BETHEL LUTHERAN CHURCH CONGREGATIONAL MEETING

August 24, 2014

Agenda

- Opening Devotion — Pr. Gabi
- Approve Feb 2, 2014 Meeting Minutes — Mark
- Reports
  - Pastoral — Pr. Gabi
  - Bethel Lutheran School — Minnie
  - Call Committee — Call Committee
  - Financial — Eric
- Budget 2014-2015 Approval — Mark
- Old Business
  - Any? — TBD
- New Business
  - Election — Mark
  - Other
- Closing Prayer — Mark

DEVOTION

Rev. Dr. Gabriele Schroeder

1 Corinthians 1:18-30

Christ the Power and Wisdom of God

18 For the message about the cross is foolishness to
those who are perishing, but to us who are being
saved it is the power of God. **22** For Jews demand
signs and Greeks desire wisdom, **23** but we proclaim
Christ crucified, a stumbling block to Jews and
foolishness to Gentiles, **24** but to those who are the
called, both Jews and Greeks, Christ the power of God
and the wisdom of God. **25** For God's foolishness is
wiser than human wisdom, and God's weakness is
stronger than human strength.

26 Consider your own call, brothers and sisters: not
many of you were wise by human standards, not many
were powerful, not many were of noble birth. **27** But
God chose what is foolish in the world to shame the
wise; God chose what is weak in the world to shame
the strong; **28** God chose what is low and despised in
the world, things that are not, to reduce to nothing
things that are, **29** so that no one might boast in the
presence of God. **30** He is the source of your life in
Christ Jesus, who became for us wisdom from God,
and righteousness and sanctification and
redemption, **31** in order that, as it is written, “Let the one
who boasts, boast in the Lord.”

