

ATONEMENT LUTHERAN CHURCH COUNCIL MINUTES – JANUARY 24, 2023

Present: Pastor Zac, Kathy Vannoy, Brad Anderson, Scott Fisher, Dave James, John Jensen, Tina Boutelle, Ashley Swan, Pat Bjuland

Visitors: Elsie Smith, Leroy Zimmerman, Rebecca Floyd, Lyn Bowers, Ros Thorpe, Angie Brickson, Jan Dieckhaus, Dorothy Dykman

- Pastor opened with devotions
- December Minutes
 - John motions to approve minutes, Scott seconds, minutes approved.
- December Staff Reports reviewed ... Pastor explained that he and Steve Aspleaf have put together a Q&A regarding common questions regarding the School of the Arts that will be e-mailed to the congregation before the annual meeting.
 - Dave motions to approve reports, John seconds, staff reports approved.

NEW BUSINESS

Rev David Whetter from the Synod office met with council to review current call process for hiring any additional rostered positions.

REPORTS

➤ **Treasurer's Report: Year To Date 2022**

The financial results of the past year have largely reflected our return to normal operations after several years of disruption due to the pandemic. In this report I will highlight 2022 financial results as well as provide an overview of the 2023 budget.

2022 Financial Review

- Giving increased 5% to \$1,347,000 in 2022, however, we had budgeted for income to increase 8% for a shortfall of \$64,000.
- Total expenses were higher 12% as 2022 was a year of full operations coupled with increases in costs of services and a large HVAC repair cost in July of \$25,000.
- We continued the steady paydown of the mortgage balance, including making an extra \$38,400 in principal reductions towards the balloon payment. The mortgage balance is \$455,000 and we are on track to pay off in April 2024.
- On a cash basis (adjusted for depreciation and mortgage cost) the operating deficit was (\$64,000). The reported operating deficit for the year was (\$244,000).
- Cash balances (excluding dedicated accounts) were \$218,000 compared to \$268,000 a year ago.

2023 Budget Overview

Expenses - 2023 budget expenses were accumulated from each Atonement Staff member based on an assessment of their ministry. As a church, we are not immune to the pressures of inflation which is persistent in many of our budgeted expense line items. Below are several areas of note regarding expenses (all comparisons are to 2022 actual income/expense):

ATONEMENT LUTHERAN CHURCH COUNCIL MINUTES – JANUARY 23, 2023 (CONT'D)

- Salaries and benefits increased \$52,000 due to staff salary increases and due to the Youth Director vacancy in 2022 whereas we are assuming full staffing for 2023.
- Total Benevolence was budgeted consistent with 2022 at \$95,000.
- Food Service and Education lines are up almost \$7,000 as we are increasing spending for two priority areas of Small Groups and Fellowship.
- Total campus management costs are up \$15,000 while Office/Admin costs are up almost \$8,000 as cost of services are estimated to rise.
- Additional \$15,000 in KFam/YFam as invest further in our Youth programming and engagement.

Giving - Total gifts pledged through the Fall stewardship campaign were slightly lower than last year. It is important to remember that pledged amounts are always below the actual giving (and expenses). The increased expenses require an increase in giving of \$160,000, or 12% compared to 2022 actual gifts.

Campus Sustainment Fund - Our Campus sustainment fund has a balance of \$95,000 as of December 31, 2022 with over \$90,000 in 2023 pledges additionally committed. We are thankful for these gifts as we progress towards our goal of having a fully funded campus sustainment account. Please continue to consider a Second Mile gift to the Campus Sustainment fund as you are able to.

➤ **E-mail Vote – 2023 Budget:**

Mike provided an updated 2023 budget via e-mail on 01/12/23 with a correction to a formula. Scott moves to accept corrected budget, Tina seconds and the amended budget approved via e-mail responses.

➤ **Worship Team:**

Team discussed any potential changes to summer services; no decisions will be finalized until after the Lenten season.

NEW BUSINESS

Opportunities to Engage

Kathy reviewed opportunities to connect in the next couple of months.

- CUE meeting for the next 6 Saturdays from 6pm to 8pm
- Alpha is beginning on 02/02/23
- Jordan teaching a technology class for each Tuesday in February from 1pm to 3pm

Lent

The Wednesday night services will focus on the parables of Matthew and will feature a coffee sweets hour after the 6:30pm service.

Kathy closed with prayer.

NEXT MEETINGS:

Executive Team – Feb 14th, 2023 at 6:00pm in Room 108

Full Council – Feb 28th, 2023 at 7:00pm in the Gathering Place

Respectfully submitted, Tina Boutelle