

Coming
Home


TOGETHER

Shepherd of the Cross Lutheran Church
2021 Annual Report

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A Message from our Pastor, Pastor Aleese

This past Advent-Christmas season, we focused on the theme “Close to Home.” When choosing that theme, the Worship and Music Team deemed it appropriate especially given a sense of “returning home” to each other after 2020.

Starting the series, we began one week prior to Advent on Christ the King Sunday and heard from John 14. As a recap, Jesus is speaking to his disciples on the eve of his death - telling them the last things he wants them to know, and perhaps even the things he wants them to remember most. It's then that he says this:

“Do not let your hearts be troubled. Trust in God, trust also in me. In my Father’s house there are many dwelling places. If it were not so, would I have told you that I go to prepare a place for you? And if I go and prepare a place for you, I will come again and will take you to be with me, so that where I am, there you may be also.” (John 14: 1-3)

So often, this passage is read at funerals and is interpreted to mean that Jesus has gone ahead of us to prepare a “room” for us in “heaven.” Sure. So be it. But could those rooms - those dwelling places - also be something that Jesus has actively prepared for us, now?

I think so. For the sake of Jesus’ disciples, that would’ve been immensely comforting. In the moment, they weren’t concerned about what would happen when they’d die. They wanted to know that even when Jesus went away, they could still remain - abide - dwell - in their Lord...just as they had up until that point.

So could it be that Jesus has prepared spaces in which we can encounter the presence of God right here, too? And could it be that those spaces are not limited to one space or another, but are *all around us*?

Those rooms have always been here, wherever we find ourselves. But in the past year or two, I think we’ve become more and more aware of how the places and the ways in which we encounter God are no longer limited to one space. Historically, the “church” was the central meeting space in a town. It was the place where everyone went, where everyone knew each others' name, and...was the place where you were *expected* to be per societal norms.

But that isn’t the world we live in today. Understandably, there’s grief that goes along with that. For some generations, life as we knew it has changed; and for others, priorities have shifted as family demands weigh heavier. Point blank: “church” might not be the central meeting place anymore...and it might not be as full *each* Sunday. But before jumping to conclusions about the “decline of the church,” I want to caution us. Because even though patterns may be shifting across the church right now, that doesn’t

mean we - or our communities, or our neighbors - are disconnected from God. Rather, in the past one to two years, I'd dare say that as the church we've needed to embrace the truth that Jesus laid before his disciples *years ago*: **that there are *many, many* dwelling places in which we *can* encounter Christ. And if that is the case, then there are a myriad of opportunities awaiting us to continue meeting together with Christ and with each other.**

With that in mind, as you move through this annual report, you'll notice that rather than simply talking about how, in 2021, we came "home" together by coming back to our physical building and worshipping together in-person, this report goes further. **To that end, the intent of this report is twofold:**

1. to catch a glimpse of how we've come home to Christ in a variety of ways - some ways that are familiar to us, and some that are not;
2. and to use these examples as a springboard to imagine how we might *continue* connecting to Christ and each other in revolutionary ways.

Going into another new year, I can't promise you that I - or your Council - have a magic game plan of how we are being called to *be* church in 2022. But this I *do* know for certain: that wherever we are, and however we gather, we are in a dwelling place with Christ.

So my invitation to you this year is this: treat *each situation* you're in as a place in which Christ is coming to meet with you, and a place where Christ is coming to meet with those whom you are with. I don't care if you're at church, waiting in the school pick up line, out to eat lunch with friends, or sitting on your own late at night. *Wherever you are*, that is a space where Christ *can* dwell with you and create sacred community. And with that perspective, Shepherds, there is *no limit* to the places, and the ways, in which we can "come home together."

Peace,

Pastor Aleese Kenitzer

A Message from Our President, Delene McConnaha

Having just finished my first year as council president of the Shepherd of the Cross congregation, I can tell you with certainty that it was not at all what I expected. As a longtime member of this congregation, I was well aware of the challenges that may lie ahead, but nobody could have predicted the scope and the impact of the pandemic. I never imagined it would continue to haunt us for as long as it has – not only Covid, but Delta and now Omicron.

But reflecting on the past year I realize how grateful I am for the creativity and the “can-do” attitude of my fellow council members– as well as this congregation and the SOTC teams (Worship and Music, Altar Guild, Technology, Stewardship, Administration and Finance, Education, Service, Social and Property.)

Every team stepped up their game and I give a special shout out to them and the work they accomplished over this past year. It does not go unnoticed. I was about to highlight the work of each team, but thought they could do a better job of telling their own stories and of their creativity in accomplishing their work. Kudos to each person on our teams.