PASTORAL REPORT

Rev. Dr. Gabriele Schroeder

Bethel Grace in Action

Bethel Grace in Action

Bethel Grace in Action

iSERVE
Sundays

Bethel Grace in Action

Sunday Mornings

iSERVE Sundays

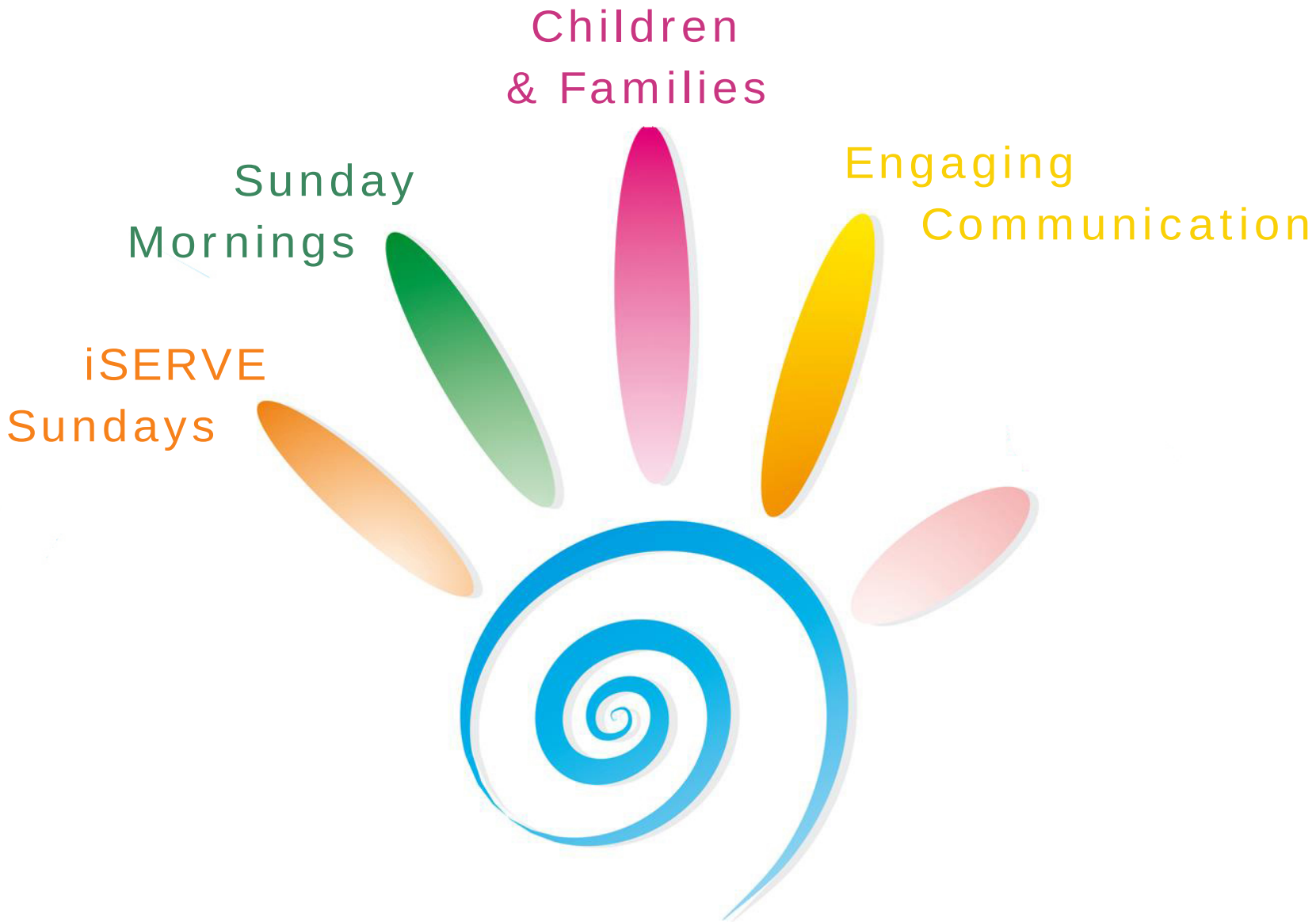
Bethel Grace in Action

Children
& Families

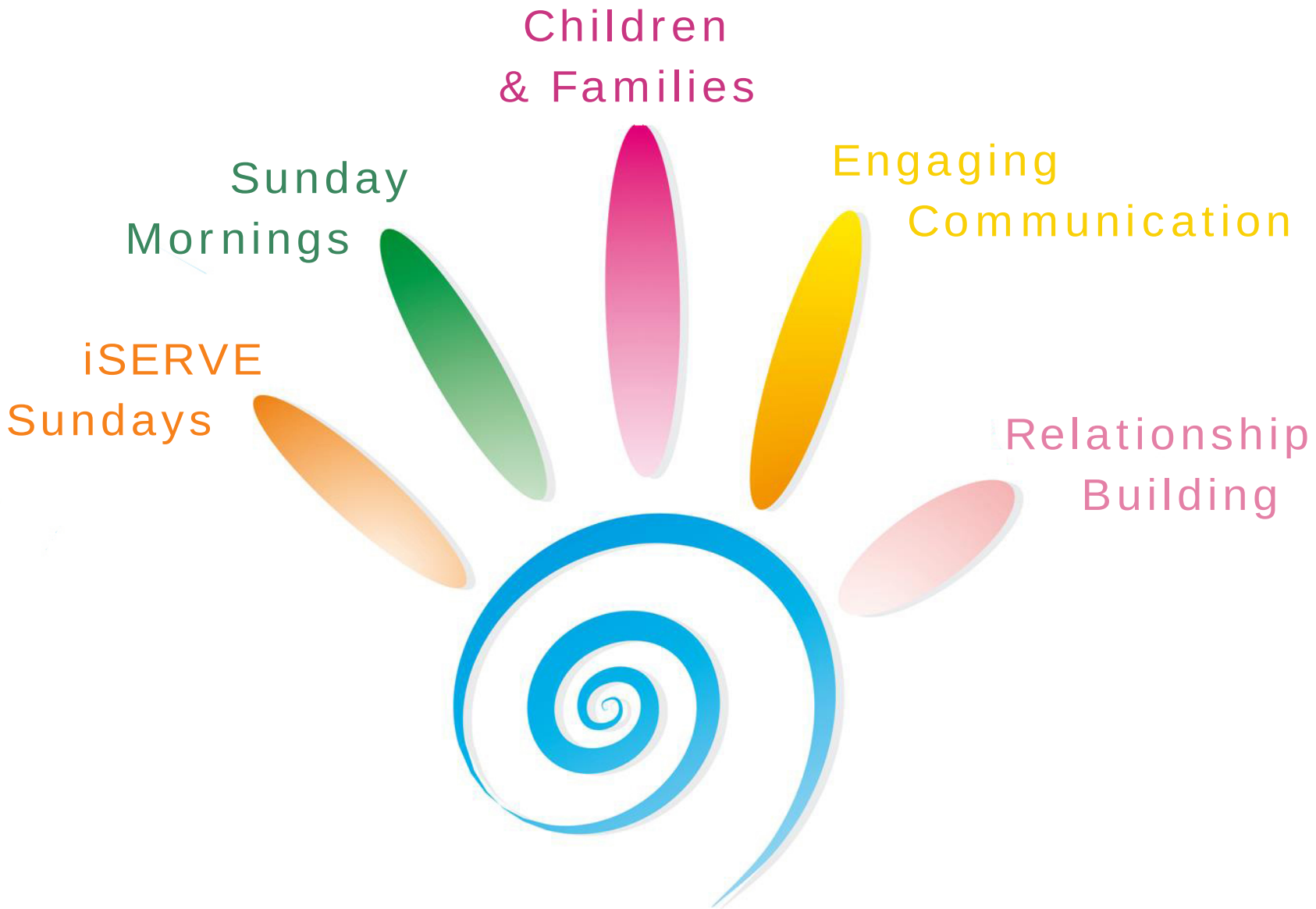
Sunday
Mornings

iSERVE
Sundays

Bethel Grace in Action



