

“...marked with the cross of Christ forever.”

Dear Friends,

We conclude each Baptism by making the sign of the cross on the forehead of the baptized and saying, “Child of God, you have been sealed by the Holy Spirit and marked with the Cross of Christ forever!” Even though we may not actually see that cross every time we look in the mirror, the fact remains it is there; there to define just who and whose we are as the children of God through Jesus Christ.

This past year that “sign of the cross” has been seen and experienced in many important ways here at Bethel.

- In how you have received a new Lead Pastor and his family into your midst with acceptance, patience and caring.
- With renewed energy in weekly worship, the growing attendance and new ways to proclaim and experience the Gospel of Jesus.
- In the ways you as individuals and as a congregation generously share your gifts with others – especially outside the doors of this place!
- In how you continue to grow the many programs and activities that are so much a part of our ministry.
- In a strong financial commitment – especially being able to end the 2004-05 Fiscal Year with a surplus!
- In the children and leaders of Bethel Lutheran School as we touch and change their lives in this expanding ministry and work.

We are excited about the coming year! However we have a great deal to do! As we rapidly move toward our 50th Anniversary in 2008 here are the key priorities we will be advancing in the coming months:

- Develop a long range Masterplan for our ministry.
- Grow our financial giving potential to meet the growth of our ministry.
- Take the lead in developing ministries that better speak to the multi-cultural community in which we live.
- Enhance and grow our ministries in ways that better engage the incredible gifts of this congregation!

We invite you to join us in this important and challenging work to graciously be Christ’s Church in everything we do. So, let’s get to work in the name of our Lord and Savior, Jesus Christ!

2005 Annual Report

Bethel Lutheran Church

Pastor Randal J. Pabst

Pastor Rick Sherrill

Ministry Highlights 2005

Community Life

- Hosted 90 Bethel members and guests for "Martin Luther: A Man and His Theology" led by Luther Seminary professor Dr. Mary Jane Haemig (Nov. 11th & 12th).
- Planned and served a Bethel all-church luncheon and ministry faire at Cupertino High School on Oct. 30th. The 250+ person participation exceeded all estimates!!

Worship & Music

- Welcomed Joe Howard as our organist and Sanctuary choir director for 8:30am worship.
- Bethel was blessed with a concert in August by the India Children's Choir, an event co-sponsored by Mission Outreach. Eight Bethel families hosted the children for the weekend and both concert attendance and financial support for their ministry were favorable.
- Bells are ringing and choirs are singing under the direction and leadership of Carol Hooper, Norita Hoegel, Joe Howard and Barbara Larsen.
- Worship is strong with an average attendance of almost 400 every Sunday.
- Our worship experiences are enhanced by fantastic volunteers who usher, greet, decorate, operate, assist, make coffee, and provide music leadership.
- Bethel continues to be a place of outstanding and inspirational worship.

Discipleship

Several Adult Education programs and continuing Bible Study groups provided various opportunities for participants to develop deeper knowledge and insight into their faith in 2005:

- Three Sunday morning Adult Education Classes and two evening Bible Study classes, including the

completion of the 60-week Crossways Class in the Spring.

- New Member and Old Inquiry Class, resulting in the welcoming of 8 new Bethel members on October 30.
- The Evergreens met twice monthly and covered a wide range of topics for those 55 and older. Special guests and topics included estate planning, nutrition, scrap booking, family health history, and more. (Facilitated by Kaye Kuhlmann)
- The Men's Ministry continued its monthly Men's Night Out meetings of study and fellowship, held its first annual BBQ, and inaugurated a Fall Men's Retreat with 15 BLC men joining 200 others at Mt. Hermon.

Women's Ministry

- Five Women's Bible Study groups give opportunity for fellowship and spiritual growth.
- Fall and Spring Luncheons included inspiring speakers and a time to share.
- Maundy Thursday Breakfast - a time to reflect and remember Jesus' sacrifice for each of us.
- "Cookies, Carols and Tea" sharing the joy of the Advent season.

Youth Group (Sr. High)

- Common Ground's theme this year was "Love Like Jesus". We strive to accept - as Jesus challenges us to - and draw closer to God and each other as we're invited into this community. Life changing events, discussion, worship and service focuses us beyond ourselves.
- Our youth band, "The House Band," is coming into its own as a relevant worship leading force throughout our nation. They led worship at the Western States Ghering in Seattle last summer and at the So Cal JH Gathering in November. Summer of '06 will find them leading worship in San Antonio, TX at the National Youth Gathering. Bethel's Youth Program will change your life!

Children's Ministry

- Kid Connection welcomed its new coordinator, Marianne Nadell.
- Blessed to have 21 talented volunteers as teachers and leaders for Kid Connection.
- Kid Connection (Preschool through Sixth grades) enrolled over 80 students with an average Sunday attendance of 53 students.
- Kid Connection offering is designated for the ELCA Domestic Relief Fund – specifically Katrina Relief; To date we have collected \$141.63.
- GOTCHA (4th – 6th grade) Youth Group has 38 members and is under the leadership of Brad and Kelly Johnson.
- Family Focus co-sponsored the Harvest Festival Dance with BLS in November and has three more events planned for 2006.

