



# GOD'S CALL | OUR VISION

## BACKGROUND INFORMATION FOR OUR REDEEMER'S ANNUAL MEETING VOTES

1 pm | Sunday, July 12, 2020

### VOTE ONE

Our Annual Mission Budget

### VOTE TWO

Budget and Plan for Our Vision-Aligned Building

**Our Redeemer's Lutheran Church Building as a Tool**

**for Ministry and Mission**

**for Our Neighbors and for Us**

**Now and for the Generations to Come**



JUNE 20, 2020



2400 NW 85th Street  
Seattle, WA 98117  
[www.ourredeemers.net](http://www.ourredeemers.net)  
206.783.7900

Hello Faithful People of Our Redeemer's,

What a church calendar year it has been!

- We have moved from meeting in-person for all events to now gathering remotely with one another.
- From watching children participate in worship in person, to being excited to seeing their growth on screen.
- We have grown from merely sharing audio recordings of sermons to now broadcasting live video all around the world.

None of us could have predicted last June how the world would be responding to the upending events of the last six months. Most significantly, we are experiencing a global pandemic, and the intense catalyst of George Floyd's death in the work toward racial justice. And those are just the big things! With so many aspects of our lives changing and uncertain, one thing has always remained the same: we all find refuge under the cross and in community at Our Redeemer's.

In this packet, we have compiled many important pieces of information for you to review in anticipation of our Annual Meeting on July 12<sup>th</sup> at 1:00p.m. As you read through the proposed budget, please take a moment to consider how Our Redeemer's has impacted your life over the last year...

Perhaps a sermon still rings in your ears,  
or a song we sang together lifted you during a time of sorrow,  
or maybe it was the simple gift of sharing the peace in-person.  
Perhaps the shift to online worship has made it easier for you to participate in church,  
or you served a meal through one of our social justice programs.  
Or maybe you impacted the life of a child through faith formation.

All these powerful and valuable memories went through the minds of those who created this budget as well. The staff, pastors, Finance Committee, and Church Council prayerfully considered and had in depth discussions around each item within the budget.

Our Redeemer's Church Council humbly submits this operating budget, which is smaller than last year's, for your review. We also have included information about our Vision Aligned Building plans. We encourage each of you to read through it, mark it up, and bring your questions of clarification to the virtual cottage meetings that will be held on the following days:

**June 27 – 11am: Vision Aligned Building Conversation**  
**July 2 – 7pm: Mission Budget of the Congregation**  
**July 5 - 4pm: Mission Budget of the Congregation**  
**July 7 – 7pm: Vision Aligned Building Conversation**

While meeting digitally is new to some of us, we have permission and instructions from our synod on how to legally, correctly, and inclusively hold our meeting online. If you are someone who finds that daunting, we hope you will reach out to us, and let us help you find a zoom buddy who can make the process smooth and stress-free.

Looking forward to the day when we can be together in person, but grateful to be able to see you online, God's peace to you.

Sincerely,  
Shelbe Kukowski,  
Church Council President

# Cottage Meetings

In preparation for the July 12th Congregational Meeting four interactive Cottage Meetings are being held via Zoom online:

## About the Vision-Aligned Building and Budget

*Presented Twice*

Saturday, June 27 at 11am or Tuesday, July 7 at 7pm

## About our 2020-21 Mission/Operation Budget

*Presented Twice*

Thursday, July 2 at 7PM or Sunday, July 5 at 4PM

[Zoom LINK for all meetings](#)

or go to:

<https://zoom.us/join>

Meeting ID: 965 1034 7384

Password: 137898

*Do you want to be a "Zoom Assistant" for someone who may need help connecting, or do you need Zoom meeting assistance? Please let [Pastor Kathy](#) or [Karie Stearns](#) know.*

## Zoom has been and is new to many of us.

But it does allow us to discuss, listen, speak, and vote, as we always do at our discussions and congregational meetings. So, you are invited to:

- Let [Pastor Kathy](#) or our administrator, [Karie Stearns](#), know if you would like in-person (safe) assistance with it.
- Attend a cottage meeting (see the schedule above), where we will be practicing all needed features, including voting as we will on July 12.
- Keep the tips below handy for reference.

## Zoom Tips for Success

The way you connect to the Zoom meeting depends on the equipment or device you use. Below is a short quiz to help you know where to start:

1. Do you have a device with an internet connection?  
Examples: desktop computer, laptop, tablet, iPad, smartphone
  - Yes → Go to question 2
  - No → Go to **Section 1: Join by Phone Call**
2. Do you have a webcam on your device?
  - Yes → Go to question 3
  - No → Go to question 3 but also see note <sup>W</sup> below
3. Do you have speakers and a microphone on your device?
  - Yes → Go to **Section 2: Join by Computer, Tablet, or Smartphone**
  - No → Go to **Section 3: Join with Phone Audio and Computer Video**

If you have questions about specific situations that are not described in this guide, please contact Katlin Dickinson-Laurence, [office@ourredeemers.net](mailto:office@ourredeemers.net).

<sup>W</sup> *Explanation: You do not need a webcam to join a Zoom meeting. This does mean that you will not be able to send video of yourself. However, you will continue to be able to listen and speak during the meeting, and view the webcam video of other participants.*

# Zoom Tips for Success

## Section 1: Join by Phone Call

This method is like a conference call: you will be able to listen and speak during the meeting.

