

Spirit of Peace 2022 Annual Report

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Revision 1: 17 January 2023 – Corrected Typo in agenda and added Mary Kay Peterson to In Memorium

Annual Meeting Announcement and Agenda

Annual Meeting Announcement

The 2023 annual meeting for Spirit of Peace and St. Paul's Evangelical Lutheran Church will be held on January 14 in the Mills Church Sanctuary, immediately following the 4:30 PM Saturday Service. The business of the meeting is described in the agenda below.

Note that this meeting serves as the annual meeting for both congregations as independent legal entities.

Some items on the agenda are specifically related to legal aspects of St. Paul's Evangelical Lutheran Church. For this reason, there will be a special vote taken on these items that can only include voters who were members of St. Paul's Evangelical Lutheran Church before the Spirit of Peace merger.

2023 Annual Meeting Agenda

- Invocation
- Call to Order
- Establish Quorum
- Approval of prior Congregational Meeting minutes
- Introduce Reports
 - In Memoriam
- Presentation, conversation and questions about Spirit of Peace's direction and sustainability
- Presentation, discussion, and action on St. Paul's asset transfer
- Presentation, discussion & vote on proposed budget
- Presentation, discussion & vote on 2023 Council (Year corrected in Rev 1)
- Thank Yous
- Adjourn

Don't ask the mountain to move. Just take a pebble each time you visit.

John Paul Lederach

When I first read this quote, I laughed out loud! It's silly, really. But...it's true! The work of change and action takes intention and persistence—one pebble at a time.

Looking back at this past year, I know we were all, to a person, doing our jobs and...moving pebbles. Consistently, purposefully and joyfully! We accomplished HUGE and diverse tasks:

- Filing Articles of Incorporation and securing our 501C3 status
- Settling into our new spaces in the Mills main building (reconstructing along the way!)
- Grieving as a community in an Ash Wednesday prayer service at the start of the war in Ukraine
- Searching out and supporting many excellent organizations' work in our community to the tune of \$12,000+. Cheers for the marvelous *Nominate a Nonprofit* Chili extravaganza!
- Collecting our pocket change for the children of the church to use where *they* felt called. Example: they cooked and served a meal to Our Savior's Housing clients. They also joined in a bingo game after dinner and gave scarves, hats and chocolates to everyone as prizes!
- Filling our sanctuary with beauty and inspiration with ever-changing hangings and symbols to support our worship themes
- Negotiating often-scary COVID outbreaks—with their coughs, fevers and lingering symptoms—as well as the incessant shifts in schedules and plans
- Engaging a host of talented, charismatic and congenial musicians to provide stirring accompaniment and choir direction.
- Celebrating our unity, gratitude and singing at the Interfaith Thanksgiving Service at Bet Shalom
- Cobbling together at breakneck speed a fabulous *Mississippi River Songs* concert with Robert Robinson and Brother Timothy Frantzich
- Setting aside funds for Spirit of Peace to be deliberate and purposeful in widening our community—hence the GROW! Initiative
- Joining with Mills Church for summer services, where we heard the profound spiritual journey stories of folks from both communities
- Claiming *Love Makes Room* in solidarity with the Mills affordable housing project and then exploring that theme during Advent

- Planting a boatload of veggies in the community garden, watching them thrive under the sun and loving care, then donating boxes and boxes of the harvest to ICA
- Spiffing up our online presence with ever-more sophisticated technical prowess. (Thank you Vince and Gabe!)
- Gathering, gathering, gathering—in weekly reflection and fellowship; at the delightful, first-ever Family Retreat; as part of the glorious Perfection Free Singing series outside on the terrace under the beautiful autumn trees; with all ages, learning together at Kid’s Kamp; laughing together at the hilarious Entertainment Night, and during our beautiful Lessons and Carols service, to name just a few
- and so much more!

Each of these represent a mountain of work and impact. But we accomplished it all! We did it by simply moving pebbles, one by one by one.

We have come a long, long way in the last year. We’ll likely say the same thing a year from now! And yet, we are still finding our way along the path—exploring possibilities and opportunities as we keep our hearts and future open to the prodding of the Spirit.

