

Prince of Peace Lutheran Church – ELCA

“Gathered by Grace – Sent to Serve”

2021 Annual Report



Congregational Meeting
Sunday, February 27, 2022
9:30 AM



Northern Great Lakes Synod
Marquette, Michigan
Equipping the Saints for Ministry



Evangelical Lutheran Church in America
God's work. Our hands.

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*Now faith is the
assurance of things
hoped for,
the conviction of things
not seen.*

~Hebrews 11:1

Dear Northern Great Lakes Synod,

As this Year of Hope 2021 comes to a close, we shift our focus to Faith for the year 2022. Faith is, of course, connected to Hope as our Faith in the Spirit of the Living Christ is the source of our faith and our hope.

While each generation has been marked by its own challenges, it's hard not to feel like our time in history is somehow exceptional, perhaps because we are the ones who are living it. The past couple of years have certainly been distinctive. We are living in a time of contrasts and simultaneous opposites:

- Weariness and opportunity
- Grief and creativity
- Loss of traditions and forging something new
- Polarization and common mission
- Apart but together

Living in the tension of seemingly opposing forces is exhausting. And yet, perhaps it is only in that in-between space that we are able to move forward, like walking a ridge line, carefully balancing between two valleys that drop steeply to either side. Every step must be calculated and considered to avoid careening down a slippery slope.

I do believe we entered this pandemic thinking that somehow it would end and we would all go back to the way things were. Now, I am thinking that it is not about looking for an end, but rather shifting into a new way of being.

Included in the charges given to a pastor at an ordination is this exhortation:

"So discipline yourselves in life and teaching that you preserve the truth, giving no occasion for false security or illusory hope."

I do not wish to give illusory hope, encouraging you to hold on for some near or distant day when the pandemic will be over and things will get back to "normal". The shifting and adapting we are doing now may well be permanent and not just a temporary adjustment for extraordinary circumstances.

As we travel the ridgeline of 2022, I encourage you to join me and the whole synod in a focus on Faith. The whole point of being church, the whole reason God created the church in the first place, was to share the good news of Jesus. When so much of the future remains uncertain, we have this core mission to guide our steps.

For 2022, I believe we will find blessing as we dig into what we believe, why we believe it, and what difference that belief makes to who we are as people trying to follow Jesus, and what it means for how we live in the world. Whether you join a Synod-wide Lifelong Faith Formation class or participate in a small group Bible Study in your congregation or with a group of friends, I ask you engage in a new effort, a new discipline, to deepen your faith, and I promise to do the same. Together, we will walk this narrow path through the tension that 2022 brings and find our way into becoming the future church that God is bringing into being.



Yours in Christ,

Bishop Katherine Finegan

Bishop Katherine Finegan

2021 Annual Meeting Agenda
Sunday – February 27, 2022 – 9:30 AM

1. Call to Order: Barb Zima
2. Prayer: Rev. Paul Heykes
3. Approval of Meeting Agenda: Barb Zima
4. Appointment of Tellers (3 people needed to count ballots): Barb Zima
5. Approval of Minutes from February 21, 2021 Annual Meeting: Barb Zima
6. Pastor's Report: Rev. Paul Heykes
7. President's Report: Barb Zima
8. Approval of Annual Report as printed (motion needed): Barb Zima
9. Presentation of Treasurer's Report: Mike Bishop
10. Presentation of 2022 Budget: Mike Bishop
11. Old Business
12. New Business
13. Approval of 2022 Budget: Barb Zima
14. Nominating Report: Barb Zima
15. Election of Church Council (Jon Cook, Robert Michaels, Susan Palmer): Barb Zima
16. Election of Synod Assembly Delegates Virtual (2 people): Barb Zima
 - a. Open to floor nomination
17. Election of Nominating Team (2 people): Barb Zima
 - a. Open to floor nomination – 1 year term
18. Election of Audit Committee (3 people): Barb Zima
 - a. Karen Maas
 - b. Sonja Mroczynski
 - c. Jim Thomas
19. Election of Endowment Team (1 person): Barb Zima
 - a. Don Jaworski – 3 year term
20. Constitution Revisions from the ECLA – Rev. Paul Heykes
21. Motion to Adjourn
22. The Lord's Prayer

Biographies for Church Council

Jon Cook

Jon was born and raised in Eagle River. He received a Bachelor's degree in ECON from UW Stevens Point. Jon worked at an insurance company's home office in Madison, WI for forty years. This time was interrupted by a tour of duty in the Army. He previously was a member of Bethel Lutheran Church-Madison. Jon retired in 2002 and returned to his family home in Eagle River. Jon joined Prince of Peace Lutheran Church in 2003 and currently serves on the Property Team and Church Council. Jon states *"I pray that God will guide the Council, Ministers and members of the Congregation of Prince of Peace to show us HIS will as we move forward"*.

Robert (Bob) Michaels

Bob grew up in the Chicago suburbs. After high school, he attended Rockford College in Rockford, IL. After college he began a forty-one year career working for an aerospace company in Rockford until he retired in 2019. Bob purchased a home on Anvil Lake in anticipation of his retirement in 2007. He became a full-time resident of Eagle River in March 2020. Soon after, he became a member of Prince of Peace Lutheran Church. Bob is a father of two and in August of 2021, he became a grandfather for the first time. Bob enjoys fishing but advises he is not very good at it. He has a German Shepherd dog who is his companion as Bob logs lots of miles walking the area. He walked over 1500 miles in 2021. Bit of trivia about Bob: His mother knows Barb Zima from when they both lived in the Chicago area. When Barb approached Bob to serve on the council, Barb told Bob she would call his mother if his answer was anything other than "yes"!

