

# ANNUAL REPORT 2021-2022



ANNUAL CONGREGATIONAL MEETING

Sunday, May 15, 12:30 p.m.

Elim Lutheran Church of Petaluma, California



Evangelical Lutheran Church in America  
God's work. Our hands.









# PRESIDENT'S REPORT

I would like to begin this report with words of gratitude. First, to Pastor Kathryn, who works tirelessly to bring us encouragement, consolation, inspiration, wisdom and joy every week. It is truly a pleasure to collaborate with her. Secondly, to the rest of our Leadership Team: Vice President Walt Griffith, for being in charge of all matters related to facilities; Treasurer Andrea Nortz, who has had to master complex systems and records; Secretary Suzy Sellai, for taking minutes so faithfully; and our Members-at-Large, Karen Pesutich, Cindy Skanderson, Tom Harris, and Kevin Jensen-Unger, for their thoughtful input on all matters. We have worked together respectfully all year, and serving with this team has honestly been one of the best experiences of my life. Sadly, Suzy and her husband Ed are moving to Missouri, and so I want to also thank Maria Svinth for stepping up to replace Suzy for the past month as Secretary. Elim is full of people willing to serve our congregation, which is why it is so fulfilling to be a leader here. Taking on a new leadership role carries a large learning curve, though, and I would be remiss in not thanking Kevin Prime for generously sharing his time with the LT again and again. I have a whole new level of respect for Kevin's expertise and how much he does behind the scenes. Speaking of behind the scenes ... our staff is amazing. Thank you to Erin, Lauren, Barb, Richard, and Cindy (our custodian) for keeping our space clean, the bills paid, the worship planned, and the music rockin'. Also to Doris, who volunteered a ton of her time in the office as Erin transitioned back from maternity leave. What a team! Thank you also to Kim Naugle, the director of Little Shepherd Preschool, and all of the preschool teachers, for their loving care of children during a pandemic. They run a wonderful, important ministry and are our valued partners.

The past year has gone by quickly. As I look back, our attention was really devoted to three major themes: dealing with ever-changing COVID conditions (that necessitated constant reevaluation of safety measures and procedures for worship, food pantry, group meetings, and even funerals); changes in staffing (an office manager on leave, hiring a new custodian, reworking the worship clerk position, and replacing LT members); and finally, the process to call a permanent pastor, which called for a Transition Team to run small group meetings and write a lengthy Ministry Site Profile and our congregation to hold a special meeting to elect a Call Committee. That's the Cliff Notes version for you! The brevity of this paragraph belies the hundreds of hours that went into all these initiatives.

Now that I have more experience under my belt, it's time to look forward. We know that church in 2022 is different than it was in 2018 and programs are evolving. That's OK. Adaptation to change is healthy. We know that finances continue to be a challenge for us. I imagine every LT in the history of this church has felt that way! Monthly giving increased 20% following our Generous Hearts campaign in February (thanks to the very capable leadership of Kevin Hart), but our income is still not sufficient to fund a highly experienced pastor at full time. Therefore, we need to pursue other ways to generate income, such as educating our members about estate planning and pursuing creative solutions to our underutilized properties. We will ask our next permanent pastor to lead us in crafting a strategic plan for our ministries and facilities to address our post-COVID realities. In the meantime, let's get back to fun and fellowship. Worshiping together, serving together, and playing together will be a renewed focus for 2022-23. I hope you will join us and contribute both your ideas and

energy. Elim is a vibrant, loving community thanks to YOU and the Holy Spirit working among us. Thanks be to God!

Regards, Lain Gen

# YOUTH FAITH FORMATION

## Communion Kids, 2<sup>nd</sup> to 5<sup>th</sup> Grade

This past year we had 6 to 8 kids attend Communion Kids classes and activities while learning about Holy Communion. Activities included; cookie decorating and distributing them in the neighborhood, creating their own Communion banners, decorating an Alleluia banner, Easter craft activities, and more! Many thanks to the adults who helped make these activities fun; Amy York, Suzy Sellai, Deb Sheridan, and Brian Tolson.

## Confirmation

Confirmation classes and activities were held twice a month throughout the year. Studies included the New Testament and Luther's Small Catechism. Attendees included Aiden Fusco, Madison Bishop, Spencer Prime, Dalilah Gen, Cynthia Peter, Casey Davison, and James Norquist. There will be a Confirmation Celebration for those affirming their baptism on May 22nd. Confirmation activities will continue during the summer where upcoming 6th and 7th graders will be invited to join.

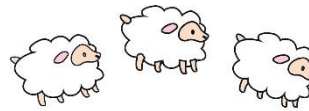
## Vacation Bible School/Day Camp



Elim will be easing back into VBS with a fun day camp experience on site with staff from Mt. Cross Ministries. This camp is planned for June 27-July 1 and will begin with Mt. Cross staff joining us at our Sunday service on July 26 to kick off the week. Camp is limited to 40 children who are entering grades 1-6. We are also seeking volunteers throughout the week as well as host homes for the Mt. Cross staff. Please let Emily

Hennagin know if you are interested in this rewarding opportunity. It will be a boundless week exploring God beyond measure!

## Little Shepherd Preschool



**Little Shepherd  
Lutheran Preschool**

**Director:** Kim Naugle; **Teachers:** Cindy Conner, Debbie George, Melissa Burgess, Cindy Skanderson, Bridget Buell, Rhonda Holt, Serena Baldry

Dear Elim Friends,

Thank you to all of you who have faithfully prayed for Little Shepherd Preschool this year. We've had a great year with 80 preschoolers so happy to be in class to learn and play with friends. The students were supported by 7 wonderful, dedicated, and loving teachers.

As regulations lifted, we were happy to be able to meet with Pastor Kathryn and Lauren Haile for Children's Chapel and Choir. I'm so grateful to the teachers, children, families, the Elim leadership team and congregation for their patience, prayers, and support.

We will have an outdoor graduation on June 8 to celebrate our 30 Little Shepherd Preschool graduates who will be moving on to Kindergarten next year. We pray that we have given them a foundation that fosters a love for school, a curiosity for learning, and a kind, loving heart.

Blessings,  
Kim Naugle

Little Shepherd Lutheran Preschool Director

# ADULT FAITH FORMATION

## **Elim Lutheran Church Women (ELCW)**

Submitted by Doris Widger, President

After two and half years, it was good to gather for our Thankoffering event, last November. We had a very short meeting but managed to hold our elections for officers and talk about what sort of things we want to do going forward. We also took up a Thankoffering that was sent to our national organization to help support special programs for women.

Elected were: Doris Widger, President; Kathy Matt, Vice-President, and Mercedes Cooke, Secretary. Treasurer's position is still open.

We then had to put things on hold for several more months during another Covid surge but starting in March the board was able to meet in person again. We are planning a Mother's Day gift for all women at church that Sunday as well as a summer luncheon event.

Meanwhile, we still have two circles that have been meeting, as much as they were able over the past year. Elizabeth Circle met every month either online or in person. The highlight was a summer salad potluck in Mary Wyrick's backyard. It was the first time that Pr. Kathryn had met some of us in person so it was a special afternoon. Some of us took a ride on the Smart Train to San Rafael, had a nice outdoor lunch, and walked around. It was very handy to have a fourth-grade teacher in our group when we visited the Mission (We are really going to miss you, Suzy!). We also did a few hikes, well, walks. We had a Christmas luncheon meeting in December at the church with about 20 women attending. It was so nice to have Robin Butts there to tell us a Christmas story. Otherwise, we continue to use the Bible study in the Women of the ELCA magazine, Gather every month to

learn more about the Bible and each other. We are currently meeting at noon on the 4th Monday of each month, usually in someone's backyard.

Esther Circle has met a few times over the past year and working to get back to their regular schedule of meetings on the second Tuesday of each month. For more information on this circle, contact Kathy Matt.

We were not able to distribute financial gifts to the usual organizations at Christmas time since we have not had much income over the past few years. We do have about \$6,000 set aside for work on the church kitchen. We did underwrite the gifts at Christmas to our tech team. Thank you to all who contributed to this fund!

All women at Elim are invited to any or all of our activities and events. Please keep an eye out for future opportunities or contact Doris ([doris@elimpetaluma.org](mailto:doris@elimpetaluma.org)) to get connected with a circle.

## **Tuesday Night Bible Study**

Submitted by Richard Maxon

We are a small group of 8-12 people who meet on Zoom Tuesday nights from 7:00-8:00. In addition to discussing the scripture readings for the upcoming Sunday, and talking about how we can apply them to our own circumstances, we also encourage each other and share what is happening in our lives. We are both a Bible Study and Support Group. We learn about God, the Bible, each other, and ourselves. New members are always welcome. For more information contact Richard Maxon ([richard@elimpetaluma.org](mailto:richard@elimpetaluma.org)) or talk to Pastor Kathryn.