These are challenging times for churches, for our faith tradition and for our troubled, wider world. We are blessed that our compact size and our abundance of committed members and friends gives us the flexibility, imagination, inspiration and breadth of perspective to move in quick response as we are led. We are willing to try new things and make changes as we learn, and that is a critical piece of our future together.

I am so grateful to be part of this community of faith, of love and of purpose. I believe with all my heart that we have a communal *Holy Calling*, and it will be wondrous to see what Spirit leads us to in this coming year!

May blessings rain down on you, on all you love, and on this beautiful church—Spirit of Peace.

Pastor Zoe

In Memorium

Ruth Thompson, age 103

February 1, 2022

Mary Kay Peterson, age 84

January 18, 2022 (Added in Rev 1)

Worship Participation

by Dick Flynn

Spirit of Peace averaged 32.7 per week in worship (50 weeks - note: one cancellation of services due to weather and one due to the concert). Live online participation was usually between 2 and 7 viewers.

Our largest services were joint services with Mills for Easter and Christmas, 105 and 88 in attendance, respectively.

Lay Leadership Report

by Vince Jacobson

It has been a privilege and a joy to serve as president of our Coordinating Council this year. Our coordinating council is an eclectic collection of amazing individuals who have covenanted to lead our precious congregation. The council regularly works through challenging issues with honesty, openness, and humility to produce effective consensus solutions.

2022 was our first full calendar year of operation. We have all been very busy doing necessary “structural” firsts.

Our mission is well understood in broad terms, but we need to work on refining it. In 2022, we sort of “did everything”. A more refined mission definition will allow us to be more specific in choosing what to do, or not do.

After our first full calendar-year operation, we now have a firm basis for estimating giving and operating expenses. A review of the proposed budget shows that the council is recommending a budget with a \$44,000 deficit. Following is an overview of the assessment and strategy discussed by the council. It is very important that members of the congregation understand this and take it into consideration as part of approving the proposed budget.

Assessment and Strategy

The coordinating council reviewed the budget numbers and worked diligently to discern and make decisions on behalf of the congregation. Three key assertions guided much of the decision making:

Assertion: Ministry – It’s NOT about number of members or money

Council asserts that our congregation wants to serve and would not be in favor of making ministry decisions based on the likelihood of increasing membership or raising money.

On the other hand, we endeavor to carry out our ministry in a way that invites others, and it is reasonable to expect that membership would increase as a result of others joining in our ministry.

Assertion: Sustainability – It’s ALL about number of members and money

Council recognizes that we will not be financially sustainable if we continue to carry a large deficit. We believe that we must consider sustainability but that it cannot be done at the cost of abandoning ministry.

It would be fair to say that the council concluded sustainability is a goal but not a requirement. We choose to perform our best ministry as long as possible, but we do not choose to perform a less effective ministry solely to survive for a longer time.

Assertion: Cash Assets – “Seed Money” to sustain us until we can sustain ourselves

St. Pauls’ cash assets make it possible for us to operate at a deficit while we become established. The consensus St. Paul’s opinion is that those assets are for ministry, and that we should only use it for ourselves if we believe that it will produce more effective ministry than donating it to some other cause.

Recommendations

- Fully fund desired ministries, but be intentional about cost effectiveness.
- Make details of operating costs, deficits, and strategy very clear to the congregation. Encourage reconsideration of pledges considering this information
- Work intentionally to clearly discern and refine our mission definition and direction
- Embark on a nine-year plan, carefully monitoring membership and giving progress reports, and recommend course corrections as needed

Church Life Team

by Deb Flynn

Church Life is a group of nine people (including our pastor) who meet monthly to plan worship experiences, all-church events, and drives for the Spirit of Peace congregation. Two members rotated off in 2022- Jan Guetschow and Linda McGee. Thank-you for your service!

The current members are: Laura Eggert, Deb Flynn, Kay Smith, Kris Jacobson, Deb and Randy Sund, Deb Mathison, Janet Labrecque, and Pastor Zoe.

