

October 12, 2020

Shepherd of the Valley Lutheran Church Council

Re: Annual Report of the Endowment Fund Leadership Team

Members of the Endowment Fund Leadership Team are pleased to present our annual report to the SOTV Church Council as required by the Charter and Bylaws of the Endowment Fund.

The Endowment Fund Leadership team has three goals: manage the assets of the fund according to the Investment Policy, solicit and fund grants, and educate SOTV members about the Fund including fund raising activities when appropriate.

### **Asset Management**

Below we present a brief financial summary of results for the fiscal year that ended on July 31, 2020:

Balance at July 31, 2019	\$201,297.62
Market Gain/(Loss)	18,753.95
Donations Received	6,582.57
Grants Funded	<u>(2,750.00)</u>
Balance at July 31, 2020	<u>\$223,884.14</u>

Endowment Fund assets are invested primarily in a balanced mix of stock and bond index funds offered by Vanguard Group. The leadership team monitors asset allocation and performance of the funds against predetermined and approved benchmarks, and at present concludes that all funds are performing as would be expected.

### **Grant Activity**

In the grant process the Endowment Leadership Team first determines the amount of funds available to fund grants. The Charter allows for total grants in the range of 4 to 6% of total average assets at July 31 each year. For the 2019-2020 fiscal year the team allocated 5% of assets or \$7,910.19.

Grants are allocated to the three missions of the Fund according to the directives of the donors. For the year just ended the allocations were as follows:

General Mission	\$1,452.91
Christian Education	4,985.44
Outreach	<u>1,471.84</u>
Total	<u>\$7,910.19</u>

During the year, the Endowment Leadership team funded \$2,750 of grants including a water tank for Mpalapande, a portion of the synod candidacy fee for Jami Day, and a contribution to the Synod for new mission starts. In addition, the Endowment Leadership Team approved a

\$21,000 pledge for the Camp Wapo Capital Campaign, to be funded over three years beginning with the 2019/2020 fiscal year.

At the time the corona virus restrictions were implemented, the Endowment Committee had under consideration \$3,800 of grant applications supporting mission trips and the purchase of Spark Bibles for placement in the sanctuary. These projects were suspended prior to funding as a result of the corona virus and there have been no further grant related actions since closing our building.

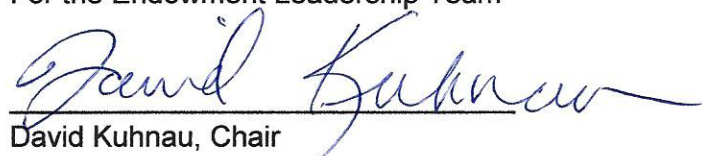
The Leadership Team will continue its work to find appropriate grant opportunities.

### **Communication/Fund Raising**

Communication activities for the year included providing an article and other materials for the News for the Flock. In connection with the All Saints Sunday service of remembrance, team members staffed a Spot Light Table to provide information about the Endowment Fund. In addition Dave Kuhnau made a presentation to Church Staff about the Fund, and informational pamphlets for the Endowment were distributed at a legacy event and an OKs event. Going forward the Endowment Leadership will develop education and communications about the fund appropriate to the current Corona virus restricted environment.

We appreciate the prayers and support of the Church Council. Thank you!

For the Endowment Leadership Team



David Kuhnau, Chair

Committee Members:

Chap Milis  
Jim Hanson  
Mollie MacLean  
Sandy Young  
Lee Sorenson  
Troy Nelson  
Dan Monahan  
Mike Schaeffer  
Pastor Rick Summy