## Men's Breakfast Ministry

Submitted by Phillip Cannon

All men are invited to a virtual breakfast via zoom almost every Saturday morning at 8 a.m. You are welcome to join in for a few minutes or stay for whole meeting. We all have busy lives. We email out a meeting invitation on Friday night and if you want to get on the list just email [men@elimpetaluma.org](mailto:men@elimpetaluma.org). We have been meeting via zoom since March of 2020 and plan to continue that until the church reopens. While we miss cooking together in the church kitchen (and the smell of bacon) meeting via zoom has brought us some long-distance guests and enabled those who were ill to attend while they were in recovery.

## MUSIC

Hello Elim family! What a wild year it's been. I am so happy to be bringing this update to you. We have seen some wonderful things come to fruition as we make our way out of the wilderness of the last two years. We are still learning and adapting and growing and will continue to do so. But, God is at work in our music ministry.

In August we had our first in-person church service. Even that feels like so long ago. Anyone else feel like the last couple of years have actually felt more like five? We had one service for a while and gradually built our way back to two services starting in November. All of our talented musicians practiced a lot of patience as the staff and Leadership Team figured out on a weekly (sometimes daily) basis how to best serve this congregation.

Here's what's happening now in the Spring of 2022. Our first service features vocalists, piano,

## Elim's Crafters

Submitted by Becky Wyrick

The Craft group continues to meet on Saturday mornings at 10:00 in our upstairs craft room. Anyone is welcome to join us. We held two pop-up sales since the reopening of in person worship services for Christmas and Easter. The profits from our Christmas sale was split in half to the Endowment Fund and the Scholarship Fund. The profits from our Easter sale will go towards improvements around the church. Thank you Elim congregation for purchasing our crafts! If anyone has a crafting skill they'd like to teach contact Becky at [beckygaribaldi@gmail.com](mailto:beckygaribaldi@gmail.com). We would love to have you show us a new skill! Want to know what the crafters are up to? join our group email list.

flute, and acoustic guitar. Our second service features drums, guitar, bass, piano, and vocalists.

Our choir is growing! The Elim Choir consists of people who love to sing- no previous experience required. When we started practicing again back in August of 2021, we had about 10-12 singers each week. We are now averaging nearly 25 choir members at each rehearsal! This makes my heart absolutely soar. I adore working with our choir and am so proud of the hard work they've put in the past several months. An especially meaningful moment for me was when they sang the song "I Believe" at our Good Friday service. Hearing their voices in the four corners of the sanctuary brought me to tears.

Our Children's Choir is small but mighty! We are still welcoming anyone who wants to join us for practice in between services on Sundays from 10-10:30am in the choir room. The kids have performed with the band as well as with the



adult choir. We have lots of fun learning solfege as well as songs to share with the congregation.

In February, I started a preschool choir at Little Shepherd for the 4 year olds. It has been a real joy! Next year my goal is for the kids to perform songs in our Sunday services at least twice a year. I also hope to expand the amount of kids I get to see, as well as the frequency I see them.

The last thing yet to return is Festival Choir. I am hoping and praying that during Advent, we'll be able to welcome back Laila Schoenlein to direct us. She is an incredible teacher, conductor, musician, and overall fun human being. She brings in community members to share a special set of music with our congregation and we have sorely missed her presence the last couple of years.

Thank you to my husband, Paul Haile, for stepping in as a conductor, instrumentalist, soloist, sound technician, or any other place I may be in a bind. Thanks to my friends in the greater Sonoma County music scene who have stepped in here and there to help: Becca Matlick, Dianna Morgan, and Sean Millard.

Thank you to all the fantastic musicians I get to work with week in and week out here at Elim! I am blessed and encouraged by your tenacious spirit, your gracious attitudes, and your welcoming presence. Thanks for always striving for excellence with humor and love at the forefront.

Preston Bailey

Eli Carter  
Lucas Carter  
Tim Carter  
Nancy Clarke  
Mercedes Cooke  
Diane Day  
Rosemary Endicott  
Pastor Kathryn Gulbranson  
Lynn Harenberg  
Kevin Hart  
Eire Hohenner  
Pat Kellgren  
Athena Labberton  
Sarah Labberton  
George Matt  
Kathy Matt  
Richard Maxon  
Carol Mayo  
Robin Merrill  
Alex Miller  
Vicki Olivas Navarro  
Audrey Norman  
Mark Norman  
Judy Peterson  
Kevin Prime  
Stella Prime  
Rich Rodkin  
John Schempf  
John Sedlander  
Ed Sellai  
Phil Sorensen  
Kevin Jensen Unger  
Daphne Widger  
Nathan Widger

# ELIM TEAMS

## Worship and Music Planning Team

**Team Members:** Pr. Kathryn, Lauren Haile, Barb Villa, Andy Hohenner, and Kevin Prime

The team meets weekly to plan the worship services and work on the logistics of broadcasting. We have gone from broadcasted services only to in-person and broadcasted services. We are trying to meet the needs of those who haven't been able to return to in-person services due to Covid. It has been a challenging year for the team.

## Facilities Team

Submitted by Rosemary Hart

**Team Members:** George Matt, Walt Griffith, Brian Tolson, Rich Rodkin, Fred Svinth, Rosemary Hart, our newest member Greg Gray, and our honorary member Don Bent

Last June, the Facilities Team completed the exterior painting of the Fellowship Hall and Nursery. Thanks to Rich Rodkin for spearheading that project and to all of you that donated to the painting fund.

We then put the finishing touches on the campus exterior by the installation of an updated sign in front of the Sanctuary, a new sign to designate the parking lot, and a new bulletin board at the Baker Street entrance to the Fellowship Hall. This project was managed by Scout Luke Desenberg as his Boy Scout Eagle Service Project. With assistance from the Sign Committee of Mary Wyrick, Nancy Clarke, and Rosemary Hart, plus the graphics expertise of Kim Richardson, Luke created the design, obtained the donations of supplies, and supervised the Boy Scout team in the building and installation. We also want to thank Duncan Flett, Luke's Sponsor; John Schempf, Luke's Scout Leader; and a very big thank you to Les Morgan who donated funds for the signs in the

name of his sister, Karen Morgan-McKenna, a previous member of Elim.

To keep the spruce-up momentum going, Elim had a small fund left from the exterior painting donations and we were able to paint the Sanctuary's interior wainscoting, altar columns, altar relief wall, and arch over the choir loft. We thank the Altar Guild for helping with the paint selections and all of you who helped by donating to the painting fund.

Our video streaming service was also upgraded this year. Our connection to the internet, which was originally and quickly installed due to Covid, was a cord winding through the craft room and down the hall. It is now wired permanently. Thank you to Kevin Prime, for your assistance and project management in this implementation. The new connection was installed by Elim congregation member Barry Yant of Beck Communication.

Our member, Karen Pesutich, purchased a much-needed locked mailbox for the Church Office and George Matt and Walt Griffith installed it. Thank you all!

This past year we also replaced a damaged section of gutter running along the preschool side of the patio and around to the parking lot.

We've had electrical problems with the pendant lights in the Sanctuary and currently are working on getting a scissor lift in - and an electrician up to them. They should be fixed soon.

In keeping with the spirit (Holy Spirit, we pray) of spruce-up, the Facilities Team completed a detailed audit of the campus needs, obtained several estimates, and developed a list of Elim Facilities Project Needs. The list is long. Several items are in the "need to do now for safety reasons" group. We'll be communicating the

project list and scheduling some of these projects soon. We will need volunteers and facility fund donations. In addition to your regular giving, please consider adding a small monthly gift to the facilities budget if you want to help this list get accomplished. Thank you.

Our higher priority facilities project needs include:

- Repair buckled sidewalks [\$9,210 for Stanley Street and Entrance; \$2,600 for Baker Street]
- Install Air Filtration Systems in the Sanctuary (cleans fire smoke and Covid from the environment) [\$2,889 to clean interior air; \$14,949 to bring in cleaned fresh air]
- Install Air Filtration Systems in the Fellowship Hall and Nursery (cleans fire smoke and Covid from the environment) [\$12,892 to clean interior air; \$27,400 to bring in cleaned fresh air]
- Replace / Repair office porch [\$4,000]
- Replace decaying patio bench [\$450]
- Replace / Re-upholster Pews [\$15,400]
- Update Pastor's Office [\$1,550]
- Patch and paint entrance vestibules [\$500 for paint and materials, volunteer labor; \$1,500 for professional to paint parking lot, vestibule only]
- Repair roof leak at skylight next to rooms 6 & 7 [\$400]
- Replace flooring in craft room and adjacent hall [\$1,600]
- Replace the water-stained glass on Baker Street Doors [\$800]

\* Single vendor cost estimates obtained for cost study. Facilities team will receive additional bids and use volunteer labor wherever possible to keep costs down.

