



Annual Report of the Congregation

Bethel Lutheran Church
January 23, 2005

“...that Christ may dwell in your hearts through faith...”

Randal J. Pabst, Lead Pastor

Rick Sherrill, Pastor of Congregational Life

Ken Bancroft, Pastor of Care & Visitation

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Minutes of the June 6, 2004 Congregational Meeting
Bethel Lutheran Church, Cupertino, California
Minutes recorded by congregational secretary Davis Fields

Opening: Bill Hanson, President, called the meeting to order at 12:40. Pastor Rick opened the meeting with a prayer.

Quorum: 88 members signed in for the meeting. (10% of our voting membership or 70 people were sufficient for a quorum.)

Approval of Minutes: The January 25, 2004 meeting minutes were approved without discussion.

Call Committee Report: Jim Hooper made a presentation on behalf of the Call Committee seeking a new Lead Pastor for Bethel. He said we've reached the halfway mark and he introduced and thanked the committee members. He described the recently-released Congregational Mission Profile document that will now be used by the Synod to select pastoral candidates to recommend to Bethel. In about four weeks we should have a list of about ten candidates, after which interviews can begin. The document required the Committee to select the four most important attributes we seek, and our responses were worship leadership, administration, evangelism and preaching. Assuming we fill the position in one interview/selection/approval cycle, we would expect to recommend a new Lead Pastor to the Congregation sometime in August or September. A special congregational meeting will be scheduled for this vote. If approved, our new Lead Pastor would be in place in late 2004. If for any reason two or more cycles are required, the timeline would be extended. Jim closed with a prayer being used by the Call Committee.

Stewardship Report: Our interim Lead Pastor Ken Anderson spoke about our stewardship program. He reviewed the process that was used this spring to drive the process, culminating in "home meetings" at 16 locations in late April and early May, attended by 123 people including 26 hosts and leaders. He presented a summary of results, including a large group of prior pledging members who increased their pledges, and a slightly smaller group of prior pledging members (labeled "attrition") who have not pledged this year. 189 pledge cards had been returned by the end of May (compared to 249 through the end of June a year ago).

Budget Report: Our financial officer Euo Menezes presented our budget for the fiscal year beginning July 1, 2004. It was developed in an atmosphere of continued economic hardship and uncertainty, with local unemployment still high and large numbers of young families and retirees leaving the area.

Our giving has continued to fall behind what was assumed for our 2003-2004 budget. We were especially struck by much weaker year-end giving in 2003 than in prior years. We currently expect an operating loss of about \$22,000 for the fiscal year that ends this month (\$810k income, \$832k expenses).

In making plans for 2004-2005, we have assumed a \$40k increase in giving over this year (meaning \$851k in income in the new fiscal year). Gaining this increase will require additional focus on stewardship and/or special appeals. Euo said that we had to deal with the fact that over 65% of our expenses are directly related to staffing, and knew we would have to reduce this expense in the new budget. Cuts in other areas would not be sufficient to balance the budget. Euo presented a plan to restructure the church staff in order reduce staffing expenses. The main points: reducing the total hours devoted to publications, our receptionist and bookkeeper; reducing our pastoral care and visitation outreach; and reducing hours for ministry facilitation. These steps bring our expense budget into line with the \$851k income number, yielding a balanced budget for 2004-2005.

Questions were asked and answered about the reductions in pastoral care/outreach and ministry facilitation, school tuition discount transfers for member and staff family members, staff salary increases in the budget, pledgers as a percentage of members, and possible relocation expenses for our new Lead Pastor. The 2004-2005 budget was approved by a show of hands.

Bethel Lutheran School Report: School board president gave the school report. He opened by mentioning that only 7% of our school students are members of Bethel church families, meaning that for the other 93% the school is an outreach to the community. The school has over 300 students in all its programs and had an income this year of approximately \$1.6 million. Given current economic conditions, the 2004-2005 budget will be very close to this number (roughly \$1.577 million), based on an expectation of flat enrollment compared to the year now ending. The school budget was approved by a show of hands.

Welcome Zone Report: Tom Hoegel gave a report on all the Welcome Zone projects completed (or nearly completed) in the last year including the Visual Connection video projection system, new sanctuary lighting and shades, the People Connection outdoor welcome area, the parking lot renovation and repairs to the sanctuary roof.

New Business: None.

Closing: Pastor Ken thanked Bethel for its support of him as interim Lead Pastor. He mentioned the upcoming “Purpose-Driven Life” program beginning September 12th. He closed the meeting with a prayer. President Bill Hanson thanked the pastors, staff, council members and the Bethel community.

Meeting Adjourned at 2:21 pm.

**Minutes of the October 10, 2004 Special Congregational Meeting
Bethel Lutheran Church, Cupertino, California**

Minutes recorded by congregational secretary Davis Fields

This was a special congregational meeting, called exclusively for the congregation to consider and vote on the recommendations of the Call Committee and Council that Bethel call Pastor Randy Pabst as Bethel's next Lead Pastor.

Bill Hanson, President, called the meeting to order at 12:25 pm. Chuck Ruthroff, Assistant to the Bishop of the ELCA Sierra Pacific Synod, opened the meeting with a prayer.

168 members signed in for the meeting. 10% of our voting membership or 70 people were sufficient for a quorum, so a quorum was easily achieved for this meeting.

Bill Hanson noted the high level of excitement about the call process, and thanked the Call Committee for its work.

A motion was made and seconded for Bethel to call Pastor Randy Pabst as its next Lead Pastor.

Jim Hooper made a presentation about the call process and about Pastor Pabst. Each member of the Call Committee then spoke briefly about his/her thoughts in support of Pastor Pabst as Bethel's next Lead Pastor. This was followed by brief videotaped remarks from Pastor Pabst himself, projected onto our sanctuary screens. Pastor Rick Sherrill then spoke about the issue of Pastor Pabst working with himself and with Bethel's staff members.

Paper ballots were distributed, marked, collected and tabulated. The result was 165 to 0 in favor of the motion.

Pastor Pabst has thirty days to make his decision. Pastor Rick closed the meeting in prayer.

Meeting adjourned at 1:10pm.

1st ANNUAL REPORT – Pastor Randal J. Pabst

Grace and Peace from God our Father and our Lord and Savior, Jesus Christ.

What GIFTS! Grace and Peace. What wondrous GIFTS!

You ALL are a GIFT given to me from our kind and generous God. Together in shared ministry we become a GIFT to each other and the world.....

I am so excited to be here at Bethel Lutheran Church. I relish your JOY in the Lord and the wondrous GIFTS God has given you to share with others. You are Alive, Active, Energetic, Creative, Joyful, Wonderful, Caring, Sharing, Reaching Out Children of God. How blessed I am to be called as your “Lead Pastor”.

On behalf of my wife Sue, and my daughters Katie and Joanna, I want to express our heartfelt thanks for your hospitality and welcome over these past few weeks. You have given us all a GIFT of yourselves and it is cherished and appreciated. It is only through the Grace of God that we were able to sell a home, buy a home, move 8 days before Christmas, participate in 24 Worship services and meet and experience the wonder of the Bethel Lutheran Church family.

I am amazed and delighted in the tremendous and diverse gifts you all bring to the ministry and work of this congregation. You are focused in your calling to be the hands and feet of Christ to the world, and the potential you have is tremendous. God has richly blessed this congregation over and over again. You all are an incredibly gifted “body of Christ” for the South Bay and the world.

So the challenge is “**what next**” to do with the wondrous GIFT that has been given to us in this partnership of lead pastor, staff, and congregation.

Here is a quick overview of my plans and priorities for now:

- First and foremost for myself and my family, to continue to get settled as Sue and I finish unpacking and organizing our house to make it into our home.
- Continue to learn more about how Bethel works (*maybe even learn how the phone system works- maybe not!?!*)
- Get to know you and for you to know me.
- Prioritize the key areas of my involvement and leadership partnering with you and the staff of Bethel.
- Begin a process of “**what next**” as we look prayerfully at our future ministry together under God’s Grace, seeking God’s guidance, asking for God’s direction with the wondrous GIFTS that we have been given.

Finally, it is in the spirit of “thankfulness to God” that I conclude with a few very special thank yous. First, I cannot express enough my appreciation to Sue for her faithful love, help and unselfish support through this entire call process and move. I am blessed beyond words by her partnership. Also, thanks to Katie and Joanna for their tremendous help in getting us moved into our new home for Christmas. Next, a special thanks to the Bethel staff and leadership – especially Pastor Rick (*what a blessing he has been, and is to Bethel and now, to me*) – for the patience, generosity, openness, genuine welcome and support that has been extended to the “new guy” upon my arrival. **And of course, special thanks to ALL of you!** Slowly I will begin to put your names and faces together. I appreciate your patience and understanding as we begin this partnership into “**what next**” as we deal with the wondrous GIFT that has been given to us: ***To expand God’s kingdom in this place, in this time...as only GOD directs toward and we discover anew "what's next"!***

Faithfully in Christ’s Service,
Pastor Randal J. Pabst, Lead Pastor

2004 Annual Report – Pastor Rick Sherrill

“He put a **new** song in my mouth, a hymn of praise to our God. Many will see and fear and put their trust in the **LORD.**” Psalm 40:3

I remember well the year when U2 released the song “40,” a modern rock rendition of Psalm 40. It was 1983. The album was entitled “War.” I was enamored by the fact that one of my favorite bands was singing praises to God. Bono would belt out, “I will sing, sing a new song!” and my heart would leap.

Now we sing a new song at Bethel as we move forward under the guidance and leadership of Pastor Randy Pabst. 2004 was a year of transition. 2005 is a year of coming together around a common vision and taking the first steps toward making that vision a reality in this place. I look forward to working with Pastor Randy and alongside all of you. Bethel has always been an exciting place to do ministry, maybe too exciting at times. My hope is that we will continue to build a prevailing church in the midst of a skeptical culture, a church that takes seriously God’s constant desire to put new songs in our mouths.

