



2025

# Annual Report

*“Abundant Community”*



# Table of Contents + Agenda

<b>06</b>	<b>Report from Council President</b> Andrew Ford	<b>31</b>	<b>Report from Council Treasurer</b> John Bailey
<b>10</b>	<b>Report from Bridge Senior Pastor</b> Pastor Paul Baglyos	<b>36</b>	<b>2025 Income Statement + Balance Sheet</b>
<b>14</b>	<b>Report from Associate Pastor</b> Pastor Jon Haug	<b>42</b>	<b>2026 Proposed Budget</b>
<b>18</b>	<b>Report from Director of Worship + Music</b> Steven Johnson	<b>46</b>	<b>Appendix A:</b> 2025 Annual Meeting Minutes
<b>22</b>	<b>Report from Director of Communications + Community Engagement</b> Catherine Slabaugh		
<b>27</b>	<b>Report from Director of Administration + HR</b> Katherine Thorp		

---

**Call to Order**  
Gathering Hymn - ELW #576

Jerry Kilbert (reelection)  
John Bailey (reelection)  
Micah Metts-Houston (election)  
Nicole Oehmke (election)  
Melanie Schindell (election)  
Mike Long (election)  
Bonnie Lindgren (election)

**Opening Prayer**

**Election of Nominating Committee**

**Establish Quorum**

**Ratification of Scholarship Committee Members**

**Approval of Minutes**  
January 26, 2025 Congregational Meeting

**Questions/Comments from the Floor**

**Reports**

**Presentation & Adoption**  
2026 Proposed Budget

**Adjourn**

**Election of Council Members**  
Chris Dawson (reelection)  
Joan Slabaugh (reelection)  
Bridget Malme (reelection)

Sending Forth Hymn - ELW #885  
Closing Prayer









# Report from Council President

---

Andrew Ford





As I conclude my two years serving as Council President and six years (wow) on the Church Council, I can't help but look back with wonder at what an incredible gift this experience has been. When Ashley and I came to St. John's from our old megachurch home, seeking something that resonated more with who we had been growing into, we found exactly what we needed in the liturgy. Being active participants, having a job to do, all together, resonated deeply within us.

Ashley explained to me that the real power of the liturgy is that when we all do it together, when we all sing the hymns and recite the creed and say the prayers, creating a beautiful and powerful expression of faith, we aren't all pulling equally. Some are filled with the Spirit, filled with zeal and certainty of purpose, while others aren't sure, aren't strong in their faith. Maybe something happened that week that left them uncertain or maybe something happened 20 years ago that still has them questioning, but when everyone is doing the work together, we're helping each other along.

Just like in marriage, when you take turns being the strong one when the other needs to be weak, we have both taken turns being the one weak in spirit, needing to be around other people of faith, being pulled along by a loving community.

If I found the idea of worship as "work" to be revolutionary and deeply meaningful, it should come as no surprise that when Pastor Frank found me one Sunday and, in a way many of us were all too familiar with, said he was putting together a committee and asked where I would consider joining, I of course said yes. That first committee was my entry point into ten years of deeply meaningful, deliberative, prayerful work with many incredible and thoughtful leaders.



From wondering about the future of the church, to helping revise our values and vision statement, from deliberations about stewarding the legacy of the First English Church, to joining the Council, from those quiet days of early 2020 to everything that followed before we had even held our first Council meeting – COVID and closing the church doors, our work toward racial justice, renaming the Gathering Place, rising costs and shrinking budgets, staff cuts after staff cuts, Pastor Frank's decision to begin planning for retirement, and finally arriving where we are today, with Pastor Paul's leadership and the anticipation of more big changes yet to come.

I don't mean to center myself in these moments or decisions. Rather, I marvel at the fact that I was able to bear witness to, and be invited to contribute to, so many profoundly meaningful and faithful conversations. It was truly humbling to sit around a table or Zoom call with people so much wiser and more thoughtful than I, all seemingly gifted with the ability to prayerfully discern God's will.

I have never seen so many leaders together in one place striving together to act justly, to love mercy, and to walk humbly. And just like worship through the liturgy, we lifted one another and carried each other when we couldn't find the justice, mercy or the humility within ourselves on a given day or issue.

This is why I have so much hope and excitement for the future of St. John's. Making hard decisions, prayerfully seeking God's will, and helping one another discern the next right step – that is what the people of St. John's do well, and that is what is needed this year. Calling the next Senior Pastor is hard work, deciding on the direction of the church is hard work. But, I have seen this church, again and again, rise to meet the moment and do the hard work.

Thank you for the privilege of doing this work with you over the last ten years. I can't wait to see where we go from here.



# Report from Bridge Senior Pastor

---

Pastor Paul Baglyos





What exactly is a “bridge” pastor? The announcement that I would serve in that role at St. John’s between the retirement of Pastor Espegren and the arrival of the congregation’s next called pastor has prompted that question repeatedly. On the one hand, the answer is simple: a bridge pastor serves as a transitional interim, appointed for a period of temporary duration rather than called for a continuous tenure. On the other hand, the term bridge pastor begs the question: aren’t all pastors in fact “bridge” pastors? For that matter, aren’t all human beings in fact “bridge” people in any of the roles they serve?

The congregation of St. John’s understands itself to be in a time of transition. But when is it not? And when has it not been? Since its founding in the mid-nineteenth century, St. John’s has undergone and undertaken changes that would make the original congregation nearly unrecognizable to its current members just as its charter members would scarcely recognize today’s congregation. Historic maps of Sacramento identify St. John’s as the “German Lutheran Church,” located several blocks away from its current address at 1701 L Street. When was the last time members of St. John’s expected to hear preaching in German or to sing hymns in German? How many members of St. John’s today know the original location of the “German Lutheran Church” to which they now belong? The original members of St. John’s could hardly have imagined a future in which their pastors might be women as likely as men, or in which the eucharist would be celebrated at every weekly worship service. The concept of “livestream” would have seemed fantastical to the charter members of the congregation, as would microphones, audio projection, and video projection. Throughout most of its history, no member of St. John’s ever heard of the Evangelical Lutheran Church in America or its Sierra Pacific Synod because those church bodies didn’t exist until St. John’s was well into its second century. Until recently, no member could have explained a QR code or even the initials “QR,” and no one would have understood what today’s congregation means by “First Glance.”

The very fact of being alive means to be in transition, and St. John’s is very much alive. The only congregations that are not in transition are those that have ceased to exist, those that have disbanded, those that have closed. To regard transition as temporary is a false perception . . . indeed, a faithless perception.



