

AGENDA FOR THE 48TH ANNUAL MEETING OF BETHLEHEM LUTHERAN CHURCH January 24, 2010

- **Call to Order:** Dennis Astroth, Council President. A quorum of 10% of Confirmed members is required to conduct the annual meeting. On January 1, 2010 there were 759 Confirmed members, so a quorum is 76. Council members will conduct a count and inform the chair.
- **Opening Prayer**
- **Motion to Approve Minutes from 2009 Annual Meeting:** I move that we approve the minutes (or approve as amended) of the January 18, 2009 Annual Meeting. Second the motion, discussion, and vote.
- **Motion to Approve 2010 Budget:** I move that we adopt the 2010 budget (or approve as amended) in the amount of \$732, 387.00. Second the motion, discussion, and vote.
- **Motion to Call Pastor Daren Erisman as our Assistant Pastor (requires 2/3 majority vote):** I move that we extend a call to Pastor Daren Erisman to serve as our Assistant Pastor. Second the motion, discussion, and vote.
- **Election of New Congregation Council Members:** See the report from the Nominating Committee. If there are no additional nominations from the floor then someone may “move election of the slate as presented”. If there are additional nominations we will conduct a ballot vote. Motion, second, discussion, and vote.
- **Election of 2010 Nominating Committee:** See the report from the Nominating Committee. If there are no additional nominations from the floor then someone may “move election of the slate as presented”. Motion, second, discussion, and vote.
- **Reports:** The printed reports from council, staff, and ministries of the congregation are received as presented unless there are questions or comments.
- **Adjournment:** If there is no other business the chair will declare the meeting adjourned.

BETHLEHEM LUTHERAN CHURCH 2009 CONGREGATIONAL COUNCIL

OFFICERS:	President	Dennis Astroth
	Vice-President	Dee Smith
	Secretary	Karin Kloehn
	Treasurer	Jim Cowles

Scott Anderson
Ken Christensen
Matt Dickerson – Resigned
Audrey Murphy
Dianne Nichols
Sarah Simm – Youth Representative
Tim Staycer
Marji Wilkens
Pastor Laura Ziehl

BETHLEHEM LUTHERAN CHURCH STAFF

STAFF:	Pastor	Pastor Laura Ziehl
	Assistant Pastor	Pastor Daren Erisman
	Early Childhood Center Directors	Debi Carr
		Gail Winterbourne
	Youth Director	Jonathan Garman
	Office Administrator	Judy Foland
	Director of Children’s Ministries	Kim Oswald
	Music Staff	Mona Goetsch, Coordinator
		Judy Collier,
		Organist/Keyboardist
	Health Ministry	Mary Shaima, Liturgist
		Rose Moldenhauer,
	Stephen Ministry	Parish Nurse
		Molly Hall,
		Stephen Ministry Leader
	Financial Secretary	Carol Sanders
	Bookkeeper	Karen Wise

Bethlehem Evangelical Lutheran Church – Encinitas, CA
Annual Meeting of the Congregation
January 18, 2009

