – 47 present
Opening Prayer by Pastor Susan Berge – highlighted Presiding Bishop Rev. Elizabeth A. Eaton message on the back page of the Annual Report ... Thank you, dear church. As we look ahead to the coming year, I encourage you to stand steadfast in God's promises, sure of God's love and goodness.

Approval of Agenda – Motion and 2nd to approve Agenda **Carried**

Approval of 2023 Annual Meeting Minutes held February 11, 2024 – Motion and 2nd to approve Minutes **Carried**

Acknowledgment of Congregation Ministries and Leaders – Info. Only - page 5

Approval of Annual Reports pages 6-19

- Council President
- Pastor's Report – shared highlights from her report
- Worship Committee
- Women of the ELCA
- Food Shelf
- Prayer Chain
- Endowment
- Creation Care
- Christian Ed
- Quilters
- Website/YouTube
- Technical Team
- Property Committee
- Columbarium

Motion and 2nd to approve annual reports **Carried**

Treasurer's Report outline on pages 20-27

Ed Lee highlighted the report; and gave a BIG 'Thank You' to all of you!
Motion and 2nd to approve Treasure's Report **Carried**

Approval of 2025 Budget (see bottom of p. 20 and Expense Budget p.26-27
Motion and 2nd to approve 2025 Budget **Carried**

Ed Lee summarized the projected budget was based on as if Pastor Susan would finish out the year. Since that is not the case, he stated on p. 20 ... “This all comes down to faith! Faith that God will provide us a path through this valley...”

- He also wanted to especially thank Michael Dent and Melanie McMillion and all the individuals who count and record offerings for all their work in making the weekly financial details work for KRLC.

Audit Report page 29 & 30

- A detailed review was conducted by the Audit team. Special Thank You to Craig Whiting and Scott Jasperson.

NEW BUSINESS

“Youth Representative to the Council”

Can serve a one year term for a High School aged person. The position would be in addition to... not in place of current council positions. She or he would be appointed rather than elected. A current council member would be appointed as a mentor to answer questions as they arise. It is an opportunity for confirmed youth to see how church leadership functions.

Welcome – Gretta Ojard – Youth Representative. Who just happens to come from several generations of family who have also served on the Council.

Election of Officers:

Thank you to the outgoing council members.

Randi Alreck is leaving the council after serving – 3 terms

Nancy Dent is leaving the council after serving – 2 terms

Craig Whiting is leaving the council after serving – 2 terms

The Knife River Lutheran Church Nominating Committee

Slate of Nominees

Church Council

President	Helene Hedlund	2027 (can serve 1 more 2-year term)
Vice President	David Grong	2026 (can serve 2 more 2-year terms)
Secretary	Kay Bloom	2026 (can serve 2 more 2-year terms)
Treasurer	Ed Lee	2026 (can serve 1 more 2-year term)
Members	Steve Berger	2027 (can serve 2 more 2-year terms)
	Anne Jasperson	2027 (can serve 2 more 2-year terms)
	Jillian McCorison	2027 (can serve 2 more 2-year terms)
	Vicky Gorman	2026 (can serve 1 more 2-year terms)
	Jan Swanson	2026 (can serve 2 more 2-year terms)
	LeAllan Estrem	2026 (can serve 2 more 2-year terms)

Endowment Committee

Debbie Allert	2027 (2-year term)
Phil Berge	2026 (2-year term)
Lee Bujold	2027 (3-year term)
Scott Jaspersen	2027 (3-year term)
Melanie McMillion	2026 (2-year term)

2025 Auditors

Scott Jaspersen	1 year term
Beth Anderson	1 year term

2025 Synod Assembly Delegates

Linda Grong	1 year term
David Grong	1 year term

Motion Moved and 2nd to approve KRLC Nominating Committee Slate of Nominees **Carried**

Constitutional Amendment

Phil Berge explained the reason for the proposed amendment.

- C5.05 This Congregation shall have a mission endowment fund that will operate as specified in this congregation's bylaws and continuing resolution. The purpose of the mission endowment fund is to provide for mission work beyond the operational budget of this congregation.

This amendment was approved by the Congregation Council and will be voted on at the KRLC Annual Meeting.

- Recommendation was approved by a majority Yes vote by the congregation.

Save the Date: Pastor Susan concludes her ministry and Celebration. May 25, 2025

Closing Remarks – President Helene Hedlund

In closing, I would like to thank Pastor Susan and the 2024 Council for their work and commitment to our church community along with their support of me in my role as Council President. It's been a great year... I look forward to serving our congregation in 2025.

Closing Prayer – The Lord's Prayer

Adjourn – Motion and 2nd to adjourn **Carried**

Respectfully submit,
Jan Swanson Acting Secretary

<p><u>Congregational Ministries and Leaders</u></p> <p><u>Church Council Members as presented for congregational vote – 2/15/2026</u></p> <p>Berger, Steve Bloom, Kay - Secretary Estrem, LeAllan Gorman, Vicky Grong, David – Vice President Hedlund, Helene – President Jasperson, Anne Lee, Ed – Treasurer McCorison, Jillian</p> <p><u>Call Committee</u></p> <p>Melanie McMillion, chair; Debbie Allert, Steve Carlson, Scott Shelerud, Patti Stoddard</p> <p><u>Christian Education Committee</u></p> <p>Alreck, Randi Burkhard, Lawrence – Chair Holman, Mark - Pastor Jasperson, Anne McCorison, Jillian Smith, Carmen Swanson, Jan</p> <p><u>Columbarium Committee</u></p> <p>Bujold, Lee Carlson, Steve – Chair Holman, Mark - Pastor Hubbartt, Susan – Secretary Lee, Ed – as KRLC Treasurer Ojard, Nancy von Goertz, Paul</p> <p><u>Creation Care</u></p> <p>Berg, Bill Burkhard, Lawrence – Chair Gorman, Vicky Holman, Mark - Pastor Jasperson, Anne Jasperson, Scott</p> <p><u>Endowment Committee</u></p> <p>Allert, Debbie Burkhard, Lawrence - Chair Bujold, Lee Hedlund, Helene – (Adv. Member as Cong. Pres.) Jasperson, Scott McMillion, Melanie – Recording Secretary</p> <p><u>Lectio Divina</u> Randi Alreck, Leader</p>	<p><u>Men's Group</u> – Ed Lee & Scott Jasperson, coordinators</p> <p><u>Newsletter</u></p> <p>Lewandowski, Diane – Editor Jasperson, Scott & Anne – assembly & mailing</p> <p><u>Planning Team</u></p> <p>Bujold, Lee– as Church Mouse Hedlund, Helene – as council president Holman, Mark - Pastor Lee, Ed – as council treasurer Lewandowski, Diane – Admin Asst</p> <p><u>Prayer Chain</u></p> <p>Beardsley, Carmen – Coordinator</p> <p><u>Property Committee</u></p> <p>Scott Jasperson, Bjorn Ojard – Co-Chairs Bill Berg, Steve Carlson, Nancy Dent, David Grong, Anna-Lu Hovis, Ed Lee, Bjorn Ojard, Dick Sigel, Pete Stoddard, Craig Whiting.</p> <p><u>Quilters</u></p> <p>Hubbartt, Susan - Leader</p> <p><u>Stewardship Committee</u></p> <p>Grong, David – Chair (as Council VP) Holman, Mark - Pastor Lee, Ed McMillion, Melanie</p> <p><u>Technology Team</u></p> <p>Allert, Jim Shelerud, Scott Stoddard, Peter</p> <p><u>Women of the ELCA (W/ELCA)</u></p> <p>Anderson, Beth – Treasurer Grong, Linda – President Jasperson, Anne – Sunshine Co-Chair Safstrom, Gail – Sunshine Co-Chair</p> <p><u>Worship Committee</u></p> <p>Allert, Jim Carlson, Carol Dent, Nancy Holman, Mark - Pastor Jackson, Delores Meyer, Pat - Chair Olson, LeeAnn Shelerud, Scott Stoddard, Patti</p>
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2025 President's Report to the Knife River Lutheran Church Congregation