For scripture testifies to the dynamic, unfolding nature of God's relationship with creation and God's love for the world – dynamic rather than static, unfolding rather than fixed. One of the oldest portions of scripture proceeds from God's call to Abram, who would later be known as Abraham: "Go from your country and your kindred and your father's house to the land that I will show you" (Genesis 12:1). Go rather than stay. Much later in scripture the one identified as the Messiah, the Christ, would frequently bid his followers, "let us be going" (Matthew 26:46; compare Mark 4:35, John 14:31, and elsewhere). Going from one place to another, from one condition to another, from one perspective to another is integral to the life of faith. In fact, one way to understand the life of faith is to regard it as intentional transition. "What we will be has not yet been revealed," declares the apostolic witness of 1 John 3:2. Faith embraces transition, faith expects transition, faith welcomes transition, and faith flourishes in transition.

Being a congregation in transition means exercising the Spirit's gifts of discernment. Those gifts are identified in scripture as "the spirit of wisdom and understanding, the spirit of counsel and might, the spirit of knowledge and the fear of the Lord, the spirit of joy in God's presence" (Isaiah 11:2). The Christian community invokes the Spirit to shower those gifts upon its members at all occasions of baptism, confirmation, and affirmation of faith. By means of those gifts, St. John's bridges the innumerable transitions between what has been, what is, and what will be. Every pastor is a bridge pastor just as every person is a bridge between what they are and what they will be, what they have been and what they are becoming. That is the nature of life in relation to the dynamic, unfolding love of God. Transition is not a temporary circumstance but an ongoing vocation – a sacred call – from the Lord who bids all disciples, "follow me" and "let us be going." St. John's is indeed in a time of transition – and thanks be to God for that wonder and grace. May it ever be so.



# Report from Associate Pastor

---

Pastor Jon Haug





Abundant community has shown up in the multiplicity of ways and places that youth and families have served St. John's this year. Youth and our families aren't just regular acolytes or attendees of education classes, but they have found their way into Christian leadership in other places too. Families have been leaders at our Advent Festival, and served at our Thanksgiving meal. They sorted and organized clothes for our clothing pantry. They kicked off our Christmas season by leading our Santa Lucia worship and the procession to our Santa Lucia celebration in the Gathering Place. They have been lectors, assistant ministers, and even created original art for our bulletin covers!

In the spring of 2025, Bella Manley decided to have her Girl Scouts Gold Award Project be rooted at St. John's. With thoughtful organization, adaptability, and collaboration with other adults, she created a clothing drive for men, after identifying this need for the unhoused guests we serve weekly. And this year, Harrison Schindell has begun work on his Boy Scouts Eagle Scouts project that will also be an enhancement project at St John's.

Our youth of all ages and families continue to travel to our beloved camp, Mt. Cross Ministries, in the Santa Cruz redwood forests, with some even leading the retreats there. Maggie Oehmke not only led some of the retreats during the school year, but then was a part-time summer Vacation Bible School counselor that traveled to different churches throughout the area – including ours. High schoolers traveled to Los Angeles for this year's summer trip, staying at Luther Glen Farm, where they played with farm dogs, learned to play Bunco, and took a day trip to Universal Studios. It was an amazing trip that bonded the youth and adults in attendance with new friendships and new perspectives on their faith.



Youth here get baptized, receive their first communions, and confirm their faith – not unlike our new members, in a public ritual of affirming their baptism as Confirmands. And, we make accommodations for families when needed. When two of our twin Confirmands could not make it to Confirmation Sunday, we found an alternative time to bless them and their family. The gift of flexibility allowed these two Confirmands to honor their commitment to the Confirmation class and affirm their faith in a way that was still meaningful to them and the community.

To be a part of the youth and family at St. John's is to be a full participant in the life and faith of those that call this their church. The future of youth and family ministry at St. John's is bright because for generations, this community has placed a high value on their presence and participation in the mission of the church. They live God's love in the world in abundantly and are an essential part of the abundant community at 17th and L. We send them out, prepared to be good stewards of their faith, equipped to live God's love far from Sacramento, and confident they can return – on breaks or at significant life moments – knowing this will always be a church they can call home.





# Report from Director of Worship + Music

---

Steven Johnson





2025 brought about significant changes to St. John's. All of which, if seen as an opportunity to expand our vision and create new opportunities, will expand our mission in new and uplifting ways. While some of the changes were expected and planned for, others were not! As with any change, expected or not, there are ripe opportunities for transformation and reformation.

Aside from Pastor Frank's planned retirement, one unexpected change in 2025 was our organist, Ryan Enright, announcing his return to Canada. I am truly appreciative to have worked with Ryan over the past 14 years in a meaningful and collaborative way. As a consummate concert and liturgical organist, accompanist, singer, and humble human being, his willingness to serve as a versatile musician will always be remembered and missed.

As with any significant change, it's easy to get caught up in the fray of conversations about the void and the ensuing questions: "What are we going to do?" or "Do we have another organist yet?" Allowing space to align our thoughts and actions with our mission and God's infinite wisdom, in **REAL TIME**, is one of the greatest gifts we can give ourselves and each other. Indulging in reactive opinions, ideologies, or ill-fated attempts to quickly "fill the gap" are not conducive to creating the space and the time necessary to cast a broad net, and make the most inspired choice and assure we have true potential to choose from.

The organist position will be posted publicly in late January, after the approval of the proposed budget at the yearly congregational meeting. Beginning the search and audition process after Easter is the most logical choice. It allows enough time for auditions and for the new organist to prepare for changes in their employment and housing.

Those actively involved in the music ministries are adjusting to a more creative approach to planning and scheduling. It can be a challenge to coordinate substitute organists for rehearsals or find skilled accompanists who can fill in on a weekly basis.

Membership in St. John's Choirs remains strong and faithful, with several new voices joining the ranks. The musical kaleidoscope keeps spinning, always revealing new, meaningful singing opportunities. Together, we create and honor inspiring musical moments in worship, where we encounter the magic of the divine. St. John's Handbell Choir rings faithfully, creating joyful, resonant music that touches the congregation. Yay Bells!



Without the servant hearts of the Music and Worship support staff, we wouldn't have the artistry and connections we share. The team always goes beyond their job descriptions and steps in when things change unexpectedly. We are fortunate to have such devoted people in these roles.

**Eliseo Paniagua**, Associate Director of Worship and Music, brings readiness and a cheerful disposition. He handles many details behind the scenes—volunteers, bulletin production, lectors, worship assistants, altar guild, baptism preparations, interfacing with the AV team, and directing the handbell choir.

**Tim Reese**, our visual guru, adds beauty and elegance through video, capturing the heart of our worship. Tim has set a high bar for our online worship. His attention to detail enhances St. John's live-streaming, sharing our spirit with the online community. His passion and ability for capturing grace in action are divinely inspired. **Esperanza Foft** continues to be a faithful fill-in in the AV department when vacations and time away are necessary. Thank you, Espy!