### Important Note About Voting

Please let Pastor Kathy ([kathyh@ourredeemers.net](mailto:kathyh@ourredeemers.net)) or our Parish Administrator, Karie Stearns, ([administrator@ourredeemers.net](mailto:administrator@ourredeemers.net)) know as soon as possible if you do not have access to an internet connection and are planning on attending the meeting by phone.

### Joining a Meeting

1. At the scheduled meeting time, dial +1 (206) 337-9723
2. When prompted, enter the meeting ID followed by #.
3. When prompted, enter the meeting password

### During the Meeting

#### Meeting controls for participants using the phone

You can use these commands with your phone's dial pad while in a Zoom meeting:

- \*6 – Mute yourself, or unmute yourself if muted.
- \*9 - Raise your virtual "hand." We will all use our virtual "hands" to guide the flow of discussion.

## Section 2: Join by Computer, Tablet, or Smartphone

### Before a Meeting

- Desktop computer or laptop users: Download the *Zoom Desktop Client* by going to the Download Center. [https://zoom.us/download#client\\_4meeting](https://zoom.us/download#client_4meeting)
- Tablet or smartphone users: Download the *Zoom mobile app* from your device's app store.

### Joining a Meeting

At the scheduled meeting time, do one of these:

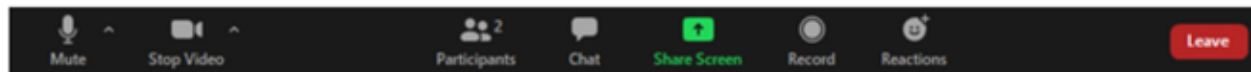
**Option 1:** Join a meeting by clicking the meeting link, OR,

**Option 2:** Go to <https://zoom.us/join> and enter in the meeting ID and password.

### During the Meeting

#### Meeting controls for participants using the *Desktop Client* or *Mobile App*

The attendee controls appear at the bottom of your screen. This is what the *Desktop Client* looks like. If you use a laptop or desktop, you will see these controls:



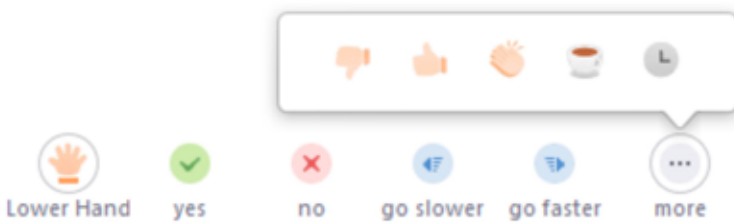
When you are attending the meeting, you will have access to these controls:

**Mute / Unmute:** Mute and unmute your microphone.

**Start Video / Stop Video:** Turns your camera on or off.

**Participants:** See who's currently in the meeting. You can also access these options:

- **Rename:** Hover over your name and click **Rename** to change your screen name displayed to other participants.
- **Non-verbal feedback icons:** Places an icon beside your name to quickly notify the host. *On mobile devices, these icons can be found under **More**.*



- **Raise Hand / Lower Hand:** This control raises your virtual "hand" in the meeting. We will be using the "Raise Hand" and "Lower Hand" buttons to guide the flow of discussion.

**Chat:** This is where your unique PIN for voting will be found; one of the meeting facilitators will give this to you at the meeting.

*continued next page*

# Zoom Tips for Success

## Section 3: Join with Phone Audio and Computer Video

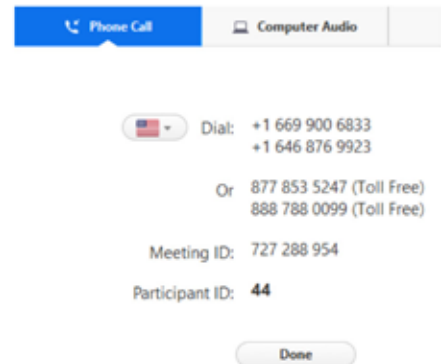
You can join the meeting using the *Desktop Client* to see video from the meeting and call in by phone to hear and speak.

### Before a Meeting

- o Desktop computer or laptop users: Download the *Zoom Desktop Client* by going to the Download Center. [https://zoom.us/download#client\\_4meeting](https://zoom.us/download#client_4meeting)

### Joining a Meeting

1. At the scheduled meeting time, do one of these:  
**Option A:** Join a meeting by clicking the meeting link, OR,  
**Option B:** Go to <https://zoom.us/join> and enter in the meeting ID and password.
2. After joining the meeting, Zoom will prompt you to join the audio automatically. If this box does not appear, or you close out of it, click **Join Audio** in the meeting controls (bottom of screen) to bring it up.
3. Click **Phone Call**. (example of this screen on the right)
4. Follow the instructions for dialing in:
  - a. Dial +1 (206) 337-9723
  - b. When prompted, dial the meeting ID from Zoom on your phone keypad, followed by #.
  - c. When prompted, enter your participant ID from Zoom on your phone keypad, followed by #.



### During a Meeting

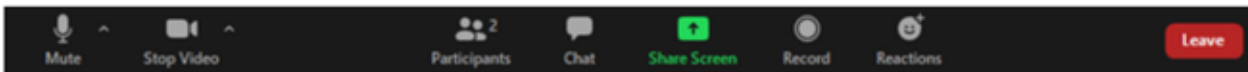
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- \*6 – Mute yourself, or unmute yourself if muted.
- \*9 - Raise your virtual "hand." We will all use our virtual "hands" to guide the flow of discussion.