Using our theme of “Coming Home” from the past Advent season, at the beginning of this past year, we remained at our homes - meeting virtually through Zoom - not only team meetings but in worship together. By mid-summer we were creatively planning worship services at our home on our lawn – in our family pods and masked –welcoming others to our home by sharing the peace from a distance. Eventually we made our way back home into the sanctuary – first in family pods –properly masked and spaced – and finally all together again – unmasked and sharing a row with friends and family in our sanctuary home

“Coming Home” took on a completely new meaning for me. I realized that home is where you make it. Home is where your heart is. It’s not always a physical space. I’m glad we came home this year, regardless of what that looked like for us – for you.

My hope for the coming year is we continue to come home – each and every day, with Christ in hearts, and welcoming the Holy Spirit to dwell deep inside us. Praise God for all the wonderful blessings he has giving us this year and providing a home where we can find sanctuary!

Delene McConnaha
President

Coming Home Together in Various Spaces and Places

Scripture reminds us that wherever two or three are gathered, Christ is present among us (Matthew 18:20). In the past year, *where* and *how* we have gathered has varied. But time and time again, we gathered together in God's "dwelling places."

Take a look below to catch a snapshot of some of those dwelling places, and, later in January, check out our website and social media channels to view a video compilation that will be shared during our annual meeting.

Coming Home in Worship

Central to our identity as followers of Jesus is gathering in worship. After **gathering with over 100 people for our Christmas Eve worship service in 2021**, it's hard to believe that at the end of 2020, we were still worshipping online.



After journeying through Lent - with the help of **Lenten bags** put together by our Worship and Music Team - post-Easter we returned to worshipping in-person at Shepherd. Thanks to a generous donation, we **purchased instruments for use in worship**, and thanks to the leadership of Jon Thoma, our **Tone Chime Choir once again contributed to our worship**.



As it was deemed safe to do so, we began **singing together** by late spring. Though at first through masks, once again our voices were gathered *together* with one another.

Building on outdoor worship services we held in 2020, we continued **worshipping outside once a month** during the summer months. Later in the fall, we celebrated the **baptisms** of Adalynn Vircks, Elliot Thoma, Ethan Lamb and the **confirmation** of five young adults in our congregation: Zach Allen, Ava and Raen Acker, Kinsey Drake, and Violet LeGrand.



Closing out the year, our Worship and Music Team encouraged us to center around the theme “Close to Home.” So as to embrace the theme to its fullest, we **adapted our worship space**, experimented with **Fireside Chats** in lieu of a formalized sermon, and spent the Advent-Christmas season preparing ourselves for Christ to come home to us at Christmas.

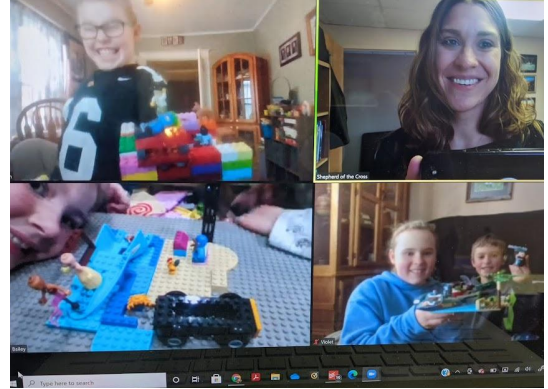
If anyone would have predicted in January 2021 what our worship in December 2021 would have looked like, many of us might have laughed. But following the Spirit, and trusting that God continues to show up however we worship together, we continued to be transformed by God’s Word and sent forth in mission.



Coming Home in Faith Formation

Just as where and how we worshipped together shifted throughout 2021, where and how we gathered for faith formation fluctuated. Yet, committed to growing as disciples of Jesus, you all continued to grow with Christ and with one another.

Noting that our kids were longing for time together, Pastor Aleese hosted **Kid Hang Outs** on Zoom during the week and brief **Sunday School** times post-worship. Though not as easy to sing camp songs together via Zoom, our kids still got their work-outs in and learned a bit about Jesus!



Our adults got in on the fun, too, gathering on Wednesday nights to continue the **Alpha series** that we began in 2020. Still to this day, many adults who participated note that these conversations led to a deeper engagement with Christ and gave them language to more confidently express their faith. Continuing in the summer, some adults gathered online for a summer experiment, **Summer Soutlice**, as an opportunity to ask and discuss questions of faith and life.



By fall, our faith formation opportunities merged into in-person gatherings. Once again, our kids gathered with each other for **Sunday School** to learn...and have some fun! Adult Education met sporadically by season, focusing on our **Sharing the Good News Emphasis** and our Advent theme.

New in 2021, **Shepherd reinvigorated our collaboration with Grace Lutheran and Zion Lutheran for Children, Youth, and Family Ministry**. Prompted by an initiative to consider collaborative ministry, we jump started **Family Faith Nights** with Grace Lutheran as a way to engage entire families - elementary kids, middle school youth, AND adults - on Wednesdays.