In 2022, we provided sermon or season theme-related decor for the sanctuary, publicity for services, communion, coffee hour, 2 potlucks, and a kid's craft table. We had 18 all-church events in 2022. These are events like the entertainment night, fall retreat, or nominate a nonprofit, and are in addition to our weekly service, coffee hour, and adult education Zoom groups. During the summer, we shared joined services with Mills Church, as well as Easter, Ash Wednesday and Christmas Eve.

Other all-church events were; a chili supper, egg hunt, writing letters to congress, our One Year Anniversary potluck, honoring our graduates, Kids Kamp, Perfection Free Singing, garden, birdhouse painting, and Frantzich / Robinson concert, and a charming Blessing of the Animals.

We held many food/supply drives, which the congregation generously contributed to, including food for ICA; warm wear, toys and school supplies for Resource West; sandwiches, pillows, hats, and snack bags for Our Savior's Housing; and exit baskets for Sojourner's.

Church Life welcomes new people at any time to join the team. If you have an interest in doing any part of Church Life's jobs, such as preparing communion once in a while, please let Laura Eggert know

We had 30 kids and teen helpers, plus 8 adults at Kids Kamp in August.

We started collecting coins this year for the children of the church to have a small amount of money to give away to organizations that they chose. This year, they used some of the money to make and serve a meal to clients at Our Savior's Housing. In addition, the kids ran bingo at Our Savior's and purchased prizes to give out to everyone.

Growth Task Force

by Dick Flynn

Church Growth Highlights Focused on "Visitors":

We had approximately 23 first time visitors at our worship services in 2022, mostly family of members visiting from out of town.

Follow up views for replays of worship services a week after the service varied from 10 to 40 views. Some have totaled over 90 for the year.

We began the year with 31 subscribers to our online worship and ended the year with 45.

We began monitoring the “chat” function on our live stream in November.

Kids camp attendance was over 30 per day. Approximately 10-15 visitors.

Our Church Growth Team sent hand-written letters to new Minnetonka residents in June and July welcoming them to the community and inviting them to connect to our website or visit in person.

Timothy Frantzich led us in *Perfection Free Singing* workshops in September and October with attendance over 30 persons each week. About 15-20 visitors per week.

We offered a *Blessing of the Animals* in October and had 1 new visitor, which later proved to be fortuitous when one of our youth rescued her escaped cat one cold Saturday at church.

We hosted a concert entitled “Mississippi River Songs” with Robert Robinson and Timothy Frantzich on November 5. We did extensive advertising of this event in the western suburbs of Minneapolis. About 135 persons attended with over 90 being new visitors.

Communications Team

by Karen Huey

Wow! What year are we, anyway?!

The 2021 report isn't as good a template as I'd hoped. But here goes!

As 2022 began, and our official church structure began, the Communications Task Force dissolved. But communication continues in multiple directions.

Current Communications Areas Include:

Social Media –

No new additions on this

Advertising –

Sandwich boards have been used again in 2022, to advertise our church and some events. Kris Jacobson has taken charge again.

Web Site –

Vince continues to work on our website, independently and with Pastor Zoe. He's always looking for useful feedback about it, as well!

Email -

Continues to be monitored officially by Karen Huey, and unofficially by Vince. There are several emails each week, many of them are ads which are dumped. The ones that need responses are either answered or forwarded to more appropriate responders.

Telephone –

The telephone continues to be parked in Karen's bedroom, except during vacation when it visited Vince. Callers are directed to leave messages. As in email, the ones that need responses are either answered or forwarded to more appropriate responders. The rest are deleted.

MailChimp/Mass Emails –

The Wednesday Updates via MailChimp - continue to be sent to the Spirit of Peace community and friends who express interest. Typically, information for the week is composed by Deb Flynn and submitted for content to Karen, who slaps it into the template. Again, there were a couple of weeks during vacation, when Vince the dependable managed MailChimp. Thank you so much, Deb and Vince!

Some special notifications have been sent in 2022, as well.

Snail mail communicating has been done minimally. Mostly for quarterly financial statements.

Submitted by Karen Huey 12/30/22

Nominating Committee

THANK YOU, Nominating Committee: Dick Flynn, Joanne Lynch, Vince Jacobson, Pastor Zoe

Our bylaws call for three-year council member terms, rotating so that two of the six elected members are elected each year.