#### Meeting controls for participants using the Desktop Client

The attendee controls appear at the bottom of your screen. You will see these controls:

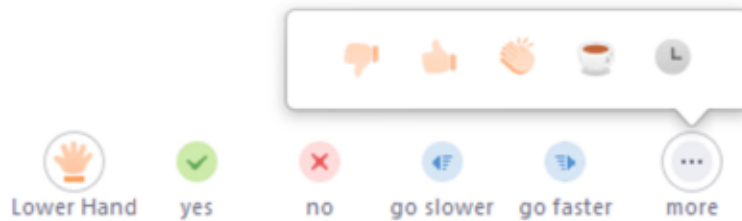


When you are attending the meeting, you will have access to these controls:

**Start Video / Stop Video:** Turns your camera on or off.

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# OUR REDEEMER'S

## A COMMUNITY IN THE MODEL OF CHRIST

### A VISION

God has given us the vision we've been working and live toward. Our building is a tool for carrying that out that.

But that tool needs sharpening!

Aligning our building with our vision will strengthen Our Redeemer's ability to:

- **Transform lives through spirituality in action**
- **Expand and deepen community, within and without our congregation**
- **Engage our neighbors and serve our world**

### OUR FAITHFUL LONG-TERM EFFORT IS COMING TO FRUITION

In 2013-2014, Our Redeemer's did a congregation-wide process to discern a strategic plan for our vision. We set the goal of renovating our building, removing barriers to mission and enhancing opportunities to serve God and our neighbors.

Since then, there have been many ups and downs, surprises, blessings and disappointments. But the people and leaders of Our Redeemer's have faithfully continued onward, planning, meeting and voting to strengthen our ministry through our building.

Most recently, we spent a year and a half working with the Ballard P-Patch leadership to make it possible for them to buy the property Our Redeemer's has been leasing for free to the City for 44 years. And they did it! The P-Patch will continue to be our neighbor and partner, and our own project will be able to move forward.

### GOD'S SPIRIT IS MOVING!

Against all odds, everything is coming together: our budget, permit, plans, P-Patch sale, and even a construction schedule that has us out of the building at a time when our health and safety also forces us to do that due to the pandemic... God has clearly had a hand in this!

### TRANSFORMING SPIRITUALITY

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- Improved lighting, acoustics, sound system, and AV system.
- Flexible space for all worship.
- Comfortable seating for all.
- Refurbished organ, movable console, chimes from Calvary organ.
- Wheelchair accessibility.
- Beautifully refurbished prayer chapel.

*View 1:* Looking northeast in the Sanctuary during a daytime service with a traditional seating arrangement.

*View 2:* Looking northeast in the Sanctuary during an evening service with a half-round seating arrangement.

*View 3:* Approaching the small meeting/prayer room along the salvaged wood grove screen.

### DEEPENING COMMUNITY

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- Seismic and accessibility upgrades.
- Increased number of main floor meeting rooms, allow simultaneous Sunday offerings for all ages.
- Improved AV capacity throughout main floor.
- Lower level becomes usable and appealing:
  - Accessible for all through new east entry.
  - Natural light down central corridor.
  - New restrooms.
- Improved security.

*View 4:* A gathering in the Narthex, facing toward the Sanctuary.

*View 5:* An accessible sloped path to the lowered chancel floor.

# ...FOR THE LIFE OF THE WORLD



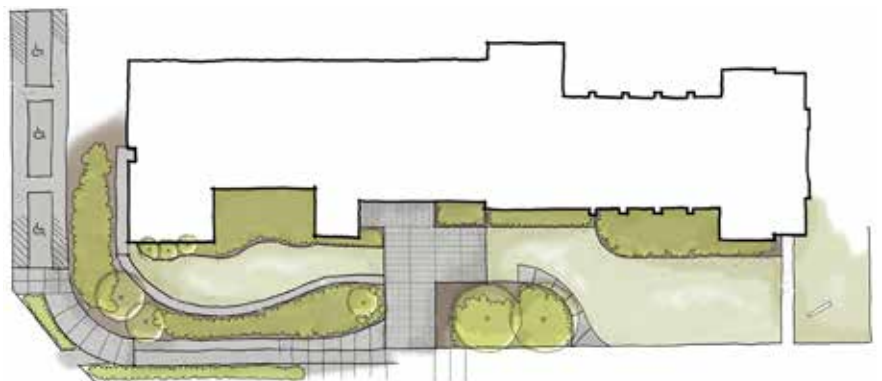
Timber is significant to the Scandinavian history of the church as well as the Pacific Northwest. The design draws on the concept of a sacred grove. Our pews will be salvaged and re-milled to create new interior groves for our community.



## ENGAGING OUR NEIGHBORS, SERVING THE WORLD

- Clear and welcoming entrance
- Uplifting visual connection between church, neighbors, and nature.
- Welcoming reception area.
- Sanctuary providing concert, lecture, and community gathering space.
- Office spaces that promote collaboration, communication, and volunteer participation.
- Landscape inviting rest for all, and safe accessibility and parking for all.