Not wanting to leave our high school youth out of the picture, we **partnered with Grace and Zion Lutheran to begin a new high school youth program** geared to provide a space of fellowship, formation, and service while also preparing for the upcoming 2022 ELCA Youth Gathering in Minneapolis.

Throughout 2021, it was a privilege to gather with our siblings in Christ not only here at Shepherd, but also within the Muscatine community. How might you be led in 2022 to connect with others to grow in your faith?



Coming Home in Relationships

Throughout 2020, our intent as a congregation was to facilitate ways to connect to Christ and to one another. Moving into 2021, that didn't change. At times, that connection to one another was structured, thanks to the work of our Social Team. In the spring, our Education Team collaborated with our Social Team to provide an **outside Easter Egg hunt** for our families. Families who couldn't make it got a surprise visit from the Easter bunny in their yard later in the weekend thanks to Pastor Aleese and Education Team members!



Later in the year, we joined forces with Grace Lutheran and Zion Lutheran to hold **Trunk or Treat**. Hosted at Shepherd for many years, it was a joy to join with other churches to spark community not only amongst us, but within the community as well. Many community members noted as they came, "we missed this last year! We're so glad you did this again!" Thanks to your help, and community members, we also gathered food for the local MCSA Food Pantry.



To close out the year, and take a break during the busy holiday season, we hosted a **Shepherd Christmas Party** - complete with Christmas bingo, Christmas pictionary, some trivia, and plenty of cookies!

These opportunities are a gift to gather together with each other. But in addition to these structured events, you all also **gathered together on your own** - creating dwelling places for God to be in your midst as you mutually upheld and supported one another.

It is certainly possible to dwell with Christ on our own. However, we were not created to live alone. We were created to live in community. Can you recall moments of community from the past year that gave you a sense of being connected to God's love? What might that look like to embrace, and extend, that sort of opportunity in 2022?



Coming Home to Our Broader Community

Typically, when we think about “coming home,” we think about coming home to familiar places and faces. But if Christ has already created many “dwelling places” in which we can dwell with Christ, then the options are endless as to where - and with *whom* - we are gathered.

With that in mind, in the past year, we continued to expand our home to those in the community. Thanks to our Service Team, we were invited to **paint rocks to distribute into the local community**, and were encouraged to be a part of **several drives** supporting organizations like the Muskie Locker, MCSA and LSI.

In coordination with various faith formation efforts, our kids and families also got in on the action. As a part of our Family Faith Night rotation, we intentionally build in nights for service to the greater community. In September we partnered with **United Way Day of Caring by raking leaves**, and in November we **wrapped diapers to support the work of the Community Diaper Bank**.



Outside of Family Faith Nights, our High Schoolers also supported the work of the **Muscatine Conservation Board Halloween Hike by carving pumpkins**, Sunday School kids worked with Kathy Dunham to prepare a project to be sold at **Crafting for a Cause benefitting the Mississippi Valley Child Protection Center**, and earlier in the summer, youth from Shepherd **joined with youth from First Presbyterian to paint an apartment associated with MCSA**.

Throughout the year, you have helped create a “home” for those in our community, and for your help in creating spaces of “home” as we build relationships with our neighbors. Thank you, Shepherds!

Coming Home to Shepherd of the Cross

In the past year, we lived into the truth that it does not matter where or how we gather because wherever we are, and however we gather, Christ is there making a dwelling place for us. But even with that in mind, there *is* something special about being together in a place where we can collectively experience God's love. It's for that reason that we continue to gather in our church building, and it's for that reason that we took extra measures in the past year to prepare our building to "come home" together.

In 2020, we already started making some shifts within our building and grounds by **adding a sidewalk** on the northeast side of the church. This year, we continued to enhance that area by **planting shrubs in honor of our confirmands**. On God's Work Our Hands Sunday, Shepherds of all ages helped our Property Team continue some **landscaping work** in this area. It is our hope that this area can continue to be used for fellowship and small group gatherings.



Inside, our Technology Team worked tirelessly to get our sanctuary prepared for in-person worship. Thanks to money received from a grant through the Southeastern Iowa Synod, we installed a **new projector, new sound system, and new firewall for our internet**. Noting the importance of technology moving forward, our Technology Team is seemingly always working on something in order to enhance our worship, meetings, and education opportunities.



Perhaps of greatest note, this year our Property Team put together a plan for a **storage shed**. Thanks to contributions toward the Capital Campaign Savings Account for many years, we were able to pay for the shed in full. As of the end of the year, electricity and internet has been run to the shed. This will make it possible for more outdoor activities and an eventual outdoor WiFi location. It is our hope to install shelving in the near future so as to move some of our materials from our building into the shed. In all, we hope that this storage shed gives us more space in our building for ministry, and offers ease of access to things that have previously been stored in the attic or in members' homes.