A special thank you to the Elim Crafter's. Recent pop-up sale proceeds have been donated to the facilities account. We're excited to see what updates we can do with these funds.

## Baker Street Garden

Submitted by Cynthia Griffith

Despite the continuing surge of Covid-19, the church garden provided the food pantry with many vegetables and fruits through the efforts of our gardeners. (Kale, spinach, onions, tomatoes, squash, and lemons are some of the items we put in the pantry the past year.) We did cut down the number of beds due to the drought situation to do our part for conserving water. Thank you to our member from the neighborhood, Mary Ellen! Thank you to our Elim members: Dave Bachman, Therese Van Wiele, Walt Griffith, and Brede Westby.

Therese, Walt, and I worked on keeping the planting beds in shape for future planting this year by weeding and adding some nutrients. We have started a clean-up of the weeds that have been taking over the garden. Thanks to Dave, Therese, and Walt, we have done quite a bit in April. It is an ongoing process!! A couple more work mornings are scheduled later in April.

If anyone is interested in helping out, even as a substitute gardener, you would be most welcome. We will be planting soon, continue weeding, and during the summer watering according to the guidelines the city sets.

## Landscaping Team

Submitted by Don Bent

**Team Members:** Rich Rodkin, Walt Griffith, Don Bent

With shovels, rakes, pruning shears, chain saw and goodly number of gloved hands, a small group of the Elim congregation, with some help from the youth of St Vincent's High School, did three major clean ups. Weekly trimming and lawn care was provided by Rich Rodkin with occasional assistance from his wife, Susan. One or two days a week Walt and Cynthia Griffith would attend to the needs of the Community Garden.

Goals for the 2022-2023 Elim year are somewhat lofty in nature. The Leadership Team is looking for that individual who has the will to lead and manage the landscape and community garden. Another goal is to establish a team of individuals to take care of the grounds, if nothing else, duty once a month would be great. Major project is scheduled in the September/October time frame to replace the overused and falling apart planter boxes in the community garden. If interested in assisting, contact Walt Griffith. Thanks to all that got their hands dirty this past year.

## Elim Endowment Fund

Submitted by Catherine Winters, Chairperson

**Members:** Wendell Day; Roy Martinez, Phil Sorenson, Brede Westby; Catherine Winters

The mission of the Elim Endowment Fund Committee (EFC) is to encourage gifts of accumulated assets to enhance the mission outreach of this congregation beyond Sunday and special appeal offerings. We prudently distribute a set percentage of the funds value while protecting and growing the principal. The distribution of the funds are made through grant requests that are carefully considered based on criteria set by this committee and the Leadership Team (LT). We support local and global non profits. See the When the EFC recommends a grant be funded it is submitted to the LT which makes the final say on grant approvals.

The goals this year were to make the congregation and community more aware that Elim had an endowment fund that offered grants and also encourage individuals to consider making contributions to the fund in their estate planning. In memorium, or in honor of someone to help grow the fund. The actions we took were to have announcements in the Elim Source, being included in the Christmas Stocking Gift Giving in December, reaching out to non profits from members of our congregation via work of mouth, having a Bulletin Board display in the

Narthex showing the non profits who have received grants in the past years.

This year the following grants were approved;

1) \$1,000 to Amor Para Todos (Love for All) (APT), a non profit founded in Petaluma to make our schools more inclusive to LGBTQ+ kids to improve mental health outcomes. This grant was for supporting a project including support all gender restroom signs, and training materials

2) \$2,500 to Petaluma Blacks for Community Development (PBCD)'s Grapevine Youth Leadership Program started in 2021 The goal is connect Black youth with positive black professionals from various fields whom they can interact by going on field trips to various areas in the Bay Area. The grant will help support travel and other expenses

3) \$2,500 to Mentor Me Petaluma. A School based youth mentoring program to empower youth to teach their highest potential by mentoring students who need extra support. They are matched up with one on one support by adult volunteers. Many more youth are in need and struggling do to the challenges they have faced due to Covid 19 and the impact it has on their personal and educational lives. These monies will help expand the program so more youth can be served.

We received contributions from the Christmas Stocking Gift giving, the Elim Crafters, and Thrivent and investments from the Elim Endowment Fund investments

Thank you for supporting the Elim Endowment ministry If you have not already please prayerfully consider contributing to the fund with a current or preplanned future gift if you are inspired to leave a legacy that supports changes locally and globally If you know of any non profits that may benefit from a grant please direct encourage them to visit the church website for additional information. Thank you for allowing us to be of service.

## Scholarship Team

Submitted by Emily Hennagin

Over the winter the scholarship fund received a boost through many generous donations. A number of these donations were made in honor of Shelley Westby for which we are most grateful. This donation drive was conducted in preparation for the receipt of scholarship applications for the first time in two years! Beginning in April we opened the application process, and it is open to all college or trade school bound members, as well as any current students who have not previously received a scholarship from Elim. We plan to award the scholarships at a service in early June.

## Audit Team

Submitted by Audrey Norman

With this report, the Audit Committee comprising Fred Svinth, Phil Sorensen, and Audrey Norman, with Doris Widger serving as consultant, presents its audit of the financial books and records of the congregation and all its related organizations to the Leadership Team.

Church: **Elim Lutheran Church**

Synod: **Sierra Pacific Synod**

For the period beginning **June 1, 2020** and ending **May 31, 2021**

The audit objectives related to the internal audit of financial books, records and operations include the following determinations:

- Financial procedures were found to be in compliance with financial policies and procedures set forth in Elim's Governing Documents, which have been approved by the Leadership Team.
  - We recommend that consideration be given to adding at-large members to the Finance Team.
- Cash and investment balances are fairly stated on Elim's financial reports.

- Assets and liabilities recorded in the congregation's books and records are supported by appropriate independent documentation (bank statements). The authorized signer of record at one financial institution is outdated.
  - We recommend that authorized signers at First Eagle Funds be updated and general procedures for updating signatures be modified as described in the AUDIT OF 2020-21 FISCAL YEAR: DETAILED REPORT presented to Leadership Team.
- General ledger balances are appropriately reconciled to their underlying assets (bank statements) and liabilities (loans payable) in a timely and accurate manner.
- Donations are properly classified on the financial statements in line with the donor's intent.
- Proper segregation of duties is in place for all key financial transactions and is not being circumvented. Segregation was temporarily sub-optimal in one area during the COVID-19 lockdown, as further described in the AUDIT OF 2020-21 FISCAL YEAR: DETAILED REPORT presented to Leadership Team. Fully appropriate segregation has since resumed.
- The Sunday offering is handled and counted in dual custody whenever possible. The midweek offering is not handled in continuous dual custody due to the COVID-19 physical distancing protocols in place, but the practice comprises a reasonable COVID-era workaround with a number of well-functioning controls.
- All monies generated and expenses incurred in connection with special projects are properly accounted for and can be traced back to the general ledger.

- The petty cash fund is monitored and controlled; Less than half of petty cash comprises gift cards that are not stored under lock and key, but the office is generally locked; Pastor Kathryn and others need access to the cards to distribute them. The dollar amount in question – \$80 – is small in the context of Elim’s overall finances.
- All major capital expenditures have been approved by the Congregation Meeting or the Leadership Team operating under emergency governance provisions (COVID pandemic).
- Expenses are appropriately approved and supported by applicable documentation.
- Fixed assets exist and are properly recorded in the general ledger.
- Governance requirements with respect to Endowment Committee approvals are being met. All 2020-21 Endowment Committee approvals were also approved by the Leadership Team.
- Date-of-hire information is on file both in system and paper form. Some I-9 documents lack necessary signatures.
  - All necessary signatures should be obtained. Any attached personal information should be removed and shredded. Once corrections have been made, all I-9s and W4s should be filed on SharePoint.
- Controls over the payroll process are in place and operating as intended.
- There is no records retention policy in place.
  - Consideration should be given to adopting a records retention policy.
- All appropriate vendors receiving a payment in excess of \$600 annually receive a 1099.
- The audit committee did not review insurance policies, but is aware of ongoing procedures that serve to ensure that appropriate insurance is in place and in force.
- Financial reports are produced directly from Elim’s fund accounting software (“FastFund Nonprofit Online”), monthly for Leadership Team and annually for the Congregation Meeting, and include an approved budget and a budget variance analysis. Reporting complies as much as possible with Generally Accepted Accounting Procedures for nonprofits.
- Credit card charges appear legitimate, proper controls are in place, and the Credit Card Policy is being followed. Our current credit card issuer – Capital One – requires that the account be attached to an individual’s social security number, requiring that person to remain in place as credit card administrator and provide explanations when borrowing personally.
  - We recommend that Elim seek out a true corporate credit card that does not require any person to be technically liable under an individual social security number.