Susan Palmer

Susan is married to her husband Jack. They have been married since 1981. They are blessed with two sons, Jacob and Michael (daughter-in-law, Chelsey). Sue and Jack built their cabin in Eagle River in 1997. The Northwoods has long been a part of their holidays and summer trips. When Jack and Sue both retired from teaching, they moved to Eagle River – almost – fulltime. They live here most of the year. In the winter, from January thru April, they spend their time at a small place in Arizona. Sue and Jack began attending Sunday worship at Prince of Peace Lutheran Church when they moved here. In 2015 they became members of the congregation. Sue has served on the Church Council since 2018.

Prince of Peace Lutheran Church Annual Meeting Minutes 2/21/21

President Lisa Kohlman declared a quorum and called the meeting to order at 9:30am.

Dwelling in the Word led by Pastor Andrea, a devotion and prayer.

Lisa Kohlman made a motion to approve the Meeting Agenda. Motion approved.

No Tellers were appointed.

Lisa Kohlman made a motion to approve the Minutes from January 25, 2020 Annual Meeting.

Motion approved.

Pastor's Report - Pastor Andrea Fluegel highlighted parts of her report included with the 2020 Annual Reports.

President's Report - Lisa Kohlman

Approval of the Annual Report as printed - Jerrie Van Haverbeke made the motion to approve the Annual Report, second from Sandy Bishop. Motion carried.

Mike Bishop presented the Treasurer's Report, for Gary Ebert. Jerrie Van Haverbeke made the motion to approve the Treasurer's Report, second by Jon Cook. Motion carried.

Mike Bishop presented the 2021 Budget. Jon Cook made the motion to accept the 2021 Budget, Jerrie Van Haverbeke seconded. Motion carried.

Nominating Report - One council position is open. Lisa asked if anyone would volunteer to fill the position. No one volunteered.

Synod Assembly - Lisa Kohlman made a motion to accept Sue Palmer and Rachel Strong to be 2021 Synod Assembly Delegates. Motion approved.

Election of Nominating Team - Open to floor nomination. None.

Election of Audit Committee (3 People) - Current people on the committee all have 1 year left. No vote needed.

Election of Endowment Team (1 person) - Lisa Kohlman made a motion to accept Jerrie Van Haverbeke for a 3 year term. Motion carried.

Recognition of Outgoing Council Member, Stuart Groehler.

Recognition of Gary Ebert as Treasurer for 6 years.

Lisa Kohlman made a motion to adjourn and close with the Lord's Prayer, at 10:02am. Motion carried.

Respectfully Submitted,

Marlys Tipple

Council Secretary

Prince of Peace Lutheran Church Core Values

We are a community Gathered by Grace – Sent to Serve. **Called to the mission God has given us.** Prince of Peace Lutheran Church is a community which believes in God's love, knows Jesus as Savior, and is blessed by the presence of the Holy Spirit. Thankful for these gifts we gather to pray and praise, explore God's word and its' meaning for our lives, strengthen each other in our witness, and serve each other and our neighbors in the world.

It is absolutely clear that God has called you to a free life [from sin, death, and evil as a gift through Jesus' death and resurrection]. Just make sure that you don't use this freedom as an excuse to do whatever you want to do and destroy your freedom. Rather use your freedom to serve one another in love; that's how freedom grows. For everything we know about God's Word is summed up in a single sentence: Love others as you love yourself. That's an act of true freedom. – Galatians 5:13-14 (The Message)

Believing in God's unconditional love through the grace of Jesus Christ and the gifts of the Holy Spirit, and rooted in scripture, we value:

Spirituality

Experiencing the love and grace of the Holy Trinity. Using all five senses, our experience and awareness deepens, creating a space for the grace of Jesus to enter.

1 John 4:7-9

Beloved, let us love one another, because love is from God; everyone who loves is born of God and knows God. Whoever does not love does not know God, for God is love. God's love was revealed among us in this way: God sent his only Son into the world so that we might live through him.

Community

Our church is open, generous, diverse, welcoming, hospitable, healing and caring.

Mark 12:30-31

Love the Lord your God with all your heart and with all your soul and with all your mind and with all your strength.' The second is this: 'Love your neighbor as yourself.' There is no commandment greater than these."

Grace

We value people from ALL walks of life. We are saved by grace which is universal and inclusive of all human-kind. We are saved by grace through faith.

Ephesians 2:4 NLT

God is so rich in mercy and he loved us so much, that though we were dead because of our sins, he gave us life when he raised Christ from the dead. By Grace you have been saved.

Helping Others

We value helping others through compassionate service. Inspired by the grace of God, we humbly and lovingly serve our neighbors at Prince of Peace, in the Northwoods and beyond.

Hebrews 4:16

Let us therefore come boldly to the throne of grace, that we may obtain mercy and find grace to help in time of need.

Creativity

We value creativity as the God given ability to generate or recognize new ideas or possibilities in worship, mission, problem solving, communicating with others, and visioning now and for the future as we continue to share the Gospel as Disciples of Christ.