1. Bruce Dugmore, Council President, called the meeting to order at 10:04am
 - a. A quorum was determined to be 76 voting members
 - b. By show of hands, a quorum was established
 - c. Sign-in sheets were passed around to confirm the count and are attached to these minutes
2. A devotion was offered by Iriety Burrows
3. A motion was made and was seconded to approve the minutes of the January 21, 2008 Annual Meeting of the Congregation. There was no discussion and the minutes were approved by unanimous voice vote.
4. A motion was made and was seconded to approve the proposed budget for 2009
 - a. Treasurer Jim Cowles presented the budget and explained the comments included in the budget
 - b. A few questions of clarification were answered by Jim
 - c. A commendation was offered to the Council for its responsible stewardship during a difficult financial year
 - d. A vote was called and the budget was approved by unanimous voice vote
5. During the budget discussion a question was asked about the Bethlehem Endowment Fund
 - a. Judy Foland, Officer Administrator, pointed out that the Endowment Fund is a completely separate entity and not a part of the operating budget
 - b. Dennis Astroth referred the question to his report on the Endowment Fund which is included in the Annual Report of the Congregation, noting that an Endowment Fund Committee will be formed in 2009 to oversee and report on the Fund
6. Nominations for the new Council members were presented by Karl von Schlieder of the Nominating Committee
 - a. Nominated for three-year terms were Scott Anderson, Ken Christensen, Tim Staycer and Marji Wilkens.
 - b. A motion was made and seconded to approve the nominations
 - c. Nominations from the floor were invited; none were received
 - d. A vote was called and the motion was approved by unanimous voice vote
7. Nominations for the new 2009 Nominating Committee were presented by Karl
 - a. Nominated were Bruce Dugmore, Dave Ensberg, Lori Wolf and Wayne Yanda
 - b. A motion was made and seconded to approve the nominations
 - c. Nominations from the floor were invited; none were received
 - d. A vote was called and the motion was approved by unanimous voice vote
8. Bruce asked members to review the individual reports included in the Annual Report of the Congregation
 - a. No questions were asked
 - b. Bruce asked that members complete the Comments and Suggestions Page
 - c. Bruce stated that the reports would be accepted as submitted
9. Pastor Laura rose to thank Bruce for his service, as President of the Council, during a very challenging year. She also asked the members of the Call Committee and the out-going members of the Council to stand to receive thanks from the congregation.
10. Bruce thanked everyone and adjourned the meeting at 10:35am

Respectfully submitted by,

Karin Kloehn,
Congregation Council Member

Bethlehem Lutheran Budget Summary

	2009 Budget	2009 Actual	Proposed 2010 Budget	Comments
Income	\$ 695,300	\$ 666,418	\$ 722,841	
Offerings	\$ 526,000	\$ 497,825	\$ 557,808	
Campus Usage Fees	\$ 169,300	\$ 168,593	\$ 165,033	
Thrivent Loan			\$ -	
Year-End Gifts			\$ -	
Expenditures	\$ 699,007	\$ 674,321	\$ 732,387	
Pastors	\$ 122,620	\$ 106,211	\$ 152,553	See Note 1 and 2
Music	\$ 48,000	\$ 46,768	\$ 45,000	
Worship	\$ 5,900	\$ 7,506	\$ 7,150	
Christian Education	\$ 33,525	\$ 30,323	\$ 34,254	See Note 1
Youth Director	\$ 57,714	\$ 61,033	\$ 68,339	See Note 1 and 3
Outreach	\$ 52,153	\$ 50,618	\$ 58,419	See Note 4
Administration	\$ 91,245	\$ 92,114	\$ 87,568	See Note 1
Operating	\$ 74,150	\$ 75,043	\$ 74,650	
Mortgage	\$ 115,550	\$ 115,548	\$ 115,550	
Campus Maintenance	\$ 98,150	\$ 89,157	\$ 88,904	See Note 5
Budget Excess / (Deficit)	\$ (3,707)	\$ (7,903)	\$ (9,546)	

- 1 - A 2% salary increase for 2010 was approved by Council for all staff members
 2 - An increase in this category is due to proposed increased hours for the Assistant Pastor. Council has proposed increasing the hours from 12 hours/week to 20 hours/week in order to continue improvement in the quality of our church life and mission.
 3 - An increase in this category is due to an increase in benefits payment.
 4 - An increase in this category is due to an increase in our Benevolence offering to the Pacifica Synod. Last year we committed 6.1% of our income, this year we pledge to commit 6.7% of our income.
 5 - A decrease in this category is due to actual accrued expenses for 2009.

Additional Notes

- * We began our Stewardship Campaign on Sunday, October 25th and, despite prevailing economic concerns, our pledged Stewardship has continued solid and committed.
- * The new budget retains \$500 in Contingency/Reserve which will be available for non-specific Maintenance expenses that are anticipated. For 2010, no Contingency/Reserve is budgeted for Operating expenses.
- * The 2010 Operating budget does not reflect a potential need (drawing upon a line of credit established with Thrivent Financial) to address cash-flow issues during the coming year. This expense was not necessary during 2009.
- * The Church Council will continue to identify additional measures to reduce the administrative, operation, and maintenance expenditures for 2010. Individual unanticipated expenses will be addressed as they may occur.

