

January 4, 2021

Mountain View Lutheran Family,

As we begin a new year based in hope, I ask for your prayerful consideration of the encouragement found in the following text from Isaiah 41:10, *"Fear not, for I am with you: be not dismayed, for I am your God; I will strengthen you, I will help you, I will uphold you with my righteous hand."* As we consider the spending guideline detailed in this letter, let us rest in the hope of what God has in store for us as a people of God at Mountain View Lutheran Church.

In preparation for our Congregation Meeting on Sunday, January 24<sup>th</sup> at 4:00 pm, your Congregational Council wants to provide you with a timely preview of our 2021 Spending Guideline that together we will vote on. Planning for 2021 has proven to be quite challenging and hence the delay in our second congregation meeting.

2020 was full of major changes for our church. One of these changes included a significant drop in financial giving. Although we expect to end the year in a stable position, it is primarily due to the forgivable PPP loan we received (\$98,318). It is a fact, that some families have left our congregation and some have paused or reduced their giving, leading to lower actual dollars received and expected in 2021.

As you read through the proposed changes to the Spending Guideline, we ask that you resist the temptation to be reactionary, but instead pray with us on how we best use God's resources to navigate through this pandemic and into what we believe is a recovery year for Mountain View in 2021.

In planning for what is ahead, it is difficult to predict the timing for the Covid-19 vaccine distribution, when a new senior pastor will be called, and when we will be able to fully and safely worship and fellowship on campus again. Seeking to be conservative with our planning, the following assumptions are part of the proposed 2021 Spending Guideline.

#### 2021 Assumptions

- ) Phase 4 Safe Start and full return to campus activities by Gathering Day, Sept. 2021
- ) Interim pastors contracted through June 2021
- ) Senior pastor starting July 2021 and include relocation expenses
- ) Maintain staff at current hours and pay
- ) Projected annual giving of \$870,000 (versus expected \$925,000 as of 12/21/20)
- ) No cell tower lease dollars in 2021 (project on hold by City of Edgewood)
- ) No new PPP forgivable loan dollars

There is some thought that since we are not gathering in person at church, expenses are lower overall. This is true in areas such as utilities and printed material however; we have new expenses that support online worship that more than offset the savings. Below are the increases we expect for 2021.

#### Major increases to 2021 Spending Guideline

Item	Increases	Notes
Worship Video Streaming/Production	\$13,500	Annual streaming license and videographer services
Medical Insurance	\$11,700	Premium increases and additional coverage due to life event changes
Call Committee/Relocation	\$10,000	Travel during call process and relocation of Sr. Pastor and family
Professional Financial Review of 2020	\$7,000	Biennial professional financial review of 2020 accounting
Fire Alarm Testing	\$6,600	In addition to normal inspection, a 20 yr. inspection is due
Property Taxes	\$5,500	Estimated at \$21,000. Edgewood property taxes are increasing faster than surrounding communities
Temporary Sound Board Stipend	\$2,275	Not enough volunteers during Covid to operate sound board, provide small stipend to a couple people who are covering many services. When all volunteers return, remove stipend

To bring planned expenses into alignment with expected giving, there are some areas that will naturally be less going forward and other areas where reductions are necessary.

#### Major Reductions/Removals from 2021 Spending Guideline

Item	Reductions	Notes
Sr. Pastor Compensation	-\$80,000	Lower compensation for less tenure than previous pastor. New Sr. Pastor budget for July - Dec. Compensation will be within Synod Guidelines.
Benevolences	-\$55,000	Reduce Benevolence to 13% for 2021. If giving comes in higher in 2021, pay out additional benevolences. Commit to working toward a higher percentage in 2022.
Capital Projects and Reserve	-\$36,000	Planned cleaning of Chapel & Sanctuary roofs removed. The congregation will need to approve the use of Living Hope dollars if major facility failure occurs in 2021. This essential maintenance must occur in 2022.
Mortgage Payment	-\$20,000	Expect to see monthly payment decrease to \$9191/month due to Living Hope pay down on principal and re-amortization
Nursery Attendants	-\$5,000	Assume no paid nursery staff until Gathering Day 2021. Use volunteers as needed until then.
Retreats	-\$3,000	Removed due to uncertainty of being able to gather in large groups. If retreats become possible, ask members to pay a registration fee and/or hold at our campus just for 2021

In the last 10 years, when giving was lower, we were able to make up the difference by carefully managing expenses, postponing facility improvements, and asking the congregation to give more. All of these things will be necessary in 2021, yet the gap between planned expenses and expected giving is still anticipated to be wide. This projected gap has left us with only undesirable options: reduce staff hours, reduce staff count, or reduce the percentage of benevolences paid.

The decision to propose a reduction in the benevolences did not come lightly. Pastors and the council spent time praying about this and looking for other options. Since it does not seem wise to understaff our church while we are in transition and seeking a new senior pastor, it ultimately has led to the very difficult decision to propose a reduction in benevolences for 2021 with the understanding that if giving increases above the 2021 spending guideline, we commit to paying out more than 13% benevolences.

Your Congregational Council believes that we have good reason to be optimistic that Mountain View will come out stronger on the other side of these unusual times. Even amid the disciplines of distancing we must practice under the shadow of COVID, there is a Light, which pierces the shadow, a Light which promises and stirs a new birth in our lives, ministries, and relationships. With the light of our Savior amongst us, we can look and move forward with eagerness, expectancy, and commitment; to that time we can once again gather safely and join our voices in collective praise, to when our children can return to the fullness of onsite Rock Ministry and when a new senior pastor has joined us in our called and shared witness of the grace of God in Jesus Christ.

If you have any questions about the proposed Spending Guideline, please feel welcome to reach out to any council member or Jason Cornell (Treasurer).

Prayerfully and respectfully seeking to serve,  
-Mountain View Lutheran Church Council