Colossians 1:16

For in him all things in heaven and on earth were created, things visible and invisible, whether thrones or dominions or rulers or powers—all things have been created through him and for him.

Interim Pastor's Report

Typically, when a pastor writes up their yearly message for the annual report, they start by looking back and reflecting on the past year, and then they shift focus to the year to come.

Because I started my interim ministry at Prince of Peace just 30 days before writing this report, I don't have much to look back on. So, this will be a forward-looking report, listing and highlighting some of the tasks and goals that lie ahead of us as I serve as your interim pastor.

Continuity. First and foremost, on the list, is continuity. During a time of transition, it is vital that the normal functions of the church continue with as little disruption as possible. Sunday worship and special worship (Holy Week for example) must continue on a regular schedule. There must be a pastor available to provide pastoral services including funerals, baptisms, weddings, home communions, hospital and nursing home visits, and crisis ministry. The interim pastor may personally fulfill these pastoral duties, or he may enlist the help of other pastors and lay leaders, but these functions must, and will, be attended to.

Change. Ironically, despite the need for continuity, the interim pastor is also an agent of change. The previous pastor was not like the pastor who preceded her. Your next pastor will not be like the previous pastor. And because the interim pastor is not like either your former pastor or your next pastor, the congregation is being primed for someone new and different during the interim. Every pastor has a different personality. Every pastor has a different style of preaching and teaching. Even the practice of spirituality varies from pastor to pastor. And every pastor will bring a unique vision of what a congregation can be to their ministry. Nothing in this world stays the same and what is true for the world is true for the church. Jesus Christ may be the same yesterday, today and tomorrow, but the way in which the good news is proclaimed and the ways we serve in Christ's name are constantly in flux. Time will tell exactly what comes next – but be prepared for something new and different.

Transition. Finally, there is the process of transition itself. There is a lot of work to be done over the next year to prepare for extending a call to a new pastor. The interim pastor is your guide through this process – but members of the congregation must do the work. Over the next month or two a *transition team* will be formed. Their task will be to prepare the congregation's Mission Site Profile (MSP). Preparing an MSP includes gathering statistics and information about the congregation and community, as well as crafting narratives that describe the nature of the congregation including its history, its strengths, its weaknesses, and its vision for the future. Once the MSP is complete, the council will nominate, and the congregation will elect, a *call committee*. The call committee receives the names and profiles of pastoral candidates, conducts interviews and eventually recommends a candidate who then may be called (or not) by a vote of the congregation. Once a call has been extended and accepted, a *second transition team* prepares for the arrival and installation of the new pastor.

As you can see there is a lot of work to be done. It can be a scary and anxious time when we do not know exactly what comes next. But it is also a time of hope and new possibilities. I pray that the Lord is with us each step along the way – giving us the energy and vision to move the ministry of Prince of Peace forward. For we truly are *called by grace* and *sent to serve!* Amen!

President's Annual Report 2021

Dear Brothers and Sisters in Christ,

In the words of St. Paul, I give thanks to my God always for you because of the grace of God that has been given you in Christ Jesus. 1 Corinthians 1:4

It has been my joy to serve as your Council President this past year along with the dedicated Council members who deserve all the thanks and recognition for guiding Prince of Peace through another unprecedented year in the ongoing Pandemic. Thank you, Mike Bishop, Jon Cook, Lisa Kohlman, Jim Moravec, Susan Palmer, Mariys Tipple, and Rachel Strong. It has been a privilege serving with you.

Special thanks to Pastor Andrea Fluegel, Kerry Walker, Alex Fluegel and Treasurer, Mike Bishop for the endless hours of your time to keep the ministry of Prince of Peace moving forward amid countless obstacles. Our prayers are with Pastor and Kerry as they go forward serving the Lord elsewhere.

To say this has been a year of surprises is an understatement. When we met last January none of us expected the Pandemic to continue this long nor did we expect the loss of our Pastor and staff and so we have been on a virtual roller coaster with many changes in the life of the congregation. I do not know about you but I have been terrified of roller coasters all my life. The anxiety of the ascent leaves me breathless and the descent has me screaming, but once I hit the ground the relief that I made it is pure joy. (I have not been on one since my folks took me as a child!) That is how I feel about this past year! I pray we are on solid ground.

The Good News is that, with God, we made it through and with God we are moving forward. It has not been a smooth ride and we have much work to do, but I know the resiliency of this congregation and I know we will fulfill our mission statement, **Gathered by Grace- Sent to Serve.**

Highlights of this year to name a few include:

- Retiring and burning of the Mortgage
- Continuation of The Weekend Backpack Program
- Opening the doors for in person worship
- Limited Sunday morning fellowship opportunities
- Podcasts to spread the Good News
- Online Bible study and worship opportunities
- Council acceptance of a contract with Pastor Paul Heykes as our Interim Pastor.
- Welcome Pastor Paul

Please read all the team reports for detailed information. My thanks to all who have stepped up and served in so many countless ways.

And so, dear friends, thank you for your continued support as we move forward in this time of transition. We may not know what the future holds, but as I have said before, we know who holds it. We have high hopes because we are a people who knows that our hope comes from on high. Thanks be to God.