Greetings to all from the KRLC Council

What a year this has been! We began with our much loved Pastor Susan announcing her retirement. Shortly thereafter, we learned that our volunteer Pastor Admin Assistant, Melanie McMillion and our Church Musician, Carol Carlson would also be stepping back from those volunteer positions. How did we respond . . . with **resilience** as preparations for the changes ahead took shape. We celebrated with incredible appreciation the ministries of Pastor Susan, Melanie and Carol. Note: Neither Melanie nor Carol are going anywhere . . . they are merely redefining their volunteer roles.

As such, 2025 has been a busy year for our Council. I hope you will all be able to extend a thank you to those who served.

David Grong, VP	Jan Swanson
Kay Bloom Secretary	Nancy Dent
Ed Lee, Treasurer	Vicki Gorman
Pastor Susan/Pastor Mark	LeAllan Estrem
Anne Jaspersen	Jillian McCorison
Gretta Ojard (Youth Rep)	

A special thank you to Jan who completed her term, We also thank Gretta who served as our first youth Council member. I hope she enjoyed the experience as much as we enjoyed having her participation.

Priority Outcomes. The council continued three identified areas of priority: Communication, Recognition as “Heart of the Community” and to routinely assess/adjust decision making. These priority outcomes help guide the council in its work on behalf of KRLC.

Meeting Schedule. We continue to meet monthly in both the sit down and stand up formats. The Council has also participated in many special meetings as they provide leadership through the transition to call a new pastor.

Transitional Activities (including but not limited to)

- reviewed resumes and interviewed several candidates to serve as Interim Pastor. Happily and gratefully we called Pastor Mark Holman to lead our congregation through this interim process.
- drafted a congregational survey to gather information for future planning and to assist the call team in their search process.
- accepted applications and oversaw a congregational election to identify an incredible call team.
- oversaw the process to hire a salaried part-time Administrative Assistant
- overseeing the process to hire a Church Musician (pending)
- have begun holding “Table Talks” on a variety of topics identified during the survey activity
- continue to review and update church policies and processes
- under the direction of our accomplished Treasurer, Ed Lee and Bookkeeper, Michael Dent, provided budget oversight that has resulted in an notably successful financial year.

KRLC continues to celebrate the good fortunate to have many volunteers to do the work of the church and community.

- Thank you to the many individuals who play important roles in the Church whether it is serving on a committee/task force, offering a ride, offering a prayer, greeter, ushering, acolytes, quilting, choir and band members. It takes many to make a church operate successfully. **Easy is the task where many share the work.**
- You will notice that many of our confirmed youth are also volunteering as it relates to Christian Ed, Communion Assistance and community activities. Their presence is greatly appreciated.
- Many members volunteered for the Julebyen celebration, specifically by coordinating the Live Nativity and volunteering in the many activities of JB.
- The Church opened its lower level for food assembly and warming areas for volunteers.
- We hosted a Steak and Chop Fundraiser with all proceeds going to Global and Local Hunger initiatives.

As we look forward to the coming year, there will be exciting changes. We will continue to celebrate the past and look forward to the future, as we continually remember that KRLC is a welcoming and forward looking congregation.

In closing, I would like to thank Pastor Susan, Pastor Mark and the 2025 Council for their commitment to our church community along with their support of me in my role as Council President. It's been a busy year ... It will be a busy 2026 . . . I look forward to continuing to serve our congregation.

Blessing to our Congregation
Helene Hedlund, Council President

Pastor's Report

The Old Philosopher - and writer of Ecclesiastes - wrote:

***"For everything there is a season,
And a time for every matter under heaven". (Eccl. 3:1)***

As I reflect upon the past six months, since coming to serve as Interim Pastor, I've been amazed and heartened as I've considered KRLC's strength and faithfulness through 98 years of ministry! Residents and members of Knife River are particularly tuned to the unfolding of God's blessings experienced through the seasons. Yes, by God's grace, *"for everything there is a season."*

Many types of seasons come to my mind:

- There are the *natural seasons* caused by the tilting of the earth as we orbit the life-giving sun. Here, we are particularly positioned to enjoy the distinct pleasures of Winter, Spring, Summer, and Autumn. We enjoy living in a spectacularly beautiful environment. *For everything there is a season.*
- *Seasons of the Church Year:* Together, we walk by faith through the rich seasons of Advent, Epiphany, Lent, Easter, and Pentecost. Our journey slows a bit when we come to the special festivals of the Nativity, the Baptism of our Lord, Ash Wednesday, the events of Holy Week, the Ascension, Reformation Day, and All Saint's Day. Through faithful and creative worship, lives are enriched, and faith is deepened. One aspect of worship that is particularly rich at KRLC is fine music. Organ, piano, bells, clarinet, dulcimers, guitar, and excellent voices bring enjoyable and impactful offerings to our worship life. Also, guest preachers are so much appreciated for their creativity and faithfulness! *For everything there is a season.*
- *Seasons of changing leadership:* We look back with gratitude for the seasons of Pastors Susan Berge, Phil Berge, John Reppe, and others who laid the foundations for faith and mission! In addition to pastoral leadership, we are grateful for so many lay leaders who serve with devotion, competence, and dedication on Church Council, on committees, within educational programs, care for our building and property, community dinners, and many events of hospitality within our neighborhood. In the past year there have been significant staff changes as well. Incredibly, within a matter of a few weeks, we marked the conclusions of the exceptional ministries of Pastor Susan, Parish Coordinator (Melanie McMillion), and Music Director (Carol Carlson). If we totaled up the KRLC years of service for Pastor Susan, Melanie, and Carol, we would be well over 9 decades! With these changes, our ministry could have stumbled badly; but, lay leaders stepped up in remarkable ways! (While Pastor Susan has retired, Melanie and Carol will generously continue to provide volunteer leadership. We are grateful for that!). I also want to specifically acknowledge my appreciation for staff members with whom I work most closely - Diane Lewandowski our Office Secretary; and Hannah Weishaar, our dedicated Custodian. *For everything there is a season.*
- *Seasons within the community:* Julebyen is a community event like-no-other! It is no surprise that KRLC members are active in designing, planning, and presenting the event that combines imagination, hard work, fun, fellowship, artistry, superb food, and fund-raising. Hats off to all the planners, bakers, artisans, traffic controllers, and trolls! *For everything there is a season.*
- *Seasons of planning:* In recent months, KRLC members have looked back with pride and thanksgiving. Importantly, then, we have looked ahead. We've been wrestling with the questions: "Where did we come from?"; "How did we get here?"; "Where are we now?"; and "Where are we going?" It has been an opportunity for celebration and discernment. Through all of this, interested members have been invited to participate in a couple of creative and forward-looking efforts. Viewpoints and opinions of interested members have been shared and gathered in a comprehensive Congregational Survey. Then, we participated in the 4-week RIVER PROJECT through which we reviewed our proud heritage, our current challenges & opportunities, and assembled a cairn of our prayers for the future. I am so grateful for the expert leadership of Jim Allert (designer of the Survey), Kay Bloom (imaginative artist), Todd Monger, Steve Hovis, Liza and Sally Socha, and Tim Anderson on the River Project! *For everything there is a season.*