That being said, here are my highlights of 2004:

- 37 sermons composed (24 preaching Sundays, 4 seasonal services, 3 memorial services, 6 weddings) – a total of 82 preaching opportunities
- Performed 13 baptisms
- Participated in the team planning process for 140 worship services
- Provided increased support to the nominating committee, the church council and the executive committee during the transition
- Helped formulate 2004-2005 budget including staff reorganization
- Continued primary responsibility for confirmation/Junior High ministry
- Provided overall leadership for children’s ministry
- Served as primary pastor to Bethel School
- Planned and implemented a week of youth adventure camp and four youth retreats
- Developed and implemented a revised new member process
- Planned and taught first communion classes
- Provided leadership to the 40 Days of Purpose Campaign, including development of small group leaders training
- Participated in over 100 pastoral counseling sessions
- Completed 3-year term on the Mt. Cross Board of Directors
- Much, much more

Here’s what I’m looking forward to in 2005:

- Equip you to impact more and more people for Jesus Christ

Thank you for your love and support this past year. My special thanks to our church staff - you have thrived despite not having a raise in nearly three years and I appreciate your amazing hearts for God and others. We have come a long way together and I look forward to traveling together long into the future. Here’s to a year filled with the one-of-a-kind inspiration that comes from being in contact with the God of new songs.

Annual Report Summary

Pastor Ken Bancroft

Here is just a summary of my ministry at Bethel in the year 2004. I made approximately 200 visits to the sick and shut-in, provided counseling to a few members of Bethel, and participated with Pastor Ken Anderson in training 22 members to become Lay Eucharistic Ministers (LEM's). About half of these people have been taking out communion to shut-ins on communion Sundays from the 8:30 and 11:00 AM services. When Pastor Anderson left, I took over again as the pastoral consultant to the Stephen Ministry program at Bethel. We are working to strengthen this ministry and to participate in the training of Stephen Ministers along with 4 other Stephen Minister congregations (Episcopal). This past year the Partners in Caring ministry program has been functioning with about 12 members visiting assigned shut-ins (some as LEM's). Also I have been providing name suggestions weekly of shut-ins to receive flowers from the Sunday worship services.

I look forward to working together with Pastor Randy and Pastor Rick and with the members of Bethel in continuing to develop the caring ministry of Bethel in the year 2005.

Pastor Ken

Bethel Lutheran Church Staff January 2005

Lead Pastor	Randy Pabst	x109
Pastor of Congregational Life	Rick Sherrill	x108
Pastor of Care and Visitation	Kenneth Bancroft	x110
Pastor of Visitation	Erwin Walz	
Ministry Facilitator	Kaye Kuhlmann	x111
Music Director	Norita Hoegel	x107
Interim Organist/Choir Director	Joe Howard	
Handbell Choir Director	Carol Hooper	
Celebration Choir Accompanist	Michelle Burke	
Youth Director/ Audio/Video Director	Tom Hoegel	x113
Youth Assistants	Lisa Morris Jane Lynch	youth line x114
Children's Ministry Coordinator	Laura Leonard	
School Principal	Yvonne Waters	x101
School Registrar	Cindy Arnett	x102
School Bookkeeper	Theresa Ballin	x118
Parish Administrator	Joan Christensen	x105
Receptionist/Publications	Mary Deutscher	x100
Facilities Supervisor	Brad Martinson	x104
Facilities Assistant/ Video Production	David Sandwisch	x115
Media Shout Designers	Elise Holst David Fisher Nancy Andersen	

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MINISTRY FACILITATOR
2004 ANNUAL REPORT - January 23, 2005 MEETING
Kaye I. Kuhlmann, Associate In Ministry

Adult senior ministry moved smoothly from the Fellowship to the Discipleship Ministry with emphasis on encouraging faith and spiritual growth through interactive programs under the theme “The Art of Faithful Aging.” Thanks to Carol Olson, May Hedling, Ruth Wall, and Helen Smith for making the transition so successful with an enriched fellowship time with their gift of hospitality.

Members of the Bethel community were encouraged to share their gifts and faith as presenters. Our appreciation to Miki Wallace for assisting in “Three Ways to Leave a Financial Legacy,” Donna Gillette for a tour and history of the Chitactac Indian site, Dr. Eric Messner’s in-depth report on “How to Talk with Your Doctor,” and Ordetta Hovland and Bill Hanson’s visual trip of the Lutheran MaaSai Girls’ School in Tanzania. The Center for Gerontology, Spirituality and Faith series of three sessions on “Experiencing Life to the Fullest” was received with kudos. Pastor Ken Bancroft gave a helpful presentation on “Confronting Our Mortality”.

Encouraging and assisting members to tell and record their faith-life story, as an audiovisual legacy, has been an important part of the Evergreen emphasis this year. Thanks to Iona Thorpe and Marilyn Spiller for their willingness to organize and share their life stories with us. Special appreciation goes to Nancy Alens for her presentation on “How to Write Your Story.” David Sandwisch has developed a very professional DVD production and Joan Muston has assisted in scanning 120 pictures per production.

“Bless the Years Sunday” was an intentional time to celebrate the extra years God so generously gives. House Blessings became a part of the transition from long time home residency to retirement living for Bill and Marion Francis and Ruth Wall.

Vicki Bohan encouraged a 40 Days of Purpose small study group which began as a trial run in January. The response was beyond our expectations and the pastors and council supported an emphasis for the fall of 2004. I facilitated a 12-person group that met at Sunny View in the fall, a group that continues to meet weekly.

Until July, I continued to coordinate moving visitors into Partners in Mission membership with phone calls assisted by Chuck Couchman and Sam Sudarsanam and membership classes with the exceptionally gifted teaching team of Chris Christensen and David Denny. Several new partners in mission continued through the Discovery process as a result of these sessions.

The Stephen Ministry team offered me the opportunity to share “How to Make Sacred Space in Daily Life” and, as a certified Stephen Leader, to participate in the Stephen Ministry Festival in November.

I appreciate the congregational assistance in my continued education at Graduate Theological Union. “Pastoral and Spiritual Care in Later Years” with Dr. Jane M. Thibault was excellent.

It is hard to improve on what Paul so beautifully wrote but I too “...do not cease to give thanks for you, as I remember you my prayers. I pray that the God of our Lord Jesus Christ, the Father of glory, may give you a spirit of wisdom and revelation...” as we continue in new beginnings.

Parish Administrator - Joan Christensen

In 2004, we faced another year with a great deal of change at Bethel. We called a new Lead Pastor, launched small groups involving over 250 people for a 40 Days of Purpose study, and struggled through budget and staff reductions.

Finance

We again faced significant budget reductions which forced us to reduce office staff. With a shift in some responsibilities to school staff, the church bookkeeper position was eliminated. Many thanks to volunteer Kathryn Montano for taking on much of the church bookkeeping this year, and to Theresa Ballin and Cindy Arnett, in the school office, for the extra responsibilities and for helping the transition to go smoothly. Thanks to our Audit Committee, Susan Horvath, David Lofgren and Patrick Ross for their review of our financial procedures and reporting, and to our Treasurer, Euo Menezes, and our Transition Lead Pastor, Ken Anderson, for their support and guidance throughout the year.

Staffing

Our budget reduction meant additional changes in staffing were needed. We combined the publications and morning receptionist positions, and Mary Wedgwood Deutscher took on that new role starting in July. Mark Weberg had continued with Media Shout (sanctuary video slide preparation) until moving to Minnesota later in the summer. We were able to fill his shoes with a shared position, with Elise Holst, David Fisher and Nancy Andersen. A new position was created to offer video production support to Bethel's ministries, and David Sandwisch is filling that role, as well as continuing in his role as the Facilities Assistant. There were also reductions in hours for Kaye Kuhlmann, our Ministry Facilitator, and Ken Bancroft, our Care & Visitation Pastor.

I am so thankful for the many volunteers who work in support areas throughout the year. We couldn't have managed the office needs without our faithful front office volunteers. Thanks to Carol Olson, Dee Peterson, Connie Anderson, Kathy Arnold and Donna Price, each of whom have made a great difference and taken on many tasks aside from answering the phone. Many thanks to Vivian Walz for all of her work in maintaining our membership records, Liz Tribby for maintaining our office computers and making sure our contributions are recorded accurately, Donna Kuester for recording attendance, Merle Sandwisch, Conrad Bracklein and Virginia and Richard Whitlock for their faithful help with mailings.

Facilities

With Gene Palmer's retirement in February, Brad Martinson became our interim Facilities Supervisor, and then accepted the position beginning in April. Many thanks to both Gene and Brad as well as David Sandwisch for helping to facilitate the Welcome Zone projects with Tom Hoegel and the Welcome Zone project volunteers. A highlight of the year was our Welcome Zone celebration in June, which included representatives from the Cupertino Chamber of Commerce and a ribbon cutting, and encouragement to all of us to take on the challenge of welcoming those currently outside of Bethel. Our "Men of Monday" Maintenance Team, including Vern Bolleson, John Liming, Tom Cole, Bob Misch and Bill Weberg, have continued to help keep the facilities in shape. And thanks to Liz Barton and Karen and Ed Fox for their leadership in the Welcome Zone outdoor projects, and for continuing support in keeping our grounds beautiful.

2005 promises to be an exciting year as we continue to welcome our new Lead Pastor Randy Pabst, explore together where God is leading Bethel, and find new ways to welcome others to experience God in our midst. I look forward to continuing to support Bethel's wonderful ministry throughout this year.

2004 Annual Report

by Tom Hoegel

I'm pleased to say that we've made it a year and a half since my staff transition becoming an even greater split personality here at Bethel. JK ☺. All kidding aside, I would like you all to know that I am constantly amazed at how God continues to find new and challenging ways for me to serve Him, especially here at Bethel.

In the Youth Department: I feel that Pastor Rick and I have developed a valuable partnership as we work the transition between Jr & Sr High. It's great to be able to concentrate on providing relevant ministry experiences for our Sr High youth and work with them to be powerful mentors to our Jr High kids. Some specific highlights for this past year include the refinement of *The House Band* (our youth worship team). It consists of youth from Jr High to College, and they are the regular worship leaders for our monthly Wednesday Night Worship. It was also a real treat to travel with them to Southern California as they led singing and worship for about 500 youth and adults at the So Cal JH Youth Gathering. You should all be proud of Bethel's contribution to the greater church.