**John Bologni**, our sound technician, leads with a servant's heart and skilled ears. He is a sonic artist who cares deeply about the quality of our worship, meetings, and other events requiring sound.

My hope is that the perspectives here illuminate the shepherding nature of those serving on the Music and Worship staff. Together, as a staff and faith community, we will continue to trust God and while honoring our Lutheran heritage and liturgical traditions, ushering in creative, innovative, and spirit-filled opportunities where we encounter God's Love in worship and beyond.

In the coming weeks and years, let's aim high. Let the light of our Lord fuel our dreams, inspiring deeper faith and stronger connections to God and one another.



# Report from Director of Communications + Community Engagement

---

Catherine Slabaugh





Abundant Community is at the core of day-to-day life in the Communications and Community Engagement department. This past year, **Joel Barkel**, Associate Director of Volunteer Management, and I set intentional goals to establish processes and programs that further engage our lay leaders and deepen the rich, historic community at St. John's. As such, this year has brought countless brunches, festive celebrations, powerful small groups, and diverse ways to connect with longtime and brand-new community members.

In the communications world, St. John's saw another year of consistent messaging, outreach, and engagement. The St. John's Facebook, Instagram, and TikTok welcomed a collective 445,000 views, the YouTube page garnered over 50,000 views, and we engaged with multiple media outlets to share the mission and ministry of St. John's with the greater Sacramento community. Additionally, a small group of communication professionals and members at St. John's – **Ahnie Mosle, Dave Lesher, Elizabeth Gilbert, and Melanie Turner** – completed an annual audit and strategy development of all St. John's communications. I am grateful for the deep love and care for St. John's that these individuals possess, and their willingness to share their professional skills to strengthen our gospel-sharing mission.

With the support of **Tim Reese**, our excellent volunteer photographer and videographer, St. John's produced numerous short videos about our special offering campaigns, the annual Thanksgiving Meal, and Pastor Frank Espegren's retirement party. Tim also spent time intentionally capturing moments of abundant community to produce an introductory video played on loop at the top of the St. John's website. Be sure to take a look as the video is updated seasonally! **Rick Maness**, longtime St. John's member, also volunteered countless hours capturing breathtaking photos of community in action throughout 2025. I am especially grateful to Tim and Rick for helping share the many ways we live God's love in the world!

2025 was the first full year St. John's saw two dedicated staff members focus on Community Engagement. Joel, with a special lens on volunteer management and engagement, and myself, with a broader strategic view of our relationships with the St. John's community, and the greater community of Sacramento and the Evangelical Lutheran Church in America (ELCA).



Throughout 2025, Joel hosted 8 volunteer trainings, sent 175 hand-written thank you cards to committed volunteers who regularly serve, and connected with 50+ new visitors to St. John's, resulting in countless coffee meetings at Old Soul. As such, the St. John's community has grown more equipped, empowered, celebrated, and connected.

Every week, small groups throughout St. John's gather for abundant community – either here at church, out at a brewery, or in someone's home. We have women's circles, pub theology, a young adult group, a book club and bible study, a starting over group, a LGBTQ+ support group, knitting circle, and dinner groups – to name a few. In church-wide spaces, our Community Engagement Committee, often spear-headed by **Jo Hoffmeier** and **Betty Miller**, spent 2025 intentionally gathering the larger church for community-building events; we're a church that knows how to gather for brunch! The year also welcomed a few large non-Sunday morning events – our 2<sup>nd</sup> annual Oktoberfest, 28<sup>th</sup> annual Thanksgiving Meal – once again led by **Terri Moore** and **Rita Blomster**, and beloved Santa Lucia Festival – welcoming new leadership from **Dagny Starn** and **Karen Bruce**. Perhaps the most special gathering of the year, I led a team that threw Pastor Frank and Rhonda's going away party. In 2025, we truly felt Matthew 18:20, "where two or three are gathered in my name, I am there among them."

Much of my work in 2025 focused on strengthening relationships with partners of St. John's out in the community. This looked like standing at vigils with Sacramento Area Congregations Together (ACT), hosting a reception for the California Lutheran University Cares Day, hosting the annual graduation of Saint John's Program for Real Change in the sanctuary, and participating in a newly developed community-based group of nonprofits caring for our unhoused neighbors. I also continued to tithe my time and talents to the greater Church, serving on the ELCA Youth Gathering team, attending the ELCA Churchwide Assembly as a voting delegate from the Synod, and acting as emcee for the ELCA Extravaganza.



This year also brought difficult growth opportunities for this community. I walked alongside numerous staff members as we drafted letters announcing their departure from or arrival to St. John's, I spent months in prayerful discernment with community members about how we can continue to care for our unhoused neighbors in need, and we drafted policies that reflect the "saint and sinner" duality of our theology in response to societal changes. In these challenging moments, our missional call and commitment to community becomes even more prevalent.

2026 will be a year of great change for this community. As Pastor Paul shared in his report, "being a congregation in transition means exercising the Spirit's gifts of discernment." I look forward to witnessing and accompanying this community as the Spirit guides us – in new ways of gathering, new ways of serving, new ways of celebrating, and new ways of being in abundant community.





# Report from Director of Administration + HR

---

Katherine Thorp





As we reflect on 2025 through the lens of Abundant Community, I am struck by how deeply this theme has come to life in the daily rhythm of our administrative, operational, and property work at St. John's. What began as a year of transition and challenge became a season of renewal, collaboration, and gratitude.

This was my first full year serving at St. John's, and it has been overflowing with lessons and blessings. I have learned that abundance in community doesn't always look like ease or comfort; often, it shows up in the moments when we are stretched and when we lean on one another to find new strength.

Our property team **Matt Balara, Julius Turner, and Doug Droeze** embody this spirit daily. From unexpected maintenance challenges to new campus needs and the daily unpredictability of caring for a large church and its people, they have responded not with frustration but with creativity and collaboration. What once felt like disruptions became opportunities to build new processes and policies that serve the entire congregation more effectively.

Matt, as the full-time property staff person, has been instrumental in helping me develop clearer systems for communication, maintenance tracking and ordering of supplies, ensuring that our property work is proactive rather than reactive. Matt has taken on some of the bigger projects such as reorganizing almost every storage space on campus, scheduled cleanings and maintenance such as pressure washing the sidewalks and steps, preventative maintenance and most recently the addition of the new laundry room in the gathering place. Julius and Douglas, in their part-time roles, have brought flexibility, teamwork, and joy to their work quietly ensuring that our shared spaces are ready for worship, learning, and fellowship each day. Their dedication behind the scenes makes so much of the visible life of St. John's possible and we are so lucky to have them all.