- *Seasons of giving:* KRLC has received recognition of its amazing and far-reaching generosity through many special projects. (Details can be seen in the Financial Report included in this Annual Report.) *For everything there is a season.*
- *Seasons of Learning:* Throughout the year, KRLC has gathered to study God's Word through Lectio, Table Talks, Confirmation, the Lenten study group, and the recently established Men's Bible Study Group. KRLC members are eager to wrestle with God's Word to see its impact on our lives, our community, and the world. *For everything there is a season.*
- And, the list goes on! *For everything there is a season.*

Whatever the season, God always meets us where we are – and kindles trust and courage, sufficient for our next step into a new season. Who knows what God has in store? Who knows what awaits us? As we look ahead, we trust the leadership of the Holy Spirit to guide us forward, toward Calling a new Pastor. I am so thankful for our excellent Call Committee: Melanie McMillion (Chair), Deb Allert, Scott Shelerud, Patti Stoddard and Steve Carlson.

Again, for everything there is a season.

Enjoying Partnership in Mission,

Interim Pastor Mark Holman

2025 Worship Committee Report

Submitted by Patricia Meyer, Chair

Committee members: Pat Meyer, Chair, Jim Allert tech, Randi Alreck, Carol Carlson, Helene Hedlund, Mark Holman, interim Minister, Delores Jackson, Alter Guild, Lee Olson, Bells, Scott Shelerud tech, Patti Stoddard, Music

We meet monthly to discuss previous services and decide if we need to alter the upcoming services in any way, discuss upcoming services and what needs to be done by the various parts to help make worship as meaningful as possible.

We have discussed where announcements should be made, length of service, who should choose hymns for each service and length, technical difficulties, and selection of music. We also have an ongoing search for a new keyboard accompanist after Carol's retirement. We are lucky to have Patti and her many talents and Karen Johnson, who plays for us and then at her own church, United, after us on Sundays. We are fortunate that our interim pastor Mark, takes such an interest in all aspects of our worship and looks to us for guidance to be sure our worship experience is the best we can make it. We also have had congregants who have stepped up to lead worship. Bill Berg and Bill Meyer gave memories of their service for Veteran's Day, and other guests brought new insight to our congregation. Todd Munger has been a willing guest speaker on several occasions. We are very fortunate to also have Rev Kris Garey as part of our congregation. Although the Worship Committee was not responsible, and all the glory goes to Mark for the River Project.

2025 Two Harbors Area Food Shelf Report

Submitted by Sue Johnson, Director Two Harbors Food Shelf

Two Harbors Area Food Shelf report for the Knife River Lutheran Church Annual Report. 186 =the average # of families we serve. 122524.1 pounds given out in 2025. Maybe including the 72 individual volunteers plus 457 group hours including DAC, Serve Boldly, etc. & KR volunteers worked 91 hours during 2025.

The KR church gave a total of \$13,502.

2025 Prayer Chain Report

Submitted by Carmen Beardsley

The prayer chain committee is a small, devout, group of individuals who offer immediate prayer for those in need and those who prefer to keep their prayer needs private. We average around 4 requests a month. Prayer requests can be emailed to carmen.j.beardsley@gmail.com, or texted to 218-830-0956. As the coordinator, I forward all requests via email to the group. We'd welcome new members! If this sounds like the committee for you, let me know and I'll add you to the email chain.

Endowment Committee Report for 2025 — submitted by Lawrence Burkhard

Endowment Fund Balances:	12/31/2024	\$73,084.29
	12/31/2025	\$81,170.27
	Account Principal:	\$50,000.00

Endowment Asset Allocation:	RBC Insured Deposits:	0.2%	- Cash
(December 31, 2025)	Taxable Fixed Income:	0.6%	- GNMA Pass Thru Pools
	Mixed Assets:	99.3%	- Income Fund of America (AMECX)

Endowment Fund Advisor: Ted Bujold of RBC Wealth Management

Endowment Fund Committee Members:

- Deb Allert
- Lee Bujold
- Lawrence Burkhard (chair)
- Scott Jaspersen
- Melanie McMillion
- Pastor Mark (advisory member)
- Helene Hedlund (advisory member)

According to KRLC bylaws, only the interest earned from the principal can be spent.

KRLC bylaws state that funds (earned interest) shall be distributed for the following purposes:

- For support of this congregation's ministry to, for, and with the youth of this congregation and community;
- for capital improvements, debt reduction, or a building program of Knife River Lutheran Church;
- for outreach into the community and synod, including but not limited to, grants to Evangelical Lutheran Church in America seminaries, colleges, or students attending such schools, social service agencies, institutions and agencies to which this congregation relates, and to special programs designed for those persons in our parish area who are in spiritual or economic need;
- for missions of the Evangelical Lutheran Church in America in this continent and worldwide, including but not limited to, grants to the ELCA for new congregational development in North America, professional leadership, educational ministries, global mission, ecumenism, evangelism, social ministries, and capital financing;

Work by the Committee:

1) Developed *Proposed Revised Endowment Fund Bylaws*

The existing Church Bylaws were highly detailed and needed updating. Revision to the bylaws include:

- Current bylaws require all disbursements be approved by the Congregation Council. Changed text to: *Up to 5% of the previous December Fund balance may be available for disbursement by the Fund Committee. Disbursements greater than 5% of the previous December Fund balance, will require approval by the Congregation Council.*
- Eliminated the requirement to disburse income annually.
- All text on principal amount accumulating to \$15,000 prior to disbursing income generated by the Fund. Note, principal is currently \$50,000
- Change meeting requirement to minimum of 2 annually from meeting on quarterly basis (at a minimum)

2) Revised Endowment Scholarship Notice to Educational Grants

After some discussion, the Committee decided the scholarship notice was too narrow and not appropriate for many potential applicants. We changed the newsletter announcement from "Endowment Committee Scholarships for College and Youth Activities" to "Newsletter Announcement – Educational Grants". The

change allows someone going to school for a trade such welding or firefighting certification to apply and receive a grant. In addition, added to the newsletter announcement was a requirement for the applicant to describe their involvement in the Knife River Lutheran Church congregation, and/or their involvement in the Knife River community. This was lacking in the prior newsletter announcements and with this information, the Fund Committee will be able to make much better decisions on awarding grants.