Along those lines, a dozen or so youth traveled to New York City this past summer and helped me staff the *Region 7 Youth Gathering* of the ELCA. It was a time filled with inspiration at the gathering, moving images of Ground Zero, and a whole lot of fun. Bethel's youth being a positive witness to those in far away places once again! We also had a great *Common Ground Tour* (Turn This Life Around) to Southern California, a powerful work trip to *Mexico* in the spring, great discussions and learning opportunities, plus some awesome bonding in boats out on lakes around the state. What a great blessing it is to be allowed the honor of walking alongside our youth as they grapple with growing up, relationships, vocations, school, and their faith.

In the AV Department: Since we've had about a year to get the Visual Connection ministry up and running, we are at a great place to be able to develop this ministry more fully. We've expanded our core team of designers in the following way: We have a two-way job share (approximately 5 hours per week) of the Sunday AM Media Shout Designer. We also have a primary designer for our school chapel services on Wednesday. These three servants of the Lord have come to us at exactly the right time. If you are interested in becoming a Sunday morning volunteer operator, please let me know and we'll get you involved.

Related to our video ministry, we have hired David Sandwisch to work on videos as we support our various ministries and worship experiences. Look for *Bethel's Video Services Menu* laying out a variety of video support services Bethel can offer. This coming year is going to be awesome!

In the Welcome Zone Department: Most of the physical improvements of the 2004 Welcome Zone Project have been completed. It's so exciting to see the congregation

using its facility to the glory of God. One personal highlight for me was having our summer musical, *Meshugga-Nuns*, performed out on our front patio. Special thanks to all who gave so tirelessly in completing our landscaping project. Now the maintenance begins: I'd like to extend an invitation to all Bethel members to join us this coming year at one of our ***Bethel Church & School workdays***. Brad Martinson, Yvonne Waters, and I have been working to offer opportunities for our church and school family to spend time working, sweating, eating, and laughing next to each other. What a great opportunity to reach out and welcome our school families into the greater Bethel community.

In the **Future Department**: As I just celebrated my 20th anniversary on staff here at Bethel, I am excited to see what the next 20 will bring (JK Rita ☺). I believe we are at an exciting crossroads: We've come out of a time of transition with great zeal for service to our Lord through Bethel. I look forward to working with Pastor Randy and the rest of the staff as we approach a huge milestone in Bethel's life: our **50th Anniversary**. I'm excited about working to redefine our Long Range Plan, evaluating our staffing and facility needs, and giving leadership to help our congregation move forward in our next 50 years of ministry with the same faith and boldness that God began in us almost a half century ago. God Bless Us All!

Peace, Tom Hoegel
Youth Director
AV Team Leader
Welcome Zone Team Leader

Children's Ministries

Bethel's Children's Ministry Team 2004 - 2005

Laura M. Leonard = Children's Ministry Coordinator

Patrice Sera = Children's Ministry Lead

Chris Freckmann, Cathryn Gunn, Laurie Bryson & Joy Freeman = Publications Team

Sunday Morning Programs

"Kid Connection," our Sunday morning program for children Newborn through 6th grade, is off and running again at rapid speed. Our Nursery Staff has grown by one, which has allowed our wonderful caregivers to have more "one on one" time with each child during the worship services.

Our Preschool classes, the "Little Lambs" and the "Sonbeams" merged into one room this year, due to lower numbers of younger children. The children enjoy learning the day's Bible lesson in a large group setting, and then move on to singing, snack time or an activity that goes with the day's lesson. The children leave each week knowing God loves and cares for them.

Our Elementary classes, "Faith Followers," "Brave Believers," "Christ Crusaders," and "Jr. Teen Mentors" are focusing on "Making It Connect," a sequential journey through the Bible. The students are looking at Creation and the First Families from some of the stories in Genesis and Exodus as well as being asked to "Think Big." This is thinking about things that are important to God. The Ten Commandments, the Salvation message, the story of Joshua, the people of Israel crossing the Jordan River, and how to remember to be thankful are just a few things the children are learning this year. All of the lessons this year focus on deepening the children's relationship with God. The children are learning about prayer, Bible reading, confession of sin, making God first priority, loving God wholeheartedly and standing up for God. The children leave each week having learned how to grow into Christ's likeness, to reach out to others, and to become more fully devoted followers of Christ.

We'd like to thank our "Kid Connection" Team for contributing their time, love of the Lord, and energy in making our program wonderful for every child who attends each week.

Nursery = Newborn - 18 months old

Christina Hill, Lisa Read, Luanne Fisher & Melina Tulshibagwale

Little Lambs = 18 months - 36 months old & Sonbeams = 3 and 4 year olds

Maria Rehbein, Laura French, Angela Brown & LeSonia Leimer

Faith Followers = Jr. Kindergarten - Kindergarten

Kryssie Mingst & Carol Wheaton

Brave Believers = 1st - 3rd Grade

Cassandra Messner, Patrice Sera, Ruth Seyer, & Christine Lutke

Christ Crusaders = 4th - 5th Grade

Anita Tighe, Adriene Needham, Deirdre Lum, & Audrey Ostrowski-Gallagher

Jr. Teen Mentors = 6th Grade Bible Study

Tom Barbaro, Eric Messner, Jean Vaughn, Ralph Miller, Alice Isaacson, & Ruth Seyer

Elementary Areas = 9:45am Opening, Art, Music, Snack, & Bible Games

Molly Schrey, Cindy Kurtz, Doreen Baldwin, Katlynn Hoegel, Jenny Rowen,

Vicki Bohan, Donna Price, & Alice Isaacson

Offering

This year's offering will be given to **Heifer International**, a great outreach that helps feed hungry families around the world. Heifer's animals (and training in their care) offer hungry families around the world a way to feed themselves and become self-reliant. Children receive nutritious milk and eggs; families earn income for school, health care, and better housing; communities go beyond meeting immediate needs to fulfilling dreams. Farmers learn sustainable environmentally sound agricultural techniques. Our goal is raise \$500.00 in order to purchase a cow for a needy family. As of January 9th, we have raised over \$140.00 towards our goal.

Missionaries

The children continue to write letters to our missionaries in France, Kurt & Karyn Morrill. Kurt and Karyn witness to the Muslim population there. France has one of the largest growing Muslim populations. Please help support Kurt and Karyn's mission in bringing God's word to these people by praying for Kurt and Karyn each month.

Special Groups and Events

G.O.T.C.H.A.

Our 4th - 6th grade program, G.O.T.C.H.A. stands for Growing Outward Through Christ in His Awesomeness. G.O.T.C.H.A. balances socializing, spiritual growth, and outreach to others with Christ as its center. G.O.T.C.H.A. is a place where children are fed the Word and taught how to apply God's truths to their everyday lives in fun and exciting ways. We have over 40 children currently in our program.

Upcoming Events:

February 13th	Bowling	12:30 - 4:00pm
March 12th	Family Dinner/Movie	5:30 - 8:30pm
April 24	Laser Quest	12:30 - 4:00pm
May 22nd	Family Carnival "Hawaiian" Theme	12:30 - 2:00pm
June 4th	Swim & Pizza Party	12:00 - 4:00pm

Family Events

Families are important to Bethel. We know in today's world it is sometimes hard to find quality time with your family in a Christian setting. Bethel has created some wonderful opportunities for families to get together with other families from our church and school community, to fellowship and grow closer to God and His purpose for our lives.

October 23rd	Family Game/ Pumpkin Carving Night (We had over 80 people join us.)	6:00 - 9:00 pm
January 9th	Family Ice Skating Day at Vallco	12:30 - 4:00pm
March 12th	"Dinner and a Movie" Night at Bethel	5:30 - 8:30pm
May 22nd	Family Carnival "Hawaiian" Theme	12:30 - 2:00pm

Vacation Bible School

Last summer's V.B.S. week during July 26th-30th was a huge success! We had over 190 children attend our "Lava, Lava Island" program. 24% were Church Members, 8% were School Families, and 68% were Non-Church & Non-School Families. V.B.S. is one of Bethel's largest outreaches for Christ to our community. We encourage you to sign up and help this summer as we explore the "Serengeti Trek" Where kids are wild about God! Mark your calendars now! V.B.S. is the week of July 18th-22nd and we have three different programs to help with: Our Preschool Program (4 & 5 year olds) = "The Lion Cub Club," our lower elementary program (K-3rd grade) = "Serengeti Trek," and our upper elementary program (4th-6th grade) = "Mt. Cross Adventure." Registration begins at our Family Carnival on Sunday, May 22nd and will end when we are full.

Team V.B.S. 2005

Laura Leonard, Molly Schrey, Vonny Kleveland, Tracey Johnson, Robyn Winegardner & Pastor Rick Sherrill

Annual Report 2004

Music Ministry – Norita Hoegel

I continue to be impressed by the many gifts and talents represented here at Bethel and inspired by the ongoing commitment that so many have made to make our music ministry one of great quality.

New to our music talent at Bethel is *The House Band!* The band leads the music for our Wednesday night worship the first Wednesday of each month. This very talented and enthusiastic group led music for the southern California Junior High youth gathering in November with over 500 students! They did a fantastic job and impressed those who attended by what could come out of a Lutheran church! I think they made Bethel proud.

The *Worship Team* continues to lead quality, sensitive and inspiring worship for our Sunday morning worship services. This group of very committed volunteers is to be commended for their excellence in worship. Please help me in acknowledging the following people: Clayton Johnson, Chris Hedgecock, Chris Trytten, Katlynn Hoegel, Maggie Emmert, Scott Norman, Tom Hoegel, Mary & Brett Deutscher, LeSonia Leimer, Rhonda Nyberg, Wendy Horsley, Liz Barton and Jill Denny. Our job as worship leaders is to bring people to an awareness of God. My hope is that as this group leads the congregation in singing that we do our job in fulfilling this role.