In 2022:

- Barry Jensen
- Mary Hromatka

Completed their terms

The committee nominates:

- Greg Walz
- Mary Hromatka

For 3 year terms starting in 2023

Finance

January 2023 Financial Position

Bank	31 December 2021	31 December 2022
Star Bank	* \$146,269	* \$224,111
Americana Bank	* \$102,537	
First Minnetonka Bank	\$17,000	\$8,682
Total	\$265,806	\$232,793

* Unverified

Budget Narrative

The budgeting process, broadly, consists of:

1. Considering our desired operations and ministry, and estimating their financial cost
2. Obtaining pledges and by other means estimating giving for 2023
3. Considering any imbalance and establishing a strategy to address it.

Special Note: The actual year end numbers received on 4 Jan 2023 indicate about \$15,000 greater in giving than the projection at the time of the final budget proposal. The estimated implication of that change is indicated in the gray boxes below.

2022

As we began our first full calendar year, we had no reliable historical data. The proposed budget was approved with a \$35,000 deficit. The year-end projection shows a \$40,500 deficit, and it is used as a baseline for the 2023 budget.

	Budget	Projected	Actual
Giving	\$88,656	\$86,123	\$113,889 - \$11,000
Expenses	\$123,700	\$127,070	\$128,501
Balance	-\$35,044	-\$40,547	-\$25,612

2023

The proposed 2023 budget has only small adjustments from the 2022 budget, and has a \$44,000 deficit.

	Budget	
Giving	\$86,350	Probably larger
Expenses	\$130,300	
Balance	-\$43,950	Probably smaller

The number can be reviewed in several different ways to give more perspective:

- The deficit is about 1/3 of the total budget
- Based on 30 giving households
 - Expenses are \$4343 per household
 - Projected giving is \$2878 average per household (\$2373 average of middle 80%)
 - Projected deficit is \$1465 per household
 - Projected deficit is equivalent to 15 average giving households (18 middle 80% households)
- St. Paul's has about \$240,000 in cash reserves. These reserves would sustain us
 - For over five years with a deficit of this amount and no growth
 - For over nine years if we had a net gain of 2 households per year, at which time we would be self-sustaining

Council Motion for presenting the proposed budget to the Congregation:

I move that we recommend the 2023 Budget as discussed and that we announce a strategy for achieving sustainability through growth and informing the congregation about costs per family. Vince will write up a presentation for the Coordinating Council to review via email.

Motion passed unanimously at Council meeting on December 8, 2022

Note: Discussed budget is recorded in 2022-12-08ProposedBudget.xlsx

2022 Year End Report and Proposed 2023 Budget

DESCRIPTION	2022 BUDGET	2022 Actual Year End	2023 Proposed Budget
INCOME			
2021 Actual Receipts Apr-Oct			
2022 Pledged Giving	\$68,656	\$79,933	\$76,000
Koins for Kids		\$616	\$350
In-kind Giving		\$423	
2022 Unpledged giving	\$20,000	\$21,917	\$10,000
Memorial		\$11,000	
INCOME TOTALS	\$88,656	\$113,889	\$86,350
EXPENSES			
PERSONNEL			
Minister Salary	\$19,300	\$19,300	\$23,500
Housing	\$27,600	\$27,600	\$24,000
Minister Benefits, Taxes, Expenses	\$16,000	\$17,500	\$17,500
Continuing Education			\$1,000
Books			\$300
Musician Salaries	\$16,000	\$14,000	\$16,000
Pulpit Supply	\$1,400	\$600	\$1,800
Payroll Taxes & Expenses	\$1,700	\$2,100	\$1,700
PERSONNEL TOTALS	\$82,000	\$81,100	\$85,800
BUILDING			
Rent	\$18,000	\$19,020	\$20,400
Building & Grounds	\$700	\$3,175	\$1,000
Piano Tuning	\$400	\$200	\$400
BUILDING TOTALS	\$19,100	\$22,395	\$21,800
ADMINISTRATION			
Accounting Fees	\$3,500	\$3,000	\$3,500
Worship Supplies	\$700	\$775	\$1,000
Future Growth	\$6,000	\$6,000	\$4,000
Misc Expense		\$700	\$400
Office Expense		\$481	\$200
ADMINISTRATIVE TOTALS	\$10,200	\$10,956	\$9,100
CHURCH LIFE/OUTREACH			
Nonprofits	\$12,000	\$12,300	\$12,000
Misc. SOP Community Expense		\$450	\$600
CHILDREN & YOUTH & FAMILY	\$400	\$1,300	\$1,000
CHURCH LIFE/OUTREACH TOTAL	\$12,400	\$14,050	\$13,600
EXPENSE TOTALS	\$123,700	\$128,501	\$130,300
INCOME TOTALS	\$88,656	\$113,889	\$86,350
Surplus / Deficit	(\$35,044)	(\$14,612)	(\$43,950)