This year, we've brought our human resources and employment procedures into full compliance with state and federal labor laws. This task has deepened our commitment to fairness, transparency, and care for our staff.



A significant portion of this year was also devoted to the silent ministry of planning and coordination. From development of new processes for weddings and memorial services to outside organizations and community partnerships, it has been a pleasure to ensure that our facilities continue to be a place where people gather for both celebration and solace.

In this last year we saw the kickoff of the HVAC project which started in the Gathering Place. There will also be HVAC replacements over the next 5 years, and we will be working on the preservation of the stained-glass windows.

Another area of focus has been financial stewardship and preparation for the future. I've worked closely with our treasurer (John Bailey) to run audits and actuals to analyze expenses in real time, ensuring that this year's operations reflect both fiscal responsibility and mission-driven priorities. This careful tracking has allowed all the department heads to create next year's budget proposals from a place of accuracy and insight, grounding our financial planning in the reality of how we live and serve together.

Across our operations and administrative efforts, this has been a year of building foundations. Many of the new systems and policies developed out of the administration department this year grew out of real-world challenges. From refining HR procedures to improving building-use coordination and facility cleanliness, these updates have made St. John's a more efficient and transparent community.

As we look toward 2026, I carry a deep sense of gratitude. For the trust placed in me, for the dedication of Matt, Julius, and Doug, and for the entire St. John's community who make this place feel so alive with purpose and care. It is my honor to serve in a community that so clearly embodies the abundance of God's love in the daily ways we show up for one another.

Abundance, I've learned, is not measured by what we have but by who we are together.

A handwritten signature in black ink, appearing to read "Matt Bailey".



# Report from Council Treasurer

---

John Bailey





A “time of transition” continues to be the theme for 2025 and 2026. Last January, three new players were in the finance pilothouse: Kat Thorp as the new Director of Administration, a new bookkeeping service that began in late 2024, and myself, a bit rusty after a 24-year hiatus since I last served as a church treasurer. We muddled along the learning curve for a short while, and I am confident we now have a solid and competent team in place.

There are challenges as we progress through changes in pastoral leadership, addressing concerns about congregational demographics, and face the cost of maintaining a historic facility.

The Finance Committee has been a tremendous source of wisdom and counsel. I cannot thank them enough.

## Financial Highlights

### General Fund

Early in the year, it was determined that certain positions were incorrectly classified as exempt from overtime pay. Substantial penalties could have been assessed if this had not mitigated. Payment was made to retroactively compensate affected employees at a cost of \$54,295. As a result, adding the much needed Youth & Family position was deferred. Other unexpected expenses included \$11,455 for elevator repairs and \$5,915 for plumbing repairs. Our commercial tenant, Sal’s, made only a single rent payment, and we incurred \$6,000 in legal fees to evict.

The wonderfully good news is that envelope giving surpassed the budget sufficiently to compensate for all of the above. Cash receipts toward ministry partner and human assistance benevolences totaled \$77,876. The generosity of this congregation is significant and deeply appreciated.

We also received the long awaited federal COVID-related Employee Retention Credit (ERC) of \$81,624, along with \$24,521 in interest. A generous bequest provided the congregation with \$100,000 in December 2024 and another \$100,000 in January 2025.



We end the year with a general fund surplus of \$241,915. Setting aside the extraordinary income from the ERC and bequests, the surplus from regular operations was \$35,767.

### **Committee/Restricted Funds**

Donor-restricted gifts totaled \$46,103, supporting the Property Fund, a newly formed Stained Glass Window fund, scholarships, youth activities, racial justice activities, and the Pastor's Discretionary Fund. Significant property concerns were addressed during the year. The December 2024 bequest was used toward replacement of HVAC units serving the Gathering Place and Music Room, at a cost of \$110,245. A final payment of \$31,352 was made from the Memorial Fund for repair of the Reformation stained glass window. A separate fund for Stained Glass window maintenance was established, with \$10,500 received thus far, and a down payment of \$17,208 made for stained glass repairs scheduled for 2026.

Scholarships of \$14,400 were paid from restricted funds, and the Pastor's Discretionary Fund provided \$14,167 in direct human assistance.

### **Balance Sheet**

Several investment changes were made during the year to increase yields. MIF funds were moved into a one-year certificate of deposit. Money market funds at California Bank & Trust and MIF were moved into Treasury notes ranging from three to twelve months. An account was opened with Merrill Lynch to handle Treasury transactions, with all fees waived. An account payable balance was set up at year-end to accrue the January remittance of support for our Gift for the Christ Child beneficiaries and our annual \$15,000 support for Saint John's Program for Real Change.

### **2026 Budget**

A budget is the financial representation of an organization's game plan; however, our game plan is clouded by uncertainties – primarily with respect to timing. The start dates of a new Senior Pastor and a new organist, as well as the end date for our beloved Associate Pastor, are all uncertain.



The Council has identified one certainty: it is imperative that we welcome and serve families by adding an Associate Director of Youth & Family. We have budgeted for this position beginning in March.

This budget includes provision for a Senior Pastor at the same compensation as the Bridge Pastor and an Associate Pastor position through all twelve months of the year. Additionally, the budget provides a cost-of-living increase for lay staff.

Pledges are roughly \$200,000 less than last year. In a time of transition, does it make sense to reduce expenses and services to the congregation – or to set the foundation for future growth by using a portion of the abundant giving experienced in 2025 to invest into 2026? The discernment of the Council is to choose the latter.

Accordingly, it is proposed that the \$100,000 bequest received in January 2025 be designated to support one-time estimated costs of the Call Committee, moving expenses for the new Senior Pastor, and personnel expenses. The council regards this as one-time “bridge” funding, just as we have a “bridge” pastor. What about 2027? Assuming that envelope giving approximates that of years 2022 through 2025, the congregation will have funds to support staffing, including the Youth & Family position.

Budgeted revenue for 2026 is based on pledges received thus far and those still anticipated, using historical trends for pledge fulfillment and non-pledged receipts. Budgeted pledged envelope revenue is estimated at \$1,045,000 and non-pledged envelope revenue at \$220,000, for a total of \$1,265,000.

Operating expenses are budgeted based on each ministry area’s plans for the year, considering historical spending patterns. Salary expense omits last year’s make-up pay and sabbatical expense. With the purchase of laundry facilities, we will save on outsourced laundry costs. With increased frequency of security patrols, that expense has been broken out of Professional Expense. We anticipate fewer plumbing and elevator repairs. The costs of bookkeeping and insurance have increased.