Below: Site Plan



# VISION-ALIGNED BUILDING FAQs

## HOW CAN I FIND OUT ABOUT OUR VISION-ALIGNED BUILDING PLANS?

- Check out all the drawings, the video tour, and the information on our website: <https://ourredeemers.net/about/build-the-vision/>
- Read through this packet, including these FAQ's!
- Participate in a Cottage Meeting Discussion June 27 and July 7 (see details on page 3).
- Ask one of our Vision-Aligned Building Team Members (contact information provided upon request):
  - Jim Arnold, GTE/Verizon Manager & Director in Planning, Operations, Engineering—Land & Building; VP Investment Management; former church administrator
  - Pastor Kathy Hawks
  - Mike Hlastala, Ba, BS in architectural studies, construction management; project manager, development expert, commercial real estate services and former Our Redeemer's Council President
  - Kirsten Malone, architect, residential. Formerly, Callison
  - Ryan Mertes, master carpenter, superintendent at Walsh Construction
  - Guy Michaelson, landscape architect and planner; principal at Berger Partnership
  - Karie Stearns, Our Redeemer's parish administrator
- Ask one of our Council Members: Dinah Coble, Amy Dahlgren, Morgan Fowler, Matt Grover, Mike Hlastala, Shelbe Kukowski, Pastor Gretchen Mertes, Emilie Purvine, Terrence Rindler.

## WHAT HAS HAPPENED SINCE THE FEBRUARY 16 PRESENTATION OF DESIGNS AND BUDGET?

### A Lot! Everything Is Falling into Place!

- We have received our building permit.
- The City is in the process of approving our boundary line adjustment to accommodate the sale of the property.
- Our contractor, LZL Construction's, 100% cost estimate is right in line with the budget presented in February.
- Ballard P-Patch and their fiscal agent, GROW, have given us their \$50,000 earnest money, and are confidently moving toward purchase and closing on July 15, as hoped.
- This means income for our budget is accounted for as presented in February.
- Our architects, SHKS, compiled all the feedback and comments from the February meeting and afterward, and have continued to refine plans and drawings

## WHAT ARE THE JUNE AND JULY COTTAGE MEETINGS ABOUT?

**Information and Discussion to make Informed Decisions at our July 12 Congregational Meeting.**

**What's the focus at the Saturday, June 27 and Tuesday, July 7 cottage meetings?** The vision-aligned renovation and budget--offered twice so as many as possible can participate. VAB team and council members will share recent renderings. We'll discuss the budget, the loan, the plan to meet the loan, and any other renovation-related matters you have comments or questions about.

**What's the focus at the Thursday, July 2 and Sunday, July 5 cottage meetings?** Our 2020-21 mission/operating budget. The presentation will be the same, offered twice so many people as possible can participate. The current fiscal year was unusual, to say the least, and next year will be, too. Our council and administrator have reviewed past giving and available forecasting research to carefully craft our budget. Bring your questions and comments.

**How do I join those cottage meetings? See page 3 for details.**

### What can I expect at the cottage meetings?

- A presentation of by members of Council and VAB.
- Good discussion among all who attend.



- If there are a lot of participants, we will break into small groups.
- Help learning how to “Raise your hand” to speak, and practice voting the way we will at the congregational meeting.
- A facilitator will lead the meeting, and a note taker will be present.

**What if I don't have a computer or smart phone, or just don't feel comfortable using Zoom?**

First off, check out the Zoom Tips on page 3 and 4. If you still have questions or concerns, please email Katlin Dickinson-Laurence at [office@ourredeemers.net](mailto:office@ourredeemers.net) or call Pastor Kathy Hawks (206)356-0597. Katlin is our resident Zoom expert and she will help pair you up with a member who has a computer and can sit beside you (safely masked and distant) at the cottage meetings and congregational meeting, pushing the buttons so you can talk, listen and vote as you wish.

**What if I'd like to help someone participate who doesn't have a computer/ cell phone or comfort with zoom?**

Please contact [Pastor Kathy](#) or [Karie Stearns](#), our administrator.

**HOW CAN OUR JULY 12 CONGREGATIONAL MEETING TRULY ALLOW VIGOROUS DISCUSSION AND AN ANONYMOUS VOTE?**

Every person attending will be checked in on our roster of eligible voting members and given a personal identification number (PIN). When it is time to vote, a survey tool (Google Forms) will come up, and each person will vote, using their PIN. When there is more than one person in a household, they will be able to call up different survey sheets and individually vote using their unique PIN.

As with the cottage meetings, we'll pair those who wish with a “Zoom assistant”. They can call up the survey, show the person where to vote and then turn away, maintaining privacy.

We will practice this first at the congregational meeting, so anyone who hasn't already tried it at a cottage meeting can get comfortable with it. Help will be available.

**QUESTIONS ABOUT OUR VISION-ALIGNED RENOVATION**

**When will we be able to begin construction?**

We expect the P-Patch to close on or very close to July 15, which will permit our contractors, LZL, to begin demolition in late August.

**When will the project be complete?**

We expect to be in the newly renovated building in May 2021.

**Will we be able to worship in the building during construction?**

Our contractors will make it possible for us to worship in the Fellowship Hall nearly every Sunday during construction.

We do not yet know what restrictions we will face due to COVID-19. Even if we can worship in the Fellowship Hall, we will have to do it differently, with limits on how many people can attend and with safe distances, how we commune, etc. Our bottom line continues to be safety, but we will do everything possible to permit gathering for worship.