**Audit Conclusion**

Based on the audit work performed to achieve the objectives listed above, the books and records of Elim Lutheran Church were found to be materially accurate in all respects. Testing performed also found that the controls governing the financial operations process are in place and operating as intended.

Although controls over financial operations appear to be adequate, addressing the following minor issues identified in this audit would be beneficial:

- Consider adding at-large members on the Finance Team.
- Update signatures and signature-update procedures pursuant to recommendations found in the AUDIT OF 2020-21 FISCAL YEAR: DETAILED REPORT presented to Leadership Team.
- Add necessary signatures to I-9 documents as further described in the AUDIT OF 2020-21 FISCAL YEAR: DETAILED REPORT presented to Leadership Team. Remove and shred any inappropriate personal information attached to I-9s.
- Consider adopting a records retention policy.
- Seek out a true corporate credit card that does not require a person's SSN attached to the account.

Implementation of the recommendations outlined in this report would help strengthen financial operations and record-keeping.

On a personal note, the Audit Committee would like to thank our Consultant, Doris Widger, who helped us from the get-go, and the others who provided information to us during the audit process, including current Treasurer, Andrea Nortz, Bookkeeper, Richard Maxon (thanks, Richard), and last but certainly not least, Kevin Prime, who spent many hours on the phone answering audit questions and provided us with mountains of documents. We also want to acknowledge here the sophistication and high standard of care reflected in Elim's financial operations under his watch.

## Transition Team

Submitted by Susan Rodkin, Chair

In the spring of 2021, the Elim Transition Team was formed to launch the beginning of Elim's pastoral call process. The Team focused on two separate tasks – first, convening small group meetings to gather input, and, second, writing

the initial draft of the Ministry Site Profile (MSP), the document that the Sierra Pacific Synod will share with prospective pastoral candidates who are interested in Elim.

In Small Group Meetings convened at member's backyards, at church, and on Zoom, all persons were invited to participate by sharing their ideas, thoughts, and dreams about Elim's ministry. The Elim Transition Team was thrilled to facilitate twelve Small Group Meetings between September and November 2021. For those who were unable to attend in person, question forms were available both online and in paper format. With approximately 85 persons participating, participants reflected a commitment, caring and optimism about the future of Elim's ministry.

Input gathered during the Small Group Meeting process is available at Small Group Meeting Data Parsed. Overall Themes from the Small Group Meeting Parsed Data are available at Themes From Small Group Meeting Questions.

In November 2021, the work of writing the Ministry Site Profile began. The Transition Team met many times in the next three months to thoughtfully integrate input from the Small Group Meetings into the MSP. The MSP was then shared with the Elim Leadership Team. The MSP will now be an important part of the work of the newly-elected Elim Call Committee. More information about the MSP will be available at the May 15, 2022 Annual Meeting.

Tremendous gratitude to the members of the Elim Transition Team who faithfully led the Small Group Meeting input-gathering process and then freely gave of their time and talents to write and edit the initial draft of the Ministry Site Profile (MSP). Members of the Transition Team are Pastor Kathryn Gulbranson, Laine Gen, Rosemary Hart, Andy Hohenner, Peter Labberton, Kathy Matt, Susan Rodkin. Thanks for your service above and beyond, Transition Team. You were spectacular.

## **Prayer Shawl Ministry**

Submitted by Doris Widger

A prayer shawl is a symbol of love, crafted to give comfort and warmth to those who receive it. Members of the Elim Prayer Shawl team continue to knit and crochet shawls. Over the past year, we sent more than a dozen shawls to people going through difficult times. We create and gift these warm and snuggly shawls as a reminder of God's love. May those who receive our shawls feel embraced and sustained in good times as well as difficult times. Please let us know if you know someone who is in need of a prayer shawl. For more information, contact Doris Widger or Nancy Clarke.

## **Elim Counters**

Submitted by Cynthia and Walt Griffith

Our thanks to the following members who have helped count and deposit the Sunday Offering: Shirley Bunce, Mercedes Cook, Jeanette Genovese, Carol Mayo, George Matt, Doris Widger, Brigitte Winterboer and our newest member, Robin Merrill. We also want to thank George Matt and Richard Maxon for taking care of Offering and payments received in the office during the week.

## **Worship Helpers**

Worship Helpers are a vital part of our worship services. There are many parts to having a worship service, up front and behind the scenes. Without volunteers we would not be able to conduct our worship service at the level we are accustomed to. There are many ways everyone can participate. We are a church family and everyone needs to contribute in some way to keep our family together.

This past month Doris Widger and Cynthia Griffith have taken over the role of Worship Helper Coordinators. They have started a new system and we hope you will find this easy and convenient to use. We thank them for their service!

Special thanks to all who volunteered this past year. Thank you to all those who stepped in at the last minute, you are all very much appreciated.

## **Volunteer Program**

Submitted by Cynthia Griffith & Doris Widger

We are the new coordinators of Elim's volunteer program and our goal is to find a way for everyone in our congregation to volunteer in some way or another. Thank you to everyone who filled out a Ministry Interest Form and to those who continue to volunteer in so many ways around Elim. A new system was set up to schedule worship helpers. The program is called Volgistics (VicNet) and we encourage all worship helpers to give it a try. We are also following up on the things that people checked off on their forms to make sure everyone gets connected to those ministries.

Fifty-three people filled out a ministry interest form. Thank you! If you still haven't filled out a form, you can do so on our website. There is a link on the home page and there is also a worship helper page that will give you links to the job descriptions of all the worship helper tasks, from acolyting to communion bread baking.

Our church has so many people who serve at our worship services, the food pantry, doing maintenance around the facility, in the office, and also in our community. We thank each one of you and pray that your service and ministry will be blessed in the coming year.



# OUTREACH & SERVICE

## Elim R<sub>3</sub>

Submitted by Athena Labberton

Elim R3 has struggled to ramp back up after the disappointment of missing two building trips due to Covid and a Hurricane.

This year four of us did participate in the Rebuild Petaluma/ReLeaf planting day. We were 4 of 150+ people who planted 150 trees at Wiseman Park it was fun and good for the planet.

Thank you for all support you have shared with us.

## KindKnits



Submitted by Julie Prime

Elim KindKnits Group Brightens the New Year with Scarf and Hat Giveaway

The Elim KindKnits group—consisting this year of Robin Butts, Julie Prime and Doris Widger—created 71 scarves

and 4 hats, beautifully handmade, to distribute this past January as a random act of kindness. Once again Copperfield's bookstore in downtown Petaluma graciously hosted the outreach project event, which was, as always, extremely well received by the community.

Whether recipients needed the scarves for their warmth, or just wanted to brighten their wardrobe and spirit, they were encouraged to take one—and then pay the kindness forward with a thoughtful act of their own choosing. Each scarf included a tag describing our project and welcoming them to join us for our online or in-person worship services. Within just a few days, each item had found its new home.

Many thanks to those who participated in keeping this wonderful tradition going—and to those currently working to make scarves and hats for our next fall/winter giveaway. Want to help make this coming year's event a success? Talk to Julie Prime. Scarves and hats can be made in whatever colors and patterns bring you joy.

## Interfaith Pantry

Submitted by Richard Maxon

**Westside Interfaith Food Pantry Partners:** St. Vincent's Catholic Church, St. John's Episcopal Church, and B'nai Israel Jewish Center

Elim has been participating in the Westside Interfaith Food Pantry since 2009, when it was first held in the park across from Elim and later hosted in our Fellowship Hall. For most of the past two years, since the beginning of the Covid Pandemic, the Food Pantry has been held in the Elim Parking Lot. The current congregations that rotate food purchases and distribution are St. Vincent's Catholic Church (1st Thursday), St. John's Episcopal (2nd Thursday), Elim Lutheran (3rd Thursday), and B'Nai Israel (4th Thursday).

Our food sources are Redwood Empire Food bank (REFB), Raley's, COTS Kitchen, and Farm to Pantry, as well as local home gardens and the Elim garden in season. Our cost for some of the food from the REFB averages around \$100. - \$150. per week, due to our maintenance fees being waived by taking monthly surveys. Some weeks the costs are zero or highly reduced by the grants that are provided to REFB by various donors. Additional costs include the purchase of gloves, hand sanitizer, cleaning products, ziplock and paper bags, as well as equipment such as tables, hand trucks, & thermometers. REFB has started a diaper bank which allows the Food Pantry to provide free diapers, and The Code

Red Project donates feminine hygiene products which are also distributed.

The Food Pantry serves approximately 35-40 households per week, which can provide food for around 450 individuals on a weekly basis. The congregations normally order food for 40 households since that is the typical average. We have between 10-12 patron volunteers on a weekly basis who help the congregational volunteers in setting up and distributing the food, as well as helping with clean-up after the Food Pantry. These volunteers are given first choice in receiving the Food Pantry items that are available, and the Food Pantry could not function properly without them. Some congregational volunteers help out every week, regardless of the rotation, and there are regular volunteers who are not members of any of the participating congregations.