Peace, Blessings and Joy,

Barb Zima

Christian Education Annual Report 2021

Members: Pastor Andrea Fluegel, Lisa Kohlman, Susan Palmer, Shayne Wilfer

Our households, communities, state, country and world continue to ride the waves of the COVID 19 pandemic. Christian Education at Prince of Peach looks very different than it did less than two years ago. Through Pastor Andrea's leadership, we have pivoted to a new way of learning about scripture and the many lessons God has in store for us each and every day.

Throughout 2021, our spiritual growth opportunities did not stop. Though they look different, we continue to feel God's presence in our faith journey. Here are the highlights of the past year:

- Dwelling in the Word – daily scripture readings and reflection on Facebook
- Bible Study On-The-Go – available on all podcast platforms, the weekly podcast brings God's word to you wherever you might be
- Boundary Waters Adventure Trip – Wilderness Canoe Base – July 21-27 – Attendees-Evelyn & Myria Strong, Nick & Natalie Fluegel, Kevin Schaars & Mac Williams. Pastor Andrea also.
- Confirmation – Nicholas Fluegel and Jordan Kohlman were confirmed on Sunday, October 10. We supported these young men as they publicly professed their faith.
- Youth Wreath Sale – our youth decorated and sold wreaths to benefit the Back Pack program

We are continually stretched by the challenges of the pandemic. Through this challenge, we find our new normal and continue to grow in ways only God knows. Let us continue to embrace the many ways we see God's light shining in our lives and grow in his boundless love for us.

Respectfully Submitted,

Shayne Wilfer

Endowment Team Annual Report 2021

Members: Jeff Currie (Chair), Gary Ebert, Jerrie VanHaverbeke, and Jim Thomas.

Key accomplishments for 2021 –

In 2021, from dividends, interest, and realized capital gains that have accumulated in the Endowment Fund, Prince of Peace provided a total of \$1,250 to help

- deserving Northland Pines seniors settle unpaid student fees so they could participate in their 2020 graduation ceremony last spring - \$500
- meet needs at the new Kalmar Senior Center - \$750

An important goal of our Team is to grow the principal in the Endowment Fund. This is because the principal always remains intact and generates the dividends, interest, and gains that provide a means for expanding our congregation's ministry.

We always welcome contributions to increase that principal.

Love Lights ornament participants donated \$25 to the Fund during the Christmas season. Special thanks to Rachel Strong for being sure the Love Lights tree and ornaments were in place this year.

The Endowment Fund had a balance of \$38,071.53 at the end of 2018, a balance of 51,958.95 at the end of 2019, a balance of \$69,519.57 at the end of 2020 and a balance of \$77,886.33 at the end of 2021.

The Team encourages anyone at Prince of Prince and individuals and organizations in the greater Eagle River community to propose ways that we can use the congregation's Endowment Fund to expand the ministry of Prince of Peace. As of the end of 2021, \$10,578.19 was available to be distributed to meet this goal.

Please contact Jeff Currie or any member of the team or the church office if you have an idea about how we can do that.

Respectfully Submitted,

Jeff Currie
Chair

Finance Team Annual Report - 2021

Members: Mike Bishop (Treasurer), Karen Maahs, Marlys Tipple and Eric Brunner. Ex-officio: Pastor Andrea Fluegel.

Financially, this has been a difficult year for Prince of Peace. We did not meet our budget in terms of income which directly impacted the bottom line. Fortunately, the 2020 Payroll Protection Program (PPP) money of \$25,800 provided a cushion for our operating income losses this year.

Despite the difficult year, we can draw strength from the fact we are debt free, we have a strong emergency reserve fund, growing endowment fund, and we continue to enthusiastically support non-budgeted programs such as our Youth ministry and the Weekend Backpack programs.

In November, Prince of Peace celebrated the retirement of our mortgage was paid off in early 2020. Thanks Be to God!

The Finance Team accomplished the following in 2021:

1. Submitted the 2021 budget to Council in time for approval prior to the Annual Meeting.
2. Provided monthly financial information to the congregation via reporting from the Treasurer.
3. Eric Brunner organized the scheduling of weekly offering counters.
4. Secured loan "forgiveness" from the SBA for the \$25,800 received from PPP
5. Prepared 2022 budget versions to be presented to Council for approval in early January
6. Successfully transitioned to new church administrative and financial system (Aplos)
7. Successfully transitioned to new church payroll system (Gusto)

Finally, in addition to the members of the Finance Team we want to thank those who count offerings on Sunday mornings, the 2021 audit team (*Karen Maahs, Sonja Mroczynski and Jim Thomas*), and our Church Secretary, Kerry Walker.

Also, congratulations to Kerry Walker on her retirement! She has done a tremendous job handling daily financial secretary tasks, financial record keeping, and transitioning to our new financial and administrative software. She will be missed in many ways.

Respectfully submitted,

Mike Bishop

Treasurer

God's Work Our Hands Annual Report 2021

God is able to provide with every blessing in abundance, so that by always having enough of everything, you may share abundantly in every good work.

2 Corinthians 9:8

Gathered by Grace - Sent to Serve

Members: Barb Zima (Co-Chair), Christine Ebert (Co-Chair), Marlys Tipple (Council Liaison), Joyce Leander, Diane Niemczyk, Jerrie Van Haverbeke

Once again, we were unable to fully gather in person in 2021 as we are accustomed to, but we continued to serve. A pandemic cannot keep God's work from getting done. God always provides a way where there is a need. We are all blessed abundantly and are called to share our blessings with others, and we have attempted to do just that throughout the year.