**Will our Road to Housing guests be able to use our building during construction?**

LZL will make it possible for our guests to use Fellowship Hall facilities after work on Fridays through start of work on Mondays. Unfortunately, during the week, power and water, etc. will be off intermittently, and the site will be unsafe. A porta-a-potty will be available during the week, and they are welcome to stay in the parking spots provided for them. The Urban League will continue to provide case management.

## THE VISION-ALIGNED BUILDING BUDGET

Find the project budget on page 13.

### How did the budget grow so large from the original numbers I heard?

Our original budget was \$2.5 million, but you may have heard \$1.8 million, which was our original construction budget, and did not include “soft costs” (see next question below). Additional requirements by the City of Seattle for seismic, ADA, and other code upgrades increased the cost.

Thanks to our hard-working VAB team, and our new and disciplined architect, a size-wise reconfiguration of our building was designed. It accomplishes our goals without triggering ALL the City’s code upgrades. This allows us to do essential life-safety and accessibility upgrades, with some discretion and economy. With safety upgrades, and soft costs included, the budget is \$3.7 million. For more detail on the evolution of our income, expenditures, and budget, see graph on page 11. For details on our cashflow during the project, contact Parish Administrator, Karie Stearns, administrator@ourredeemers.net.

### What are soft costs?

Any necessary project costs not directly related to the construction. Examples: Permits, inspections, furniture, engineers, moving costs, architects, owner’s representative, Haz Mat, alternate office space, etc.

### Where will the money to cover this project come from?

\$ 939,670	Calvary Legacy Funds (from sale of the Calvary property) and Capital Campaign funds (2017-2019)
\$ 75,000	Capital Campaign Funds not yet received
\$1,850,000	Proceeds from the sale of the property the P-Patch (net after tax and fees)
\$ 131,000	Fundraising for Specific Items (e.g., paraments, organ enhancements, etc.): Memorial Gifts; Auction Fund-A-Need; annual endowment spending
\$ 700,000	A loan/second capital campaign

### How can we be sure the project won’t go over our budget?

- Our architects, contractors, and owner’s representative have worked together to thoroughly research costs for sub-contractors, what is under our floors and behind our walls, and as many other variables as possible.
- The budget includes conservative (large) contingency amounts for unknowns during construction. In addition to the 10% contingency the church is carrying for construction, the contractor has an additional (smaller) contingency within their construction budget. We are also carrying another small contingency for other project related costs. This is prudent because we are renovating an old building, and no matter how well you check things out, you never know for sure what you may find.
- Our owner’s representative (sometimes called a project manager) is carefully reviewing the budget, has already worked directly with the architects and contractor to contain costs, and will continue to do so for the duration of the project.
- There is a process in place for oversight of change orders by a member of VAB and our owner’s rep, with reporting to the council.

### What are the terms of the loan?

The Council proposes we borrow from the ELCA Mission Investment Fund, an arm of our national denomination. They exist solely to provide exactly these kinds of loans to congregations and are open about their ability to be flexible about payments on occasion, as necessary.

Our loan of \$700,000 would be advanced in increments towards the end of construction to minimize interest. If we need less than the approved \$700,000, we will advance less. The loan would have a term of 25 years at an

initial interest rate of 4.375% with interest adjusted every five years to the Mission Investment Fund's current interest rate.

Until the project is complete, we will pay only interest on the amounts we draw from the loan as we need them. The final loan amount will be only for what we have used. (The form of contract we will be signing with our contractors is a GMP or "guaranteed maximum price", which means that should the project come in UNDER the budget, that money would be refunded to us. For more loan details, see page 16.

**What would our monthly mortgage payments be?**

Given our estimated date of completion, our anticipated monthly payments on \$700,000 would be approximately \$3,841.

**Why are we taking out a loan?**

Simply put: to complete our project.

From the beginning, when we did a feasibility study in 2016, we knew that we did not have all the funds needed to complete the project. At that time, a second capital campaign was envisioned to pick up right after the first three-year campaign ended.

Our need to change scope to include life-safety upgrades, and our commitment to work closely with the P-Patch to help them buy our property stretched our timeline, so we put off the second campaign until we had a firmer budget and knew when we would begin building. So, we will take out the loan and anticipate inviting people to help pay down the mortgage to reduce the principal and pay it off as quickly as possible.

**How will we pay for this loan?**

We anticipate a two-pronged approach that would work to pay-down the loan without folding it into the annual operating budget: 1) A follow-up capital campaign when we are enjoying our beautiful new building and seeing how it serves our wider community, and 2) inviting people to make two intentional annual commitments—one to our annual mission and ministries and one to pay down the mortgage. As stated in the previous question, the purpose of the loan is to secure the capital needed to realize the full benefit of the project while we have this momentum and window of construction opportunity. The amount of the loan is on par with what was raised during the first 3-year capital campaign and is an amount that a newly energized congregation would be able to pay down without considering it a long-term burden on our operating budget.

Our Capital Campaign Consultant, Steve Olson, who has worked with many congregations, tells us this is common and such loans are regularly paid off well ahead of their term.

**It seems risky to embark on this project and loan during this uncertain economic time. Why not put it off?**

Putting off the project until COVID is over, is itself a risky plan.