* Several new expense categories were added to this year's budget but remain unfunded. Council believes that these are important categories that should be funded in the future.

	Amount Budgeted	Estimated Need
Outreach		
Welcome Ministry	\$ -	\$ 500
Small Group Ministry	\$ -	\$ 500
New Life Band Ministry Support	\$ -	\$ 750
Christian Education		
Book of Faith Initiative	\$ -	\$ 250
Visitor Speaker Series	\$ -	\$ 2,000
Maintenance		
New Campus Signage	\$ -	\$ 5,000
Music		
Sound System Upgrade	\$ -	\$ 9,500
Administration		
Volunteer Coordinator	\$ -	\$ 1,000
Receptionist	\$ -	\$ 24,000
Website Support	\$ -	\$ 1,500
Campus Operations		
Learning Village Seed Fund	\$ -	\$ 100,000
Portable Trailers	\$ -	\$ -

Respectfully submitted by Jim Cowles, Council Treasurer

**Budget
Annual**

Bethlehem Lutheran Church
925 Balour Drive
Encinitas, CA 92024

Proposed 2010 Income Budget

Current Liabilities

4032	Loan-Thrivent	0.00
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Total Current Liabilities		0.00
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Regular Offerings

4000	Member Pledged-General Fund	447,808.00
4010	Member Non-Pledged/As Able-Ge...	80,000.00
4020	Visitor & Loose Offerings	15,000.00
4030	Special Offerings	15,000.00
4031	Budget Deficit	0.00

Total Regular Offerings		557,808.00
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Other Income

4060	Usage Income-Preschool	67,188.00
4061	Usage Income-Childcare	93,845.00
4064	Outside Use of Facilities	4,000.00

Total Other Income		165,033.00
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Total Budget For Income 722,841.00

Budget Annual

Bethlehem Lutheran Church
925 Balour Drive
Encinitas, CA 92024

Proposed 2010 Expenses Budget

Pastors

Head Pastor

5000	Pastor Salary	79,095.00
5001	Pastor Benefits	27,618.00
5002	Pastor Professional Expenses	2,000.00
5003	Pastor Cont Ed	1,000.00
5015	Social Security	0.00

Total Head Pastor 109,713.00

Pastor-Other

5008	Assistant Pastor	39,000.00
5016	Asst. Pastor Social Security	0.00
5017	Asst. Pastor Professional Expense	1,000.00
5018	Asst. Pastor Cont. Ed	500.00
5019	Asst. Pastor Benefits	2,340.00

Total Pastor-Other 42,840.00

Total Pastors 152,553.00

Music

5100	Music Salaries	36,000.00
5101	Guest Musicans	3,000.00
5102	Substitute Organist/Piano	750.00
5110	Fees for Copyrights/Licenses	500.00
5111	Music Supplies	2,000.00
5112	Music Equipment	1,000.00
5120	Organ/Piano Tuning/Maint	1,000.00
5125	Miscellaneous	750.00
5130	Sound System Upgrade	0.00

Total Music 45,000.00

Administration

5200	Administrative Salaries	51,270.00
5205	Benefits	11,098.00
5210	Copier Expenses	8,000.00
5215	Postage/Postage Meter	4,400.00
5220	Computer Supplies/Service	4,000.00
5225	Telephone Expense/Svc. Contract	4,200.00
5230	Office Supplies	4,000.00
5240	Bank Charges	100.00
5275	Volunteer Coordinator	0.00
5280	Website Support	0.00
5285	Receptionist	0.00
5299	Admin. Misc.	500.00

Total Administration 87,568.00

Worship

5301	Pastoral Supply	1,500.00
5305	Bulletins	2,500.00
5311	Stewardship Envelopes	800.00
5325	Altar Supplies	750.00
5330	Flowers	100.00
5399	Worship Miscellaneous	1,500.00