This important interfaith ministry addresses food insecurity in the community, which has been greatly impacted by the Coronavirus.

Many thanks to the members of the Elim Pantry Team, many of whom help out on a weekly basis, for a job well done all year.

## **Relay for Life**

**Captain:** Nancy Clarke

The Elim Lites thank all of you that contributed to our Relay for Life held at Cardinal Newman High School on September 11, 2021. This year our team was small in numbers but the eight of us on the Elim Lites team were mighty and raised \$30,810 and the overall event raised \$144,888. We were on the track to support all of our Elim members that are living with cancer and remembering those who lost their battle to cancer. Thanks to all of you that continue to support our efforts to find a CURE! Our 2022 Relay for Life will be at Cardinal Newman High School, Sept. 17, 2022.

## **College Care Packages**

**Coordinator:** Karen Pesutich

Our College Care Packs were a great success as they are every year thanks to the tremendous support of you, our Elim Family. Together with the ELCW, who generously paid for all the shipping, we were able to send packages to 17 students attending college throughout the United States. We also delivered 1 to a local JC student. That's a lot of students from our congregation that were touched by this ministry as they continue their educational journey.

Knowing that they are held in our hearts and prayers means so much to each of them. This act of caring is not only a blessing to each of these students but a blessing to us as a congregation. So, thank you again for your continued support of this wonderful ministry to our youth.

In Christ Love,  
Karen Pesutich

## **Elim Chartered Boy Scouts of America Troop 9**

Submitted by John Schempf

Troop 9 was first chartered in March of 2009 with the generous support of our Chartered Organization – Elim Lutheran Church. We strive to be an inclusive troop, just as Elim Church is in the local community. Our first Eagle Scout, which was celebrated in 2013, was Robert Marchionni (a founding member of T9 & past Elim member), and currently we stand at 24 young men (including Clay and Aiden so far this year) who have achieved Eagle - the highest rank in Scouting.

Troop 9 is more than just about camping, and hiking and being in the outdoors; we believe strongly in our commitment to community service, so that our scouts learn to appreciate the responsibility of giving back to their community.

These are some of the activities used to teach the men of tomorrow how to be respectful, responsible and full of fun both today and into the future.

Using all types of indoor and outdoor activities, Troop 9's young men are learning how to prepare for all the adventures life has to offer them.

The Mission of Troop 9: Is to provide boys and young men with a safe and supportive environment where they may learn not only how to become responsible young men but also how to lead, follow and take pride in themselves and their accomplishments.

Each year we attend a different BSA approved summer Camp for one week; for the summer of 2022, we will be attending in June BSA Camp Wente in Willits and in July BSA Camp Meriwether on the Oregon Coast \*Camperships (scholarships) and grants are available to help with costs as needed.

Here are the activities and community service projects attended/completed by Troop 9;

**July 2021** – Annual Independence Day Bell Ringing and Flag Ceremony Petaluma Museum, BSA Summer Camp Royaneh; Luke Desenberg's Eagle Scout Project, Elim's Sign Project, completed copper caps

**September 2021** – BSA Troop 9 10th Annual Petaluma Community Emergency Preparedness Fair Walnut Park

**November 2021** – Participated in the Veterans Day Parade

**December 2021** - Camp Cazadero Game Night  
January 2022 - Clay and Aiden Eagle

**February 2022** - Winter Camp at BSA Camp Hi Sierra

**March 2022** - Cazadero Campout

**April 2022** – Coast Guard Station Golden Gate Campout and Boat Tour, Butter & Eggs Parade

**May 2022** - Tri Tip Mother's Day Fundraiser, STEM Science Day at the Santa Rosa Fairgrounds

## **Building Use**

We also serve the community by providing affordable space to groups for meetings and events: AA groups, Co-Dependents Anonymous groups, Sex Addicts Anonymous, Narcotics Anonymous, A Course in Miracles, Al-Anon, Overeaters Anonymous, Troop 9 Boy Scouts, the Westside Interfaith Pantry, Danish Sisterhood, Sonoma Bach, and multiple piano recitals and choral events. For most of the year these groups were unable to meet at Elim due to Covid protocols and group comfort levels. Troop 9 was the first group to start meeting at Elim, starting on the patio. Four other groups have also started meeting at Elim, some who are now doing hybrid meetings made possible by our wifi. Other groups are looking forward to returning, hopefully sometime soon.

## **Thrivent Financial**

Submitted by Nancy L. Clarke

Thrivent Financial provides us with ongoing support for our volunteer outreach and Elim programs. Any Thrivent member can request an Action Seed Money Grant for an activity within the church or the greater community. Many of our requested Thrivent supported activities were cancelled due to the Covid Pandemic with the exception of the Christmas and Easter Door-Bell Dash Project. During each of these activities surprise treats and visits were enjoyed by 75 Elim individuals/families. With restrictions being lifted we encourage Thrivent members to be creative and request funds for our safe activities to enhance our volunteerism in our community. Thrivent members have Choice Dollars to donate to Elim and \$1,512 for the church and \$186 for the Preschool has been donated to Elim in this fiscal year.

## Greeting Card Ministry

Submitted by Nancy L. Clarke

Elim members have provided new greeting cards to inmates at the Main Adult Detention Facility and the North County Detention Facility for over 20 years. Members leave their greeting cards at the Elim office and in the Welcome Area and then they are delivered to Friend's Outside, the organization that distributes the cards. This is an important link to those incarcerated and awaiting trial to stay connected to their loved ones. Thanks to all of you that contribute to this important ministry. If your cards are piling up and you are not able to deliver them to the Elim office, let Nancy L. Clarke know and she will arrange to pick them up.

## New Life Band

Submitted by Susan Rodkin

On New Life Band Sunday, October 10, 2021, the The New Life Band from Arusha, Tanzania, returned to Elim as virtual guests via digital link at the 10:00 a.m. Sunday morning service. Livestream of the New Life Band's "Changing Lives" video program was also available for viewing at home. As Elim's long-time friends, the New Life Band, described in video format how its ministry to youth and students is transitioning during the pandemic and also with political and economic changes in Tanzania. The New Life Band Sunday Celebration continued with a delicious African-themed, bagged, take-home lunch available for pick-up or delivery after the 10:00 service. Because of the generous donations of support from many, Elim was able to send \$5,500 to the New Life Band Ministries through its Tanzanian Mission Fund. The New Life Band is in the process of transitioning to a Vocational

School in Arusha. Its final class of students graduated from the New Life Secondary School in December 2021. Under the new vocational/life skills model, students will be able to receive instruction in a variety of trades such as culinary, technology, masonry, carpentry, and textiles/sewing. Classes will be short-term and will be held at the New Life School site as well as in the community itself. During spring and summer 2022, the New Life Band is active in youth and college camps and gatherings in Tanzania and Kenya. Many thanks to the terrific team who made Elim's New Life Band Sunday possible: Andrea Nortz, Mary Wyrick, Nancy Clarke, Karen Pesutich, Suzy Sellai, Brigitte Winterboer, Rosemary Hart, Carol Mayo, Laine Gen, Pastor Kathryn Gulbranson, Tim & Pat Kellgren, Lauren Haile, Barb Villa, Kevin Prime, Erin Hetrick-Hohenner, Andy Hohenner, Rich & Susan Rodkin and the support of the people of Elim. Asante sana to this marvelous team.

## Second Mile Giving

**June 2021:** California Lutheran University

**July:** Mexico Mission Trip

**August:** Petaluma Bounty Farm

**September:** ELCA Disaster Response

**October:** New Life Band / PEP Housing

**November:** Redwood Empire Food Bank

**December:** ELCA World Hunger

**January 2022:** Hope Counseling Services

**February:** Lutheran Immigration & Refugee Service

**March:** Lutheran Disaster Response - Ukraine

**April:** San Francisco Night Ministry

**May:** Mt. Cross Ministries

# OTHER SPECIAL EVENTS

## July: Prayers on the Patio

Wednesday evenings in July members were invited to hymn singing and prayer on Elim's patio. Thanks to Rosemary & Kevin Hart, Shelley Westby and Pr. Kathryn for leading, as well as Audrey & Mark Norman and Phil Sorensen for providing music.