Our *Celebration Choir* has had a great year with outstanding music offerings. This group continues to impress me with their willingness to stretch beyond what feels comfortable and take a risk at doing music that is above the ordinary. The Christmas Eve presentation of “The Story” is perhaps one of the most memorable things we’ve done in our 15 years of existence as a choir. A little trivia about our choir: The Celebration Choir currently has 35 regular singers, 24 of whom are related to someone else in the choir! That’s 2/3 of the choir that is “family”!

The *Kid Connection* music team has been continuing to lead music for the opening of the 9:45 worship service. Special thanks goes to Katlynn, Rachelle, Karen, and Jenny. Also, “thanks” goes out to Molly Schrey who coordinates the drama volunteers for that service.

Our church sadly had to say “farewell” to Barbary Grant who has provided beautiful worship music for us over the past two years. Barbary brought a spirit of cooperation, excellent musicianship and warmth to our worship. She will be missed.

In closing, the worship planning has certainly been interesting over the past few years with our pastoral staff changing so frequently. I feel privileged to work alongside of the Bethel staff and I am grateful to all of the singers, players and worship leaders who make Bethel such an awesome and exciting place to do ministry.

Bethel Lutheran Church 2004

Council members

President	Bill Hanson
Vice-President	Mark Evashenk
Communications	Davis Fields
Financial Officer	Euo Menezes
School Board Chair	Jack Wedgwood
Ministry Team Chair	Robyn Winegardner
Human Resources Advisor	Dave Klinger
Project Management Advisor	Rich Pierson
Member At-Large	Connie Anderson
Member At-Large	Donna Kuester

Ministry Team Leaders

Buildings & Grounds	Dietrich Kuhlmann
Children's Ministry	Patrice Sera
Community Life	Chris Schroeder
Discipleship	Steve French
Evangelism	Sam Sudarsanam
Mission Outreach	Lois Brouillette
Stewardship	open
Worship & Music	Barbara Morris
Youth	Andrea Teed

President's Report January 2005

Having been a member of Bethel since 1961, I have seen ups and downs, sadness and joy, broken relationships and healed lives, financial windfalls and staff cuts/reductions, wonderful missions and human failings. Yet, through all of this, one thing has remained forever constant. The God of Love, the God of Hope and the God of Forgiveness has been with us each step of the way.

As president of the congregation I can do nothing less than praise God for the leadership provided by Pastor Ken, our interim lead pastor, by Pastor Rick, who carried a much increased responsibility, and by a church staff that moved Bethel ever onward.

During our more recent history Pastor Place and Pastor Jim had provided a somewhat consistent focus and direction. Suddenly gone! A booming economy was replaced in a few short years with unemployment, reduced wages and families moving to less depressed areas. Dwindling reserves and financial pressures required hard choices and the church council struggled with difficult decisions.

Yet, The God of Love, the God of Hope and the God of Forgiveness somehow inspired our pastors, the staff and some tremendously gifted lay leaders to move on and prepare for the future. Bethel did not stop. Bethel did not even slow down. To God alone the glory, with praise to those workers here on earth.

In reviewing the year, several things stand out quite quickly. The dedicated and wonderful work of the Call Committee, their profile of the church and their involving people in setting priorities and goals. Wow – Jim Hooper and his committee established a process that is being copied by Lutheran church committees all over the country.

The Welcome Zone and Visual Connection not only created a new concept of “visualizing” our message and making Bethel a more welcoming place, it created relationships and “community” among those who participated in the work.

I could continue with examples of Kid Connection, Our Bethel School, The Quilters, V.B.S., 40 Days of Purpose and many, many other ministries. Twice during this year the council held a combined dinner meeting with staff, ministry leaders and other key groups (i.e. Call Committee) to identify our ministries. The programs, activities and services seemed almost endless. I suggest that you review the new Ministry Opportunity Guide, “Created to Serve” that now lists these things. Find one

or two where you can apply some of your God-given talents. Did you discover some during The 40 Days of Purpose?

At this time I wish to thank especially the out-going council members and ministry leads. Your efforts were so appreciated by all of us. We know that you will continue to be an active participant and thank you in advance for your continued service.

I also wish to thank all of you who gave me insight into different situations, held me and the council up in prayer and supported us when difficult decisions needed to be made.

It is clear that we have been blessed as a congregation and to paraphrase the Bible, ---“To whom much is given, much is expected.” What a wonderful and exciting time to welcome Pastor Randy, start a new year and seek our direction.

May we step out in faith and “Focus on the Future.”

In His service,

Bill Hanson

Evangelism Ministry
Report by Sam Sudarsanam
January 2005

“Therefore make disciples of all nations...” Matthew 28:19

Bethel’s mission is to prayerfully: Invite and Welcome people into a relationship with God, GROW & EQUIP one another as devoted followers of Jesus Christ, and CARE FOR & SERVE others by the power of the Holy Spirit.”

We thank all of the people who have embraced this mission and took the action to grow, invite, welcome, and serve this year.

The Evangelism Ministry at Bethel made it a priority in 2004 to focus on the following areas:

Invite and Welcome

Visitor Follow-up

Continuing efforts have been made to welcome visitors at the Sunday services and follow-up quickly with a personal contact. Kaye Kuhlmann, our Associate In Ministry (AIM), Evangelism Ministry team, and Bethel volunteers used a process to make the introductory call and a tracking system by which information is updated. This process was developed by Kaye.

Bethel Lutheran School Families

Families who do not have a home church have been invited to our church with invitations of welcome. All Bethel Lutheran School families are invited to special events as they occur.

Cupertino Community Easter Egg Hunt

The Evangelism team helped plan this event in conjunction with Abundant Life Church, Home of Christ (a predominantly Asian congregation), and Child Evangelism Fellowship. Over 24,000 eggs that contained a message and a piece of candy were distributed at this event. Several Bethel volunteers were present at this event to perform various activities. It was a successful outreach in the community and thanks to all of the volunteers. Special Thanks to Marion Abney for taking a leadership role with this event for over six years.

It was a good experience to work in fellowship with these Christian churches in our community to spread the Good News of Christ.

Bring a Friend Sunday

During May 04, the evangelism team has provided an opportunity to Bethel members to invite their friends to our church. The team has collaborated with the Kid Connection program to make this a family event with lunch and fun activities.

Welcome

This ministry has been led by Chuck and Cathy Couchman to organize our welcome ministry. First impressions of our church community often determine whether visitors will return. They encourage not only their team of dedicated volunteers but also all the Bethel partners in mission to extend a warm and caring welcome to those that are new to Bethel. We thank Chuck and Cathy for leading this ministry over the years!

Outreach and Advertising

- Easter services and Christmas services were advertised in the San Jose Mercury newspaper.
- Our church information was included in the yellow pages to publicize our services.
- Invitations to our school families were often extended.

It has been a privilege to serve as a ministry leader during this year. I thank all the partners in mission at Bethel who have followed His call to go and make disciples of our community. Also, my special thanks to the following Evangelism team members who are very committed to our mission:

Marion Abney
Norita Hoegel
Kaye Kuhlmann
Mike Vaughn

If you are interested in being part of the Evangelism Ministry team, please contact Sam Sudarsanam.

In His Service

Sam Sudarsanam

Mission Outreach Ministry Annual Report - January 2005

How do we say thank you to so many Bethel people who make Mission Outreach possible? We present opportunities, and you never fail to enthusiastically sign up and join in. So, Gracias! Merci! Danke Schoen! In any language, you have a servant's heart! On to our recap of last year:

Two Sundays were set aside in 2004 for **Bread for the World's Offering of Letters**. Bethel members wrote letters to their representatives in the House and Senate to speak out in favor of legislation to improve the lives of millions of hungry people around the world. Watch the bulletin for dates and times of letter writing in 2005.

Bethel made a remarkable contribution to the **27th Annual South Bay CROP Walk**, held on Sunday April 25th. Twenty-four people walked either the one-mile or five-mile route, making us the fifth largest group to walk. Together with matching funds from Thrivent Financial, Bethel contributed \$3,010.00, almost double the amount raised in 2003! Bethel is number 4 on the top ten donors' list for the South Bay. This year's **CROP Walk** is scheduled for Sunday April 20 in the Rosegarden area of San Jose, so mark your calendars!

Bethel served two dinners in 2004 at the Sunnyvale Armory for the **Emergency Housing Consortium**. Volunteers prepared food at Bethel and drove it to the armory, feeding up to 150 people at each meal. At one meal, volunteers were treated to a wedding between two of the diners! Due to an increase in the number of churches providing meals, Bethel is not scheduled to serve dinner at the **EHC** in 2005.

On a beautiful Saturday in July, Bethel members worked on three **Habitat for Humanity** homes on Gianera Street in San Jose, doing everything from grouting tile, to plumbing, to rebar work, to cleaning up the job site. The houses were dedicated in September, and three very happy families took residence. Look for opportunities in the bulletin to help build 5 new houses on Murphy Street, and to help restore two Victorian homes, turning them into condos for multiple families, on North 13th and E. Julian in San Jose in 2005.

One way **Help One Child** supports their foster families is by giving a Christmas Party each December. Bethel helped in this effort on Dec. 11th by staffing craft and game tables, and working one-on-one with little ones. A good time was had by all!

A ministry team from Bethel, led by Clayton Johnson, continues to faithfully visit **Juvenile Hall** every other month to conduct a Sunday morning worship service. Now in its ninth year, Clayton would like to expand the worship team. Please call Clayton or Ralph Miller for more information about this exciting ministry.

Ever wonder where the donated food in the barrel in the narthex goes? Each week, volunteers from Bethel deliver it to **The Lord's Pantry**, an emergency food program located on the campus of Gloria Dei Lutheran Church in San Jose. In December, Bethel members also donated frozen turkeys in a special drive for Christmas dinners for the **Lord's Pantry** clients. Also in December, Bethel's own Wildside kids (7th & 8th graders) donated more than *forty* Target gift cards for underprivileged teenagers served by the **Lord's Pantry** for Christmas!

In May, November and December, **MayaWorks** sales were held at Bethel to connect Guatemalan artisans with our congregation in the spirit of free trade. People interested in joining the

MayaWorks team are encouraged to call Kaye Kuhlmann for more details about the upcoming trip to Guatemala, and upcoming sales events on and off the Bethel campus.