Future Efforts by the Committee

- 1) Revise/update brochure on Endowment Fund
- 2) Develop "Investment Policy Statement"

The Investment Policy Statement would establish a clear understanding as to the applicable investment objectives and policies of the FUND for the Endowment Committee and its advisor(s). This framework describes how funds are and will be invested going forwards for the FUND.

- 3) Create Gift Acceptance Policy Statement

This statement will describe the types of gifts that will be accepted by the Church.

Deposits

None this year.

Expenditures:

\$140.00	Yearly account maintenance fee
\$4,000.00	Educational Grants

Total Expenditures:

\$4,140.00

Announcements of Educational Grants were made in the June. The committee received three submissions from the June posting. For these submissions, the Church Council approved the awarding of grants in July 2025. The Fund also issue a check for a newsletter announcement made in October 2024 in January 2025.

The Endowment Fund funds are in an account with RBC Wealth Management in Duluth, and Ted Bujold of RBC Wealth Management is the account financial adviser at RBC.

Creation Care Team Annual Report for 2025 — submitted by Lawrence Burkhard

The Creation Care Team was formally established in October 2014. Its goal is to empower our congregation to be of part *Lutherans Restoring Creation*, an ELCA program that recognizes creation as a gift of God entrusted to our care. Lutherans Restoring Creation action plan has six areas of focus:

- 1) Worship
- 2) Education
- 3) Building and grounds as model
- 4) Discipleship at home and work
- 5) Public witness and policy
- 6) Promoting our care for creation identity in the congregation.

Creation Care Mission Statement

We recognize creation as a gift from God entrusted to our care. As a congregation, we will incorporate creation care into our worship life, educational program, the maintenance of building and grounds, our personal discipleship at home and work, and in our public witness. We seek to make caring for God's creation an integral part of the identity and mission of our life together.

Activities

1) Worship expressions of Creation Care:

We worshipped in our Memorial Garden (weather permitting) all summer long with our songs and prayers. A Blessing of the Animals was held following worship on September 21, 2025.

2) The Northeastern Minnesota Synod in 2023 committed to becoming a Pollinator Synod, with the goal of creating pollinator friendly habitat on church and campgrounds and elsewhere, and of serving to pollinate the care of creation throughout the synod. This year, KRLC's memorial garden has become one the Synod's *Pollinator Sanctuary Congregation*.

Completed projects/efforts

- No projects completed this year.
- New furnace with much higher energy efficiency was installed and hopefully, the furnace will result in lower energy costs for the Church.
- Office paper recycling to Duluth Township recycling bin
- Recycling of bottles and paper using recycle bin provided by North Shore Sanitary service.

New Projects/Efforts

- Team formed to investigate solar panels for the church. No progress to date.

Continuing efforts

Compositing bucket in the kitchen was discontinued because no one was emptying the bucket. Need to revisit this effort.

Define projects/efforts for 2026

Newsletter tips and write-ups

Attending/involvement in Synod Creation Care Team activities

Worship expressions of Creation Care

Christian Education Report for 2025 — Submitted by Lawrence Burkhard

Youth program:

The Sunday School program continued using the Children's Church format. With the Children's Church format, the children attend the first part of the church service with the adults (parents/grandparents), and then, after opening prayers, they depart to their classes. The children return in time for Communion. Because of the limited attendance (often, 3 or 4 children), only one class is taught, and we are blessed to have 4 adults and 3 recently confirmed students in teaching roles.

For Children's Church, Holy Moly curriculum by Spark House/Augsburg Fortress was used. Holy Moly has Year 1 and Year 2 materials and this school year started with the Year 2 materials.

Over the summer months, Dani Mattson and Alison Shaw led the children in crafts, coloring and playground exercises.

Vacation Bible School

VBS was led by Jillian McCorison and occurred on August 4th, 5th and 6th from 4:30-7 PM. The theme for VBS was *Bible Treasure Hunt*. Bible stories covered were Spiritual Gifts (1 Corinthians 12:1-14), Fruits of the Spirit (Galatians 5:16-26) and God's Love is Our Greatest Treasure (Matthew 13:45-46). Patti Stoddard wrote and directed a puppet show done by the children on *God's love is our Greatest Treasure*. Sadie, Caleb and Sydney Pollard were teaching assistants, and Randi Alreck, Janet Emery and Steve & Pat Berger served the children dinners.

Confirmation

Confirmation classes were held January through May and resumed in September. We are using "Here We Stand" lesson materials from SparkHouse.org purchased from Augsburg Fortress Publishing, and each student has a copy of "Lutheran Study Bible" for the class. There were three students the first half of the year, and two were confirmed last summer. When classes resumed in the fall, three students were enrolled.

Children Church's Mission Project

The ELCA's Global Barnyard is the mission project for the children attending Children's Church, and the children take offering in class. The children thank the congregational members for their support of the mission project via coin boxes and offering envelopes.

Adult programs:

- The WELCA met monthly in the Fall, Winter and Spring for a Bible study.
- Over the year on Tuesday mornings, a group led by Randi Alreck and Pastor Susan (up until her retirement) met for *Lectio Divina*/Dig Deeper: readings and meditation on scripture. Meetings were done in-person and when weather permitted, meetings were done in the Memorial Garden.

Quilters Report for 2025 Submitted by Sue Hubbartt

Our quilters continue to meet every Wednesday from 10:00 to 1:00 at the KRLC Church. We are pleased to have added some new ladies this year to our group, so we have up to 8 ladies some days and it is wonderful. We have great workers who are willing to do whatever is needed. There is always room for more so if you're interested, please join us.

There is a variety of tasks to do such as putting fabric colors together, cutting squares, laying out the squares and then sewing them together. Then the tying them and finally binding them together.

The following is a list of donated quilts this past year.

2-Confirmads

2-Retirements

5-North Shore Horizons (Two Harbors)

1- Silent Auction at the Fall Steak and Chop

4-Life House (Duluth)

1-Baptism

Again, we want to thank the Church for budgeting money for our supplies and material that is needed. It is greatly appreciated.

KRLC Web/Youtube/Internet Report

Submitted by Jim Allert

Email changes

In 2025, with the departure of Pastor Susan there were several new email changes made. People were used to contacting her through kniferiverchurch@gmail.com but that account is now reserved only for administrative purposes. Email to that account does not go to Pastor Susan. To contact Pastor Mark please send email to holman28@gmail.com . When Diane was hired a new email address was established for her and all future office administrators: office.krlc@gmail.com .

Church website (krlc.org)

The church website (krlc.org) was entirely redesigned in 2024 and served us very well in 2025. The home page includes, among other things, the livestream link for each week as well as the Sunday bulletin and inserts. Church events and announcements, the church calendar, and numerous other pages on the site cover all activities and functions of the church and are continually updated. It also serves as a repository for church documents, including congregational and Council minutes, church policies, newsletters and past sermons (when available).