During 2025, \$30,223 in special offerings were received to support direct services to the unhoused. It is requested that these services be budgeted primarily out of the general fund to be less reliant on special offerings, as a ministry of the congregation as a whole should be primarily supported through the general fund. Such special offerings are now estimated at \$8,000, funding a total of \$34,000 in expenses. Mission support to the Synod continues at \$80,000; Saint John's Program for Real Change continues at \$15,000; and pass-throughs of Lenten and Advent benevolences estimated at \$25,000 each – totaling \$179,000 in cash benevolences.

With the designation of the bequest, this general fund budget adds the Youth & Family position, provides for the transition to a new Senior Pastor, and assumes greater responsibility for direct services to the unhoused, resulting in a break-even budget.

# 2025 Income Statement

## General Operating Funds for the

### Period Ending December 31, 2025

	2025 Actual	2025 Budget	2025 % of Budget	2024 Actual	2024 Budget	2024 % of Budget
<b>Revenues:</b>						
Envelopes - Regular	1,441,629	1,379,455	105%	1,379,876	1,302,960	106%
Envelopes - Special	46,772	10,000	468%	18,597	11,500	162%
Envelopes - Benevolence	47,653	50,000	95%	46,728	50,000	93%
Envelopes - Loose	14,605	6,000	243%	7,518	6,000	125%
Envelopes - Memorial Unrestricted	6,325	-	#DIV/0!	2,335	-	#DIV/0!
Youth Activities	9,361	18,000	52%	27,048	21,000	129%
Ticket Sales	9,132	-	#DIV/0!	8,735	-	#DIV/0!
Rent - K St Garage	196,672	194,197	101%	194,197	194,197	100%
Rent - 1727 L Street	24,600	24,600	100%	24,000	24,000	100%
Rent - 1725 L Street	8,419	20,400	41%	25,568	28,200	91%
Facilities Use Fee	16,995	20,000	85%	14,775	1,000	1478%
In-Kind Facilities Use	48,450	-	#DIV/0!	55,938	-	#DIV/0!
Weddings	2,738	-	#DIV/0!	1,700	-	#DIV/0!
Other Revenue	109,051	500	21808%	821	1,000	82%
Grant Income	5,500	-	#DIV/0!	2,000	-	#DIV/0!
Bequests - Council Designated	100,000	-	#DIV/0!	123,854	-	#DIV/0!
<b>Total Revenues</b>	<b>2,087,902</b>	<b>1,723,152</b>	<b>121%</b>	<b>1,933,690</b>	<b>1,639,857</b>	<b>118%</b>

Expenses	2025	2025	2025	2024	2024	2024
	Actual	Budget	% of Budget	Actual	Budget	% of Budget
Salaries & Wages	810,280	791,802	102%	723,192	758,132	95%
Benefits Allowance	126,920	99,846	127%	116,975	139,590	84%
Honorarium	16,120	9,000	179%	13,120	5,000	262%
Health Benefits	113,442	131,898	86%	109,421	116,215	94%
Pension Benefits	57,069	63,725	90%	65,532	61,900	106%
Payroll Taxes	49,246	46,044	107%	40,660	38,850	105%
Workers' Compensation	11,067	11,728	94%	8,317	12,863	65%
Telephone	5,327	5,197	103%	5,203	5,154	101%
Internet	7,948	10,491	76%	9,634	10,491	92%
Postage	3,910	4,225	93%	2,305	2,841	81%
Printing	4,306	10,454	41%	5,555	7,283	76%
Dues & Subscriptions	5,671	4,421	128%	3,638	3,843	95%
Monthly Software Fee	10,893	11,925	91%	11,806	12,479	95%
Books & Publications	1,318	2,013	65%	1,834	1,425	129%
Library Books	221	100	221%	-	100	0%
Fees & Permits	1,884	2,269	83%	2,556	1,169	219%
CC Fees	5,979	6,280	95%	5,161	7,895	65%
Supplies	36,122	17,428	207%	20,951	12,500	168%
Santa Lucia	(38)	-	#DIV/0!	79	-	#DIV/0!
Flowers	5,285	1,500	352%	1,325	3,000	44%
Congregational Care	768	1,250	61%	338	3,950	9%
Hospitality Committee	-	500	0%	421	500	84%
Professional Services	24,526	31,085	79%	8,231	11,630	71%
Utilites - Electric	43,402	41,854	104%	44,767	39,000	115%
Utilities - Gas	14,831	17,173	86%	14,886	19,000	78%
Utilities - Water, Sewer & Garbage	21,358	19,227	111%	18,776	17,645	106%
Real Estate Taxes	8,837	7,659	154%	7,793	7,600	103%
Equip Rental/Maintenance	31,522	26,507	119%	27,109	17,174	158%
Equipment	5,817	11,753	49%	20,199	3,000	673%
Maintenance Expense	84,977	59,076	144%	87,607	62,841	139%
Instrument Expense	4,653	3,500	133%	2,470	3,500	71%
Parking Garage Expense	-	-	#DIV/0!	-	-	#DIV/0!
Music Expense	2,279	1,500	152%	1,689	1,500	113%
Concert Series - Organ	-	-	#DIV/0!	-	-	#DIV/0!
Airfare, Mileage & Lodging	61	300	20%	439	300	146%
Food & Beverage	13,034	11,229	116%	3,181	3,600	88%
Continuing Education	2,702	4,500	60%	3,180	5,500	58%
Youth Activities	10,532	29,195	36%	31,806	24,440	130%
Meeting Expense	4,092	7,270	56%	6,595	5,894	112%
Advertising Expense	1,662	-	#DIV/0!	1,988	200	994%

1725 & 1727 L Street Expense	17,519	11,175	130%	10,781	2,850	378%
Insurance	54,914	48,945	112%	54,063	44,753	121%
Scholarships	100	500	20%	-	500	0%
IT - Maintenance	5,732	1,008	569%	698	2,500	28%
Other Expenses	3,493	-	#DIV/0!	103	-	#DIV/0!
Benevolence - Other	74,532	65,000	115%	58,781	70,000	84%
Sierra Pacific Mission Support	80,000	80,000	100%	80,000	80,000	100%
Benevolence - Human Assistance	19,564	13,400	146%	19,855	13,400	148%
Benevolence - In-Kind Facilities Use	48,450	-	#DIV/0!	55,938	-	#DIV/0!
Discipleship	(1,318)	1,400	-94%	737	1,950	38%
Community Engagement (Prev. Outreach)	471	800	59%	5,139	1,900	270%
Pastor's Discretionary	131	2,000	7%	500	2,000	25%
Property Fund	10,000	10,000	100%	130,854	7,000	1869%
<b>Total Expenses</b>	<b>1,861,609</b>	<b>1,738,152</b>	<b>107%</b>	<b>1,846,188</b>	<b>1,654,857</b>	<b>112%</b>
<b>Net Income</b>	<b>226,293</b>	<b>(15,000)</b>	<b>-1509%</b>	<b>87,502</b>	<b>(15,000)</b>	<b>-583%</b>
Interest Income	15,622	15,000	133%	14,586	15,000	97%
<b>Total Other Income</b>	<b>15,622</b>	<b>15,000</b>	<b>104%</b>	<b>14,586</b>	<b>15,000</b>	<b>97%</b>
<b>Total Net Income - General Fund</b>	<b>241,915</b>	<b>(0) n/a</b>		<b>102,088</b>	<b>-</b>	<b>#DIV/0!</b>