Bethel Lutheran School

- Children, parents, and staff continue to be a blessed, content, and cohesive family.
- Our Parent Workdays are now done in coordination with the church family - a great way to meet to fellowship with the entire family of Bethel. School parents put in 588 hours of work helping with outdoor and indoor projects.
- Reaccredited by NAEYC through 2007. Accreditation since 1987.
- Beginning the process of ELEA accreditation that has recent reciprocity with WASC.
- Successfully continued to be in working partnership with the church family as a faith-filled outreach in our diverse community.

In Caring Ministry

- Stephen Ministry: Eleven active Stephen Ministers served sixteen people in 2005. Ten are receiving ongoing support. Five members will begin Stephen Ministry training in January '06.
- Lay Eucharistic Ministers: Thirteen people have taken communion to ten shut-in members and

friends throughout 2005 (and continues in '06).

- Partners in Caring: In addition to serving as Eucharistic Ministers, Partners in Caring call, visit and support other members.
- The Caring Ministry at Bethel continues with the quiet, loving support and service many, many members give to family, friends and neighbors.
Thank you to all of you for your service to the Lord in the ministries you are giving to others.

Evangelism

- New Outreach Tools! Bethel brochures, pens, caps and writing pads are now in use.
- "Where in the World is Bethel Lutheran Church" promotional was launched.
- The Annual Community Easter Egg Hunt with area churches welcomed hundreds of participants.

Mission Outreach

Thank you, Bethel...

- For walking in CROP Walk and raising \$2,765.00 for world hunger.
- For donating frozen turkeys and feeding 84 needy families at Thanksgiving and Christmas.
- For supporting artisans in Africa and around the world by buying their fairly-traded crafts.
- For building Habitat and Esperanza houses, cooking Family Shelter meals, sorting Second Harvest food, entertaining Help One Child foster children, creating beautiful quilts for the poor, and reaching out to incarcerated youth.

Thank you, Bethel, for your servants' hearts!

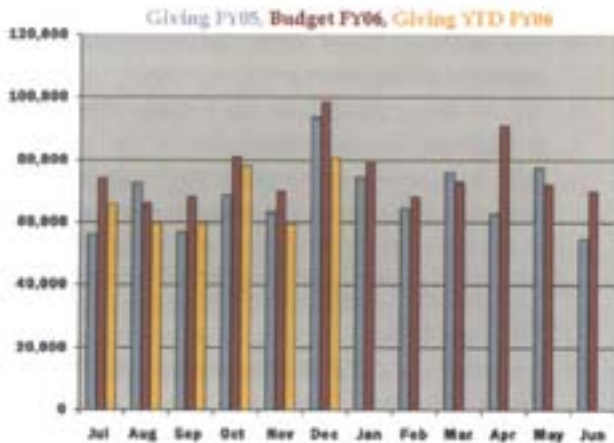
Welcome Zone

It's Bethel's facility and grounds stewardship group. It's the spirit in our Mission to Mexico Trips. It's the relationships that are built in the Church/School workdays. It's being bold enough to step outside of our comfort zones to reach out and include future friends. It's all of us -- Come and See for yourself!

Financial Report 2005

When we last met in June 2005, we were joyful that we were ending the year with a positive net income. However, the concerns of the local economy continue to affect Bethel members in myriad ways: job losses, job security, and people leaving the area.

FY05 2004-2005. The final audited year-end results are an income of \$836,540 and expenses of \$813,754, resulting in a net income of \$22,786. About 50% of the net income was used to pay staff bonuses (the staff had not received pay raises for the past three years). Some of the remaining funds were used to build the cash reserves to \$50k. There is about \$6k remaining from the surplus that has been placed on hold by council.



FY06 2005-2006. Some key items were added to the budget: The Welcome Zone mortgage and staff salary increases. Our voted budget for FY06 was \$913k. Our year-to-date (YTD) income is \$405k, and expenses of \$430k, giving a negative net income of \$25k. Looking at the bar graph (left), we did not get our expected income/giving for the month of December. December is usually a major giving month at Bethel. We were \$18k below budget, and compared to last December ('04), below by \$13k. Our total income for the months July through December for 2005 is \$405k, and for 2004 was \$422k. This means we are behind last year's giving by about \$17k.

Our members continue to be very generous in their giving. However, there are a few who are behind in their pledges. Hopefully the quarterly statements will remind them to catch up, which could then reduce the difference to less than \$10k.

Information technology allows us to track the financials accurately and keep them current. We will continue to monitor our expenses and reduce them where possible. It is our hope that we can meet our targeted budget income numbers for the coming six months. If we fall behind we will need to come to you with a proposal to meet the expenses. We will keep you informed.

Together and with God's guidance we will continue with His mission.

Euo Menezes
Financial Officer, January 2006

Through Your Generous Giving

- 147 members attended "Casting the Vision" stewardship presentation by Pastor Pabst, representing 65 to 68 families
- 184 households returned pledges totaling \$645,764
- Over \$80,000 was sent to more than 30 outside agencies or groups, including the Synod and National Church