KRLC YouTube Channel

The church You Tube channel hosts the online worship videos produced by livestreaming as well as numerous videos of musical performances, celebrations and events (such as Pastor Susan's farewell). You can find the channel by searching for Knife River Lutheran Church in You Tube, or directly using the handle @kniferiverlutheranchurch4484 . There are currently 413 videos on the site. Some have over 1,000 views. In 2025, 57 videos were saved in the 2025 Online Worship playlist and a number of others in the playlists for Pastor Susan's Retirement and for JOYFUL. Jim Allert maintains the You Tube channel and prepares the You Tube "back end" to enable livestreaming by the Tech Team. The average weekly viewers of our online services is 38 but can vary from 14 to 100+.

KRLC Facebook page

The church Facebook page needs a coordinator. Many more people interact with Facebook than with the church website. Postings are handled on a very sporadic basis by several Administrators but there is no one person really in charge. If you are interested in running the Facebook site and making it current, interesting and up-to-date please let Jim Allert know.

ChurchTrac

In 2026 the entire current website (krlc.org) will be moved over to an information management system called ChurchTrac. The new website will be located at krlc.churchtrac.com and if users go to the old website (krlc.org) they will be automatically directed over to ChurchTrac. The new website (called Church Connect on ChurchTrac) is available for viewing and comment now.

For more information on the ChurchTrac transition please contact Ed Lee.

KNIFE RIVER LUTHERAN CHURCH – STEWARDSHIP 2025

The congregation of KRLC was exceptionally generous in 2025 as we set a record for giving to organizations and charities outside of our operating budget, our giving to outreach!

Our total outreach giving comes from several sources:

- We send 10% of the “collection plate” offering to the NE Minnesota Synod of the ELCA, our tithe to synod.
- We have a variety of designated charities, both local and worldwide, to which our individual congregation members make donations. These funds are **dedicated** to the specific charity.
- We receive contributions from members that are **non-dedicated** to a specific charity. In addition, if the church has received more income than it had expenses at the end of the year (a profit), the Congregation Council makes the decision regarding how these funds will be utilized. The council may decide to add some of the profit to non-dedicated outreach. The Stewardship Committee then makes the decision regarding the recipient(s) of these non-dedicated funds.

The recipients of KRLC’s generosity, and the dollar amounts provided, are listed in the treasurer’s report(s).

A big THANK YOU !

Knife River Lutheran Church
Property Committee Annual Report
2025

Committee Members:

Bjorn Ojard & Scott Jaspersen – Co-Chairs

Steve Carlson, Ed Lee, David Grong, Craig Whiting,

Anne-Lu Hovis, Bill Berg, Pete Stoddard, Dick Sigel

The following major church projects were completed in 2025:

- Ramp entryway double doors sanded to remove minor rust and then painted on inside and outside.
- Pastor's office and adjacent area walls painted, reorganized, new office furniture installed.
- Metal altar stairstep modified (narrowed) to allow for storage in attic stairway entrance.
- Ramp entryway double closet walls repaired and painted.
- Paint storage room cleaned, organized and old paint and misc. items taken to WLSSD.
- All heating registers inspected and blower motor fan switches adjusted.
- Coat rack in front entryway moved to outer wall to allow for storage of bells and bell tables.
- File cabinets from office area moved to attic for choir music organization & storage.
- Storage area adjacent to administrative assistant area organized & storage cabinet for altar hangings installed.
- New heating/AC combo unit for office area purchased and scheduled to be installed the Spring of 2026. Electrical hookup for unit was installed in Fall 2025.
- New Navien combi heating boiler (with tankless "on demand" tankless water heater installed in November 2025.
- Three programable heating thermostats installed at key locations in the church.

All projects, except for installation of Navien combi boiler, were completed by church members at a very considerable cost savings. We have an amazing group of talented members that are always so willing to "step up and get er done." Thanks so much for all your time and talent !

Columbarium for 2025

	Balance	
	2025	2024
Columbarium fund Balance	\$22,472.20	\$22,472.20
Reserve required by State Law	\$4,500.00	\$4,500.00
Available after reserve	\$17,972.20	\$17,972.20
Columbarium debt	\$0.00	\$0.00

	Columbarium Checking Account		2025	
Date	Explanation	Expenses	Income & donations	Account Balance
Total	What	amount	amount	\$22,472.20
	No financial activity to report			

Our Columbarium and memorial wall stand quietly next to the church and gardens reminding us of the loved ones we have lost. We remember the family histories of those members who created and nurtured our church and community. How wonderful it would be if other families would add their loved ones to honor their commitment to God and our community. Families who come to visit their relatives and friends will feel welcomed in this sacred space.

For additional information, please contact Lee Bujold, Susan Hubbart or Steve Carlson

**Annual Meeting held on 2-15-2026
2025 Treasurer's Report**

1. A BIG "Thank You" to all of you!
 - Many churches are in financial trouble! We are not! It is because of your dedication, commitment and generosity to KRLC that makes this possible. THANK YOU!
 - Thank you to Michael Dent, Melanie McMillion and all the people who participate in the finances of KRLC. We have a wonderful group of volunteers performing these tasks.
2. Our KRLC finances are in excellent condition, and we are financially stronger today than at any other time. Here are just a few examples:
 - We finished 2025 with a gain from operations of \$11,587.
 - The cash or securities in all of our accounts increased to \$212,892.
 - We have no debt!!!!
 - We installed and paid for a new Navien heat & hot water without any fundraising.
 - Our Money Market account has a current value of \$70,386 and earned 4.8% during 2025.
 - We have money set aside in this account to pay for a new roof when the time comes.
 - KRLC has an excellent financial system with many checks and balances built in.
3. We should celebrate the fact that we set an all-time record for Outreach giving! Our goal is to show God's love by helping other people who are in greater need.
 - In 2025, \$20,528 was donated to local charities. This was an increase of over \$8000.
 - During this same time, \$12,595 was donated to world outreach.
 - Think about what these dollars (\$33,123) mean to those who are less fortunate.
 - In addition, \$13,460 was paid to the NE MN Synod to support their activities.
 - In total, this amounts to \$47,205 which is far above any previous year.
 - THANK YOU FOR YOUR WARM HEARTS!
4. Budgeting for 2026 is difficult because we have many unknown factors.
 - We will not have an accurate budget for 2026 until we call a new Pastor. The projected budget is a worst-case scenario so we know it will be less in actuality. It assumes 12 months of the maximum pay and benefits that the Church Council has authorized for a new Pastor. Until we can determine the actual compensation, our expenses will remain much the same as we are currently spending with some increases because of inflation.
 - This 2026 worst-case operating budget is \$178,891 which is an 8.9% increase over 2025's budget. It is a bigger increase from our actual donations or expenses from 2025.
 - We have a \$11,587 gain from 2025 that can be used in 2026 if needed or the Money Market.
 - This all comes down to faith! Faith that God will provide us a path through this valley, that our Call Committee and Church Council will make good decisions and faith in each other because we are the Church, and we are a strong congregation who pulls together when things need to get done or get tough. We have a long history to prove those facts.
 - We will introduce ChurchTrac during 2026 to all who would like to participate as central gathering point online.