First, if we put off renovating until after COVID, we are effectively doubling the time we are apart as a congregation, unable to gather together and do ministry together currently because of COVID and then because of the construction. That would be tremendously difficult for us all the way around.

Second, because we don't know when COVID will end, we have no way of knowing how our construction budget will be affected, except that we know it will increase. Nor do we have any way of knowing when our contractor would again be available, which could further push out construction and increase costs.

And finally, we have been working toward this moment for nearly five years. Everything is in place, the P-Patch will be preserved, and it's time to bring all our hopes and plans and visions to fruition!

**Why not phase the project in over time?**

We have discussed phasing alternatives with our architects. The alternates are included in the budget but have been identified to allow us to reduce the cost, if needed. (Note all amounts are approximate and do not include sales tax which is carried as a separate line item in our overall budget.) **It would cost 20-30% more to do these later as standalone projects.**

Alternate 1:	Basement Renovation	\$200,000	
Alternate 1a:	Awning at new basement entry	\$ 7,500	
Alternate 2:	Operable Wall in Fellowship Hall	\$ 55,000	
Alternate #3:	Fellowship Hall Acoustic Panels	\$ 15,000	
Alternate #4:	Landscape Allowance	\$ 50,000	
Alternate #5:	Bench in sanctuary under SW windows	\$ 7,000	<u>\$335,000</u>

Some of these items, like the operable wall and acoustics in the Fellowship Hall could be done later, but costs would be more as a standalone project, are likely to increase with the delay, and would reduce the usability of our downstairs children's areas, main floor meeting spaces, and would require an additional input of congregational energy and distraction from ministry. Moving forward now, LZL will be mobilized on site, with equipment, and that provides a cost benefit.

In a larger sense, there are 5 basic areas of work:

- Basement
- Seismic Improvements
- Exterior Entry/Narthex
- Administration Offices and Restrooms
- Fellowship Hall

The basement and the Fellowship Hall are the two portions that could stand alone. They are pulled out as alternate costs above. The seismic improvements will create a significant impact in the spaces and many finishes will have to be done to repair areas where shear walls are installed, columns inserted, etc. We can't separate the finishes from this work.

There is also a programmatic sequence to this work. As we remove the library, we need to shift things around to accommodate more meeting space. That triggers the administrative office move and bathroom reconfiguration.

**The overall cost for this work will be less if we do it all at one time, with one general contractor and one set of subcontractors. Trying to phase and pull pieces out (alternates or others), would likely add 20-30-40% as well as escalation costs for each year the work is delayed.**

**THANKS FOR READING, FOR CARING ABOUT OUR REDEEMER'S FUTURE, AND THE CALL GOD HAS GIVEN US!**

# BUILDING CONSTRUCTION BUDGET SUMMARY

## EXPENSES

### CONSTRUCTION COSTS

Construction Contract w/ LZL	\$2,178,536
Pre-Construction exploratory work LZL	\$15,000
Landscape Allowance for post construction work	\$50,000
Construction Contingency	\$217,854
<b>TOTAL CONSTRUCTION BUDGET</b>	<b>\$2,461,390</b>
Sales Tax	\$248,600

### TOTAL CONSTRUCTION COSTS

**\$2,709,990**

### PROJECT COSTS

#### CONSULTANT COSTS \$443,704

Architect Design & Construction, Interior Design, Acoustical Consultant, Lighting Consultant, Owner's Rep, Soils Engineer, Hazmat, Testing and Inspection

#### OTHER COSTS \$43,250

Move-In/Out, Piano Move & Storage, Pew Salvage & Storage, Builder's Risk Insurance, Legal Fees, Printing, Legal Notices, Storage, Photography

#### OUR REDEEMER'S OTHER CONTRACTS \$178,590

Camera System, Security System, Access Control, A/V System, Organ Upgrades, Roller Shades

#### FURNITURE, FIXTURES, & EQUIPMENT \$185,015

Sanctuary Chairs, Office Furniture, Tech Equipment, Shipping, Delivery, Install, Contingency and Escalation, Altar, Pulpit, Font, Sales Tax

#### JURISDICTION FEES \$38,467

Notice Signs, Utility Connection Fees

#### ADDITIONAL COSTS \$29,500

2018 P-Patch Land Appraisal, 2019 P-Patch Land Appraisal, Real Estate Lawyer Fees, Boundary Line Adjustment

#### SUBTOTAL OF PROJECT COSTS \$918,526.00

#### PROJECT COST CONTINGENCY \$67,153

### TOTAL PROJECT COSTS

**\$985,679.00**

### TOTAL (CONSTRUCTION + PROJECT)

**\$3,695,669**

## INCOME

CALVARY AND CAPITAL CAMPAIGN FUNDS RECEIVED \$939,670.00

PREVIOUS PLEDGES NOT YET RECEIVED \$75,000.00

NET PROPERTY SALE \$1,850,000

FUNDRAISING FOR SPECIFIC ITEMS AND ENDOWMENT \$131,000.00

Organ and Sanctuary-\$100,000

Endowment \$16,000 (\$8k for 20-21 FY, \$8k for 21-22 FY) 2021 Fund-a-Need \$15,000