# Committed/Restricted Funds for the Period Ending December 31, 2025

	2025 Actual	2024 Actual
<b>Revenues:</b>		
Concert Series		-
Organ Fund	100	1,500
Pastor's Discretionary - Restricted	4,740	15,465
Property Fund	16,120	135,884
Stained glass window Fund	10,500	
SJLC Scholarship Fund	5,000	25
Rwanda Fund		-
Portal of Peace & Prayer		17,335
Jerry Pederson Memorial Peace & Justice Fund		1,185
Community Meals		2,756
Proceeds - Oil & Gas Rights		-
Youth Grant	6,558	62
LDSS Grant - Racial Justice	3,085	3,600
Lilly Grant - Jon Haug		-
Lutheran Retreat Center		-
Restricted Interest Income	<u>13,876</u>	<u>16,557</u>
<b>Total Revenues</b>	<u><b>59,979</b></u>	<u><b>194,369</b></u>
<b>Expenses</b>		
Expenses - Archives		-
Expenses - Concert Series		-
Expenses - Organ Fund	750	323
Expenses - Library (Romeis Memorial Fund)		245
Expenses - Lawson Scholarship	2,400	
Expenses - Scholarship	12,000	3,100
Expenses - Pastor's Discretionary - Restricted	14,167	13,873
Expenses - Rwanda Fund		-
Expenses - LDSS Grant		1,380
Expenses - LDSS Grant - Racial Justice	3,033	3,597
Expenses - LDSS Grant - Youth	824	2,500
Expenses - Oil & Gas Rights		-
Expenses - Property Fund	110,245	
Expenses - Stained Glass Window Fund	17,208	
Expenses - Memorial Fund	31,352	10,451
Expenses - Portal of Peace & Prayer	3,518	11,520
Expenses - Community Meals		806
Expenses - Lutheran Retreat Center	2,588	2,567
Expenses - Lily Grant - Jon Haug		-
Expenses - 1st English Fund	900	<u>6,627</u>
<b>Total Expenses</b>	<u><b>198,985</b></u>	<u><b>56,989</b></u>
<b>Total Net Income - Restricted</b>	<u><b>(139,006)</b></u>	<u><b>137,380</b></u>
<b>Total Net Income</b>	<u><b>102,909</b></u>	<u><b>239,468</b></u>

# Balance Sheet as of December 31, 2025

**12/31/25      12/31/24**

## **Current Assets:**

CA Bank & Trust - Checking	309,743	359,585
CA Bank & Trust - Money Market	3,732	361,977
Cash with Merrill Lynch	3,314	0
MIF - Trust	3,005	10,507
MIF - Scholarship	2	359,433
MIF - Certificate of Deposit	16,325	0
Investments - Treasuries	<u>1,367,810</u>	<u>492,050</u>
<b>Total Current Assets</b>	<u>1,703,930</u>	<u>1,583,552</u>

## **Fixed Assets:**

Land - 1725 L St	631,716	631,716
K Street Lot	124,374	124,374
Land Improvements	179,536	179,536
Building Improvements	7,311,352	7,201,108
Building Improvements - Windows	314,342	314,342
Furniture & Fixtures	6,876	6,876
Organ Renovation	618,050	618,050
<b>Total Fixed Assets</b>	<u>9,186,246</u>	<u>9,076,002</u>

**Total Assets** **10,890,176** **10,659,554**

**12/31/25      12/31/24**

**Current Liabilities:**

Accounts Payable	39,324	15,000
Payroll Benefits Withholding	-2,648	0
LT Liability - Rent Deposits	2,601	6,810
<b>Total Current Liabilities</b>	<b>39,277</b>	<b>21,810</b>

**Equity - Unrestricted:**

General Fund Balance	535,839	535,839
Equity in Land & Building	8,568,198	8,457,952
Equity in Equipment	618,050	618,050
<b>Total Equity - Unrestricted</b>	<b>9,722,087</b>	<b>9,611,841</b>

**Equity - Restricted:**

Concert Series	10,384	10,384
Lawson Scholarship	13,982	16,382
Memorial Fund	16,779	48,131
Organ Fund	22,711	23,361
Pastor Romeis Memorial Fund	22,661	22,661
Pastor's Discretionary Fund - Restrict	4,506	13,933
Property Fund	41,809	135,934
Stained Glass	-6,708	0
Rwanda Fund	754	754
St. John's Scholarship Fund	71,582	76,438
1st English Proceeds	635,443	624,611
Oil & Gas Rights Proceeds	26,841	26,841
Archives Fund	372	372
Lutheran Retreat Center	0	13,722
Community Meals	0	1,951
Portal of Peace & Prayer	11,134	5,815
Jerry Pedersen Memorial Peace & Ju	1,951	1,185
LDSS Grant Fund - Youth	2,297	462
LDSS Grant Fund - Racial Justice	1,185	2,966
<b>Total Equity - Restricted</b>	<b>886,897</b>	<b>1,025,903</b>

Net Income Operating Funds      241,915 included above

**Total Liabilities and Equity**      **10,890,176      10,659,554**

# 2026 Proposed Budget

	Proposed 2026 Budget	2025 Actuals	2025 Budget	2024 Actuals	2024 Budget
<b>Revenues</b>					
Envelopes - Regular	1,265,000	1,441,629	1,379,455	1,379,876	1,302,960
Envelopes - Special	11,500	46,772	10,000	18,597	11,500
Envelopes - Benevolence	50,000	47,653	50,000	46,728	50,000
Envelopes - Loose	10,000	14,605	6,000	7,518	6,000
Envelopes - Memorial Unrestricted	-	6,325	-	2,335	-
Youth Activities	9,000	9,361	18,000	27,048	21,000
Ticket Sales	9,000	9,132	-	8,735	-
Rent - K St. Garage	194,197	196,672	194,197	194,197	194,197
Rent - 1727 L St. Apartment	24,600	24,600	24,600	24,000	24,000
Rent - 1725 L St. Commercial	27,495	8,419	20,400	25,568	28,200
Facilities Use Fee	36,000	16,995	20,000	14,775	1,000
In-Kind Facilities Use Fee	-	48,450	-	55,938	-
Weddings	4,000	2,738	-	1,700	-
Other Revenue	500	109,051	500	821	1,000
Grant Income	-	5,500	-	2,000	-
Bequests - Council Designated		100,000	-	123,854	
Bridge funding-utilize bequest	100,000	-	-	-	-
<b>Total Revenues</b>	<b>1,741,292</b>	<b>2,087,902</b>	<b>1,723,152</b>	<b>1,933,690</b>	<b>1,639,857</b>