Two successful **Mission to Mexico** trips happened in 2004. The first was in April, when Bethel youth travelled to Tijuana over their spring break to work on the community center at the Esperanza compound. The second was at the end of September, when adult members and non-members joined together to mix concrete, pour tiles and beams, cut and tie rebar and other interesting jobs at a home outside of Tijuana and at the compound. To make wonderful memories by being part of this year's youth or adult trips, contact Tom Hoegel.

Volunteers and their pets faithfully visited Sunny View Lutheran Home twice a month as part of **Pet Assisted Therapy**. This is a wonderful ministry to older adults in assisted living and nursing care. If you would like to be a part of this program, please contact Carol Hooper.

The **Quilters** continue to meet each Monday morning in the Fireside Room to produce beautiful works of art. In 2004, they made a whopping 184 quilts! Eighty of these were sent to Lutheran World Relief for distribution overseas. The balance were given locally to Gloria Dei, Ronald McDonald House, Heritage Home, Cupertino Community Services, Bethel School, Sunny View, Friends Outside, and the Valley Medical Neonatal Nursery.

We served breakfast the third Sunday of every other month at the **San Jose Family Shelter** in 2004. Although the menu didn't change much, we had wonderful groups of new and not-so-new volunteers to cook and serve. In November, we held a special turkey drive for the shelter, and collected 47 turkeys (a record breaker for us!) Our next breakfast is on Sunday February 20th. To be part of the February gang, contact Lois Brouillette.

In May and October, two groups from Bethel sorted and repacked food for distribution at **Second Harvest Food Bank** in San Jose. This is a fun group activity, so watch the bulletin for dates when you can participate.

Stand With Africa, a special ELCA campaign to overcome FUV/AIDS, banish hunger and build peace, was our designated offering in September. To promote this program, we had a unique sale of African products, supplied by Asante Asante Asante of Walnut Creek. Bethel folks purchased beautiful batik shirts and vests, African masks, and baskets, baskets, and more baskets! Thanks to everyone who shopped and brought much needed awareness and money to a people in need.

The first Saturday in November, St. John's in Sunnyvale looked like a flea market or bazaar, and it was; a "junque" sale to benefit **Sunnyvale FISH**. As we get closer to the fall, put aside your upscale junk to donate and come and shop for true bargains! Cashiers and worker bees are also needed for the Nov. 5, 2005 event.

Our most successful **Ten Thousand Villages** holiday sale was held on Sat. Nov. 20th and Sun. Nov. 21st. Thank you for your patronage! If you missed this event, never fear, for due to popular demand it will be repeated the weekend before Thanksgiving in 2005!

Yours in Christ,
Your Mission Outreach Ministry Committee
Lois Brouillette, chair, Ed Fox, Dale Jones and Jackie Jones

DISCIPLESHIP

Many of Bethel's activities in 2004 fall under the area of discipleship and are covered under various ministries throughout this annual report. The following activities were important parts of these discipleship activities:

Sunday Morning Adult Education

We held three Bible studies throughout 2004 during the 10 AM education hour covering the books of Romans, James, and Ephesians. These studies were a great time to delve into the scriptures and learn from the text and each other how to understand and apply God's word to our lives. A special thanks to Chris Christensen who led these studies.

Crossways Bible Study

This 60-week, book-by-book Bible study continued through 2004. The group finished the Old Testament portion and moved into the Gospels. Chuck Couchman has done a wonderful job leading the group, and Pastor Ken Anderson also contributed to the teaching. This series will conclude in the spring of 2005.

Men's Night Out

Part of Bethel's men's ministry, this monthly meeting has brought Bethel men together for worship, testimony, study, and fellowship.

Men's Breakfast

This morning book study continued twice monthly on Saturday mornings. It has been a good opportunity for men to enjoy fellowship and discussion on various topics arising from the books read aloud during the meetings.

40 Days of Purpose Small Groups

Almost 300 members or friends of Bethel participated in one of approximately 30 small groups in a six-week long discussion on the book *The Purpose Driven Life*. For this six-week period in the Fall of 2004, Sunday morning sermons were aligned with readings for the upcoming week. All those involved were challenged to consider God's purposes for our lives in six areas: worship, fellowship, discipleship, ministry, service, and mission. A special thanks to Pastor Ken Anderson who helped initiate the program, to Ralph Miller who chaired the planning group, to Nancy Alens for her leadership, to Pastor Rick Sherrill who helped with training small group facilitators, and to all those who hosted small groups. The response from those participating in a group was very positive.

In Christ,

Steve French
Discipleship Ministry Team Leader



Women's Ministry 2004

Women's Ministry provides opportunities for the women of Bethel to study Scripture, share in fellowship, and serve the community and congregation. Women's Ministry is part of Congregational Life.

Bible Study Groups and their leaders:

Women of Wednesday	LaVinnia Pierson
Saturday Morning Bible Class Study	Rosemarie Reichard
Esther-Dorcas	Helen Smith
Martha	Karen Ewers
Priscilla	Dolores Koser
40 Days of Purpose Small Group	Vicki Bohan & Joanna Suzuki

This year we sponsored the following events. A special thank you to all the leaders and their committees for their service to the Lord and the women of Bethel.

Annual Women's Retreat at Mt Cross	Cindy Arnett
Maundy Thursday Communion Breakfast	Priscilla Circle
Spring and Fall Fellowship Luncheons	Carol Palmer & Natalie Rogerson
Summer Lunch and Bible Study	Martha Circle
Women of Faith Conference	Cindy Arnett
Thanksgiving Dinner for the Evergreens	Elva Wilson & Anna Hoegel
"Cookies, Carols and Tea"	Rosemarie Reichard & Natalie Rogerson

Sunny View Auxiliary, Navajo Mission Outreach, and the Prayer Chain are additional activities sponsored by Women's Ministry.

Women's Ministry sent benevolences to the following in 2004.
Thank you to Anna Hoegel for her service as Treasurer.

Cupertino Community Services	\$100
San Jose Family Shelter	\$100
Gloria Dei Lord's Pantry	\$100
Mt Cross Lutheran Camp	\$100
Retreat Offering to Mt Cross	\$300
Lutheran Social Services	\$100
Bethel Quilters	\$100
Women of the ELCA	\$200
Thankoffering – WELCA	\$242

We cordially invite all women in the congregation to participate in the events sponsored by Bethel's Women's Ministry.

Rosemarie Reichard

Bethel Lutheran School

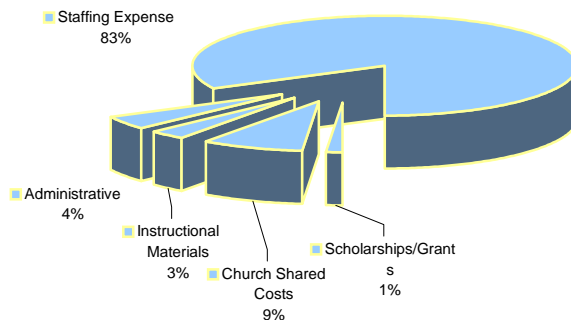
Board Report – January 2005

The school board is pleased to report that the Bethel Lutheran School (BLS) is having another successful year. BLS is a ministry of Bethel Lutheran Church providing excellent education to the children of our church members and also to the children in the community around us. Through this ministry, we were able to bring new families to be part of our church family. We thank God for His manifold blessings on our school and its ministry.

Our programs include preschool, junior kindergarten, and elementary grades 1 through 6 as well as before- and after-school care (the “AM/PM” program.) We have been receiving compliments from our school parents for the excellent programs we have and for the excellent staff who treat the children with care and with Christian principles.

BLS continues to be financially strong, and currently it is running in the “black” in spite of the tough economic climate. While we have budgeted very tightly this year, our current projection indicates a small profit of income over expenses. The school board, principal and staff review income and expenses monthly so that immediate action can be taken if it appears expenses might exceed our income. The following pie chart shows the breakdown of the projected expenses of \$1.466 million.

2004/2005 Budget Expenses



This year, keeping the strong student enrollment has been a challenge due to the fact that several parents lost their jobs and had to move out of the area. We are working diligently to bring new students into our school by advertising our programs in the local newspapers and yellow pages. Our Preschool began a Chinese School enrichment program to fill a need and in hopes of attracting people in this strongly represented demographic in this area. An open house will be held on February 2nd 2005 for people who saw our ads or were referred by current school parents or church members. **One of our best sources for new students is the Bethel congregation and we ask that you continue to represent the school to your friends, neighbors and relatives.**

The school board has been busy with various activities during the year to support the school facilities, the staff, and the programs. Following are the key projects with which the board has been involved in 2004:

1. Raised just over \$15,500 with the Annual Giving Program. Have been reserved for educational enhancements to the classrooms, library and computer lab.

2. The fund raising, grant application process, bidding and construction of the new playground equipment was a yearlong task. Many thanks to Alice Isaacson who spearheaded the Annual Giving Program, wrote the proposals to the Lucille Packard Foundation for the three grants and then coordinated the bidding process and the construction of this new equipment. The playgrounds are a major improvement to our school facility. During 2004 we added UV shade structures that cover the new equipment.
3. Approved \$14,700 in financial need scholarships for the 2003/2004 school year. Fundraising supplied \$2,900; the remainder came from school income. \$18,900 of financial aid scholarships has been approved for 2004/2005. Special fundraising has provided \$3,300 of that amount and the remainder came from school income.
4. Continued the process to obtain accreditation of the elementary school by the Western Association of Schools and Colleges (WASC.)
5. Improved the heating system in the preschool building.
6. Provided a cost of living increase of 3% to School Staff in November 2004.
7. Continued to improve the educational programs. Thanks to Yvonne Waters and her staff for providing their leadership to all our programs.

We are excited to provide an excellent educational experience to the children of BLS through our highly skilled staff! In 2005, we will continue the accreditation process with WASC for our elementary school program and continue to improve the BLS programs.

The following members have been very active on the board to ensure that we have one of the "best in class" church schools in our community. Our special thanks to the following members for giving their valuable time and talents!

