

Bethel Lutheran Church
Semi-Annual Congregational Meeting
Summer Session – 25 August 2024

Minutes	
Members Present: A quorum was confirmed with 68 members signed in. Meeting called to order: 12:05 PM.	
Topic	Discussion and Decisions
Agenda and Opening Prayer	<ul style="list-style-type: none"> ● Doreen Baldwin welcomed everyone, reviewed the Bethel Core Values, introduced the Council, read a verse from Luke 10:2 and presented the Agenda. ● Pastor Ben Sandin led us in prayer.
Approve Meeting Minutes:	Motion to approve the Winter Congregational Meeting minutes from February 2024 was seconded and approved.
Pastor’s Report: Pr. Ben Sandin	<ul style="list-style-type: none"> ● Community Listening Project – To begin, we focused on a 2-3 mile radius, and by the end, had interviewed 77 people, approximately half of whom had no direct connection to Bethel. Pastor Ben thanked the Listening Team and everyone who took part in the project. One piece of information we learned was that people tended to be less well connected to their neighbors than they would like to be. Another piece was that cultural and language are some of the barriers preventing those connections. Pastor Ben introduced the IDI education as a tool to help cross those barriers. He’s also considering offering this workshop for members of the community, beyond Bethel’s membership. Shared affinity groups were also spoken about during the interviews, as ways to help with those barriers, and one of the most common ones was (to no one’s surprise) being part of a church. A finding: the church is still a place in our culture where people can make long term friendly connections. How can we invite people to Bethel, not only as a house of worship but as a community where relationships are formed and strengthened? ● Areas of Focus – Pastor Ben asked people to choose top 4 (of 13) areas we would like Bethel to focus on over the next 3-5 years. Doreen passed out the list of 13 (these arose from a survey sent out to the congregation earlier this year). Pastor Ben says to keep listening, to learn when a group you are interested in participating with will be meeting.
Congregational Life: Tom Hoegel	<ul style="list-style-type: none"> ● Torvend Hall REfresh – project is moving along. We demoed the children’s bathrooms. We demoed the commercial part of the kitchen. We are planning on replacing the grease trap in the coming weeks. we are able to remove and replace appliances “like

for like” . This will be easier for us and will remain in compliance with the Health Department. This is because we prepare and serve less than one group meal per month. This is a cost-savings for us, and more in line with what we do.

- ADA Requirements – Often, large scale commercial projects require ADA upgrades to be completed to the property. We are required to do \$16k in ADA upgrades. We have already done significant parking and ramp upgrades with previous projects. We will put the mandatory \$16k towards upgrading the Torvend Hall boys’ bathroom to bring it into compliance.
- Fire Sprinkler Requirement –Our buildings and classrooms are fully smoke monitored. However, this past year, the Fire Department regulations have changed for children under 3 years of age. Currently, if you have over 5 children under 3 years of age, you must install Fire Sprinklers. Villa Montessori is turning away numerous families at this time. Not only is it required, but it is the right thing to do to make our buildings safer. We are not planning on making any modifications to Zoar Hall at this time. The plan. We’ve applied for a water flow test to determine where we can attach into the city water. We will need to contract with the water company to attach to the city water in the street and bring the piping into the property and add a backflow prevention device. The sprinkler contractor will trench and install piping from the backflow device to the monitored riser and then to both buildings all the way to the required number of sprinkler risers. A combination of volunteers and contractors will do the work. Water Costs: WAter Flow Test 5525, Cost to connect to the city water TBD. City Fire permits TBD, System Install (Thorpe0 \$135,000, Additional \$50k
- Front sign and Landscaping by Jacob Reidell and Nick Boniface’s Eagle Scout Projects. The congregation thanked them.
- Torvend Hall projects for this year and next. Kitchen, Bathrooms, Youth Room, Main Hall – now adding in the sprinkler work.
- Great Team: Tom and the congregation thanked the team, Doreen and Paul Baldwin, Mike Coleman, Kara Herman, Andrea Teed, Joann and Bill Weberg.
- Questions: Have we looked into rebates? Tom says yes, the one we qualify for involves removing the gas range, but he is definitely keeping those in mind.
- Comment: praising the new screens, and Tom said one needs repair from a power surge – but we already have the parts.
- Tom introduced Harumy Miura, Assistant Youth Director and Young Adult Meetup Coordinator. She’s looking forward to working with everyone. In her 3rd year at Santa Clara University, studying mechanical engineering.
- Tom introduced: Jessi Burkhart, William Edstrom and Jacob Riedell, youth assistants.