Finally, the **leadership of our Council** must be noted as we think about how we have “come home” together...and specifically have “come home” to our church building. Your Council leaders - Delene McConnaha, Daryl Eichelberger, Connie Stalheim, Erin Jorgensen, Amy Bakke, Mackenzie Gilbert, and Cathy Bermel - have tirelessly met, discussed, and worked for the sake of this congregation. Thank you to our leaders for your service and dedication to making this congregation a home in which we can encounter Christ!

Coming Home Together: By the Numbers

Total membership as of January 1, 2021: 164

Baptized members: 164

Confirmed members: 130

In 2021, we received new members by:

Holy Baptism: 3

Transfer: 7

Affirmation of Faith/New Members: 0

Total received in membership: 10

In 2021, we reduced membership by:

Death: 1

Transfer: 2

Inactivity: 0

Request for removal: 0

Total removed from membership: 3

Total membership as of December 31, 2021: 171

Baptized members: 171

Confirmed members: 139

Members confirmed during 2021: 5

Coming Home Together: Entrusting Our Financial Resources to Christ

Statement of Financial Position¹

Checking

General Checking Funds	\$9,167.80
Flowers/Christmas Decorations	\$281.65
Joel Christensen	\$395.00
Sunday School	\$771.12
Technology Upgrades/Grant	\$249.06
Vision Fund	\$50.05
Total Checking	\$10,914.68

Savings

General Savings Funds	\$21,112.85
Memorial Glendola Reinier	\$443.00
Memorial Josh Allen	\$15.00
Mission Group	\$2,083.02
Products of the Flock	\$679.96
Soup Fest	\$259.32
Stepping Out	\$45.90
Youth of the Cross	\$2,930.18
General Savings Interest Earned	\$10.97
Total Savings	\$27,580.20

¹ Note this financial report is presented on a cash-basis, which does not include any fixed assets. Upon recommendation by our Audit Committee, beginning next year, financial reports will include a full balance sheet including the value of our assets. So as to provide a benchmark, based on a recent insurance company review of our assets, replacement value of our building would be approximately \$1,200,000.00, replacement value of our fixed assets (heating systems, A/C systems, water heater, technological equipment, etc.) would be approximately \$200,000.00. The Property Team and Technology Team will be compiling a list of assets (along with date purchased and acquisition cost) so as to have a more accurate value of our fixed assets. This will also aid in planning for eventual replacement of fixed assets.

Capital Campaign Savings

Building Expansion/Capital Campaign	\$600.00
HVAC Capital Campaign	\$35,000.00
Capital Campaign Interest Earned	\$18.71
Total Capital Campaign Savings	\$35,618.71

Total Banking Accounts **\$74,113.59**

Total 2021 income from all sources **\$119,388.00**

Total 2021 expenses **\$147,043.00**

Including the following unbudgeted expenses²:

Stucco Repair	\$2,500.00
Shed	\$12,326.30
Technological Improvements	\$5,475.29
Youth Camp Scholarships	\$700.00
ELCA Youth Gathering Registrations	\$600.00
Music Instruments	\$658.50
Designated Mission Outreach ³	\$160.14
Gift to Joel/Mowing	\$330.95
Flowers ⁴	\$393.62

Subtotal of unbudgeted expenses **\$23,144.80**

Difference between 2021 income and budgeted expenses **-\$4,510.20**

² Note that many of these unbudgeted expenses were paid for using funds from existing accounts (i.e: Capital Savings Account, Youth of the Cross Savings), grants (Southeastern Iowa Synod Technology grant) or based on specific donations from congregational members. For more information about how these expenses were funded, see the 2021 Budget/2021 Actual spreadsheet that appears on page 17-23. Further questions can be directed toward Council leaders who see a monthly spreadsheet of expenses of the congregation.

³ Funds given by congregational members that did not remain at SOTC but were given to agencies like LSI, ELCA World Hunger, etc.

⁴ Includes cost of flowers for Easter, Pentecost, Christmas and gift of a plant in honor of Pastor Arno Frierichs. All flower costs were covered by designated giving.