Thanks to your continued generosity we contributed Mission Support to the Kalmar Center, Salvation Army and Refugee Resettlement Efforts here in the Northwoods. Share and Care Cards are being sent, phone calls to homebound members are being made, Easter flowers were delivered to shut ins, as well as Christmas Care packages.

Marlys Tipple has begun meeting with Lutheran World relief Volunteers to tie quilts the first and third Thursdays of each month. Please join the group! There is so much more to be done but we need more members as we prayerfully look forward to expanding our ministry efforts in 2022.

Please consider joining us as we continue to be the hands and feet of our Lord and Savior, Jesus the Christ. We welcome all participation even if it is a one-time project. We welcome your ideas and suggestions. There is much work to be done!

Thanks to all the dedicated team members and especially to Pastor Andrea for her vision, creativity, and dedication. She will be missed, but it is up to us to continue the mission of this congregation.

Respectfully Submitted,

Barb Zima
Co-Chair

Property Team Annual Report 2021

Members: Rollin Siegfried, Mike Bishop Jon Cook, Dave Tipple, Denis DelPonte, P.J. Kohlman Jim Moravec, Bob Michaels, Erik Fluegal, Diane and Randy Niemczyk

The Property Team was very active in 2021 and accomplished the following:

- Replacement of the furnace in the lower level as well as replacement of the furnace in the upper-level Fellowship Hall.
- Diane and Randy Niemczyk painted the walls in the Fellowship Hall and the Prayer Room.
- Erik Fluegel and volunteers rebuilt the path to the pier with a sand base, lined with logs and a pergola for future use
- Routine maintenance of lawn mowing, snow shoveling and spring and fall cleanup continues
- A new telephone system was installed
- An automated upper and lower door system was installed
- An additional floor alarm system, similar to Sensaphone, was installed

Future Needs to be considered:

- Tree removal of trees blocking the LED parking lot lighting
- Replace the flushing mechanism in the women's rest room
- The dock to the river needs refinishing
- The roof will need to be shingled in sections as funds are available

Respectfully Submitted,

Rollin Siegfried
Chairperson

Stewardship Team Annual Report 2021

With the Pandemic still highly active, the Stewardship Team did not meet in 2021.

Pledge Cards for 2022 were sent out and Pastor Andrea Fluegel sent a letter to the congregation designating Sunday, September 19, 2021 as Consecration Sunday. Members were asked to prayerfully consider their response and encouraged to bring their commitment card to worship and complete their card during the designated time in the service. Follow up letters were sent to all who had not pledged.

Thanks to all who have pledged their time, talent, and treasure in 2021.

Respectfully Submitted,

Barb Zima

Worship Team Annual Report – 2021

This year has been a year to find our new balance with the Spirit leading us through the wilderness. We gathered as a community again for the first time in nearly a year with in-person worship on Ash Wednesday. Online worship continued as an option through September for those unable to come to church for worship. Our in-person worship showed our love for our neighbors through distanced chairs and face masks. Eventually, COVID cases in Vilas County dropped, and we were able to remove our masks for the summer months. Then COVID cases rose in the fall and we again showed our love for our neighbors by encouraging masks. With the return of in-person worship we were able to celebrate the lives of several of our members that had passed while we weren't gathering in-person.

Pastor Andrea and our podcasters continued Gathered and Sent during the year. We were reaching people in 34 states and 14 countries. The podcast became available over the phone when the church phone system was updated. There were members who couldn't access our online worship due to internet availability but were able to listen to the podcast every week over the phone. Along with the podcast, we maintained our daily Facebook Dwelling in the Word group that accompanies the theme of the podcast and weekly sermon. We also practiced Dwelling in the Word in October and November during worship. It was an experiment to encourage the congregation to engage in God's word.

The Worship Team would like to thank Pastor Andrea for building the Gathered and Sent podcasts and always looking for new ways to engage in worship and God's Word. We would also like to thank Kerry Walker for all her behind the scenes work to make our worship meaningful and the myriad of things she does to support our congregation. We would also like to thank all the members who contributed to the podcasts and on-demand worship services with music, readings, and many other contributions. We could not have spread the Good News as far without them.

Respectfully submitted,

Rachel Strong

Marlys Tipple

Personnel Team Annual Report 2021

Members: Executive Team of the Council: Mike Bishop, Lisa Kohlman, Marlys Tipple and Barb Zima

The Executive Team met following the Prince of Peace Church Council acceptance of the resignations of Kerry Walker and Pastor Andrea Fluegel. The Team proceeded to post the Office Coordinator position on Facebook and in the Vilas County News Review and interviewed candidates culminating in the hiring of Ann Carlson who began her duties in January of 2022.

The church council met with Bishop Katherine Finnegan of the Northern Great lakes Synod in December, who conducted an exit interview with Pastor Andrea Fluegel. Bishop Finnegan then presented the Reverend Paul Heykes for consideration as Interim Pastor for Prince of Peace Lutheran Church going forward. A contract with the Interim Pastor, Reverend Paul Heykes was accepted. Pastor Heykes began his ministry at Prince of Peace Lutheran Church on January 1, 2022.

