



**Semi-Annual Meeting of the Congregation
Bethlehem Lutheran Church
Mankato, Minnesota
November 20, 2022
10:55 – 11:32 AM**

MINUTES

ATTENDANCE: 82 (Quorum = 75)

CALL TO ORDER: President-Elect Jason Brun

OPENING PRAYER: Pastor Jay Dahlvang

MINUTES: Action: Minutes of the spring semi-annual meeting held on April 10, 2022, taken by secretary Bob Ihrig, were approved on a motion by Bob Ihrig and second by Derek Brown with all in favor.

Action: Minutes of the special congregational meeting held on August 21, 2022, taken by secretary Bob Ihrig, were approved on a motion by Bob Ihrig and second by Chris Paul with all in favor.

OLD BUSINESS: None

REPORTS: Available on BLC website for member review.

NEW BUSINESS:

A. 2021-22 Council/Board/Committee Goals

Secretary Bob Ihrig highlighted the 2022-23 goals established by the Council and BLC boards/committees. These are available on the BLC website for member access. Members were encouraged to review these goals to understand the planned goals and activities of our various established formal groups. These provide a focus and direction for each group during the year. Written reports outlining the results in accomplishing these goals will be presented at the spring semi-annual meeting. Members should also consider possible groups to join in the future when the nominations process is held in the spring to fill vacancies on the Council and other boards and committees. The goals should help to identify the mission and activities of each group.

B. Strategic Planning Goals Update

Pr. Jay provided an update on the 2022-26 strategic goals. The 5 goals identified by the strategic planning task force and approved by the Council and congregation were reviewed. Specific objectives to implement these goals are being developed and finalized by the pastors and Council.

C. 2021 BLC Financial Review Report Approval

The Financial Review Committee and Financial Secretary Elizabeth Ruiz will meet on December 3 to conduct the official 2021 BLC financial review. Once completed, a report will be submitted to the Council and congregation for review and official approval at future meetings.

D. 2023 Proposed Budget Approval

On a recommendation by the Council, the 2023 BLC proposed budget was presented and discussed. The following major points were highlighted by Financial Secretary Elizabeth Ruiz for income and expenses with a proposed budget of \$829,702. This represents an increase from the 2022 budget of \$813,309 and equals a deficit of \$13,698:

- ❖ Few major changes are proposed overall in the 2023 budget.
- ❖ Summary & Explanation of Line Items: A written summary and explanation of specific budget line items was reviewed as background for discussion. Minor adjustments were made in different accounts to cover current and projected income & expenses.
- ❖ Staff Compensation: Lines 170-197 detail pastoral and lay staff compensation. Pastoral compensation includes a 1% increase for Pr. Jay based upon his personal recommendation and agreement. This will still keep him above synod pastoral compensation guidelines. Pr. Jacie's compensation is proposed in alignment with the synod guidelines. The associate pastor position was increased from ¾ time to full time for 2023 to reflect the call process agreement. The lay staff compensation proposal totals a 4% increase. The Personnel Committee proposed an actual 5% increase to account for cost-of-living increases and the need to adjust some salaries to align with national research on comparable church salaries. This was reduced by the Council to 4% given the need to reduce the projected deficit.
- ❖ Message from Pastor Jay Regarding 2023 Proposed Budget: A written message from Pr. Jay regarding details of the 2023 proposed budget was reviewed.
- ❖ Projected Deficit: The proposed budget represents a \$13,698 deficit. This is not customary procedure for the annual budget. Several options for addressing this deficit were presented. These could include an increase in Line 1 General Fund Offerings by \$13,698 or to make reductions in expenses by this amount.

The following questions and information were shared by congregation members and Council members:

- ❖ Will lay staff salaries increase in future years? The Personnel Committee is committed to providing appropriate lay staff compensation that is aligned with national church salary data. It will continue to conduct the necessary research to collect this data.
- ❖ Are capital campaign pledges affecting 2023 annual fund contributions? BLC members have made generous pledges to the annual fund with a total of \$340,000 thus far. The capital campaign Response Team is calling BLC members who have not yet submitted capital campaign and annual fund pledges.
- ❖ The options for addressing the projected deficit include cutting expenses, carrying over any 2022 end-of-year surplus and relying on BLC members to increase their giving for 2023 were discussed.
- ❖ The Budget Committee and Council were thanked for their work on the proposed budget.
- ❖ The projected deficit is only 1.6% of the total budget.
- ❖ The projected 2023 deficit could be cut with an average BLC member giving unit increase of \$52 in annual giving.
- ❖ A variety of giving options are available to BLC members. These include online contributions via checking accounts and credit cards.
- ❖ Members were encouraged to consider contributions to BLC with their IRA distributions.

- ❖ A reduction in the proposed BLC landscaping budget of \$1,000 (Increased from \$500 from 2022) was suggested as a deficit reduction option. No action was taken on this.

Action: The proposed 2023 BLC budget as presented with no changes was approved on a motion by Chris Paul and a second by Bob Brown with a unanimous vote.

CLOSING PRAYER

Pastor Jacie Richmond led the membership in prayer to close the meeting.

ADJOURNMENT

The meeting was adjourned on a motion by Liz Paul, a second by Marian Mallory and a voice vote at 11:32 a.m.

Respectfully Submitted,
Bob Ihrig, Congregation Secretary