2021 Budget, Actual 2021 Expenses, 2022 Budget Spreadsheet

Education

Category	2021 Budget	2021 Actual	2022 Budget
Adult Education	\$150.00	\$0.00	\$150.00
Background Checks	\$60.00	\$0.00	\$175.00
Bibles	\$100.00	\$243.00	\$150.00
Christmas Program	\$50.00	\$0.00	\$50.00
Conferences/Training	\$100.00	\$0.00	\$300.00
Curriculum	\$350.00	\$443.00	\$300.00
Devotionals	\$250.00	\$114.00	\$200.00
Education Materials	\$400.00	\$150.00	\$400.00
Milestone Gifts	\$300.00	\$129.00	\$200.00
Vacation Bible School	\$100.00	\$0.00	\$100.00
Education Other	\$0	\$1,300.00	\$0
TOTAL	\$1,860.00	\$2,379.00	\$2,025.00

Notes:

- The line item for Bibles was overspent due to timing of distribution of Bibles. Budget for 2022 is based on our children/youth rosters who are 3-years old, in 3rd grade, and expected to begin our Confirmation/FINK program.
- Curriculum appears to be overspent as a result of sharing curricula costs with Grace Lutheran; Grace reimbursed SOTC for half of the amount indicated.
- Education other costs were expenses that were paid for from the Youth of the Cross account; namely summer camp scholarships and ELCA Youth Gathering registration costs.

Worship and Music/Altar Guild

Category	2021 Budget	2021 Actual	2022 Budget
Banners and Linens	\$50.00	\$0.00	\$75.00
Copyright Fees	\$500.00	\$594.00	\$650.00
Music	\$150.00	\$4.00	\$150.00

Musician Compensation	\$3,000.00	\$1,575.00	\$3,000.00
Music Training	\$100.00	\$0.00	\$0.00
Supply Pastor	\$900.00	\$315.00	\$1,000.00
Worship Supplies	\$2,000.00	\$1,019.00	\$1,500.00
Worship and Music Other	\$0	\$942.00	\$0
TOTAL	\$6,700.00	\$4,449.00	\$6,350.00

Notes:

- Copyright fees were slightly overspent in 2021 as we purchased a second copyright license. We were already using material requiring a second license and needed to responsibly pay for the appropriate license to continue use of music/liturgy.
- Budgeting amount for the line item of supply pastor has increased based on the increase of suggested compensation for pulpit supply pastors (in 2021, was \$150/service; increased in 2022 to \$200/service).
- Worship and Music other costs were covered by existing funds from outside our general budget. Funds were collected and used for things like poinsettias and musical instruments.

Property

Category	2021 Budget	2021 Actual	2022 Budget
Cleaning/Paper Supplies	\$600.00	\$96.00	\$600.00
Floor Cleaning	\$1,800.00	\$0.00	\$1,800.00
Furnace Inspection	\$100.00	\$0.00	\$100.00
Landscaping	\$500.00	\$0.00	\$250.00
Other Maintenance	\$500.00	\$1,171.00	\$1,000.00
Snow Removal	\$2,000.00	\$1,725.00	\$2,000.00
Utilities	\$5,500.00	\$5,133.00	\$6,000.00
Property Other	\$0	\$15,157.00	\$0
TOTAL	\$11,000.00	\$23,282.00	\$11,750.00

Notes:

- Note that the line item for general maintenance has been increased from 2021 to 2022 so as to provide a buffer for unexpected building costs. In 2021, our water heater needed to be replaced on short notice. So as to respond to incidents like this, the Property Team is recommending an increase in the amount of money allocated to general maintenance and repairs.
- Property Other costs include repair of stucco and cost of shed. Both of these projects were funded by the Capital Campaign Savings Account per motion by Council.

Stewardship/Evangelism

Category	2021 Budget	2021 Actual	2022 Budget
Advertising/Brochures	\$100.00	\$0.00	\$0.00
General Materials	\$400.00	\$39.00	\$200.00
ICON Systems	\$400.00	\$385.00	\$400.00
Mission Outreach	\$0.00	\$590.00	\$0.00
Mission Support	\$10,000.00	\$9,996.00	\$10,000.00
New Member Gifts	\$50.00	\$48.00	\$50.00
Offering Envelopes	\$125.00	\$110.00	\$0.00
Stewardship Other	\$0	\$160.00	\$0
TOTAL	\$11,075.00	\$11,328.00	\$10,650.00

Notes:

- Since we now have a copier that has the capacity to print in color, we no longer need to outsource printing of advertisements and brochures. Therefore, that line item has been zeroed.
- Since some households have moved to electronic giving, we no longer need as many offering envelope sets. Based on the number of households using offering envelopes, we do not need to order another set for the coming year; rather, we can use the extra envelopes we have from 2021.
- Stewardship Other notes donations that were given through the church to local agencies such as the Muskie Locker and LSI. Funds were not taken from general budget but were given by donors in the congregation.