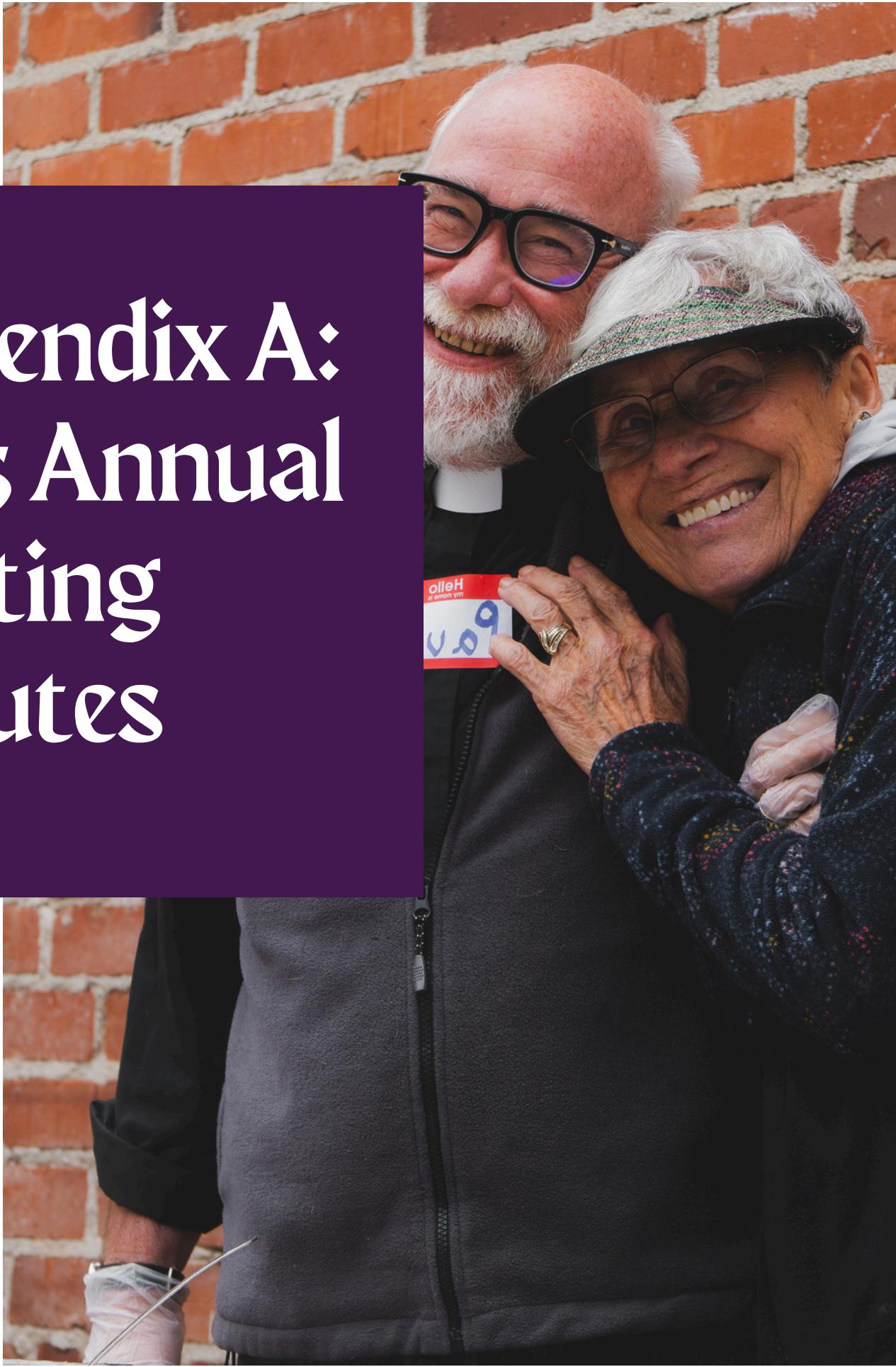
	Proposed 2026 Budget	2025 Actuals	2025 Budget	2024 Actuals	2024 Budget
<b>Expenses</b>					
Salaries & Wages	752,413	810,280	791,803	723,192	758,132
Benefits Allowance	130,224	126,920	99,846	116,975	139,590
Honorarium	15,000	16,120	9,000	13,120	5,000
Health Benefits	103,406	113,442	131,898	109,421	116,215
Pension Benefits	69,980	57,069	63,722	65,532	61,900
Payroll Taxes	47,179	49,246	46,044	40,660	38,850
Workers' Compensation	11,657	11,067	11,728	8,317	12,863
Telephone	6,500	5,327	5,197	5,203	5,154
Internet	6,000	7,948	10,491	9,634	10,491
Postage	5,500	3,910	4,225	2,305	2,841
Printing	8,200	4,306	10,454	5,555	7,283
Dues & Subscription	6,100	5,671	4,421	3,638	3,843
Monthly Software Fees	12,000	10,893	11,925	11,806	12,479
Books & Publications	1,400	1,318	2,013	1,834	1,425
Library Books	100	221	100	-	100
Fees & Permits	2,200	1,884	2,269	2,556	1,169
CC Fees	6,500	5,979	6,280	5,161	7,895
Supplies	23,900	36,122	17,128	20,951	12,500
Santa Lucia	1,000	(38)	300	79	-
Flowers	1,500	5,285	1,500	1,325	3,000
Congregational Care	475	768	1,350	338	3,950
Hospitality Committee	-	-	500	421	500
Security Services	14,400				
Professional Services	28,030	24,526	31,085	8,231	11,630
Utilities - Electric	42,000	43,402	41,854	44,767	39,000
Utilities - Gas	17,000	14,831	17,173	14,886	19,000
Utilities - Water, Sewer & Garbage	22,000	21,358	19,227	18,776	17,645
Real Estate Taxes	7,736	8,837	7,659	7,793	7,600
Equipment Rental/Maintenance	25,000	31,522	26,507	27,109	17,174
Equipment	4,000	5,817	11,753	20,199	3,000
Maintenance Expense	55,000	84,977	59,076	87,607	62,841
Instrument Expense	2,500	4,653	3,500	2,470	3,500