## August: Return to In-Person Worship

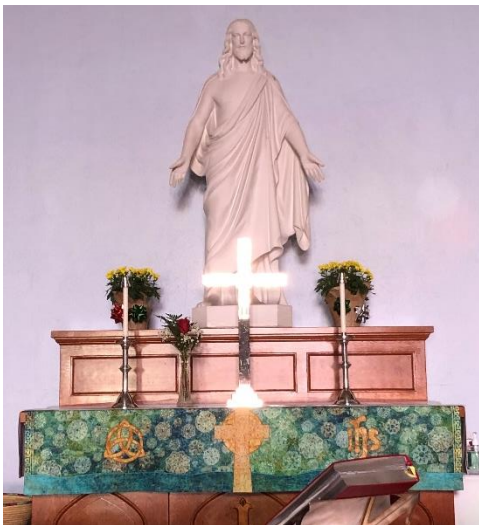
On August 22 Elim returned to in-person worship with one service at 10:00 a.m. It was also the start of live streaming, thanks to Kevin Prime on video and Paul Haile and Andy Hohenner providing sound tech.

## September: Picnic and Service at McNear Park

After taking a year off due to Covid, we again worshiped at McNear Park with the band. Some members brought a picnic lunch to continue the fellowship.

## October: Blessing of New Green Paraments for Roger Davis

On October 24 we blessed our new green paraments. These were purchased with money given by Roger Davis' family and Elim.



## November: Bishop Visits Elim

On November 7 we welcomed our Sierra Pacific Synod Bishop, The Rev. Dr. Megan Rohrer, who preached at both services.

## November: Welcome New Members

On November 21 we welcomed new Members Ray Gergus, Lauren & Paul Haile, and Mary Thomas

## December: Christmas Door-Bell Dash

Mary Wyrick and Nancy Clarke again coordinated the Christmas Door-Bell Dash and spread joy and cheer. Thank you to the many Elim members who participated in the "Dash" preparations, visits and deliveries.

## March: Farewell to the West's

On Sunday, March 20 we wished farewell and Godspeed to Marshall & Karen West who moved to San Diego to be closer to family.

## April: Easter Door-Bell Dash

Mary Wyrick and Nancy Clarke again coordinated the Easter Door-Bell Dash and spread Easter joy. Thank you to the many Elim members who participated in the "Dash" preparations, visits and deliveries.

## April: Easter Egg Hunt Returns!

Becky Wyrick and Amy Malaise organized the return of our Palm Sunday Easter Egg Hunt for the kids. Thanks to those who helped stuff and hide eggs. The kids had a great time searching for eggs that were filled with candy, toys, stickers, and coins.

## May: Farewell to the Sellai's

On Sunday, May 15 we wished farewell and Godspeed to Ed and Suzy Sellai who relocated to Missouri.

### **May: Installation of Call Committee**

On Sunday, May 15, the Call Committee was installed. Members are; Mary Thomas, Fred Svinth, Susan Rodkin, Peter Labberton, Mary Wyrick, and Rosemary Hart

### **May: Confirmation Sunday**

On May 22, five Elim youth confirmed their baptism on Confirmation Sunday.

### **Interfaith and Ecumenical Partnership**

This past year Elim participated in two interfaith and ecumenical activities including;

- An Interfaith Thanksgiving Service via Zoom including faith communities such as St. John's Episcopal Church, B'nai Israel Jewish Center, The Unitarian Universalists of Petaluma, Elim Lutheran Church, the Islamic Center of Petaluma, the United Church of Christ and the United Methodist Church.
- A Christmas Day virtual worship hosted by St. John's Episcopal Church.

# STATISTICS

Baptized membership at end of 2020	354
Baptized members received during 2021	
By baptism: children (15 yrs. & younger)	8
By baptism: adults (16 yrs and older)	0
By affirmation of faith	6
By transfer	0
From other sources and statistical adjustment	0
Total members received this year	14
Baptized members removed during 2021	
By death	7
By transfer	0
For other reasons and statistical adjustment	79
Total members removed this year	86
Baptized membership, end of 2021	292
Total confirmed membership, end of 2021	282
Number of baptized youth who were confirmed in 2021	0
In 2021, the number of weeks the congregation worshipped:	
a. On-site (in person)	19
b. Online (via streaming)	52
Average weekly worship attendance in 2021:	
a. On-site (in person)	53
b. Online (via streaming)	73
Total number of people (including children) actively participating in the life of the congregation in 2021	342

# AGENDA FOR THE ANNUAL MEETING OF ELIM LUTHERAN CHURCH OF PETALUMA, CALIFORNIA

Sunday, May 15, at 12:30 PM

1. **Opening**
  - 1.1. Call to order
  - 1.2. Opening hymn #576 *We All Are One in Mission*, and prayer
  - 1.3. Instructions on voting and test vote for online participants
2. **Adoption of the Agenda**
3. **Approval of the minutes** of the annual Congregation Meeting of May 16, 2021
4. **Reports**
  - 4.1. Pastor's Report
  - 4.2. President's Report
  - 4.3. Treasurer's Report
5. **General Orders**
  - 5.1. Presentation and adoption of the 2022-2023 Budget
  - 5.2. Elections
6. **New business** from the floor
7. **Closing Prayer and Adjournment**



# MINUTES FOR THE ANNUAL MEETING OF ELIM LUTHERAN CHURCH, PETALUMA, CA SUNDAY, MAY 16, 2021

## 1. Opening

**1.1.Call to Order:** The Annual Meeting was a mixed meeting due to the restrictions resulting from the Covid-19 Pandemic. The President, Kevin Prime with the assistance of the Secretary, Richard Rodkin, led the meeting from the church property. All others attending did so remotely via the internet using Zoom software. A tally of voting members was kept by the Secretary as they were individually allowed into the meeting by the President. A total of 63 voting members logged in. There was a quorum and the meeting was called to order at 12:22 PM.

**1.2.Opening prayer:** Pastor Kathryn led us in the opening prayer.

**1.3.Instructions on voting and the test vote:** Kevin went through the process for the on-line voting and answered questions. Several test votes were completed successfully.

**2. Adoption of the agenda:** The agenda was adopted unanimously.

**3. Approval of the minutes of the annual Congregational Meeting of May 19, 2019:** Oral reading of the minutes was waived by the members. It was noted that the number of members in attendance was not included and would be added by the Secretary. The minutes, as amended, were approved unanimously.

## 4. Reports of the Officers, Boards, and Standing Committees

**4.1.Pastor's Report:** Pastor Kathryn has found her first year as our Interim Pastor to be both a joy and a challenge, she feels welcomed by the congregation. She is inspired by the ways we serve God through Elim. She is excited by upcoming baptisms. The Transition Team has been selected and is starting its work. She gave thanks to Elim's staff, Lauren (and Paul) for their music leadership, Erin for all she does managing the office, Richard keeping the books, and Barb for her work on the Bulletins, etc.

**4.2.President's Report:** Kevin reported that this was a challenging and unusual year.

He misses Roger Davis, the President of our congregation, who passed away last year. After serving as Treasurer for most of the last three years, he stepped back into the position of President, at the request of the Leadership Team, to lead us through the unique challenges of this Congregation Meeting. Andrea Nortz, the current nominee for Treasurer, was appointed to that position by the Leadership Team, and Don Bent, who as Vice President had been serving as President Pro Tempore, resumed his position of Vice President. Kevin congratulated several people who made the transition to on-line worship possible and thanked everyone who has participated. He hopes we keep the on-line worship going when we return to in-person worship. In the area of discipleship he reported that the Pastor has Confirmation going again and adult bible study.

He noted the contributions of our Service Teams—Nola and Mexico house building, and that in spite of the pandemic we were able to keep the weekly Westside Interfaith Food Pantry going with the leadership of Roger Davis and then Richard Maxson. He was gratified by the financial commitment of the congregation through the pandemic. He recognized Kim Naugle, our new Preschool Director, upon the retirement of long serving Kathy Naugle. Kim did a great job of first imagining a plan for the preschool during the pandemic, and then carrying it out. He congratulated the Facilities Team, under the leadership of Rosemary Hart, for the major projects that were completed.

Kevin identified two short term issues facing the congregation: returning to in-person worship and calling a new pastor. Long term he feels we need to continue to address the long term viability of the congregation in this ever-changing world. He offered his thanks to the congregation for the opportunity to serve on the Leadership Team for nearly seven years, to all the outstanding staff members with whom he had the pleasure to work, and said he “ will continue to help when asked”.

**4.3.Treasurer’s Report:** Kevin briefly summarized the Treasurer’s Report included in the Annual Report, Elim has done very well during the pandemic. Our total net worth actually increased since May 2019. We applied for and received two loans through the Federal Payroll Protection Plan. The first loan has already been forgiven and the second is also expected to be forgiven. The loans were critical for keeping the preschool going and helped the General Fund, too.