Technology

Category	2021 Budget	2021 Actual	2022 Budget
Audio/Visual Supplies	\$0.00	\$0.00	\$750.00

Copier	\$0.00	\$0.00	\$1,500.00
Online Tech Subscriptions	\$300.00	\$285.00	\$300.00
Phone/Internet	\$1,700.00	\$1,341.00	\$1,700.00
Website/Social Media	\$300.00	\$529.00	\$50.00
Technology Other	\$0	\$5,523.00	\$0
TOTAL	\$2,300.00	\$7,678.00	\$4,300.00

Notes:

- As we saw in 2020 and 2021, the use of technology is on the rise. So as to continue as a viable entity in our current context, it is imperative that we update our equipment and allocate appropriate resources to fund further technological improvements. For that reason, the line item of “AV Supplies” has been added to the 2022 budget. In 2021, we were blessed with a \$2,000 grant from the Southeastern Iowa Synod to fund technological improvements.
- In 2021, we began working with a new company for the lease on our copier. Now, we have the ability to do more with our copier machine for about the same price. Previously, the cost of the copy machine came out of the line item “Council - Office Supplies.” However, given that our copier is a piece of technology, and given that those with the expertise of how to manage our equipment are on our Technology Team, the cost of the copier has been moved from it’s previous line item (“Council - Office Supplies”). Therefore, though it appears as though this is a significant increase in budgeting for our copier, it is simply a reallocation.
- For reference, Online Tech Subscriptions include the cost of things like Campaign Monitor (our email distribution service) and Zoom.
- Website/social media was overspent in 2021 as we paid for more than one year subscription for our website. This will save us money for the next 3-5 years.
- Technology other was funded by the Southeastern Iowa Synod Technological grant and money from Capital Campaign Savings. Funds were used for projects like the following: new projector, speakers and sound system, network switch and firewall enhancement, camera mount, etc.

Social

Category	2021 Budget	2021 Actual	2022 Budget
Kitchen Supplies	\$300.00	\$136.00	\$300.00
Special Events	\$100.00	\$159.00	\$100.00
Social Other	\$0.00	\$0.00	\$0.00

TOTAL	\$400.00	\$295.00	\$400.00
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Notes:

- Though there are no changes in this team’s budget from 2020 to 2021, note that funds were often used from “special events” in the past year for events like ice cream socials, bonfire and s’mores, etc. It is our hope to continue funding events like this to build relationships within the congregation!

Administration and Finance

Category	2021 Budget	2021 Actual	2022 Budget
Administration: Bank Fees	\$0.00	\$146.00	\$150.00
Administration: Liability Insurance	\$0.00	\$6,535.00	\$7,000.00
Administration: Office Supplies	\$0.00	\$1297.00	\$750.00
Workers Compensation	\$0.00	\$0.00	\$700.00
Admin and Finance Other	\$0	\$90.00	\$0
TOTAL	\$0.00	\$8,068.00	\$8,600.00

Notes:

- As this is a new team, this is the first time we are seeing a section allocated to this team on our budget.
- As referenced above, line items allocated from this team were taken from Council’s budget. So as to show the difference between our budget in 2021 and the proposed 2022 budget, the line items for bank fees, liability insurance, workmans’ compensation, and office supplies do also appear under Council’s budget. However, note that under the Council budget, these line items are zeroed.
- For the past two years, we have underestimated the cost of liability insurance. So as to be better stewards of the money needed for this expense, this line item has been increased.
- In contrast, for the past two years, we have overestimated the cost of workmans’ compensation insurance. Again, so as to be better stewards of the money needed for this expense, this line item has been decreased.

- Administration and Finance Other reflects funds collected by the congregation to offer a gift to Pastor Arno's family upon his passing this past year.

Church Council

Category	2021 Budget	2021 Actual	2022 Budget
Administration: Bank Fees	\$150.00	\$0.00	\$0.00
Administration: Liability Insurance	\$5,500.00	\$0.00	\$0.00
Administration: Office Supplies	\$1,500.00	\$0.00	\$0.00
Administration: Synod Assembly	\$600.00	\$120.00	\$600.00
Pastor Allowances: Continuing Education	\$850.00	\$512.00	\$850.00
Pastor Allowances: Travel Reimbursement	\$1,000.00	\$0.00	\$500.00
Pastor Allowances: Professional Expenses	\$150.00	\$0.00	\$580.00
Pastor Salary: Health Ins and Retirement	\$13,905.00	\$18,540.00	\$14,141.00
Pastor Salary: Housing	\$12,672.00	\$18,000.00	\$13,070.00
Pastor Salary: Base Salary	\$42,240.00	\$32,280.00	\$43,568.00
Pastor Salary: Social Security	\$4,201.00	\$4,200.00	\$4,333.00
Janitorial Compensation	\$2,500.00	\$2,317.00	\$2,500.00
Office Manager Compensation	\$12,800.00	\$10,836.00	\$13,200.00

