

LUTHER MEMORIAL FOUNDATION

Sandy Erickson, President

2022 Members of the Foundation Board:

- President-Sandy Erickson
- Vice President-Michael Moscicke
- Secretary-Beth Bray
- Treasurer-Randy Raasch
- At Large Members-Bob Brod, Andrew Stevens, Dave Watson
- Ex Officio Members-Pastor John Worzala Dumke, Council President Bruce Curtis

Background on Foundation

The Luther Memorial Foundation (LMF) exists to steward bequests and other planned gifts that members and friends of the congregation have made to benefit the mission of Luther Memorial Church, and to encourage others to consider gifts to the Foundation.

The Foundation was started in 1964 with a gift from the estate of Oscar Rennebohm. Outright gifts and planned gifts are held in an endowment trust managed by the ELCA Foundation. Using a set formula, the Luther Memorial Foundation Board oversees allocations to and distributions from funds dedicated to: the preservation and restoration of church facilities via the Cornerstone Fund; programmatic ministries through the Program Fund; and support for outreach mission work through the Mission Fund.

General Priorities of the Foundation

- Stewardship of Foundation assets
- Appreciation of current Foundation donors
- Providing educational opportunities about the Foundation and stimulate consideration of each person's personal legacy.
- Communicating the opportunity for and impacts of gifts to the Foundation

Foundation Activities in 2022

We welcomed 2022 with the flexibility of conducting two of our four business meetings via

Zoom and two in-person. We began the year with four items on our workplan:

1. Spring virtual Legacy Planning touch-base event that had been put on hold during the pandemic
2. Possibility of adding a 5th Fund to Foundation
3. Fiduciary review of management of the Foundation's assets, last done prior to 2008
4. Distribution or 2023 LMF grant to Luther Memorial Church

By year's end, item #4 had been completed and work on items #2 & #3 was underway. The Legacy Planning/donor appreciation event has been moved to our 2023 work plan.

Fiduciary Review

With Foundation assets approaching (or at the beginning of 2022, exceeding) \$3M+ the Board agreed it would be prudent to undertake a fiduciary review process to ascertain that the ELCA Endowment Fund Pooled Trust – Ministry Growth Fund (aka "Fund A") remains the best place for 100% of the Foundation's assets to be held, or whether placement with another or additional investment option should be considered. We met with representatives of the ELCA Foundation in October and plan to do the same with Thrivent in February 2023. There may be other investment advisor/options explored as well.

These conversations are both educational and exploratory. Any recommended changes to the placement of Foundation funds would require discussion with and approval of the Council. Thanks to former LMF leaders Phil Schoech and Martha Taylor who are joining Board members for these presentations and discussions; their history and experience is extremely helpful.

Luther Memorial Financial Update and Impact

2022 was a remarkable year in terms of legacy gifts received by the LMF from faithful long-term members who passed away during the year. These gifts totaled 523,056.80 and were composed of the Widmer, Schultz and Wick estates.

The LMF began the year with assets valued at \$3,024,752. Market losses resulted in a year-end balance of \$2,514,062 as of December 31, 2022. The Foundation assets are managed in three funds:

- Program: \$453,346
- Cornerstone: \$1,838,533
- Mission: \$212,183

The LM Foundation provided \$132,124 for the 2023 Operating Budget to support building, operations, and mission work. The Foundation Board approved support of \$125,775 for the same purposes in 2022.

Considerations for the Future

As we prepared to undertake the fiduciary review, we found that some of the wording and practices set out in the original LMF policies are outdated. Updating these documents will be a new project for 2023. Thanks to Bob Brod for taking initial steps to identify needed updates, and for updating information about the Foundation on LM's website in 2022.