Respectfully Submitted,

Barb Zima
Council President

Treasurer's Annual Report 2021

2021 Operating Results

We did not meet the adopted budget approved in last year's congregational meeting. For the year, we incurred an operating loss of **-\$20,368** vs. budgeted loss of **-\$11,293**. This loss was due to lower income (primarily giving) of \$150,289 compared to our budgeted income of \$171,403. However, expenses were well below budget at \$170,657 vs. budgeted expense of \$182,696. Thank you to everyone for a great job managing expenses.

Income	Income	Income		Expenses	Expenses	Expenses
2021	Budgeted	2020		2021	Budgeted	2020
\$150,289	\$171,403	\$172,669		\$170,657	\$182,696	\$180,351

Income – Relative to budget, none of our major income categories (pledged, unpledged or unassigned loose offerings) met expectations. Lower attendance was clearly a factor and impacted our giving levels.

Expenses – Expenses were well managed across the board. We benefited by moving our insurance payment to a monthly installment, delayed securing a music director and lower than expected mileage reimbursement.

General Fund – The General Fund ended the year with a balance of \$19,001 compared to a beginning balance of \$34,194. The drop in balance was a direct result of the operating loss we experienced this year. Offsetting the operating loss, is the fact that we “banked” last year’s PPP grant of \$25,800 in the General Fund in case a year like this occurred and we received principal gains from our ELCA Pooled Trust investment.

Reserve Fund – The Reserve Fund balance of \$43,938 was not touched this year so we still have a solid balance.

Mission Support - Our Synod and local benevolence for 2021 were budgeted at a percentage of total envelope and unassigned offerings, namely 5% for the Synod and 1% for Mission Support (formerly called local benevolence). Some members did choose to give extra to support Mission Support as they did World Hunger. As a result, we forwarded a total of \$8,136 to the Synod and \$1,438 was designated to support Kalmar Center, Vilas County Salvation Army and Afghan Resettlement via Lutheran World Relief per the direction of our God’s Work Our Hand’s ministry. Also, Prince of Peace continues to support World Hunger and donated \$2,820

Non-budgetary Giving - Continued to be strong in 2021. World Hunger received over \$2,800 in contributions and our Capital Improvement Fund over \$14,000. As usual, the Youth Group and Backpack Program were generously supported by members of Prince of Peace as well as several outside contributors.

Weekend Backpack Program – The Backpack program continues to be a vital ministry for our church and the area school children. In 2021, expenses for the program were \$22,242 which was offset by donations of \$15,278 from Prince of Peace members and the community. As you can see, costs are exceeding donations so we are hopeful that the new giving envelope will generate interest. Also, we are working with FORK to conduct a community fundraising program during 2022.

Assets as of 31 December 2021

At the end of 2021 our total cash assets (not including the Endowment Fund) were approximately \$99,830. These monies were invested as follows:

- Checking Account: \$28,523
- Money Market: \$27,002
- ELCA Pooled Trust: \$42,713
- MIF Term Investment: \$1062
- Petty Cash: \$10
- Pending Electronic Deposit: \$520

Fund Balances as of 31 December 2021

Our total assets are distributed across various funds: our General Fund, our Restricted Funds, and our Designated Funds.

General Fund: \$19,001

Restricted Funds: \$10,213

- World Hunger: \$0
- Benevolence: \$0
- Summer Opportunities: \$660
- Backpack: \$9,553

Designated Funds: \$70,931

- Choir/Music: \$83
- Youth: \$6,473
- Hospitality: \$2,035
- Flowers: \$26
- POPS Alive: \$685
- Pastor Discretionary: \$1,587

- Reserve: \$43,938
- Memorials: \$2,730
- Outreach: \$635
- KIDZ Alive: \$264
- Browse & Buy: \$85
- Capital Improvement: \$11,897
- Special Programs: \$493

Respectfully Submitted,

Mike Bishop
Treasurer

2022 Budget Narrative Notes & Explanation

January 2022

Note the two far right columns in the budget worksheet. Far right column assumes the actual budget with the Interim Pastor for a full year. This column will be the budget presented to the congregation for approval. One column to the left is what our budget would be if we had a full time Pastor.

Bottom Line => Proposed Budget shows an operating profit of \$54 Income @ \$124,250

- Down approximately \$25,000 from this year's income of \$150K and down \$48,000 from the 2020 actual income of \$172,000
- Pledges at 42 for \$100,350 vs 55 for \$129,840 in 2021
- Unpledged and unassigned in line with last two years

Expenses @ \$124,196

- Mission Support is the following
 - 5% for ELCA (same as 2021)
 - 2% for local mission support (up 1%)
- Mileage - Administration (Account 5390) is \$5824 => Mileage will go up since that is part of compensation for Interim and Supply Pastors

Salary and Benefits

- Budgeted \$9360 for Weekday Secretary (Account 5240) => (12 hours * \$15/hour * 52 weeks)

Big difference in our salary and benefit costs when you compare an Interim to a called Pastor.

- \$8000 Housing Allowance (Salary Account 5250)
- Interim Salary (Salary Account 5210) is \$33,553
- Supply Pastors (Salary Account 5230) is \$3750 => We will have a Supply Pastor

approximately half of the worship services \$125 / service plus mileage

- No pension and benefit contribution for the Interim (Benefits Account 5255)

Concerned about the impact of natural gas prices on our heating costs.