<p>Ministries Report: Lisa Laxson</p>	<ul style="list-style-type: none"> • Thank you to everyone serving on the dozens and dozens of people who serve on the ministry teams. • New ministry team – College ministry! Young adults and college age people, we wish you the best and promise all our love and support. • Almost new ministry – Rotating Safe Car Park! We’re going to host it for the second time in the month of November. Hella and Paul are the heads of the team, and they will have a table at the ministry celebration in a couple of weeks. • Please sign up for the ministry celebration bbq, after the second service, so we can have a chance to share food and fellowship and learn a little something about our many ministries
<p>Endowment Committee: Ralph Miller</p>	<p>Endowment fund directive: fund visionary projects which meet the areas of Outreach, Education or Charitable Work.</p> <p>Endowment Committee members: RAlph Miller, Robin Kettner, Dave Larsen, Greg Aist, and Jim Lentfer.</p> <p>Endowment fund balance is \$221k, up 6.4% so far this year (was up 14% last year)</p> <p>The fund has \$4138 in “gains” (think Dividends) for Q1 and Q2 2024. The committee is trying to put that money to work. Last time, \$2500 was distributed towards the Wednesday Night Speaker stipend and National Youth Gathering travel expenses. There is a remaining \$5000 from 2023’s gains to spend. The committee solicited suggestions, and based on your input, is funding up to \$2000 towards the Rotating Safe Car Park (food and supplies), up to \$1200 for Lutheran World Relief Quilts, Personal Care and Baby Kits (covering the shipping costs), and up to \$1800 towards unspecified future projects.</p> <p>Hella mentioned the Creek Cleanup group, and they were interested in getting more grabbers for the cleanup effort, and the committee is happy to provide \$200 worth of them, just as soon as Ralph finds out what a grabber is. (Bill Weberg was happy to demonstrate)</p> <p>The Endowment Team will meet again in November, but they are still accepting gifts and grant requests. NO idea/request is too small. Perhaps a ministry can get jump started or streamlined with even a small gift.</p>
<p>Financial Report: Dave Tribby</p>	<ul style="list-style-type: none"> • Dave introduced the members of the finance committee: Fara Brock, Pastor Ben Sandin, Doreen Baldwin, Kristine Lui and Dave Tribby, Joan Christensen, Ann Marie Kenitzer, Dave Larsen and Tony Stieber. • Bethel is in a pretty good position financially. Dave showed the rolling 12 month chart that compares the forecast to the actual giving. The chart also included last year’s numbers. As we get to the end of the year, we expect to see more giving both to the General Fund and the Capital Campaign. • Capital Campaign: Giving beyond commitments added an additional \$49k (people exceeding their promise, or those who haven’t made a pledge giving to the fund). Interest on our short-term loan was \$2k less than expected. The Parsonage HVAC

repairs required \$25k. Funds available for Torvend projects increased \$26k, for a total of \$707k. Torvend spending will align with timing of when the commitments come in.