- Ordetta Hovland
- Alice Isaacson (Secretary & Super Fund Raiser!)
- Yvonne Waters (Principal and ex officio member of the board)
- Pastors Ken Anderson and Rick Sherrill (ex officio members of the board)
- Garry Gillette
- Charnel Wedgwood
- Jack Wedgwood (Chair)
- Euo Menezes (Bethel Church Treasurer)

This year we lost Bill Howard to cancer. Bill served on the school board for many years and shared with us his expertise from forty plus years as an educator. His help to our school was invaluable and we will miss his wealth of knowledge and perhaps even more, his enthusiasm for children of all ages. The LEGACY CIRCLE SCHOLARSHIP Fund has been created in recognition of the contributions to our school of Bill Howard, Paul Hovland, Win Wiggin and Fred Haber. Their love and commitment to children and Lutheran education has made a lasting imprint on our school. We welcome additional contributions in memory of them, as they collectively did not want to see us turn away any child for lack of financial resources.

We particularly want to thank Pastor Rick Sherrill for his commitment and support of the school staff, especially in connection with the weekly chapel presentations. Finally, the BLS board expresses its deep and profound thanks to Bethel Lutheran Church for its many years of ministry support. If there are any questions, comments, and compliments, please pass them along to Jack Wedgwood.

ANNUAL REPORT 2004 BETHEL LUTHERAN SCHOOL

Submitted to Bethel Lutheran Church
Yvoone K. Waters
JANUARY 23, 2005

MISSION STATEMENT

Bethel Lutheran School is dedicated to creating a working partnership in which students, parents and staff encourage and nurture the academic, physical, emotional, social and spiritual learning of each student. The keys to accomplishing this mission are expressed by the following Christian Skills for a Successful Life.

COURTESY

BE POLITE, HELPFUL, AND CONSIDERATE

LOYALTY

BE FAITHFUL TO JESUS ALWAYS & TO OTHERS

RESPECT

SHOW RESPECT FOR OTHERS & THOSE IN AUTHORITY

PERSEVERENCE

ALWAYS CONTINUE TO TRY

INTEGRITY

BE HONEST, SINCERE, AND DEPENDABLE

SELF-CONTROL

BE RESPONSIBLE FOR ALL YOU DO AND SAY

DISCIPLESHIP

ALWAYS DO AND SAY WHAT JESUS WOULD WANT

GLORIFY GOD AND ENJOY HIM FOREVER!

“Whatever is true, whatever is noble, whatever is right, whatever is pure, whatever is lovely, whatever is admirable-if anything is excellent or praiseworthy-think about such things.” -Philippians 4:8

This is the school’s Bible Theme for this year. We have used our Christian Living Skills, as our monthly themes for Chapel to accomplish our mission by learning and modeling these skills among our staff, within our children’s homes, within our school and classrooms.

The school family is fortunate to be a ministry of Bethel Lutheran Church. As a part of this larger community in Christ, we are proud of the discipleship that is present every day within the school, and proud of the contributions we make to Bethel Lutheran’s Mission. Bethel Lutheran School continues to have a dedicated, professional staff, wonderful children, and enthusiastic and generous parents.

We have experienced another year that has been challenged by the economy, but more importantly a year that has been highlighted by great learning opportunities and joy-filled memories for our students, parents and staff. We continue to celebrate the many ways our Father always provides for us. We are confident He will provide what we need through His ever-present grace.

Community Service and Fund Raising events:

- Over 120 parents participated in one of three workdays, each doing at least six hours of work (720 hours) on the grounds and buildings.
- Continued our support through chapel offerings of "The Navajo Evangelical Lutheran Mission School" and sent over 12 boxes of textbooks and curriculum.
- Raised over \$11,000 in our OPO Walk-A-Thon in October 2004.
- Fourth Grade class continued to be responsible for cleaning a portion of Stevens Creek, through the 'Adopt a Creek' program.
- Another successful Annual Giving Program to support improvements in our class offerings and classrooms.
- Provided 328 people a thanksgiving meal through City Team Ministries.

My sincere appreciation is extended to the School Board for their leadership and continued support of Bethel Lutheran School's students, staff and programs. I would also like to acknowledge the dedication and love of this ministry displayed by all the teachers and staff of Bethel Lutheran School. I am indebted to them for their dedication and faith. We all owe them so very much for their professionalism and their discipleship.

This is a great place to work, and it's a pleasure for me to be a part of this family. Thank you. Please continue to pray for and support your school. If you have a great idea, would like to become a school board member, question or just want to visit, please stop by my office. Please worship with us at chapel on Wednesday mornings and I am more than happy to give you a tour of your school.

In Christ's Service,

**Yvonne Waters
Principal**

Financial Report

The local Santa Clara County economy still lags the nation's but with your generous giving of time, talent, and resources, we continue to be bold in our mission.

FY04 2003-2004 - We last looked at FY04 together at the Congregational Meeting in June 2004. The final results for FY04 show we had a total income of \$806k with expenses of \$819k, resulting in a deficit for the year of about \$13k. This deficit number is about what we had budgeted and approved before the start of FY04. A closer look at the numbers show that the General Fund income was below budget by \$45k. On the expense end we were below budget by \$47k with a major proportion of savings coming from the time when we did not have a Lead Pastor between October and early December. The staff and ministry leads are well aware of Bethel's financial position and have cut back on expenditures where possible.

FY05 2004-2005 - Again we had the hard task of having to reduce staff hours, since most of the other non-staff expenses had been cut or reduced in prior years. With the help of volunteers, the office has been operating smoothly. At the end of six months General Income is \$412k, which is over budget by about \$6k. In June 2004 we were ready to place a call for our new lead pastor. Being unsure of exact expenditures for the call process, and having some further church-related expenses, a total of about 40k was placed into a Special Income Appeal category. As of December 2004, we have collected \$7.4k. Thus the total income through December is \$421k. Our six-month total expense is \$397k, which gives us a net income of about \$24k.

Earlier in November we did re-instate/increase Pastor Bancroft's hours by 7.5 hours since his Care & Visitation Ministry greatly needed his attention and time. At the last council meeting of January 11, 2005, no mid-year adjustments in the budget were recommended.

Year-End Projections - We begin the last six months of FY05 with an actual net income of \$24k. The difference between budget giving and expenses for the next six months (Jan 05 to Jun 05) is projected conservatively to be -\$10k. This means we could end the year positive by about \$14k. We are grateful for the pledges you have made.

During the past four years we have seen our budget drop from over a million dollars to around \$800k. This has cut deeply in how Bethel has had to operate. Bethel has operated in a safe/survival mode, where all income is used to cover operating expenses. There were times when our income did not cover expenses, and we are thankful you responded to meet those shortfalls.

With Pastor Pabst on board, we realize that we were about \$17k over in our estimate for the call expenses (we might have needed the full amount if the pastor came to us from the mid-west). As of December, about \$7.4k has been collected out of the \$40k in the Special Income Appeal. We would like to encourage that you continue with your generous giving. We had to postpone major maintenance repairs with bandage solutions, reduce staff hours, and freeze salaries. We would like to see funds set aside for maintenance projects, short and long term. We have a special staff, and they need to be recognized. However, we do have to proceed with caution since there are still some uncertainties in our economy.

At Bethel we are at an exciting point. We have completed our Welcome Zone project, we are blessed with exciting pastors, a dedicated staff, and numerous missions and ministries, solet us go and serve the Lord.

Eusebio Menezes, Financial Officer
January 2005

BETHEL LUTHERAN CHURCH AND SCHOOL
AUDIT REPORT – January 18, 2005

The Bethel Audit Committee, Susan Horvath, David Lofgren and Patrick Ross, with the help of Joan Christensen, has completed the internal audit of Bethel's financial statements, processes and procedures for FY04 (7/1/03 to 6/30/04).

The Profit and Loss Statement is summarized as follows:

	CHURCH	SCHOOL
Total Income	\$806,110	\$1,582,764
Total Expenses	818,715	1,575,259
Net Income (Loss)	(\$12,605)	\$7,505

At year-end, the unrestricted cash available for the Church was \$48,960 and was \$7,505 for the School.

CAPITAL EXPENDITURES

Capital expenditures for FY04 were \$435,731 for the Church and School combined. The primary expenditures were for:

School Playground Equipment	\$36,380
Visual Connection	290,535
HVAC Improvements Zoar/Torvend	4,350
Parking Lot	80,773
Phone System	9,606
Beam Repair	10,483
Other Purchases (Projectors)	3,603

BENEVOLENCES

Bethel contributed \$80,462 during FY04 for benevolences, including both contributions based on General Fund giving and Designated Offerings. The largest contributions, aside from those to the Synod and National Church, went to support ELCA missionaries Eric and Beth Hanson and the MaaSai Girls' School in Tanzania, to Mount Cross Lutheran Camp, to Kurt & Karyn Morrill, missionaries with InterVarsity in France, and Esperanza, the organization through which our youth and adult Missions to Mexico are sponsored. In total, over 30 organizations received contributions from Bethel.

LOAN SUMMARY

As of 6/30/04 Bethel's total interest bearing debt was \$737,423, our primary mortgage through Thrivent Financial @6%.

THE FOLLOWING WAS ACCOMPLISHED AND/OR REVIEWED BY THE AUDIT COMMITTEE:

- * Reviewed and closed out audit recommendations from earlier fiscal years.
- * Audit bank statement reconciliations.
- * Review payroll records comparing gross to expensed.
- * Confirm canceled checks and sample authorization, receipts, clearing and procedures.
- * Review general ledger for correct allocations.
- * Review all voided checks and checks greater than 6 months old.
- * Capitalize any new buildings, furnishings, equipment and major leasehold improvements and repairs.
- * Reviewed Visual Connection Project expenditures.
- * Review the Youth Ministry checking account.
- * Review all restricted funds.
- * Review tithing disbursements and procedures.
- * Review offering count/deposit procedures.
- * Review contracts, leases, mortgages, notes and titles.
- * Make year-end adjusting entries and close the books for FY04.

Findings and Recommendations have been submitted to the church council.