**4.4.Leadership Team Report on reopening Elim:** Rich Rodkin reported on where the Leadership Team stands on the plans to resume in-person worship. The Leadership

Team first looked at reopening for worship May 2020. Rosemary Hart, with help from Don Bent, drafted a comprehensive Site Specific Covid-19 Plan incorporating rules and recommendations in place at that time. We then entered several cycles of virus surges that made reopening impossible. With the availability of vaccines, the reopening plans were revisited in February 2021. Rich prepared an update to the plan that recognized current regulations and recommendations assuming we reopen for in-person worship under the “Orange” or “Yellow” tier as defined by the State of California. The revised plan addressed the numerous questions that must be considered for a safe reopening. Rich noted that three days before the Annual Meeting the Governor stated that he would be removing the tiered approach and most restrictions on June 15, 2021. How and when to resume in-person worship remains an open question.

## **5. General Orders**

### **5.1.Motion to amend the bylaws to permit virtual and mixed congregation meetings:**

Elim by laws only allow in-person meetings. The restrictions by the state and local governments in response to the pandemic prohibited in-person meetings. The Leadership Team passed a Continuing Resolution to allow us to meet remotely on-line, referred to as a virtual meeting. The Leadership Team voted to bring this proposed amendment (see below) to the Congregation for its approval. The motion was read to the Congregation and approved unanimously.

Proposed Bylaw Amendment to Permit Virtual and Hybrid Meetings

RESOLVED, that the Leadership Team refers to the Congregation Meeting a motion to amend bylaw C10.00.01 of Elim Lutheran Church in its entirety to read:

1. It is the desire of this congregation to hold Congregation Meetings in person at a physical location whenever possible, while making accommodations for members who are unable to attend meetings in person and for prevailing conditions that might render in-person meetings unsafe or impractical.
2. To this end:
  - a. If the Leadership Team, in its sole discretion, finds that, due to prevailing conditions expected at the time of the meeting, the meeting cannot be held without an unacceptable level of risk to the member's personal safety and/or health, the meeting may be held entirely using virtual meeting technologies;
  - b. Otherwise,
    - i. The meeting shall be held in whole or part at a physical location, and
    - ii. The meeting shall be held in part using virtual meeting technologies unless Leadership Team, in its sole discretions, finds it impractical to do so
3. Any Congregation Meeting being held at a physical location shall be held;
  - a. At the congregation's principal location, whenever possible; or
  - b. At another suitable facility within the borders of the City of Petaluma, if the congregation's principal location is not available or otherwise unsuitable.
4. All notices of Congregation Meetings provided to members must provide sufficient information for the members to locate and attend the meeting at the physical or virtual venue available for the meeting.

**5.2 Presentation and Adoption of the 2021-22 Budget:** Kevin provided a brief summary of the proposed budget presented in the Annual Report. A key change from last year is the recommendation to increase Pastor Kathryn from an 80% position to full time. Money was also included for the Transition and Call process, primarily to cover possible costs associated with candidate interviews and/or moving expenses. Kevin opened the discussion to questions. One addressed the possibility of staff bonuses. This is included in the budget. Another question asked if the budget included money paid for singers during regular worship. The proposed budget does not include this. Special musicians for festival choir or to support a particular service can be paid out of those line items. The oral reading of the entire budget was waived by unanimous vote. There was a call for a vote to adopt a budget and motion carried unanimously.

**5.3 Elections:** The slate of nominees developed by the Nominating Committee was included in the Annual Report. Each position was voted on individually using the on-line voting software. There was an opportunity for nominations from the floor for each position. There were no nominations from the floor for any of the positions. Each nominee shown on the election ballot below was elected unanimously.

#### **Leadership Team Officers (1-year terms)**

- President: Laine Gen**
- Vice President: Walt Griffith**

- Secretary; Suzy Sellai
- Treasurer: Andrea Nortz

**Leadership Team Members-At-Large (vote for 3; 1-year terms)**

- Cindy Skanderson
- Karen Pesutich
- Kevin Jensen-Unger

**Mission Endowment Fund Board Members**

**(vote for 4; 1 for 1-year, 1 for 2 years, 2 for 3-years)**

- Phil Sorenson (1-year term)
- Catherine Winters (2-year term)
- Roy Martinez (3-year term)
- Wendall Day (3-year term)

**(note Brede Westby is already a member with his term expiring May 31, 2022)**

**School Committee-Church Voting Members (vote for 2)**

- Joelle Harris (2-year term)
- Judy Peterson (1-year term)

**School Committee-Parent Representatives (vote for 2)**

- Amy Button
- Kristen Fife

**2022 Sierra Pacific Synod Assembly Delegates (vote for 2, 1 female, 1 male; 1-year terms)**

- Sue Barnes
- Ben Barnes

**Nominating Committee (vote for 5; 1-year terms, cannot have served in past year)**

- Rich Rodkin
- Cynthia Griffin
- Athena Labberton
- Jeannette Genovese
- Lou Navarro

**6. New business from the floor: There was no new business**

**7. Open Forum: There were no requests to take the floor.**

**8. Closing Prayer and Adjournment: Pastor Kathryn led us in the Lord's Prayer and thanked the congregation for their participation in this "virtual" meeting. The meeting adjourned at 2:39 PM.**

# TREASURER'S REPORT

What a year this has been for me. I retired from teaching middle school math –a job that I absolutely loved but also thought was the hardest in the world- to jump with both feet into the treasurer's position at this wonderful church which I love: Elim Lutheran. Heartfelt thanks to Kevin Prime for helping me learn the position and to Julie Prime for sharing him so graciously!

Each month that I prepared a treasurer's report for the Leadership Team, I noticed that our revenue was less than our expenses. There are many reasons why this can happen, for example, an annual insurance payment comes due, but I soon realized this was not an anomaly, but our reality. Kevin explained that Elim had purposely planned a deficit budget last fiscal year in order to increase Pastor Kathryn's position to 100% knowing the government's \$105,000 PPP "loan" (forgiven two months ago) would cover our deficit. And the good news is that we have managed our budget carefully and frugally, and this "loan" covered us this past year.

As I said in my Stewardship talk, our monthly giving has been, on average, \$6,000 to \$7,000 less than our expenses. Thanks to everyone who pledged for the upcoming year as this allows us to plan more accurately for next year. The great news is that our monthly giving has recently increased about 20% and we are very appreciative of everyone who increased their giving, but unfortunately we have also lost some of our more generous donors. On the other hand (you saw this coming, right?) expenses are also increasing. Cost of living has increased about 8%, so that will impact both our staff wages and the cost of goods and services.

In spite of our positive changes, we are still looking at about an annual \$45,000 to \$55,000 deficit in our projected budget for next year. How can we make up this shortfall? We are considering returning the pastor's hours to 80%, we are

moving a number of the worship clerk's duties to volunteers and reducing her hours, we will consider taking a monthly allotment from our investments which would not reduce the principal, and we are looking at a small increase in the preschool's revenue sharing with Elim. It is also important to note that we have been slowly closing the gap between our expenses and revenue so that we still have a significant amount of money in our checking account which could be utilized to run a small deficit for the 2022-2023 fiscal year.

Additionally LT is working hard to find new ways to increase revenue, including inviting Thrivent to educate members on how to include Elim in their estate planning, actively recruit more groups to rent our space, and explore different ways of generating income from the 506 Baker property. However, none of these will be a "quick fix." Next year's budget will be lean. We are realistic that our financial path is challenging but we have faith that we can meet those challenges with creative solutions and God's guidance.

Andrea Nortz

# PROPOSED ELIM GENERAL FUND BUDGET FISCAL YEAR 2022-23

<b>Expected Revenue</b>		
Individual Contributions--Pledged		\$192,500
Individual Contributions--Not Pledged		\$85,000
Preschool revenue sharing		\$39,300
Other (memorials/bequests/corp donations)		\$5,400
In person giving (loose offering)		\$5,000
Building use		\$6,000
Expected Revenue		\$333,200
<b>Estimated Expenses</b>		
Synod Support--7.5%		\$20,813
---Utilities (PGE, water, garbage)	\$15,500	
----Insurance	\$12,300	
----Maintenance	\$19,400	
Facilities ExpensesTotal		\$47,200
----advert/food/equip rental/supplies/professional fees	\$7,600	
---- <a href="#">Tithe.ly</a> fees	\$1,700	
----Telephone and network	\$4,500	
----Postage and shipping	\$900	
----Computer software*	\$6,700	
----Christian Education	\$2,000	
----Music Director's Budget	\$2,000	
Office ExpensesTotal		\$25,400
Worship (royalties, copying,printing, books)		\$5,700
Ministerial Call		\$5,000
Taxes (real estate, other misc)		\$1,700
Pastor--non-salary		\$2,700
Pastor--at 80% (salary, ins, pension,housing)	\$121,500	
Elim staff wages	\$91,200	
Elim Music Director salary	\$55,200	
Substitute Musicians	\$2,000	
Salaries & Wages		\$269,900
Total Estimated Expenses		\$378,413
<b>DEFICIT of Revenue over Expenses</b>		<b>-\$45,213</b>

# PROPOSED ELIM 2022-2023 BUDGET NOTES:

**Revenue:** We received pledge cards from 51 families and in addition we have seen that those families who give regularly, but didn't pledge, have continued their monthly giving so we used the sum of those two amounts to estimate our total expected giving. In addition we expect some "anonymous" giving through the offering basket (we used the numbers from before the church was shut down as an estimate) and we decided that it was likely that memorial gifts and bequests would be similar next year to this year. We are working on inviting groups who used our building before the shut down to resume their meetings, but we chose to be conservative and are estimating that we will not return to the full pre-pandemic building usage for at least another year. Lastly, we have arranged for a slight increase in the revenue sharing we receive from Little Shepherd Preschool.