Payroll Taxes (Staff)	\$2,400.00	\$2,142.00	\$2,100.00
Workers Compensation	\$1,200.00	\$617.00	\$0.00
Council Other	\$0.00	\$0.00	\$0.00
TOTAL	\$101,668.00	\$89,564.00	\$95,442.00
TOTAL OVERALL	\$135,003.00	\$147,043.00	\$139,517.00

Notes:

- 2021 actual amounts for Pastor Aleese’s salary compensation does not follow budgeted amounts due to a change in allocations. Combined base salary and housing allowance remained the same as was approved by the congregation at the November 2020 budget meeting; there was simply a reallocation of how those funds were distributed.
- Following an annual review of Kathy, our Office Manager’s performance, and in consideration of the overall budget, Council recommended a raise of 3% to Kathy’s hourly wage.

Audit Committee Report

Note: A full report by the Audit Committee was presented to the Congregation Council during Council's meeting on Tuesday, November 23, 2021. Council moved to accept the Audit Committee report as presented, and made pertinent decisions regarding any financial/business practices that needed to be addressed. The following is presented here as a summary.

To the Congregation Council of Shepherd of the Cross Lutheran Church ("SOTC")

Audit Committee Authorization and Purpose

Pursuant to section C13.03 of the Constitution, Bylaws and Continuing Resolutions of SOTC, the Congregation Council elected three voting members of the congregation to serve on the SOTC Audit Committee. The primary purpose of the Audit Committee is to assist the Congregation Council in fulfilling its general oversight of the congregation's accounting, financial reporting, and internal control systems.

Management's Responsibility for the Financial Records and Statements

Management of SOTC is responsible for the preparation and fair presentation of the organization's financial records; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

The Audit Committee was instructed to conduct a financial audit and submit a written report to the Congregation Council summarizing the 2021 audit process and results. Any limitations or deficiencies noted during the audit process and recommendations for improvement were to be included in this report.

The Audit Committee designed and performed procedures to obtain evidence concerning the amounts presented in the December 31, 2021 financial statements. The procedures selected were dependent on the Audit Committee's judgment, including the assessment of the risks of material misstatement of the financial records and statements. In making those risk assessments, the Audit Committee considered existing internal controls relevant to the organization's preparation and fair presentation of the financial statements.

Limitations

Independent outside certified public accountants were **not** engaged to conduct the financial audit and, therefore, the Congregation Council is reminded the performance by the Audit Committee of various auditing procedures and this resultant final written report

are **not** to be construed as an independent financial audit in accordance with generally accepted auditing standards.

Opinion

Subject to the aforementioned **Limitations** and the **Topics for Consideration and Deficiencies** which follow, the Audit Committee believes its work sufficient to provide the Congregation Council reasonable assurance that:

- 1) the financial records are materially accurate;
- 2) the financial controls are designed and operating effectively; and
- 3) the congregation's December 31, 2021 financial statements accurately reflect the congregation's financial results and position in all material respects.

Topics for Consideration and Deficiencies have not been included within this summary. Five of the seven items recommended by the Audit Committee have been resolved by Council. Of the two items remaining, both are in various stages of completion and are being completed in a timely manner.

Of note for the congregation, Council accepted the Audit Committee's recommendation to not include goods or services (other than intangible religious benefits) that are provided in exchange for a contribution (i.e.: purchase of Products of the Flock items, Spaghetti Supper, etc.) on giving statements. This is in compliance with IRS guidelines. This change took effect January 1, 2022.

Coming Home Together: Through the Work of the Church

Annual Meeting Minutes – January 24, 2021

Call Meeting to Order

Meeting called to order by Heather Allen at 9:43 AM.

Approval of Agenda

MOTION by Delene McConnaha to approve this meeting's agenda. Second by Mackenzie Gilbert. Unanimously approved.

Approval of Minutes from Congregational Meetings in 2020

MOTION by Roger Luft to approve the minutes from the 2020 Congregational Meetings. Second by Mike Schulte. Unanimously approved.

Treasurer's Report (presented by Connie Stalheim)

- Statement of Financial Position: Pg. 10-11 on Annual Report. Church is in a very strong financial position.
 - Checking balance is the best it's been in years at \$20,621.28 at 2020 year-end.
 - \$17,792 PPP loan was taken in 2020, and has been completely forgiven.
 - General Savings balance \$27,273.73. Capital Campaign Savings \$53,861.81
- \$2020 for 2020 Update: Generous response to Campaign = \$5,670.
- Update regarding Weight Watchers:
 - \$390/month income for years until March 2020, due to Covid restrictions. Weight Watchers paid nothing while meetings were suspended. At this time, all WW products have been removed from the building, and they have no plans to resume meetings; the possibility remains that WW may not return at all. SOTC should not count on any WW funds.