Submitted by:
Susan Horvath

David Lofgren

Patrick Ross

Bethel Lutheran Church
Profit & Loss Budget Performance
July 2003 through June 2004

	<u>Jul '03 - Jun 04</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
3001 · Church General Fund	804,803.73	850,000.00	-45,196.27
3051 · Misc Income	1,306.79	1,500.00	-193.21
Total Income	<u>806,110.52</u>	<u>851,500.00</u>	<u>-45,389.48</u>
Expense			
40 · Tithe	68,097.00	73,279.00	-5,182.00
45 · School Budget Support	18,504.00	18,504.00	0.00
47 · Tuition Discounts	18,485.39	24,598.00	-6,112.61
50 · Ministry Services	143,739.09	146,098.99	-2,359.90
51 · Altar Guild Exp	1,539.58	1,400.00	139.58
52 · Library Exp	144.79	250.00	-105.21
53 · Confirmation Expense	2,324.47	1,500.00	824.47
58 · Evangelism	7,868.37	11,026.00	-3,157.63
59 · The House	0.00	0.00	0.00
60 · Discipleship	1,294.05	1,605.00	-310.95
61 · Worship & Music	72,032.98	77,554.96	-5,521.98
62 · Children's Ministry	38,178.92	45,401.96	-7,223.04
63 · Pastoral	230,768.09	246,622.06	-15,853.97
65 · Youth Ministry	82,371.67	81,448.94	922.73
66 · Stewardship	2,373.01	3,375.00	-1,001.99
67 · Community Life	2,586.01	3,365.00	-778.99
68 · Building & Grounds	128,407.89	129,439.04	-1,031.15
69 · Audio Video Ministry	0.00	314.00	-314.00
Total Expense	<u>818,715.31</u>	<u>865,781.95</u>	<u>-47,066.64</u>
Net Ordinary Income	<u>-12,604.79</u>	<u>-14,281.95</u>	<u>1,677.16</u>
Net Income	<u><u>-12,604.79</u></u>	<u><u>-14,281.95</u></u>	<u><u>1,677.16</u></u>

Bethel Lutheran School
Profit & Loss Budget Performance
July 2003 through June 2004

	<u>Jul '03 - Jun 04</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
7000 · School Misc Income	63,029.87	21,663.04	41,366.83
7100 · Elementary Program	687,366.75	704,704.00	-17,337.25
7200 · Summer Elem Program	105,263.90	105,749.83	-485.93
7300 · AM/PM Program	128,344.45	130,430.00	-2,085.55
7400 · Preschool Program	493,731.50	655,769.01	-162,037.51
7500 · Summer Preschool Program	105,984.76	101,740.01	4,244.75
7700-20 · Bad Debt	-927.20	0.00	-927.20
7800 · Prior Period Income	-30.00	0.00	-30.00
Total Income	<u>1,582,764.03</u>	<u>1,720,055.89</u>	<u>-137,291.86</u>
Expense			
70 · School Admin	403,037.78	393,670.03	9,367.75
71 · Elementary	558,187.49	560,293.88	-2,106.39
72 · Summer Elemen. Program	65,030.05	62,939.00	2,091.05
73 · AM/PM Program Exp.	112,469.51	127,405.12	-14,935.61
74 · Preschool Program Exp	327,862.16	481,106.09	-153,243.93
75 · Preschool Summer Prog.	84,362.81	94,056.36	-9,693.55
78 · Transfer Funds to Restricted	23,559.28		
79 · Loan Interest/Paymts-School	750.00	0.00	750.00
Total Expense	<u>1,575,259.08</u>	<u>1,719,470.48</u>	<u>-144,211.40</u>
Net Ordinary Income	<u>7,504.95</u>	<u>585.41</u>	<u>6,919.54</u>
Net Income	<u><u>7,504.95</u></u>	<u><u>585.41</u></u>	<u><u>6,919.54</u></u>

Bethel Lutheran Church and School
Balance Sheet
As of June 30, 2004

	<u>Jun 30, 04</u>	<u>Jun 30, 03</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Cash in Bank	285,938.03	332,959.43	-47,021.40
Total Checking/Savings	<u>285,938.03</u>	<u>332,959.43</u>	<u>-47,021.40</u>
Other Current Assets			
1201 · Accounts Receivable-P/R	0.00	95.77	-95.77
1202 · Accounts Receivable School	6,211.15	3,312.20	2,898.95
Total Other Current Assets	<u>6,211.15</u>	<u>3,407.97</u>	<u>2,803.18</u>
Total Current Assets	292,149.18	336,367.40	-44,218.22
Other Assets			
004009 · Equipment & Furnishings	573,918.36	560,708.66	13,209.70
004000 · Buildings & Improvements	3,475,652.29	3,053,131.25	422,521.04
004014 · Land	2,458,880.00	2,458,880.00	0.00
004020 · Endowment Fund	124,550.67	20,364.13	104,186.54
Total Other Assets	<u>6,633,001.32</u>	<u>6,093,084.04</u>	<u>539,917.28</u>
TOTAL ASSETS	<u>6,925,150.50</u>	<u>6,429,451.44</u>	<u>495,699.06</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 · Accounts Payable	-36.12	0.00	-36.12
Total Accounts Payable	<u>-36.12</u>	<u>0.00</u>	<u>-36.12</u>
Other Current Liabilities			
102101 · Prior year carryforward	832.19	0.00	832.19
101045 · Payroll Clearing	-221.51	530.36	-751.87
101046 · Deferred Payroll	37,852.67	37,743.42	109.25
101047 · Continuing Ed Carryover	1,982.92	2,375.00	-392.08
102100 · Workers Comp accrued	5,203.00	13,438.00	-8,235.00
2002 · Payroll Withholding-Church	228.98	9,266.81	-9,037.83
001000 · First Mortgage - AAL	737,423.39	355,650.51	381,772.88
101015 · Church Restricted Funds	101,557.98	118,536.75	-16,978.77
201000 · School Restricted Funds	88,283.70	95,923.18	-7,639.48
Total Other Current Liabilities	<u>973,143.32</u>	<u>633,464.03</u>	<u>339,679.29</u>
Total Current Liabilities	<u>973,107.20</u>	<u>633,464.03</u>	<u>339,643.17</u>
Total Liabilities	973,107.20	633,464.03	339,643.17
Equity			
3000-10 · Church Unrestricted Fund Balanc	48,960.42	46,933.82	2,026.60
3000-20 · School Unrestricted Fund Balanc	7,504.95	11,620.06	-4,115.11
3000-30 · Equity in Real Property	5,771,027.26	5,717,069.40	53,957.86
3000-40 · Endowment Fund Balance	124,550.67	20,364.13	104,186.54
3900 · Allocated Net Income	5,099.84	20,491.43	-15,391.59
Net Income	<u>-5,099.84</u>	<u>-20,491.43</u>	<u>15,391.59</u>
Total Equity	<u>5,952,043.30</u>	<u>5,795,987.41</u>	<u>156,055.89</u>
TOTAL LIABILITIES & EQUITY	<u>6,925,150.50</u>	<u>6,429,451.44</u>	<u>495,699.06</u>

Bethel Lutheran Church
Profit & Loss Budget Performance
July through December 2004

	<u>Jul - Dec 04</u>	<u>YTD Budget</u>	<u>Over Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense				
Income				
3001 · Church General Fund	411,854	406,000	5,854	810,000
3003 · Special Income Appeal	7,362	20,000	-12,639 (a)	40,000
3051 · Misc Income	2,279	595	1,684	1,200
Total Income	<u>421,494</u>	<u>426,595</u>	<u>-5,101</u>	<u>851,200</u>
Expense				
40 · Tithe	35,907	34,675	1,232	69,000
45 · School Budget Support	9,250	9,250	0	18,500
47 · Tuition Discounts	9,703	8,800	903	24,100
6905 · BLS Expenses	0			
50 · Ministry Services	53,006	59,841	-6,834 (b)	119,717
51 · Altar Guild Exp	921	1,071	-150	1,521
52 · Library Exp	0	90	-90	250
53 · Confirmation Expense	842	1,410	-568	1,810
58 · Evangelism	3,001	4,685	-1,684	12,430
60 · Discipleship	1,970	1,765	205	2,300
61 · Worship & Music	33,485	37,964	-4,479 (c)	74,040
62 · Children's Ministry	21,594	23,229	-1,635 (d)	44,587
63 · Pastoral	114,226	138,965	-24,739 (e)	254,826
65 · Youth Ministry	31,525	33,518	-1,993 (f)	65,627
66 · Stewardship	1,339	1,620	-281	3,120
67 · Community Life	1,286	2,210	-924	3,245
68 · Building & Grounds	68,136	68,692	-556	133,758
69 · Audio Video Ministry	10,857	11,331	-474	22,321
Total Expense	<u>397,049</u>	<u>439,116</u>	<u>-42,067</u>	<u>851,152</u>
Net Ordinary Income	<u>24,444</u>	<u>-12,521</u>	<u>36,966</u>	<u>48</u>
Net Income	<u><u>24,444</u></u>	<u><u>-12,521</u></u>	<u><u>36,966</u></u>	<u><u>48</u></u>

Notes: Explanation of why over or under budget.

- (a) Initial estimates for pastoral call and some expenses set at \$40k.
- (b) Using volunteers at front desk and partime bookkeeper. Re-instated care pastors hours. Year end to be on budget.
- (c) Less use of accompanist.
- (d) Less use of outside services.
- (e) New Pastor move over estimated. Actual number at year end should be less by \$17k.
- (f) On budget by year end.