General Operations Summary	2025	2024
Income from donations	\$ 157,824.53	\$ 146,131.80
Expenses	\$ 146,237.29	\$ 147,116.02
Donations vs expenses	\$ 11,587.24	\$ (984.22)



Designated Account Summary	2025	2024
Designated Donations or revenue	\$ 44,426.69	\$ 51,230.73
Expenses from designated areas	\$ 56,028.22	\$ 41,053.58
Donations vs expenses	\$ (11,601.53)	\$ 10,177.15

The Bottom Line	2025	2024
Total Income	\$ 202,251.22	\$ 197,362.53
Total expenses	\$ 202,265.51	\$ 188,169.60
Fund Balance change	\$ (14.29)	\$ 9,192.93



Other Fund Balances	Amount
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Fund Balances	Balance
General Operations fund	\$ 21,587.24
Outreach	\$ -
Building and property fund	\$ 1,902.31
Building and property fund- Money Market	\$ 70,386.00
Memorial	\$ 9,910.07
Reserve	\$ 5,000.00
Primary account total	\$ 108,785.62
Decrease from last year	\$ (23.58)

Columbarium fund	\$ 22,472.20
Reserve required by State Law	\$ 4,500.00
Available after required reserve	\$ 17,972.20
Columbarium debt is fully paid	\$ -

Endowment fund	\$ 81,634.79
Principal amount	\$ 50,000.00

Total of all cash assets	\$ 212,892.61
Total of all debt/NO DEBT!	\$ -
Increase over last year	\$ 8,523.84



Color Key

Income	Green
Expense/Debt	Red
Total	Blue
Change	Yellow
Balance	Lt Blue

December

With a strong finish in December, we had an excellent financial year at KRLC. Donations were up from 2024 and expenses were slightly less so we finished the year with a financial gain of \$11,587.24. Thank you very much for your donations. This gain will be set aside for any shortfall in the 2026 expenses since there are many unknowns with future expenses that may be needed for our new Pastor. We did a fantastic job with our Outreach donations as we set a new record in giving. See the amazing totals elsewhere in this newsletter. Thank you for your kind hearts!

2025 Money Market Account- Knife River Lutheran
315-8003

Cetera- Advisor Networks LLC - Max Opheim- 763-

	\$ -			\$ 19,500.00			\$ 37.95	\$ 3,587.53	\$ 70,385.52
Date	Funds in	Where	What	Funds out	to Whom	For What	Expenses	Income	MM Value
1/2/2025								\$ 323.48	\$ 323.48
2/2/2025								\$ 312.86	\$ 312.86
3/2/2025							\$ 6.00	\$ 281.13	\$ 275.13
4/2/2025								\$ 311.28	\$ 311.28
5/2/2025								\$ 302.44	\$ 302.44
6/2/2025							\$ 9.00	\$ 311.21	\$ 302.21
7/2/2025								\$ 301.79	\$ 301.79
8/2/2025								\$ 313.85	\$ 313.85
9/2/2025							\$ 9.00	\$ 313.95	\$ 304.95
10/2/2025								\$ 300.00	\$ 300.00
10/27/2025				\$ 19,500.00	To KRLC	Heat & Mini	\$ 4.95		\$ (19,504.95)
11/2/2025								\$ 294.68	\$ 294.68
12/31/2025							\$ 9.00	\$ 220.86	\$ 211.86

2025 was an amazing year for Outreach giving from our members.

We had a new record amount! This is so great and your generosity should be celebrated!

We donated over \$33,000 to worthwhile charities. When you add in the Synod 10% and Vayager's which are budgeted, we were over \$47,000! Thank you for helping those who are less fortunate than ourselves.

	Year End	Year End	Difference
Local Outreach	2025 Amount	2024 Amount	
General Outreach to be divided	\$ -	\$ -	
Two Harbor's Food Shelf	\$ 13,552.00	\$ 6,242.50	
CHUM	\$ 1,325.00	\$ 1,280.00	
LSS Center for changing lives	\$ 1,562.50	\$ 1,650.00	
Lutheran Social Services		\$ 275.00	
Best Christmas Ever	\$ 235.00	\$ -	
North Shore Horizons		\$ 100.00	
Bethany Crisis Center	\$ 2,111.00	\$ 1,550.00	
Neighbor in Need by KRLC		\$ -	
Lake County DAC	\$ 550.00	\$ 425.00	
Together Here ELCA	\$ 753.00	\$ 255.00	
EcoFaith Network	\$ 440.00	\$ 495.00	
Total local outreach	\$ 20,528.50	\$ 12,272.50	\$ 8,256.00

World Outreach	2025 Amount	2024 Amount	
World Outreach to be determined	\$ -	\$ -	
ELCA World Hunger	\$ 3,195.00	\$ 7,841.04	
God's Barnyard	\$ 6,382.09	\$ 4,028.80	
Lutheran World Relief	\$ 550.00	\$ 300.00	
Global Refuge	\$ 1,867.50		
Lutheran Disaster Relief	\$ 600.00	\$ 450.00	
Total world outreach	\$ 12,594.59	\$ 12,619.84	\$ (25.25)

Council allocation- Steak fry/FFF	\$ 4,807.47	\$ 8,525.19	included above
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Total Outreach	\$ 33,123.09	\$ 24,892.34	\$ 8,230.75
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	2025	2024	2023
Year end outreach total	\$ 33,123.09	\$ 24,892.34	\$ 28,952.35
Synod- 10% of 3 year ave. income	\$ 13,460.36	\$ 12,845.80	\$ 11,974.76
Voyager's Camps	\$ 622.00	\$ 498.00	\$ 498.00
Total	\$ 47,205.45	\$ 38,236.14	\$ 41,425.11

KRLC
Balance Sheet
As of December 31, 2025

		Dec 31, 2025	Dec 31, 2024
ASSETS			
	Park Bank Checking	\$ 38,399.62	\$ 22,472.91
	Money Market Account	\$ 70,386.00	\$ 86,336.29
	Other Funds		
	Columbarium	\$ 22,472.20	\$ 22,472.20
	Endowment Fund	\$ 81,634.79	\$ 73,087.37
	Facility		
	Building and Land	\$ 694,000.00	\$ 689,000.00
	Columbarium	\$ 30,000.00	\$ 30,000.00
	Grand Piano	\$ 18,000.00	\$ 18,000.00
	LULA Elevator	\$ 42,000.00	\$ 45,000.00
	Organ	\$ 70,000.00	\$ 70,000.00
	Attached Property	\$ 110,000.00	\$ 110,000.00
	Personal Property	\$ 34,000.00	\$ 34,000.00
TOTAL ASSETS		\$ 1,210,892.61	\$ 1,200,368.77