**Expenses:** We chose to keep our synod giving percentage at 7.5% based on Pastor Kathryn's strong recommendation. For most of the other expenses, we totaled the costs from last year, and raised everything 8% to account for the current inflation rate. We did, however, increase our facilities maintenance budget \$10,000 due to the report we received from our facilities committee with a number of necessary projects that the church will need to address sooner than later. We took a detailed look at the various costs of our telephones, our internet network, our computer software programs necessary to running both the church office as well as our streaming services, our rentals and leases, our worship costs of royalties and bulletin preparation, our postage and mailing costs, and our supplies, and determined that they are all within a reasonable range of cost. We did budget for calling a pastor, a music director's budget, and Christian education although they were not funded last year. Furthermore, we also included the cost of periodically paying substitute musicians in our overall staff wages.

**Wages/Salaries:** The bulk of our expenses are in the salaries and wages for our pastor, our music director, and our church staff. When last year's board voted to increase Pastor Kathryn to 100% time from 80% time they knew that was only possible because we had been very frugally spending our PPP loan from the federal government which we were confident would be forgiven (it was). Except for the pastor, our staff is all part-time and there is no doubt that they put in many extra hours for which they do not bill Elim. When we looked at these wages, we decided that we would pay the COLA for everyone since it is clearly the right thing to do. We have kept everyone's hours the same, except the worship clerk whose hours were reduced by about one-third. In order to accomplish that, we have wonderful volunteers who have stepped in and taken over some of her duties.

**Endowment Fund:** Our large ELCA Fund combined with the 1st Eagle Fund are the funds from which the Endowment Committee receives the money they distribute each year. The Endowment Committee did not distribute all the funds two years ago, so this year's committee was able to distribute a total of \$13,291. This year they donated their funds as follows:

- Lutheran World Relief for Ukraine (\$5000)
- Mentor Me (via PPSC) (\$2500)
- Petaluma Blacks for Community Development (\$2500)
- Amor Para Todos (via PPSC) (\$1000)
- Elim Outreach—Live Streaming Technical Equip (\$2391)

**Assets:** We have noted the estimated values of both 504 and 506 Baker Street based on the Zillow website just to provide some perspective. Elim has a modest ELCA Trust Fund that was set up to hold part of our cash reserves instead of leaving it all in our checking account. This money is not restricted in any way. Additionally we

currently have two months operating expenses set aside at this time.

Assets	
Church	priceless
504 Baker Street	\$967,600
506 Baker Street	\$665,200
ELCA Trust Fund-Elim Endowment	\$197,109
1st Eagle Global Fund-Elim Endowment	\$38,599
ELCA Trust Fund-Little Shepherd Preschool	\$196,200
ELCA Trust Fund-Elim General	\$46,075
Exchange Bank checking account	\$158,000
Total Assets (excluding church building)	\$2,268,783

**Summary:** The Leadership Team chose to be conservative with our revenue, and practical with our expenses. We realized that we would be able to run a deficit budget again this year because of our cash and cash reserves, BUT this is not sustainable long term. The Leadership Team is fully committed to exploring all options to increase our revenue. We determined that to keep Pastor Kathryn at 100% of her salary, we would incur another deficit this year of more than \$71,000 and if we return her to 80% that deficit drops to just below \$46,000. Because of our current cash reserves, we can accommodate this deficit for at least 2 years barring any unforeseen major emergency. Therefore we are recommending that we return Pastor Kathryn to 80% with the full intention of developing a workable “business plan” to increase our revenue enough to eliminate the \$46,000 deficit by the end of the first year, and continue to increase our revenue enough over the next 2 to 3 years in order to be able to afford paying our pastor full time.



# PROPOSED BUDGET FOR LITTLE SHEPHERD LUTHERAN PRESCHOOL FISCAL YEAR 2022-23

Little Shepherd Lutheran Preschool Budget	FY2021-22	FY2022-23	Difference
<b>Revenue</b>			
4010-Individual contributions	\$2,000	\$2,000	\$0
4020-Corporate contributions	\$500	\$500	\$0
5110-Tuition and participation fees	\$259,775	\$331,243	\$71,468
5115-Registration fees	\$7,200	\$14,850	\$7,650
5320-Dividends and interest on securities	\$6,570	\$6,882	\$313
5820-Fundraising events	\$20,000	\$20,000	\$0
6620-Preschool revenue sharing	(\$35,837)	(\$39,270)	(\$3,433)
<b>Revenue Total</b>	<b>\$260,207</b>	<b>\$336,205</b>	<b>\$75,998</b>
<b>Expenses</b>			
7221-Staff Wages	\$226,596	\$254,059	\$27,462
7241-Health Insurance	\$10,491	\$10,491	\$0
7244-Workers compensation premiums	\$5,556	\$5,769	\$213
7248-Staff Appreciation	\$3,000	\$1,000	(\$2,000)
7251-Social Security Contribution	\$14,049	\$15,752	\$1,703
7252-Medicare Contribution	\$3,286	\$3,684	\$398
7253-CA Unemployment Tax Contribution	\$896	\$840	(\$56)
7254-CA Employment Training Tax Contribution	\$56	\$56	\$0
7270-Staff development	\$500	\$500	\$0
7541-Background checks	\$100	\$100	\$0
8011-Supplies	\$7,500	\$3,450	(\$4,050)
8012-Food	\$1,260	\$600	(\$660)
8040-Postage and shipping	\$120	\$50	(\$70)
8060-Computer software	\$175	\$1,120	\$945
8080-Books and publications	\$60	\$50	(\$10)
8110-Banking fees	(\$204)	\$3,462	\$3,666
8130-Membership dues	\$640	\$350	(\$290)
8170-Advertising	\$670	\$267	(\$403)
8211-Facilities maintenance	\$2,600	\$1,400	(\$1,200)
8265-Equipment purchases	\$500	\$3,300	\$2,800
8270-Depreciation and Amortization	\$592	\$592	\$0
8671-Licenses and permits	\$1,150	\$1,100	(\$50)
<b>Expenses Total</b>	<b>\$279,593</b>	<b>\$307,992</b>	<b>\$28,398</b>
<b>Net Excess (Deficit) of Revenue over Expenses</b>	<b>(\$19,386)</b>	<b>\$28,214</b>	<b>\$47,600</b>

# ELECTION BALLOT FOR 2022-23

The nominating committee composed of Jeanette Genovese, Cynthia Griffith, Athena Labberton, Lou Navarro, and Richard Rodkin present the following slate of candidates for the term of June 1, 2022, through May 31, 2023. Nominations may also be made from the floor at the annual church meeting.

## Leadership Team Officers

(1-year terms)

- President: Laine Gen
- Vice President: Walt Griffith
- Secretary: Maria Svinth
- Treasurer: Andrea Nortz
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

## Leadership Team Members- At-Large

(vote for 3; 1-year terms)

- Tom Harris
- Ian Labberton
- Becky Wyrick
- \_\_\_\_\_
- \_\_\_\_\_

## Mission Endowment Fund Board

Members (vote for 2)

- Phil Sorenson (3-year term)
- Brede Westby (3-year term)
- \_\_\_\_\_

(Note: The following people are already members with various term expiration dates; Catherine Winters, May 31, 2023; Roy Martinez, May 31, 2024; Wendell Day, May 31, 2024)

## School Committee - Church Voting Members (vote for 1)

- Judy Peterson (2-year term)
  - \_\_\_\_\_
- (Note: Joëlle Harris' 2 year term expires May 31, 2023)

## School Committee - Parent Representatives (vote for 2)

- Julie Cadezudez
- Danielle Dempsey
- \_\_\_\_\_

## 2023 Sierra Pacific Synod Assembly Delegates

(vote for 2, 1-year terms)

- Jeanette Genovese
- Brigitte Winterboer
- \_\_\_\_\_

## Nominating Committee

(vote for 5; 1-year terms, cannot have served in past year)

- Nancy Clark
- Robin Merrill
- Alex Miller
- Karen Pesutich
- Len Svinth
- \_\_\_\_\_