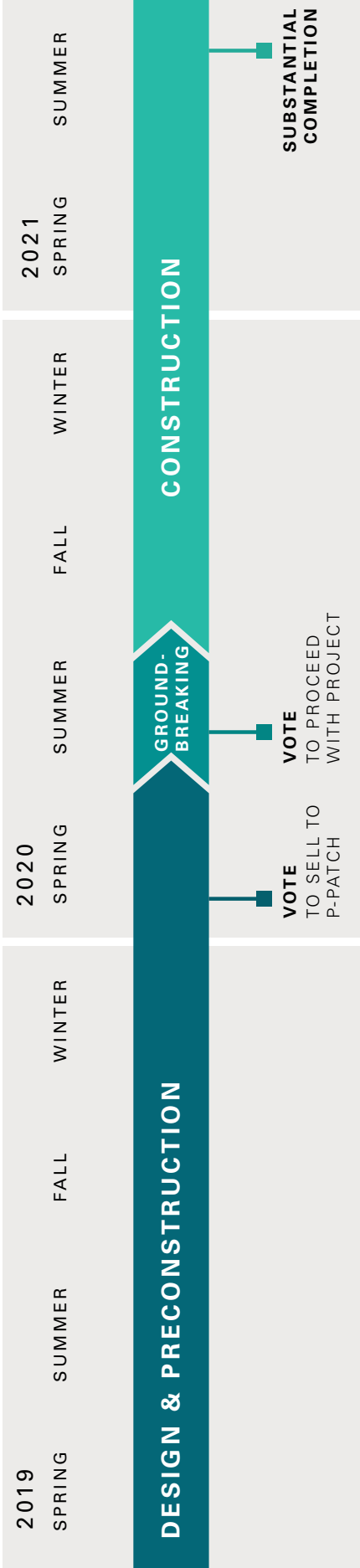
LENDING \$700,000

### TOTAL INCOME

**\$3,695,670.00**

# VISION-ALIGNED BUILDING SCHEDULE AND BUILDING BUDGET TIMELINES

## SCHEDULE



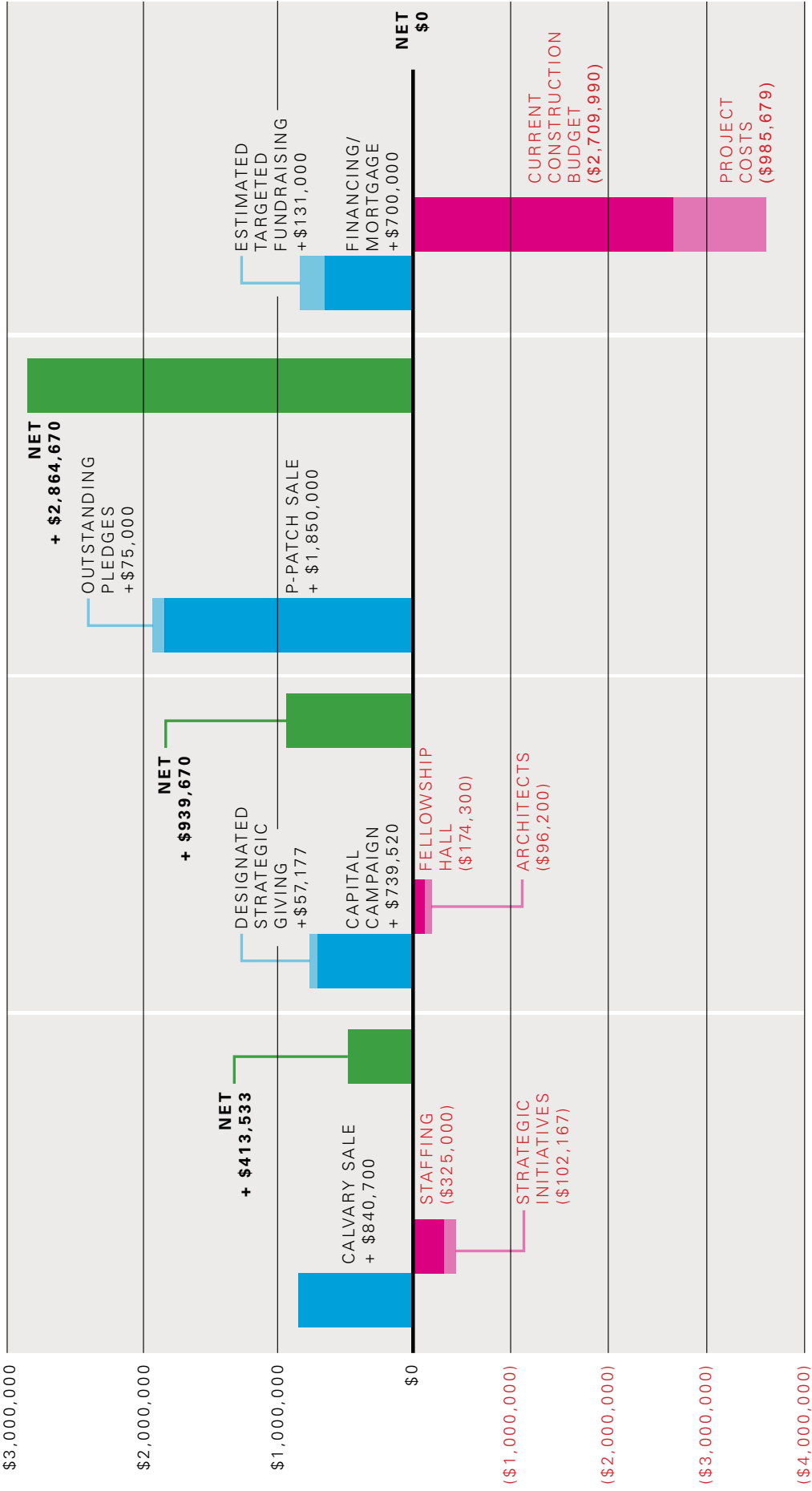
# BUDGET

2012

2015-17

2020  
PRE-CONSTRUCTION

2020-21  
CONSTRUCTION



# ELCA MISSION INVESTMENT FUND LOAN TERMS

## Basic Terms:

- Loan term is 25 years at an initial interest rate of 4.375%.
- The interest rate will be adjusted every 5 years to ELCA's Mission Investment Fund's current interest rate.
- Given Our Redeemer's estimated date of completion, monthly payments will be approximately \$3,841.00.

## Other Terms:

- During the construction period the payments will be interest only, based on the increasing balance of the loan. Once the project has been completed and there are no additional advancements, the loan payments will be adjusted based on the 4.375% interest rate and the remaining term of the loan.
- There is no penalty for partial or full prepayment of this loan.

## About ELCA Mission Investment Fund:

ELCA Mission Investment Fund (MIF) and its predecessors have been serving Lutheran congregations and individual investors for more than 150 years and specializes in church building projects. MIF maintains strong underwriting standards while focusing their resources on helping to build churches through the loans, investment opportunities and supporting services they provide. Additionally, the Mission Investment Fund maintains a highly effective cost structure with low operating expenses, while still providing exceptional rates and services to investors and borrowers.

To learn more about ELCA Mission Investment Funds, visit their website at <http://www.mif.elca.org/>.





2400 NW 85th Street  
Seattle, WA 98117  
[www.ourredeemers.net](http://www.ourredeemers.net)  
206.783.7900

Dear Friends of Our Redeemer's,

Thank you for your faithful financial stewardship which has allowed Our Redeemer's to continue to provide much-needed ministry during this very unusual time!

I echo sentiments others have expressed regarding what a year it has been, full of events we never would have predicted. As we move into the 2020-2021 fiscal year there are still many unknowns. Council, finance team and staff have spent numerous hours looking over data, estimating when the congregation will safely gather together again indoors, examining philanthropic data covering giving trends during times of economic turbulence along with charting the church's past giving history. We have used all of this to forecast future giving and, as a result, have decreased the proposed budget appropriately to reflect all current realities. While this new fiscal year will likely see its share of the unpredictable, we have worked hard to ensure, to the best of our ability, that the 2020-2021 Proposed Mission Budget has accurately predicted the coming year's expenses and giving.