**Budget
Annual**
Bethlehem Lutheran Church
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Total Worship		7,150.00
Christian Education		
5400	Dir. of Children's Ministries Salary	21,854.00
5410	Children's Ministry	2,500.00
5415	Confirmation	2,500.00
5420	High School Ministry	2,500.00
5422	Confirmation Salary	3,000.00
5425	Conferences	1,000.00
5440	Lutheran Literature	600.00
5450	Book of Faith Initiative	0.00
5455	Adult Education Stipend	0.00
5499	Misc	300.00
Total Christian Education		34,254.00
Youth Director		
5010	Youth Director	44,609.00
5011	Youth Director Benefits	21,430.00
5012	Youth Director Car Expense/Phone	1,800.00
5013	Youth Director Cont Ed	500.00
Total Youth Director		68,339.00
Outreach		
5500	ELCA Benevolence	48,671.00
5505	Social Ministry Expense	500.00
5520	Hospitality	700.00
5530	Health Ministry Salary	4,848.00
5535	Health Ministry Expenses	1,000.00
5540	Stephen Ministry	1,200.00
5550	Missionary Support	1,000.00
5560	Harvest Festival	0.00
5565	Welcome Ministry	0.00
5570	Small Group Ministry	0.00
5575	New Life Band Ministry Support	0.00
5599	Outreach Miscellaneous	500.00
Total Outreach		58,419.00
Operating Expenses		
5604	Payroll Services	2,500.00
5611	Other Supplies	8,000.00
5615	Mortgage Payment	115,550.00
5617	Second Mortgage Interest	0.00
5620	Utilities	20,000.00
5621	Payroll Taxes	20,000.00
5622	Property Taxes	9,000.00
5623	Property Insurance	13,000.00
5625	Workers Compensation	2,000.00
5695	Contingency/Reserve	0.00
5699	Misc Operating Expenses	150.00
Total Operating Expenses		190,200.00
Maintenance		
5600	Janitorial Services	59,244.00
5601	Grounds Svcs.-Monthly	14,160.00
5602	Pesticide Services	1,080.00
5603	Carpet Cleaning/Pews	1,200.00
5711	Property - Volunteer Expenses	720.00

**Budget
Annual**

Bethlehem Lutheran Church
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Maintenance (cont.)

5713	Landscape Maintenance/Replace...	2,000.00
5715	General Maintenance	5,000.00
5716	Property Improvements/Painting	2,000.00
5720	Maintenance Supplies	3,000.00
5721	Maintenance Reserve	500.00
5725	New Campus Signage	0.00

Total Maintenance 88,904.00

Campus Operations

5800	Learning Village Seed Fund	0.00
5805	Portable Trailers	0.00

Total Campus Operations 0.00

Total Budget For Expenses 732,387.00

Congregational Council 2009 Annual Report

This past year has been busy and productive for your Council.

- We completed our year-long Healthy Start process with Pastor Dale Sollom-Brotherton. We learned a lot about who we are as a community of believers, how we function as an organization, and what a vision for the future might look like.
- For the first time since I have attended Bethlehem we seated a Youth Representative as part of our Council.
- We started a new Welcome Ministry chaired by Dianne Nichols and Ken Christensen.
- Scott Anderson and Marji Wilkens led an inspirational and successful Stewardship campaign.
- We hired Pastor Daren Erisman to serve as our Assistant Pastor at 12 hours per week. And, further, we voted to include an agenda item at our 2010 Congregational Annual Meeting seeking to extend a call to Pastor Daren Erisman to serve as our Assistant Pastor at 20 hours per week.
- We regularly reviewed the financial condition of Bethlehem and worked to ensure that our expenses did not exceed our income. Thanks to everyone's faithful giving our job was not too difficult.
- We continued to provide content for our church website. Thanks again this year to Jim Murphy for his work as our webmaster. And thanks to Karin Kloehn for her work as Council website liaison.

This year the terms of the following council members come to an end: Audrey Murphy, Dee Smith, and Jim Cowles. Thanks for your service. We also say thank you to our Youth Representative, Sarah Simm. Sarah has been a great representative for our young adults on Council. Her commitment of time during a busy school year is much appreciated. And, earlier this year, Matt Dickerson resigned from Council.

I want to thank all of this year's council members for their commitment of time and for their talents. Our time together has been a blessing. We have worked together to conduct the business of the church but we always remember that it's Jesus message of Love that inspires and drives our decisions.

