



Zion Lutheran Church

1732 South Main Street
Aberdeen, SD 57401

Dear Saints of God,

November 1, 2020

We are now more than three quarters of the way through the year 2020 and nine months into the COVID-19 pandemic event that has profoundly affected us and people all around the world. I wanted to take a moment to look back at these past months and update you on where we stand when it comes to stewardship of our financial resources and budget.

For the safety of everyone, we halted in-person worship services in mid-March. We did a fast pivot to pre-record worship services for the radio broadcast and for (brand new to us!) online worship through our Facebook page and our new Zion YouTube channel. Not gathering in person for worship for several months, not being able to hold fellowship and faith formation events, not being able to visit our members in the hospital have all been difficult temporary changes we've had to adjust to.

You adapted as well and continued to give throughout these months—thank you! In April, Zion applied for and received a \$57,900 loan as part of the Small Business Administration Paycheck Protection Program (PPP). The PPP was designed to provide an incentive for small businesses to keep workers on the payroll, with the loan being forgiven if employee retention criteria are met and the funds are used for eligible expenses. While we haven't yet received confirmation that our loan is forgiven, we are expecting that to occur very soon.

While the PPP funding has been a very welcome blessing, we still need to take a close look at our current giving levels and budget. Our giving levels and overall income so far this year have not kept pace with our expenses. At this point, we have an 11% reduction in income over this point last year. That figure *includes* PPP, so we would have an even greater reduction in income without that funding.

The past three months, we have run a monthly deficit of \$6,000-\$7,000 (excluding PPP). We have not yet spent all of our PPP loan, so any monthly deficit is being met with that funding. We also have some money in reserves (for example, in an estate gift) that we can use, but without an increase in our income, we will use those funds very quickly.

Of course, no one knows when things will return to pre-pandemic life. We are preparing our 2021 annual budget with this in mind. The church council will continue to monitor our financial condition, and we are prepared if necessary to make difficult decisions regarding our benevolent giving, programming, and staffing. We hope, pray, and trust that those difficult decisions will not be necessary.

I invite you to care for your church and our mission by:

- 1) Praying! Pray for God to continue sustaining the ministries of this congregation. Pray for imagination and creativity as we continue to adapt to current needs. Pray for God's Holy Spirit to grant all of us discernment as we look to the coming months.
- 2) Considering your giving to Zion. If you have fallen behind on your pledged offering for this year, now is a good time to catch up. There have been some serious effects on our economy due to the pandemic. Some you may have lost hours at work or jobs or have seen a reduction in retirement income, and those challenges may affect your giving. If those circumstances don't apply to your household, please consider increasing your giving to Zion for the rest of 2020.

Thank you for your faithfulness to the ministry that God has called us to at Zion Lutheran, especially as we continue to proclaim the steadfast and unchanging love, grace, and mercy of Jesus Christ during this significant time.

In God's grace and peace,

Pastor Erin