Southeastern Iowa Synod Mission Support Update (Video shared)

Mission Support Funds (Benevolence) of 7%. SOTC pledged \$10,000 in 2020 to the mission of the Synod. Support new congregations, ministries locally and to the initiatives under the broader reach of the Synod (ex: church in Tanzania)

Property Team Report (presented by Kathy Dunham)

Three priorities for 2021:

1. Stucco repair – due to weather, work was postponed. Leak identified at seam, must be repaired before stucco work can be completed.
2. Sign – Entrance sign (simple design); options at next meeting.
3. Storage – different teams will be contacted for items that will need storage.

* Also, Kathy will be collecting donations over the next few weeks for Joel Christensen (cares for the lawn), to be given to him mid-Feb.

President/Pastor Report (presented by Delene McConnaha, Pastor Aleese Kenitzer, and Council Pres. Heather Allen) –

Highlights of the year include creativity, energy, commitment. Technology was key, and it has become much better: improvements (audio/projection/etc.) will carry us into the future. Palm Sunday Parade with community. Resilience of youth; creativity to continue engagement. Raised \$640 for LSI at Christmas. Improvements of function within the church.

Pastor: “church isn’t about the building, it’s the people.”

Heather: stability of the congregation has carried us through the pandemic.

Pastor: How are we connected to Christ? How are we connected to each other?

Heather: We have learned much during 2020, gained perspective, understand flexibility will still be important going forward; “together we can get through whatever we set our mind to.” Thank-you from Heather for support this year, generosity, and the opportunity to serve as Council President.

Delene: We have been resilient and have continued to serve, and be Christ-centered, living into our core values. We are family and work well together, sharing a desire to grow in the coming year and face challenges together.

Nominations and Elections for Council Positions, Synod Assembly, and Nominating Committee (presented by Daryl Eichelberger)

- Council Positions
 - Council President: Delene McConnaha
 - Council Secretary: Erin Jorgensen
 - Group 3 Liaison: Cathy Bermel
- Synod Assembly Voting Members: Bryan Walton, Tory Thompson
- Nominating Committee
 - Member of Stewardship Team: Heather Allen
 - Voting Member of Congregation: Betty Burch

MOTION by Roger Luft to approve the slate of nominations as presented. Second by Delene McConnaha. Unanimously approved.

Invitation to Serve (presented by Mackenzie Gilbert)

Excited about 2021 because of opportunity and the continuation of work begun in the hard times of 2020. Invitation to join shepherding teams: new team for admin/business. Sign-up Genius for all who wish to serve, even current team members.

Adjournment

MOTION by Mark Petersen to adjourn this meeting at 10:20 AM. Second by Roger Luft. Unanimously approved.

Congregational Budget Meeting Minutes – November 21, 2021

Meeting called to order by Connie Stalheim

1. Distribution of printed copies of the Budget. Budget also was emailed to the congregation for review.

MOTION by Gladys Reif to call the budget meeting to order. Second by Mike Schulte. Unanimously approved.

2. Connie Stalheim presented budget in Delene McConnaha's absence.

MOTION by Mike Schulte to accept the budget to discuss. Second by Mackenzie Gilbert. Budget unanimously approved.

Adjournment

MOTION by Marlys Grete to adjourn the meeting. Second by Roger Luft. Unanimously approved.

Agenda for Annual Meeting – January 23, 2022

Call Meeting to Order

Approval of Agenda

Approval of Minutes from Congregational Meetings in 2021

Treasurer's Report - Statement of Financial Position

Audit Committee Report

Property Team Report

Update on projects from 2021:

1. Stucco repair
2. Shed
3. Landscaping
4. Sign

Nominations and Elections for Council Positions, Synod Assembly, and Nominating Committee – *nominations can be found on page 30 of this report*

Year in Review

Invitation to Serve

Adjourn

Nominations for Election, January 2022

Council Positions

	Completing year 2 of term (January 2022-Jan 2023)	Nominated in 2021 for a 2-year term (Jan 2022-Jan 2024)
President	Delene McConnaha	
Vice President		Matt Bentz
Secretary	Erin Jorgensen	
Treasurer		Gladys Reif
Liaison 1		Mark Petersen
Liaison 2		Mackenzie Gilbert
Liaison 3	Cathy Bermel	

Synod Assembly Voting Members

Nick and Mackenzie Gilbert

Nominating Committee

	Completing Year 2 of term (Jan 2022-Jan 2023)	Nominated in 2020 for a 2-year term (Jan 2022-Jan 2024)
Vice President		Matt Bentz
Outgoing Member of Council		Connie Stalheim
Member of Stewardship Team	Heather Allen	
Voting Member of Congregation	Betty Burch	