Bethel Grace in Action



BETHEL LUTHERAN SCHOOL REPORT

Minnie Sudarsanam
School Board Chair
August 24, 2014

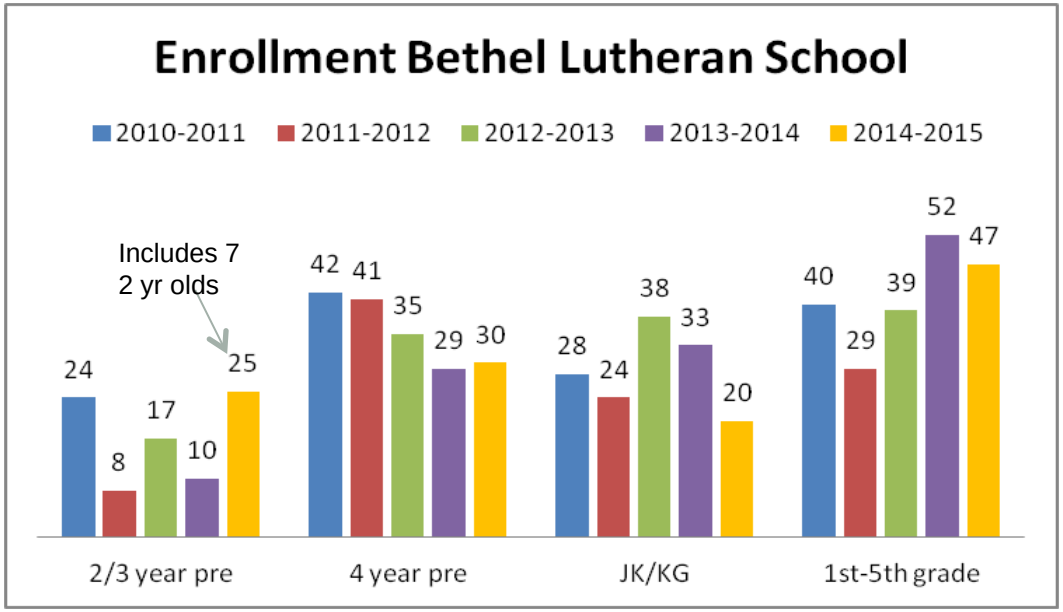
50th Anniversary Theme and Verse for 2014-2015

Celebrate God's Kingdom

Jesus said to them, "Let the little children come to me; do not stop them for it is to such as these that the kingdom of God belongs."