Music Expense	1,800	2,279	1,500	1,689	1,500
Airfare, Mileage & Lodging	-	61	300	439	300
Food & Beverage	9,040	13,034	11,229	3,181	3,600
Continuing Education	5,220	2,702	4,500	3,180	5,500
Youth Activities	13,500	10,532	29,195	31,806	24,440
Meeting Expense	5,200	4,092	7,270	6,595	5,894
Advertising Expense	-	1,662	-	1,988	200
1725 & 1727 L St Expense	12,000	17,519	11,175	10,781	2,850
Insurance	60,500	54,914	48,847	54,063	44,753
Scholarship	500	100	500	-	500
IT - Maintenance	3,000	5,732	1,008	698	2,500
Other Expenses	1,500	3,493	-	103	-
Benevolence - Other	65,000	74,532	65,000	58,781	70,000
Sierra Pacific Synod Mission Support	80,000	80,000	80,000	80,000	80,000
Benevolence - Human Assistance	34,000	19,564	13,400	19,855	13,400
Benevolence - In-Kind Facilities Use	-	48,450	-	55,938	-
Discipleship	500	(1,318)	1,400	737	1,950
Community Engagement (Outreach)	16,700	471	800	5,139	1,900
Pastor's Discretionary	1,000	130	2,000	500	2,000
Property Fund	-	10,000	10,000	130,854	7,000
Call committee expenses	5,000				
New Pastor moving expenses	20,000				
<b>Total Expenses</b>	<b>1,763,360</b>	<b>1,861,609</b>	<b>1,738,152</b>	<b>1,846,188</b>	<b>1,654,857</b>
Interest Income	22,320	15,622	15,000	14,586	15,000
<b>Total Other Income</b>	<b>22,320</b>	<b>15,622</b>	<b>15,000</b>	<b>14,586</b>	<b>15,000</b>
<b>Total Net Income - General Fund</b>	<b>253</b>	<b>241,915</b>	<b>-</b>	<b>102,088</b>	<b>-</b>



# Appendix A: 2025 Annual Meeting Minutes

---



**January 26, 2025**  
**Congregational Meeting Minutes**  
*Pending approval during the 2026 Congregational Meeting*

## **Agenda and Topics**

See "St. John's 2025 Annual Report" for detailed information

- **Call to order at 1:04 pm —President Andrew Ford**
- **Gathering Hymn**
- **Opening Prayer —Pastor Frank Espegren**
- **Establishment of Quorum**
  - 87 Members in attendance (in person and on Zoom)
  - Quorum is 57
- **Approval of Minutes —Secretary Chris Dawson**
  - Motion to approve 2024 Minutes made by Council Secretary Chris Dawson, seconded by Eric Webb, approved unanimously by show of hands.
- **Senior Pastor's Report —Pastor Frank Espegren**
  - Pastor Frank noted that this will be his last annual Congregational Meeting, as he is retiring in September 2026.
  - Reported that Saint John's is debt-free and financially stable, with thanks to key leaders
  - Christian community is strong and St John's is well-poised during this year of transition.
- **Treasurer's Report —Treasurer Kurt Galvez**
  - Kurt recognized and thanked members of the staff, especially Linda Baldwin, the Congregation Council, members of key committees, and all the Members and friends of St. John's
  - Kurt presented a review of St. John's financials for 2024
    - Revenue total of \$1,933,690:
      - General Fund: 2024 regular offerings totaled \$1,379,876, compared to a budget of \$1,302,960. This also represented an increase in giving of \$35,660 from 2023.
      - Restricted revenue totaled \$194,369.
        - \$135,884 designated by the Congregation Council to the Property Fund in anticipation of expected property-related expenditures.
        - \$16,557 in interest received on Treasury Bill investments
        - Other donor-directed contributions to specific funds and projects.

- Expense total of \$1,846,188:
  - Largest category by far is Personnel.
    - We had some savings, with the departure of Pastor Amy, the move of Joel Barkel to a new role, and a vacant position.
  - Kurt described the year's many expenditures, including utilities, new equipment, sidewalk repair, and stained glass repair.
  - Benevolence:
    - We have made a change to how we do Benevolence, to highlight the work of our ministry partners during Lenten and Advent seasons.
    - A line item to capture the value of our facilities use in benevolence.
    - Direct human assistance
    - Synod support
    - Community engagement: St. John's Oktoberfest and Sacramento Pride Festival.
- Bottom line:
  - 2024 finished in the black, with a General Fund net income of \$102,088. We have 3.5 months of reserve.
  - The overall trend is flat for the last several year, which is financial success for St. John's.
- Kurt presented an overview of the proposed 2025 Budget:
  - Budgeted revenue of \$1,379,455. Based on actual results from prior 3 years
  - Pledged envelope revenue: \$1,253,259
    - Number of pledgers is steady but giving is up. Holding steady is a success.
  - Non-pledged envelope revenue: \$126,196
    - Decision to cap costs to families for Youth and Family activities.
  - Budgeted expenses: break even budget.
    - Payroll-related
      - COLA, full-time assistant director of Youth and Young Adults, pastoral pay in line with Synod guidelines
      - Anticipated pay for interim pastor
    - Synod support remains at \$80,000
- Motion to adopt the 2025 by Treasurer Kurt Galvez, on behalf of the Congregation Council, seconded by Karen Ross, unanimous approval.

- **Election of Council Members —Karen Ross, Nominating Committee Chair**
  - Rita Blomster (3d term)
  - Chris Dawson (2d term)
  - Joan Slabaugh (2d term)
  - Gary Ely-Grisham (1st term)
  - Karen Olson (1st term)
  - Motion by Karen Ross, seconded by Terri Baumberger, unanimous approval.
- **Election to Nominating Committee —Karen Ross, Nominating Committee Chair**
  - Jenny Mohler, 3 year term
  - Motion by Karen Ross, seconded by Susan Scott, unanimous approval
- **President's Report —Council President Andrew Ford**
- **Questions and Comments from the Floor**
- **Sending Forth Hymn**
- **Closing Prayer —Pastor Jon Haug**
- **Adjournment, 2:30 pm**

Respectfully submitted,

Chris Dawson  
*Congregation Council Secretary*



1701 L Street  
Sacramento, CA 95811

[www.stjohnslc.org](http://www.stjohnslc.org)  
**916-444-0874**  
[contact@stjohnslc.org](mailto:contact@stjohnslc.org)