LIABILITIES			
	Building debt	\$ -	\$ -
	Columbarium debt	\$ -	\$ -
TOTAL LIABILITIES		\$ -	\$ -

NET EQUITY	\$ 1,210,892.61	\$ 1,200,368.77
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2026 Expense Budget

Council approved 12-21-25

	2023	2024	2025	2025	2026	Budget Change
	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
TOTAL BUDGET	\$ 131,071.97	\$ 147,116.02	\$ 146,237.29	\$ 164,263.24	\$ 178,891.39	8.9%

Synod	Payee	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
	NE MN 10% of undesignated	\$ 11,974.76	\$ 12,845.80	\$ 13,460.36	\$ 13,460.36	\$ 14,218.18	
	Voyagers Lutheran Camps	\$ 498.00	\$ 498.00	\$ 622.00	\$ 498.00	\$ 622.00	
Total		\$ 12,472.76	\$ 13,343.80	\$ 14,082.36	\$ 13,958.36	\$ 14,840.18	6.3%

Properties	Payee	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
	Custodial supplies	\$ 53.91	\$ 24.07	\$ 123.73	\$ 125.00	\$ 100.00	
	Electricity	\$ 1,946.18	\$ 1,815.00	\$ 1,972.57	\$ 1,900.00	\$ 2,050.00	
	Elevator	\$ 914.00	\$ 1,844.00	\$ 950.00	\$ 994.00	\$ 994.00	
	Garbage	\$ 472.48	\$ 372.72	\$ 317.62	\$ 490.00	\$ 490.00	
	Grounds care	\$ 1,422.75	\$ 905.00	\$ 630.00	\$ 1,450.00	\$ 1,000.00	
	Insurance	\$ 6,745.19	\$ 12,547.97	\$ 13,192.81	\$ 11,600.00	\$ 12,500.00	
	Kitchen supplies	\$ 39.98	\$ 53.08	\$ 446.21	\$ 125.00	\$ 300.00	
	Maintenance	\$ 1,024.44	\$ 673.58	\$ 1,489.13	\$ 1,500.00	\$ 1,600.00	
	Propane	\$ 4,686.59	\$ 3,776.43	\$ 3,297.91	\$ 5,200.00	\$ 4,400.00	
	Sanitary District	\$ 1,056.00	\$ 1,056.00	\$ 1,056.00	\$ 1,150.00	\$ 1,150.00	
	Garden	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 476.00	
	Future expense	\$ -	\$ -	\$ -	\$ 1,800.00	\$ -	
Total		\$ 18,361.52	\$ 23,067.85	\$ 23,475.98	\$ 27,334.00	\$ 25,060.00	-8.3%

Education	Payee	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
	Confirmation	\$ 57.27	\$ 148.55	\$ 55.98	\$ 200.00	\$ 200.00	
	Christian Education	\$ 437.00	\$ 497.53	\$ 1,153.60	\$ 500.00	\$ 650.00	
	VBS	\$ -	\$ -	\$ -	\$ 500.00	\$ 250.00	
	Lent study group	\$ -	\$ -	\$ -	\$ 400.00	\$ 250.00	
	Adult Ed.	\$ 25.00	\$ 230.00	\$ -	\$ 200.00	\$ 200.00	
Total		\$ 519.27	\$ 876.08	\$ 1,209.58	\$ 1,800.00	\$ 1,550.00	-13.9%

Worship	Payee	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
	Flowers	\$ 800.33	\$ 1,358.10	\$ 2,502.97	\$ 1,400.00	\$ 1,300.00	
	Altar supplies/communion	\$ 114.99	\$ 265.24	\$ 720.09	\$ 350.00	\$ 500.00	
	Devotionals	\$ 235.00	\$ 333.30	\$ 264.06	\$ 250.00	\$ 333.00	
	Music for all groups	\$ 16.50	\$ 265.24	\$ 377.62	\$ 1,000.00	\$ 1,000.00	
Total		\$ 1,166.82	\$ 2,221.88	\$ 3,864.74	\$ 3,000.00	\$ 3,133.00	4.4%

Tech Team		Year end money		Actual amount	Budget	Projected budget						
	Copyright License	\$	957.00	\$	1,013.00	\$	1,056.00	\$	1,000.00	\$	1,200.00	
	Software			\$	-	\$	956.95	\$	830.00	\$	750.00	
	Misc. equipment									\$	350.00	
	Telephone & internet	\$	1,526.36	\$	1,431.96	\$	1,436.21	\$	1,422.21	\$	1,422.21	
Total		\$	2,483.36	\$	2,444.96	\$	3,449.16	\$	3,252.21	\$	3,722.21	14.5%

Payroll	Payee	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
	SurePayroll	\$ 60,637.77	\$ 69,313.11	\$ 68,001.41	\$ 73,863.24	\$ 86,211.00	???
	Mileage	\$ 733.93	\$ 1,522.88	\$ 3,122.00	\$ 1,300.00	\$ 1,500.00	
	Guest Musician	\$ -	\$ 832.00	\$ 950.00	\$ 800.00	\$ 1,000.00	
	Pulpit Supply	\$ 299.30	\$ 700.00	\$ 2,100.00	\$ 700.00	\$ 2,300.00	
	Paid Sunday School help	\$ 275.00	\$ 341.25	\$ 100.00	\$ 400.00	\$ 350.00	
	Accountant/Payroll fee	\$ 793.90	\$ 2,446.70		\$ 850.00	\$ 850.00	
	Appreciation gifts	\$ 2,000.00	\$ 1,700.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	
Total		\$ 64,739.90	\$ 76,855.94	\$ 76,273.41	\$ 79,913.24	\$ 94,211.00	17.9%

2023	2024	2025	2025	2026
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Portico benefits	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
Pastor's benefit package	\$ 24,212.52	\$ 26,522.11	\$ 11,786.59	\$ 29,480.43	\$ 29,500.00	
Total	\$ 24,212.52	\$ 26,522.11	\$ 11,786.59	\$ 29,480.43	\$ 29,500.00	0.1%

Administration	Payee	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
	Office supplies	\$ 1,333.55	\$ 1,828.34	\$ 1,866.12	\$ 1,800.00	\$ 2,000.00	
	Offering envelopes	\$ 111.36	\$ 234.96	\$ 120.52	\$ 125.00	\$ 125.00	
	Postage & Mailings	\$ 1,221.81	\$ 1,197.60	\$ 764.30	\$ 1,250.00	\$ 1,250.00	
	Synod Assembly	\$ 1,803.94	\$ 105.00	\$ 929.12	\$ 675.00	\$ 750.00	
	Banking-Fees-Dues	\$ 755.04	\$ 97.56	\$ 320.93	\$ 400.00	\$ 300.00	
	Misc.	\$ 20.40	\$ 200.37	\$ 2,188.32	\$ 275.00	\$ 1,450.00	
Total		\$ 5,246.10	\$ 3,663.83	\$ 6,189.31	\$ 4,525.00	\$ 5,875.00	29.8%