Mark 10:14

Enrollment and Staffing



- Accepting applications
- Open Houses for 2015-2016

Eleven staff members jobs were eliminated due to lower enrollment. Three were hired back or reassigned.

Marketing efforts include launching of new Bethel Lutheran School website and Yelp page

Updates:

- Recovery from 9/5/13 arson is completed.
  - Enlarged classroom for 2 year old preschoolers
  - Torvend Hall tile replaced
  - Torvend Hall roof re-shingled
- New 2 year old preschool program has been popular and has a wait list of prospective students.
- BLS has been approved for candidacy through Western Association of Schools and Colleges with a three year time frame for accreditation.
- Annual Fund's Brick project in progress (completion expected September, 2014).
  - Improvements in children's bathroom
  - New student database program
  - Tuition assistance

Involvement opportunities:

Attend events (including September 14th New Classroom dedication and 50th Anniversary school and church barbecue at Blackberry Farm)

Volunteer

Contribute to the annual fund

Pray

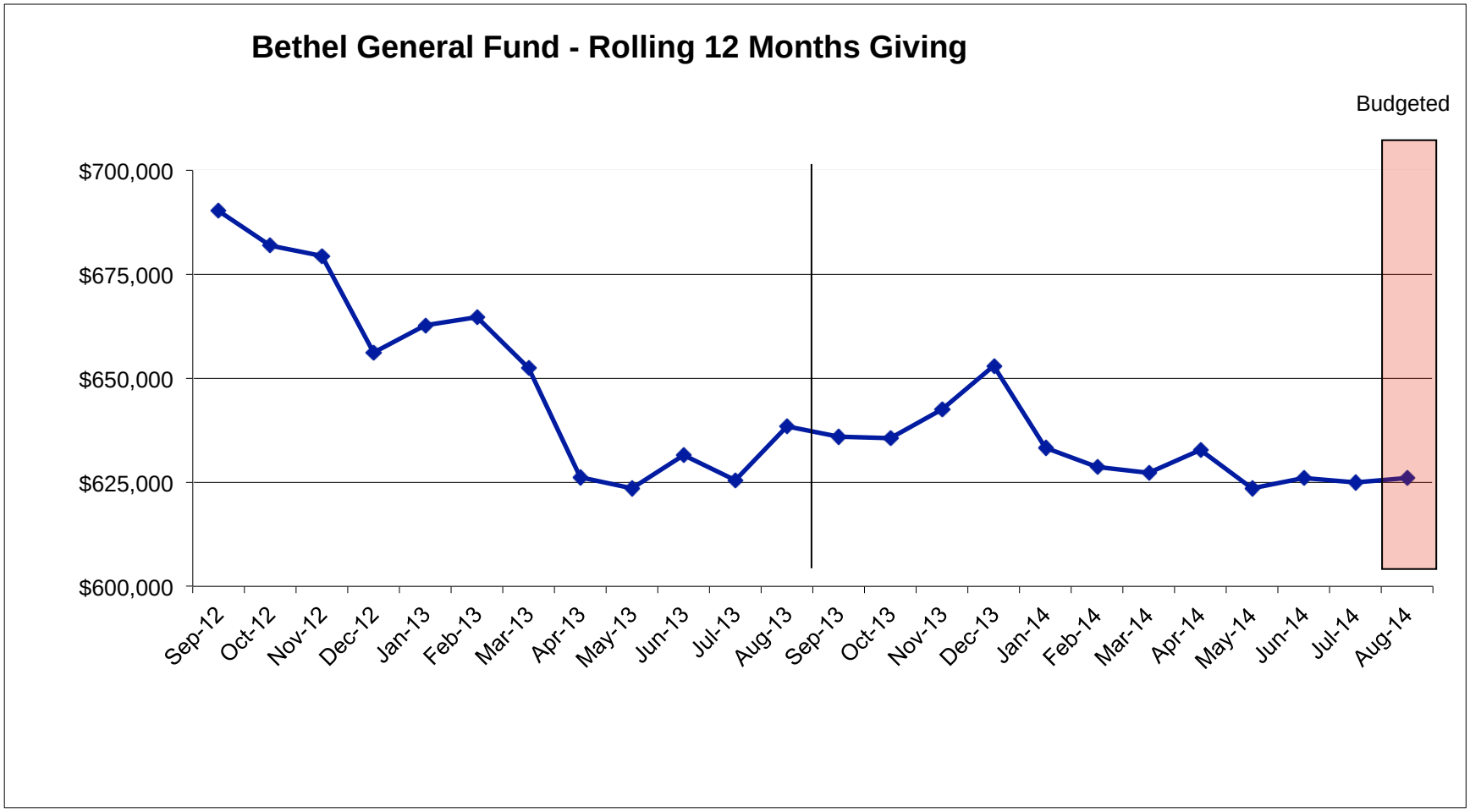
Special thanks to:

Men of Monday
Quilters
Donors
Computer Technicians
Library Supporters
Prayer Groups
BLS Parents
BLS Staff
Council and Board Members
Campus Work Day Volunteers
Pastor Gabi

CURRENT CHURCH FINANCES

Eric Brown
Fiscal Officer

Congregation Giving Trend



FY’14 Financial Highlights

- Church Finances FY’14 (projected):
  - All FY’14 numbers are preliminary
    - Final FY’14 totals won’t be available until the books are closed in September and the outside CPA completes their review
  - Giving: $623K ($37K below budget: -6%)
  - Facility Use/Rental Fees: $45K ($11K below expectations)
  - Spending: $118K below budget (17%)
  - Net Ordinary Income: $82K
  - Church unencumbered assets: $188K

FY'14 Budget Savings

- Staffing - $97,000
  - No lead pastor
  - Benefits
  - Training
- Ministry & Programs - $21,000
  - Call expenses
  - Benevolence (% of giving)
  - Travel / Mileage
- Facilities - $3,000
  - Projector bulbs

Facility Use

FY 2014

Program	FY'14 Rent	School	Church
Fusion after school program	$65,000	$30,000	$35,000
Summer Camps	$28,600	$20,000	$8,600
One-Time Events	$1,400		$1,400
Total Income	**$95,000**	**$50,000**	**$45,000**

FY 2015

Program	FY'15 Rent	School	Church
Fusion after school program	$72,000	$30,000	$42,000
Summer Camps	$30,000	$21,000	$9,000
Total Income	**$102,000**	**$51,000**	**$51,000**

FY'15 CHURCH BUDGET

This is what the congregation will vote on…

Projecting FY’15 Income

- Giving stabilized around $625K
- Actual giving for FY’14 projected at $623K
- Stewardship: supports $625K projection
- **FY’15 General Fund projection: $625K**
  - FY’14 projection: $650K

FY'15 Budget Assumptions

- Staffing
  - Lead pastor starting November 1, 2015 + higher salary
  - Pr. Gabi to 3/4 time on Feb 1, 2015 (3 mos. later)
  - Pr. Ken to retire on Feb 1, 2015 (3 mos. later)
  - 3% cost of living adjustment (COLA) for lay staff
  - Accounts Payable changed from employee to contractor
  - 11% increase in benefits cost (actual increase not known until later this year)

FY'15 Budget Assumptions

- Program expenses
  - Fun with Faith: $1,600
  - Youth Intern: $2,000
  - LDR: $2,500
  - Add $1,500 Adult Ministry budget
    - Evergreen, Art Fair, Community Egg Hunt, etc…
  - Add $2,000 Special Needs program budget
  - Remove $10,000 Call expenses budget
  - Reduced benevolence based on lower general fund est.
  - Reduce Pastor Mileage reimbursement for Pr. Ken