Bethel Lutheran School
Profit & Loss Budget Performance
July through December 2004

	<u>Jul - Dec 04</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
7000 · School Misc Income	30,045.35	14,675.02	15,370.33
7100 · Elementary Program	326,794.30	305,725.00	21,069.30
7200 · Summer Elem Program	131,551.20	132,245.22	-694.02
7300 · AM/PM Program	54,685.61	56,207.00	-1,521.39
7400 · Preschool Program	255,020.26	223,222.50	31,797.76
7500 · Summer Preschool Program	94,163.38	95,820.21	-1,656.83
7700-20 · Bad Debt	0.00	0.00	0.00
7800 · Prior Period Income	-2,825.19	0.00	-2,825.19
Total Income	<u>889,434.91</u>	<u>827,894.95</u>	<u>61,539.96</u>
Expense			
7905 · Transfer to Church	102.84		
70 · School Admin	174,055.00	186,506.28	-12,451.28
71 · Elementary	250,037.75	236,984.20	13,053.55
72 · Summer Elemen. Program	49,111.95	49,298.90	-186.95
73 · AM/PM Program Exp.	47,710.80	47,356.18	354.62
74 · Preschool Program Exp	140,445.38	137,719.49	2,725.89
75 · Preschool Summer Prog.	58,480.62	58,042.83	437.79
78 · Transfer Funds to Restricted	6,285.75	0.00	6,285.75
79 · Loan Interest/Paymts-School	500.00	0.00	500.00
Total Expense	<u>726,730.09</u>	<u>715,907.88</u>	<u>10,822.21</u>
Net Ordinary Income	<u>162,704.82</u>	<u>111,987.07</u>	<u>50,717.75</u>
Net Income	<u><u>162,704.82</u></u>	<u><u>111,987.07</u></u>	<u><u>50,717.75</u></u>

Bethel Lutheran Church and School
Balance Sheet
As of December 31, 2004

	<u>Dec 31, 04</u>	<u>Jun 30, 04</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Cash in Bank	184,760.18	285,938.03	-101,177.85
Total Checking/Savings	<u>184,760.18</u>	<u>285,938.03</u>	<u>-101,177.85</u>
Accounts Receivable			
1200 - Accounts Receivable	15,448.83	0.00	15,448.83
Total Accounts Receivable	<u>15,448.83</u>	<u>0.00</u>	<u>15,448.83</u>
Other Current Assets			
1202 - Accounts Receivable School	4,980.43	6,211.15	-1,230.72
Total Other Current Assets	<u>4,980.43</u>	<u>6,211.15</u>	<u>-1,230.72</u>
Total Current Assets	<u>205,189.44</u>	<u>292,149.18</u>	<u>-86,959.74</u>
Other Assets			
004009 - Equipment & Furnishings	573,918.36	573,918.36	0.00
004000 - Buildings & Improvements	3,475,652.29	3,475,652.29	0.00
004014 - Land	2,458,880.00	2,458,880.00	0.00
004020 - Endowment Fund	124,707.68	124,550.67	157.01
Total Other Assets	<u>6,633,158.33</u>	<u>6,633,001.32</u>	<u>157.01</u>
TOTAL ASSETS	<u>6,838,347.77</u>	<u>6,925,150.50</u>	<u>-86,802.73</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 - Accounts Payable	2,801.81	-36.12	2,837.93
Total Accounts Payable	<u>2,801.81</u>	<u>-36.12</u>	<u>2,837.93</u>
Credit Cards			
2001-06 - MBNA Credit Card	33.63	0.00	33.63
2001-04 - Capital One	-935.96	0.00	-935.96
Total Credit Cards	<u>-902.33</u>	<u>0.00</u>	<u>-902.33</u>
Other Current Liabilities			
102101 - Prior year carryforward	0.00	832.19	-832.19
101045 - Payroll Clearing	0.00	-221.51	221.51
101046 - Deferred Payroll	18,471.66	37,852.67	-19,381.01
101047 - Continuing Ed Carryover	1,270.70	1,982.92	-712.22
102100 - Workers Comp accrued	10,213.85	5,203.00	5,010.85
2002 - Payroll Withholding-Church	49.11	228.98	-179.87
2003 - Payroll Withholding-School	155.81	0.00	155.81
001000 - First Mortgage - AAL	732,397.70	737,423.39	-5,025.69
101015 - Church Restricted Funds	68,574.14	101,557.98	-32,983.84
201000 - School Restricted Funds	-139,059.99	88,283.70	-227,343.69
Total Other Current Liabilities	<u>692,072.98</u>	<u>973,143.32</u>	<u>-281,070.34</u>
Total Current Liabilities	<u>693,972.46</u>	<u>973,107.20</u>	<u>-279,134.74</u>
Total Liabilities	693,972.46	973,107.20	-279,134.74
Equity			
3000-10 - Church Unrestricted Fund Balanc	48,960.42	48,960.42	0.00
3000-20 - School Unrestricted Fund Balanc	7,504.95	7,504.95	0.00
3000-30 - Equity in Real Property	5,776,052.95	5,771,027.26	5,025.69
3000-40 - Endowment Fund Balance	124,707.68	124,550.67	157.01
3900 - Allocated Net Income	0.00	5,099.84	-5,099.84
Net Income	187,149.31	-5,099.84	192,249.15
Total Equity	<u>6,144,375.31</u>	<u>5,952,043.30</u>	<u>192,332.01</u>
TOTAL LIABILITIES & EQUITY	<u>6,838,347.77</u>	<u>6,925,150.50</u>	<u>-86,802.73</u>

Bethel Lutheran Church
Midyear Budget Projection
December 2004

	Actuals Jul - Dec 2004 A	Budget Jan - Jun 2005 B	Projected Year - End FY05 A+B	Approved Budget FY05
Total Income	421,494	404,605	826,099	851,200
Expenses				
40 - Tithe	35,907	34,325	70,232	69,000
45 - School Budget Support	9,250	9,252	18,502	18,500
47 - Tuition Discounts	9,703	15,300	25,003	24,100
50 - Ministry Services	53,006	59,876	112,882	119,717
51 - Altar Guild Exp	921	450	1,371	1,521
52 - Library Exp	0	160	160	250
53 - Confirmation Expense	842	400	1,242	1,810
58 - Evangelism	3,001	7,745	10,746	12,430
60 - Discipleship	1,970	535	2,505	2,300
61 - Worship & Music	33,485	36,076	69,561	74,040
62 - Children's Ministry	21,594	21,357	42,951	44,587
63 - Pastoral	114,226	115,851	230,077	254,826
65 - Youth Ministry	31,525	32,108	63,633	65,627
66 - Stewardship	1,339	1,500	2,839	3,120
67 - Community Life	1,286	1,035	2,321	3,245
68 - Building & Grounds	68,136	65,065	133,201	133,758
69 - Audio Video Ministry	10,857	10,968	21,825	22,321
**Forward unspent expenses		3,000	3,000	0
Total Expenses	<u>397,049</u>	<u>415,003</u>	<u>812,052</u>	<u>851,152</u>
Net Ordinary Income	<u>24,444</u>	<u>-10,398</u>	<u>14,046</u>	<u>48</u>
Net Income	<u><u>24,444</u></u>	<u><u>-10,398</u></u>	<u><u>14,046</u></u>	<u><u>48</u></u>

**Bethel Lutheran Church
WELCOME ZONE PROJECT**

12/31/2004

Income

Visual Connection Donations	\$75,930
Loan Amount	\$400,000
W Z & side patio donations	\$13,016
Total Welome Zone Funds	\$488,946

Expenses

	<u>Spent</u>	<u>To be used</u>	<u>Project Total</u>
1. PARKING CONNECTION	\$84,023		\$84,023
2. STRUCTURAL CONNECTION	\$13,096		\$13,096
Beam, Tower Glass			
3. PEOPLE CONNECTION	\$34,367		\$34,367
Front Landscaping & Lighting			
4. VISUAL CONNECTION			
A. Video	\$100,802		\$100,802
B. Electrical	\$172,546		\$172,546
C. Window Shading	\$7,325		\$7,325
D. Lighting Design/fixtures	\$27,516		\$27,516
E. Contingency			
F. Extra Projects	\$1,820		\$1,820
Sanctuary plants, carpeting			
G. Telephone Loan *	\$5,606		\$5,606 *
5. LOAN FEES & INTEREST	\$8,423		\$8,423
6. VOLUNTEER CARE	\$856		\$856
7. MORTGAGE PAYMENTS	\$23,993	\$9,300	\$33,293
payments on 400k loan to 6/2005 after which becomes a budget line item of \$22.3k/year			
TOTAL	\$480,373	\$9,300	\$489,673

Total Expenses

\$489,673

Funds Remaining in Welcome Zone Project

-\$727

* Loaned for phone system. Initial cost \$9.6k.
\$5.6k remaining to be paid off by church and school.

MEMBERSHIP STATISTICS. 2004

	Baptized (Total Membership)	Confirmed	Associates
Membership, end of 2003	878	673	12B, 11C
Members received during 2004			
By Baptism: children	8	-	
By Baptism: adults	3	3	
By Transfer	8	6	
By Affirmation of Faith	16	16	
By Confirmation: youth	4	4	
By Confirmation: adults	2	2	
By Reinstated/Reactivated	1	1	
By With Parents	9	-	
Baptized youth confirmed in 2004	-	13	
Adjust	2	1	
Total members received	+ 53	+ 46	
Associate [A]			
Members removed during 2004			
By Death	4	4	
By Transfer	21	16	
Joined Another Church	10	4	
To Inactive (by Request)	5	3	
+ To Inactive (by Council)	32	23	
To Removed (by Request)	12	11	
+ To Removed (by Council)	9	5	
Adjust	-	-	
Total members removed	- 93	- 66	
Associate [A]			
Membership, end of 2004	838	653	12B,11C
Inactive to Removed: (Not included in count)	27	12	
Number of Inactives on Responsibility List :	163	99	

Number of Households: 395

+ BYLAWS -C 8.05.1 Change in membership status.

b. Members who are able to but do not attend church services and who have not contributed to the congregational treasury according to the congregation's records during the current or preceding year are subject to reclassification as inactive members. If so reclassified, they shall not be counted in the membership statistics of the congregation. However, their names and records shall be kept in the files for a period of two years thereafter. Such persons shall be encouraged to take part in the congregational life, or to transfer elsewhere, as appropriate. If they resume activity within this two-year period, they shall be restored to the active membership list. If not, they may be removed from the membership role of the congregation.

c. Children, neither of whose parents or guardians are active members of the congregation, shall be dropped from the baptized membership roll if they fail to participate in the Christian education program of the congregation.