Appendix A – 2021 Annual Meeting Minutes

Reviewed by Coordinating Council on March 10, 2022 and recommended for congregational approval

Spirit of Peace Annual Meeting Minutes January 29, 2022 5:30 - 6:30 PM Sanctuary - Mills Church

Spirit of Peace in 2021 Video: 15 minutes. A visual report on church activities for 2021.

Pastor Zoe Kuester offered a prayer.

Vince Jacobson welcomed everyone to the meeting, reviewed the agenda and called the meeting to order.

Mary Hromatka reported a quorum sufficient to proceed: 35 voting members, including 5 attending by Zoom.

Previous Congregational Meeting Minutes

1. April 8, 2021. Janet Labreque moved to approve, Karen Huey 2nd. After discussion the motion passed unanimously.
2. October 2, 2021. Willie Arnold Moved to approve, Mary Hromatka 2nd. After discussion the motion passed unanimously.

Pastor Zoe Kuester gave an introduction to our annual report. She noted how busy our church has been, expressed her gratitude and thanked all those who contributed to our meaningful year.

Deb and Dick Flynn presented a “Top 10 List” of reasons to be on the Moving Forward Task Force, which provided guidance for our church from April to October, 2021.

Pastor Zoe introduced an “In Memorial” slide show honoring those members of Spirit of Peace who died in the past year. We fondly remembered:

Bev Nilsson
Al Carp
Howard Rand
Roger Ramsden
Mary Kay Peterson

Approval of Spirit of Peace By-Laws, with special dedication to Al Carp.

Ruth Carp moved, Mary Hromatka 2nd: I move to adopt the proposed Spirit of Peace By-Laws. After discussion the motion passed unanimously.

Approval to authorize the incorporation of Spirit of Peace.

Karen Huey moved, Greg Walz 2nd: I move to authorize the Coordinating Council to proceed with incorporation of Spirit of Peace using the adopted bylaws, and to apply for 501(C)3 status. After discussion the motion passed unanimously.

Nominating Committee Report (Dick Flynn, Vince Jacobson, Joanne Lynch, Pastor Zoe)
For Coordinating Council

Term through January 2023: Mary Hromatka
Barry Jensen

Term through January 2024: Kay Smith
Vince Jacobson

Term through January 2025: Joanne Lynch
Dick Flynn

There were no nominations from the floor.

Darold Hanson moved, Jim Uden 2nd: I move to accept the slate of candidates as presented.
After discussion the motion passed unanimously.

Approval of proposed budget

Mary Hromatka presented a proposed budget for 2022.

Kris Jacobson moved, Deb Mathison 2nd: I move to adopt the proposed Spirit of Peace 2022 Budget and to authorize the Coordinating Council to withdraw up to \$35,000 from reserved funds as needed for church operations.

Special attention was noted of Spirit of Peace's generosity and our new church growth initiative.

After discussion the motion passed unanimously.

There were expressions of gratitude for the ministry of Pastor Zoe Kuester and for our Spirit of Peace family.

Dean Bonner moved, Dick Flynn 2nd: I move to adjourn.

Motion passed unanimously.

Respectfully Submitted

Dick Flynn, Coordinating Council Secretary