- Energy/Utilities (Property Account 5286) is \$8000

Computer support services are unknown due to the fact we will have a change in who provides services.

- Outside Services - Property (Account 5288) is \$3600 => I added \$100/month to Outside Services for computer support. The remaining \$2400 is for cleaning services

Call Committee / New Pastor

- New Pastor Moving Expenses - Personnel (Account 5267) => Added an expense line (\$10,000) for moving expenses for the new called Pastor. If we don't use this the cost will be pushed out to 2023

- Call Committee Task Force - Personnel (Account 5269) => We added an expense line (\$2000) for "Call Committee / Task Force 5269" costs associated with securing a new Pastor

Weekend Backpack Program Costs and Funding

Food expenses for the Weekend Backpack Program are pulled from a designated account (all gifts go here as well).

- Program food costs approx. \$23,000 in 2021
- Year end Backpack Fund balance approx. \$9500 at year end

We are optimistic that the new Backpack “giving envelope” will generate interest from the congregation.

Also working with FORK (Feed Our Rural Kids) to launch a fundraising campaign in the May time frame to support the Backpack Program.

**PRINCE OF PEACE LUTHERAN CHURCH
PROPOSED 2022 CONGREGATION BUDGET**

As of 26 January 2022

NOTES:

ANTICIPATED INCOME:

	2019 Actual	2020 Actual	2021 Budget Actual	2022 Budget With Full Time Pastor	2022 Budget Recommended
4012-Envelopes Pledged	\$133,062	\$144,979	\$129,840	\$125,718	\$100,350
4014-Envelopes Unpledged	\$24,181	\$13,196	\$18,694	\$13,486	\$13,500
4020-Unassigned Offerings	\$17,779	\$7,503	\$14,119	\$2,011	\$2,000
4025-Seasonal Offerings	\$4,854	\$3,993	\$5,000	\$5,441	\$5,500
4100-Interest Income	\$3,315	\$1,541	\$2,000	\$2,091	\$1,600
4590-Initial Offerings	\$102	\$83	\$100	\$130	\$300
4200-Building Use	\$1,065	\$90	\$200	\$0	\$0
4080-Thrivent Choice Dollars	\$73	\$673	\$700	\$0	\$0
4400-Other Income	\$1,241	\$611	\$750	\$1,400	\$1,000
TOTAL	\$185,682	\$172,869	\$171,403	\$150,289	\$124,250

2022 => 42 pledges (17 Nov) 2021 => 66 for \$129,840

reduction in investment anticipated
initial envelope now \$10

PLANNED EXPENSES:

MISSION BEYOND PRINCE OF PEACE

5010-ELCA Support	\$1,750	\$4,970	\$8,138	\$6,856	\$5,793
5030-Mission Support	\$1,750	\$1,657	\$1,626	\$1,438	\$2,317
TOTAL BENEVOLENCE	\$3,500	\$6,627	\$9,769	\$8,294	\$8,110

5% in 2021, 9% in 2022
1% in 2021, 2% in 2022

MISSION AT PRINCE OF PEACE

CHRISTIAN EDUCATION TEAM

5105-Church School	\$437	\$0	\$0	\$172	\$0
5130-Adult Education	\$311	\$314	\$250	\$248	\$150
5140-Youth Activities/Day Camp	\$0	\$0	\$250	\$0	\$150
5160-The Lutheran Magazine	\$118	\$0	\$0	\$0	\$0
TOTAL CHRISTIAN EDUCATION	\$866	\$314	\$500	\$420	\$300

GOD'S WORK OUR HANDS

5180-Social Ministry & Fellowship	\$114	\$54	\$50	\$22	\$100
5190-Welcome/Witness Projects	\$15	\$0	\$250	\$0	\$100
5195-Outreach Ministry (Backpack Food)	\$0	\$0	\$0	\$0	\$0
TOTAL GOD'S WORK OUR HANDS	\$129	\$54	\$300	\$22	\$200

Backpack Food / Use designated fund and special envelope for Backpack

ADMINISTRATION TEAM

5310-Postage	\$526	\$1,225	\$1,000	\$984	\$1,000
5320-Telephone/Internet	\$2,648	\$2,761	\$2,900	\$3,241	\$3,000
5330-Office Supplies	\$803	\$709	\$800	\$387	\$500
5331-Software	\$1,782	\$1,864	\$2,450	\$2,085	\$2,150
5332-Office Equipment Maintenance	\$2,529	\$2,458	\$2,700	\$2,611	\$2,000

**PRINCE OF PEACE LUTHERAN CHURCH
PROPOSED 2022 CONGREGATION BUDGET**

As of 26 January 2022

NOTES:

	2019 Actual	2020 Actual	2021 Budget	2021 Actual	2022 Budget With Full Time Pastor	2022 Budget Recommended
5340-Fees, Filing Expenses	\$611	\$649	\$700	\$525	\$600	\$600
5380-Conventions & Conferences	\$810	\$0	\$200	\$150	\$1,000	\$0
5390-Mileage/Transportation Expenses	\$2,203	\$159	\$1,000	\$97	\$1,000	\$5,824
5395-Publicity	\$200	\$100	\$500	\$100	\$200	\$200
5399-Miscellaneous Expenses	\$0	\$0	\$200	\$837	\$200	\$200
TOTAL ADMINISTRATION	\$12,112	\$9,445	\$12,450	\$10,997	\$11,650	\$15,474
SALARIES						
5205-Housing Allowance	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$8,000
5210-Pastor	\$21,896	\$22,573	\$24,300	\$25,609	\$24,300	\$33,553
5217-Director of Music	\$9,261	\$9,261	\$0	\$0	\$0	\$0
5218-Organists	\$6,897	\$5,187	\$6,000	\$3,788	\$4,500	\$4,500
5230-Supply Pastor	\$500	\$250	\$500	\$375	\$500	\$3,750
5240-Weekday Secretary	\$24,475	\$25,189	\$25,464	\$25,548	\$9,360	\$9,360
TOTAL SALARIES	\$98,029	\$97,460	\$94,414	\$90,320	\$73,660	\$59,163
BENEFITS						
5250-Worker's Compensation	\$744	\$845	\$800	\$800	\$785	\$785
5255-Pension/Disability & Health-Pastor	\$32,140	\$34,342	\$37,240	\$37,241	\$39,255	\$0
5260-Continuing Education/Prof Exp	\$996	\$290	\$1,100	\$536	\$1,100	\$450
5270-Payroll Taxes	\$3,110	\$3,092	\$2,648	\$2,244	\$1,060	\$1,060
TOTAL BENEFITS	\$36,990	\$38,509	\$41,788	\$40,821	\$42,201	\$2,295
STEWARDSHIP						
5400-Supplies	\$256	\$0	\$200	\$0	\$200	\$200
5410-Envelopes-Offerings	\$407	\$477	\$500	\$487	\$500	\$500
TOTAL STEWARDSHIP	\$663	\$477	\$700	\$487	\$700	\$700
CHURCH PROPERTY						
5280-Snow Removal	\$2,097	\$1,182	\$1,000	\$910	\$1,000	\$1,000
5282-Lawn Care	\$1,018	\$3,047	\$500	\$535	\$1,500	\$1,500
5284-Energy/Utilities	\$7,452	\$6,464	\$7,000	\$6,678	\$8,000	\$8,000
5286-Property Maintenance	\$6,137	\$4,668	\$5,000	\$5,278	\$5,300	\$5,300
5288-Outside Services	\$2,473	\$2,050	\$2,400	\$2,180	\$3,600	\$3,600
TOTAL CHURCH PROPERTY	\$19,177	\$17,431	\$16,900	\$16,581	\$19,400	\$19,400
FINANCE						
5110-Mortgage	\$13,248	\$3,312	\$0	\$0	\$0	\$0
5170-Insurance	\$3,974	\$4,219	\$2,150	\$378	\$4,519	\$4,519
TOTAL FINANCE	\$17,222	\$7,531	\$2,150	\$378	\$4,519	\$4,519

Increase a lot for Supply Pastor & Interim .56/mile, 200 miles/week

Interim Housing is \$8k

rate is the same
\$125/Service plus mileage; 30 services

Reassigned Kerry's Work (12 hours / week) \$15 / hour

Due In January

No benefits for the Interim Pastor

\$450 for Interim Pastor

On all except Pastor (6.2% SS; 1.45 Medicare)

Includes \$1200 for irrigation repair

Increase for Natural Gas prices

Removed Trees \$1500 & Window wash \$1000 from budget; Keep Paint classroom doors \$350 plus normal stuff \$5000

Primarily cleaning services; added IT contract (estimate \$100/month)

Changed to a monthly installment plan

WORSHIP & MUSIC COMMITTEE

**PRINCE OF PEACE LUTHERAN CHURCH
PROPOSED 2022 CONGREGATION BUDGET**

As of 26 January 2022

NOTES:

If we call a Pastor in 2022
Candidate / Committee travel expenses

	2019	2020	2021	2021	2022	2022
	Actual	Actual	Budget	Actual	Budget	Budget Recommended
5420-Copyright Fees & Subscriptions	\$812	\$1,618	\$2,000	\$1,541	\$650	\$650
5430-Choirs	\$856	\$12	\$400	\$0	\$0	\$0
5440-Worship Appts & Supplies	\$283	\$250	\$300	\$295	\$150	\$150
5450-Special Worship	\$0	\$241	\$300	\$245	\$300	\$300
5460-Worship Environment	\$161	\$350	\$200	\$0	\$200	\$200
5470-Instrument Maintenance	\$0	\$0	\$200	\$0	\$200	\$200
5480-Sound System Maint & Supplies	\$0	\$32	\$200	\$146	\$200	\$200
TOTAL WORSHIP & MUSIC	\$1,412	\$2,503	\$3,600	\$2,227	\$1,900	\$1,900
PERSONNEL						
5265 - Personnel advertising	\$0	\$0	\$135	\$110	\$135	\$135
5267 - New Pastor Moving Expenses	\$0	\$0	\$0	\$0	\$0	\$10,000
5269 - Call Committee Expense	\$0	\$0	\$0	\$0	\$0	\$2,000
TOTAL PERSONNEL	\$0	\$0	\$135	\$110	\$135	\$12,135
TOTAL EXPENSES	\$180,100	\$180,351	\$182,696	\$170,657	\$182,775	\$124,196
Difference: Income vs Expenses	-\$4,418	-\$7,682	-\$11,293	-\$20,368	-\$38,525	\$54