Respectfully submitted by Dennis J Astroth, Council President

Bethlehem Lutheran Church Endowment Fund 2009 Annual Report for Reporting Period October 1 2008 to September 30 2009

The Bethlehem Lutheran Church (BLC) Endowment Fund was established in December 2001 with the Lutheran Community Foundation (LCF) as the investment manager. The first member gift was deposited with the LCF in February 2005.

Gifts from Bethlehem members are sent to the fund and invested in a mutual fund. Grant requests approved by the Bethlehem Lutheran Council are sent to the LCF and grant checks sent back to BLC. Investment interest and capital gains accrue in the endowment fund and investment losses and administrative fees reduce the value of the endowment fund.

As of September 30, 2009 there are four major gifts that comprise the BLC Endowment Fund. Three of the gifts have grant restrictions and one gift has unrestricted grants. Two of the gifts are Permanent and two are Temporary. A Permanent gift type is intended to be managed so as to maintain the principal and make grants from the gift earnings. A Temporary gift is intended to be granted without the restriction of maintaining the principal. The table below shows specifics of the Fund gifts.

Gift Name	Restriction	Gift Type
<i>Anonymous</i>	Global outreach, scholarships for students in need attending Bethlehem Early Childhood Center, and local	Permanent
<i>Columbarium</i>	Additional construction of columbarium niches	Temporary
<i>Bill and Patti Harman Vision Fund</i>	Bethlehem Lutheran Church initiatives as identified by the current Pastor.	Permanent
<i>General BLC Gifts</i>	None	Temporary

The financial report for the total Endowment Fund for the reporting period ending September 30 2009 is shown in the table below.

Balance on Sept. 30 2008	\$59,449.84
Grants	\$ -
Capital Gains / (Losses)	\$1,640.46
Fund Administrative Fees	(\$521.98)
Dividends / Interest	\$1,054.10
Balance on Sept. 30 2009	\$ 61,622.42

The financial report for each individual gift of the Fund for the reporting period ending September 30 2009 is shown in the table below.

Gift	Initial Gift Amount	Current Gift Balance	Available Interest for Grants
Anonymous	\$ 50,000.00	\$42,688.09	(\$7,311.91)
Columbarium	\$ 8,324.00	\$9,229.50	N/A
Bill and Patti Harman Vision	\$ 10,053.00	\$9,331.48	(\$721.52)
General BLC Gifts	N/A	\$373.35	N/A

Respectfully submitted by Dennis J Astroth, Council President

Property Committee 2009 Annual Report

With a campus as large as Bethlehem's there is always something in need of repair or replacement. This past year was no different.

- Our irrigation controllers were replaced with "smart" irrigation controllers and we received a grant rebate from the County Water Authority to offset half of the cost. With this installation we should see savings on our water bill
- An additional storage shed for the Youth Ministry was assembled and placed near our existing storage sheds. We now have four storage sheds: Matthew, Mark, Luke, and John (Jon).
- The Encinitas Fire Marshal conducted their annual inspection of our buildings for compliance with fire codes. We are in full compliance.
- A new water heater was installed for the Sacristy.
- Quite regular visits by our plumber to fix the various fixtures, drains, and toilets that we have on our campus.
- A group of Marines from Camp Pendleton volunteered their time and materials to help paint the family center and spruce up the children's play areas.

As always we have dedicated volunteers who support our campus work parties and help to spruce up the campus by painting, cleaning, and making repairs. My thanks to everyone who has given their time to help beautify our campus and buildings. I would especially like to recognize:

- Tom Wolf – my resident electrician.
- Bruce Stenstrom – checks and replaces burned-out light bulbs regularly.
- Gary Kloehn – cleans and maintains both the baptismal font and the Narthex fountain.

There are several major projects that will need to be addressed in the coming years.

- Tenting and fumigation of the Childcare building for termites.
- Roof repairs on the Sanctuary and Family Center.
- Painting of the Sanctuary interior.
- Repair / re-paving / sealing of the parking lot.

In the past two years we have installed energy efficient lighting ballasts and motion-detection light switches in all our campus buildings. You can help to control our utility costs and help to preserve resources by turning off lights and turning off heating / air conditioning systems when leaving a room or building.

Respectfully submitted by Dennis J Astroth, Volunteer Property Manager