Misc.	Payee	Actual amount	Actual amount	Actual amount	Budget	Projected budget	
	Quilters	\$ 767.81	\$ 754.98	\$ 942.35	\$ 1,000.00	\$ 1,000.00	
	Misc./Food events	\$ 1,835.84	\$ -	\$ 4,963.81	\$ -	\$ -	
Total		\$ 2,603.65	\$ 754.98	\$ 5,906.16	\$ 1,000.00	\$ 1,000.00	0.0%

2023	2024	2025	2025	2026
Actual amount	Actual amount	Actual amount	Budget	Projected budget

Total Expenses	\$ 131,805.90	\$ 147,116.02	\$ 146,237.29	\$ 164,263.24	\$ 178,891.39	8.9%
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Total Income	\$ 142,439.30	\$ 146,131.80	\$ 157,824.53	\$ 164,263.24	\$ 178,891.39	8.9%
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Gain or Loss	\$ 10,633.40	\$ (984.22)	\$ 11,587.24	\$ -	\$ -
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2026 Operating budget

Year end money movement

	No Outreach	Operating year	To Property Fund	From Property		To Outreach	Beginning Balance
2026 Expense Budget	\$ 178,891.39	2025	\$ 11,587.24			\$ 1,287.47	
Monthly budget	\$ 14,907.62	2024	\$ -			\$ 4,000.00	
Annual income needs	\$ 178,891.39	2023	\$ -	\$ -		\$ 6,367.33	\$ 5,000.00
Monthly income needs	\$ 14,907.62	2022	\$ 12,959.80			\$ 1,439.98	\$ -
2025 Monthly Budget	\$ 13,688.60	2021	\$ 9,866.43				
Monthly Increase	\$ 1,219.01	2020	\$ 23,782.95				
		2019	\$ 7,225.37	:			
		Total	\$ 65,421.79	\$ -		\$ 13,094.78	\$ 5,000.00

Have you ever heard of ChurchTrac?

During 2026 you will be hearing more about ChurchTrac and Church Connect.

ChurchTrac is an all-in-one Church software package which integrates many of the activities going on in the church. Everything will be in one place for our staff and members to use once you receive an invitation and training during the first quarter of 2026. What will it include at that time?

- People Database- Everything that is in the church photo directory will be in the People. Do you need someone's phone #, address or email. This is where you can find it. Do you need to send an email or text to a small group of members? This is where you can choose from an existing group or set up a new one. A good example would be coordination of volunteers. This is not available to outsiders.
- Events Calendar-This is an interactive church calendar that everyone can use, and it will be updated daily rather than getting it once a month.
- Worship/scheduling-Our staff can use this to create bulletins, sermons and other worship materials. You will be able to see them once they are completed.
- Your giving-You can track your own donations here, print out your giving statements or set up on-line giving to automate your donations. You cannot see anyone else's information.
- Accounting software-you will not have much to do with this section, but the financial people will keep track of all the details of our various financial accounts in this tab. We have been evaluating this web-based program since September and feel it works well. It is not perfect, but it is easy to use.
- Church Connect- This will be the place that you will connect with everything that is available. Jim Allert has set up the welcome pages similar to our website.

I am sure you have lots of questions about how it affects you. Some of you will be excited to see this program become part of our church and others may say it is not for me. Either way is OK. You will not be forced to be a part of this program if you do not want to be involved.

For those who are interested we will start some training in the first quarter of 2026. If you want to see more now, just go to **YouTube** and type in **ChurchTrac** and there are a number of videos. Start with the video "Getting started with ChurchTrac."

Stay tuned. There will be more coming during 2026. You can ask Ed Lee, Treasurer or Melanie McMillion, Volunteer Coordinator about any questions you might have.

**2025 Audit Report
Knife River Lutheran Church
Knife River, Minnesota**

Date of Audit: November 6, 2025
Place of Audit: Knife River Lutheran Church
Audit Period Reviewed: January 1, 2025 – September 30, 2025

Present:

Beth Anderson – KRLC Auditor
Scott Jaspersen – KRLC Auditor
Ed Lee – KRLC Treasurer
Michael Dent – KRLC Bookkeeper

The audit objectives related to the internal audit of Knife River Lutheran Church financial books, records and operations include the determination that:

- All assets and liabilities recorded in the congregation's books and records are supported by appropriate independent documentation (bank statements & vendor invoices);
- All general ledger balances are appropriately reconciled to their underlying assets (bank statements) and liabilities (accounts payable) in a timely and accurate manner;
- All donations are being properly classified on the financial statements and are in line with the donor's intent;
- Appropriate procedures are in place governing key financial operations and are being complied with;
- Proper segregation of duties (checks & balances) for all key financial transactions are in place and are not being circumvented;
- Controls governing the congregation's investments, assets and bank accounts are in place and operating as intended;
- All necessary insurance policies are in place and in force;
- All monies generated and expenses incurred as a result of special events are being properly accounted for and can be traced back to the proper bank account(s);
- Expenses are appropriately approved and supported by the appropriate documentation;
- All fixed assets are properly documented;
- Personal identity information is being safeguarded both in system and paper form;
- An appropriate records retention procedure is in place and being followed;
- Appropriate data processing controls and procedures are in place and are operating as intended.

Based on audit work performed to achieve the objectives listed above, the financial books and records of Knife River Lutheran Church were found to be sound and accurate in all respects. However, this additional improvement should be considered by the church council:

- Although the existing accounting/record keeping system is excellent and meets, and in most cases exceeds ELCA Audit Guidelines, it would be very difficult for a new bookkeeper take over without extensive training.

Due to this concern, a software accounting system (which may provide more user friendly, time saving & enhanced report generating) was purchased in late 2025 and will be run in parallel with the existing system in 2026. It is recommended that after a sufficient evaluation period of the new software system is completed (by the KRLC Treasurer & Bookkeeper), their recommendation to implement/not implement this new software system be presented to the KRLC Church Council for appropriate action in late 2026.

Beth Anderson – KRLC Auditor

Scott Jasperson – KRLC Auditor

THROUGH YOUR GENEROSITY, GOD IS AT WORK ACROSS THE ELCA.

MISSION SUPPORT

A portion of your offering, called Mission Support, advances the ministry of our church, helping the ELCA nurture Christian community, raise up leaders, serve our neighbors and strive for justice.

ELCA WORLD HUNGER

Part of our church's long tradition of meeting human needs, ELCA World Hunger testifies to our hope for and commitment to God's promise of a time when we will hunger and thirst no more. ELCA World Hunger walks alongside communities in more than 60 countries — including the United States — to create unique solutions to hunger and poverty.

LUTHERAN DISASTER RESPONSE

Lutheran Disaster Response shares God's hope, healing and renewal with people whose lives have been disrupted by disasters in the United States and around the world. When the dust settles and the headlines change, we stay to provide ongoing assistance to those in need.

WHERE NEEDED MOST

Where Needed Most supports the powerful ways we work together around the world — supporting leaders, inspiring young people, fueling ministries and championing global mission. Gifts to Where Needed Most support and sustain the people, congregations, synods and ministries working around the world to realize the hope-filled future God promises.



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