- Bethel's Annual budget
- Bethel's Long-term debt.
- FY 24 was a year of transition. In the Capital Campaign, we had a successful launch of fund raising, purchased, remodeled and occupied the parsonage, uncovered an additional property tax exemption, and started the Torvend remodel. On the Rental Management side, our five-year tenant's need for change led to their choice to depart. We found a new long-term tenant for Preschool / Torvand, with an increase of income. We're close to securing a new long-term tenant for Zoar. Found additional summer-camp income using vacated Zoar classrooms. But a new law mandates spending on fire sprinkler systems.
- Proposed FY 25 budget: Dave wanted to focus on the specific changes. First, details on the facility use income. FY is a transition into new long-term non-profit tenants which also brings income for Bethel. The previous tenant (2019-2024) rented rooms in Preschool, part of Torvend and Zoar. Due to reduced enrollment, they wanted fewer classrooms. After several Bethel offers, the tenant chose not to renew the lease. New Preschool tenant with a strong fit to Bethel's needs moved in July 2024!, Working to secure our new long-term Zoar tenant. High confidence of occupancy at \$13000/month from July 2025 onward, but that means for ten months of the year, we will not have that income. Still potential for some earlier income, but Dave expressed confidence that for FY 2026, we'll be in a very strong position.
- FY 25 income assumptions are that we have a net change, a drop of \$-33,244 from FY 24
- FY 25 Expenses compared to FY24 – Programs and Ministries unchanged: Children, Youth, Adult, Worship/Music. Decrease of \$10,k for Facilities and Overhead. (No \$10k real estate commission for renewal of previous tenant). Parsonage: save \$11k on property taxes due to Welfare Exemption. No changes for Staffing Expenses (Includes future Community Engagement staff person (6 mo/\$14k) No cost of living adjustment, though we would have liked to give one, but with finances down, we couldn't see our way to it.
- Total expenses \$1,032,216 (reduced -\$21k from last year)
- Pay Unrelated Business Income Tax from reserves already set aside (-\$5k).
- Our Net income is anticipated as being -\$24216. Dave notices that we anticipated our income for FY24 would be -\$17k, but we are actually doing better than anticipated and might finish the year ahead. We feel very confident this year, and confident that FY26, but Fiscal Year 2025 will be lean.

	<ul style="list-style-type: none"> ● What if we get a Zoar tenant earlier? Spending priorities are Staff Cost of Living Increase (3% = \$18,180), Paying for new sprinkler system. Hire Community Engagement staff position earlier, and reduce the income gap (-\$24216) ● For now, the finance team is looking at taking \$95k out of our reserves (an amount Dave says is prudent) to help pay for the sprinkler system – currently, this extra expense means that the Capital Campaign might need to delay before out ● Question: What was the cost of the parsonage? Dave says the purchase price was 1.7 million, and the construction costs were about 75k. Dave says that the finance committee looked into what the budget could support for the mortgage. Historically, the church gave a housing allowance as part of the pastor’s salary. Now that money is being used for the mortgage. ● Question: We have a negative income, is there a plan to close that gap? Answer: reserves have grown even with a deficit budget, and we are actually finishing the fiscal year ahead of our budget. The plan going ahead is that we have a property here that is very marketable if we match it to the right tenant. We’ve found two tenants, and they are telling us what the market value of the property is. ● Question: Have we ever closed the year in the negative? Answer: Historically, we have on paper a negative budget of just about this amount, but there’s only been one year where we ever actually closed the fiscal year negatively. ● Question: Regarding the staff position waiting to be filled – what is it? The community engagement person (title tbd) as we think about connecting to our community, a person would be facilitating these outward-reaching ministries and community work. A job description hasn’t been written yet, but it’s a part time position. Pastor Ben would be open to hiring someone from within the congregation for whom this type of work matches talent and passion. ● VOTE: There is a motion from the Council to accept the budget for Fiscal Year 2025. It was seconded and the congregation voted to approve. ● Vote: There was a motion from the Council to authorize spending up to \$95k in church funds (from unencumbered assets) to install fire sprinklers in the preschool building. It was seconded, and the congregation voted to approve.
Council Membership	The council affirmed AJ Aist as our continuing youth member-at-large, and the congregation voted to approve.
Eric Hansen Award 2024	<ul style="list-style-type: none"> ● The award went to Patrice Sera in recognition for her community work and achievements. ● Angels Onstage, and the Special Olympics.

	<ul style="list-style-type: none"> ● Patrice spoke that volunteering is one of the biggest joys in her life and she encouraged others to get out there and volunteer.
Jamie	<p>Question: are there other buildings on campus that could/should have sprinklers that might lead to a reduction in insurance costs, or areas we might need for safety reasons. Is that something we need to think about for the future? If we're bringing water on campus already, maybe we need to make sure it's accessible for other needs.</p> <p>Tom: There doesn't seem to be a mandate that we do other places. If it turns out we need to do Zoar Hall, there is a fire hydrant that we can access for that water. We can't use the hydrant for the preschool building without tearing up the whole property.</p>
	Brett moved to complete the meeting. It was seconded and the congregation approved the meeting's end.
Closing Prayer	Pr. Ben Sandin
Meeting adjourned	1:28

Submitted by: Margit Schmitt, August 25, 2024