FY'15 Budget Assumptions

- Facility, Technology & Equipment
  - Add $2,000 for telecom service cost increases (PBX phone service & U-verse)
  - Replace projector bulbs ($3,500 in FY'14 budget but not yet done)
  - Add $2,000 for buildings & grounds repair
  - Contract 2 months of Pastor Support (Sept/Oct)
  - Add Accounts Payable to contracted Accounting services

FY'15 Budget: What's Changing

Savings Anticipated : $38,000

Call Expenses	-$10,000
Employer Benefits	-$9,900
SS and Medicare tax	-$1,300
Workers comp	-$1,000
Mileage reimbursement	-$3,000
Interest on mortgage	-$2,700
Benevolences (lower general fund)	-$2,600
Admin charge (Stelling management)	-$2,000
Depreciation (cashless)	-$5,000

Increases Anticipated: $35,000

Salaries*	$17,000
Contract Services (Supply Pastor & Accounting)	$6,500
Pastor Retirement	$4,200
Special Needs Ministry	$2,000
Telecommunications	$2,000
Repair & Maintenance	$2,000
Community Events	$1,500

Facility Use Fee Changes: -$6,000

Sanctuary Rental to Christian Congregation	-$16,000
Fusion	$5,000
Summer Camps	$5,000

*Assumptions:

- Lead pastor starting November 1, 2014
- Pr. Gabi to 3/4 time on February 1, 2015 (3 mos. later)
- Pr. Ken to retire on February 1, 2015 (3 mos. later)

FY'15 Church Budget Summary

Expenses*	-$751,000
Facility Use Income	$51,000
Fee Based Events (LDR, VBS, Youth)	$40,000
Net Expenses	-$660,000
General Fund Giving**	$625,000
Net Income (deficit)	**-$35,000**

*Excluding Depreciation

**Projected Giving

Budget Shortfall

- Short Term: OK
  - FY'14: $82K cash surplus
  - $188K unencumbered assets
- Outlook
  - Lead pastor start on January 1, 2015?
    - Deficit reduced to $15,000
  - Sanctuary rental?
    - Reduce or eliminate deficit
    - Previous potential renter: $4,000 surplus
- Long Term → Growth / New Income

FY'15 Budget: Category Totals

Account Group	Budget FY14	Projected FY14	Requested Budget FY15	
Staffing	440,000	343,000	447,000	+1.6%
Ministry & Programs	143,000	122,000	130,000	-8.5%
Technology and Equipment	8,000	10,000	10,000	+23.9%
Facilities & Overhead	112,000	110,000	118,000	+5.1%
Mortgage & Leases	41,000	42,000	45,000	+8.4%
Net Expenses*	**745,000**	**627,000**	**751,000**	**+.9%**
Fee Based Events	-40,000	-40,000	-40,000	
Facility Use Fees	-56,000	-45,000	-51,000	
Net Required General Fund	**649,000**	**541,000**	**660,000**	**+1.7%**
General Fund Giving	660,000	623,000	625,000	
Net Income	**11,000**	**82,000**	**-35,000**	

*Excluding Depreciation

THANK YOU FOR YOUR SUPPORT

Old Business

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New Business - Election

- Elections
  - Nick Arnett – President Elect
  - Eric Brown - Fiscal Officer
  - Hella Blumh-Stieber – Nominating Committee
  - Jack Wedgewood - Nominating Committee
  - Leah Thomas - Youth Member-at-large
  - Liz Barton - Visual Arts committee chair
  - BLS School Board Chair
  - Tech Admin Chair
  - Nominating committee member (1)
  - Endowment committee members (2)

Thank you!

Closing

Mark

Each of you has been blessed with one of God's many wonderful gifts to be used in the service of others. So use your gift well.

1 Peter 4:10 (Contemp. English Version)