We have decreased this year's overall budget by 5% from last year's budget to account for data-driven projections which yielded a 2-3% decrease in giving. *Social Justice* and *World Giving* are based on set percentages from *Envelope Offerings* and *Loose Plate* giving and have decreased slightly based on these giving projections. Most of the reductions in the budget come from savings in costs associated with facility usage. The more obvious expenses like janitorial supplies and utilities are accounted for, however, the savings associated with facilities usage is spread throughout the budget—from *Fellowship and Caring*, to *Worship and Music* on through to *Faith Formation*. It may be alarming, at first, to see the reductions to these incredibly vital programs. Please know that these are not reductions to the core programming but instead are reflections of the reductions in facilities and materials costs.

Challenges have arisen over the course of the last several months, but with it, new possibilities arise. Online worship has increased accessibility to worship. Those who are homebound and were unable to attend in person can now do so. Those who have been curious about what Our Redeemer's has to offer now have a gentle and accessible way to enter into the space, attend worship and see for themselves. The numbers of people attending services attest to this. With these new ways of worshipping and interacting, new platforms are needed. The administrative budget reflects technology costs for *Worship*, *Circles of Connection*, *Faith Formation* classes and meetings along with the ability for staff to continue their work from home. There are also some small costs associated with our new ways of interacting that are specific to *Communications* and are reflected within that budget.

While we decreased the budget by 5%, we were still able to maintain SYNOD guidelines for a 3% salary increase for costs of living adjustment for our hard-working staff. Our Redeemer's applied for Payroll Protection Plan (PPP/Cares Act) funds and we were awarded the full \$78,908 requested. This covers three months of payroll. One month's worth of these funds were applied to June's 2020 budget. The remaining two months are a part of the 2020-2021 fiscal year and are reflected in the budget summary below.

As expenses will decrease in relation to facility usage, so will our income. The 2020-2021 proposed budget reflects the loss of rental income covering the next several months. However, it is worth noting, that the savings related to facilities usage exceeds the projected losses in income. There is also an anticipated decrease in income generated from fundraising as that will most likely occur on-line.

Looking in faith toward what this new year holds for us, Council, finance team, and staff trust that our extensive work on this Mission Budget make it a strong foundation for Our Redeemer's community and ministries.

In service,

Karie Stearns  
Parish Administrator

P.S. 2019-2020 Year-End Financials will be included in the Annual Report, distributed prior to the Annual Meeting. They are not complete at this time.

# OUR MISSION BUDGET

## Our Redeemer's Fiscal Year 2020-2021 Proposed Mission Budget Summary

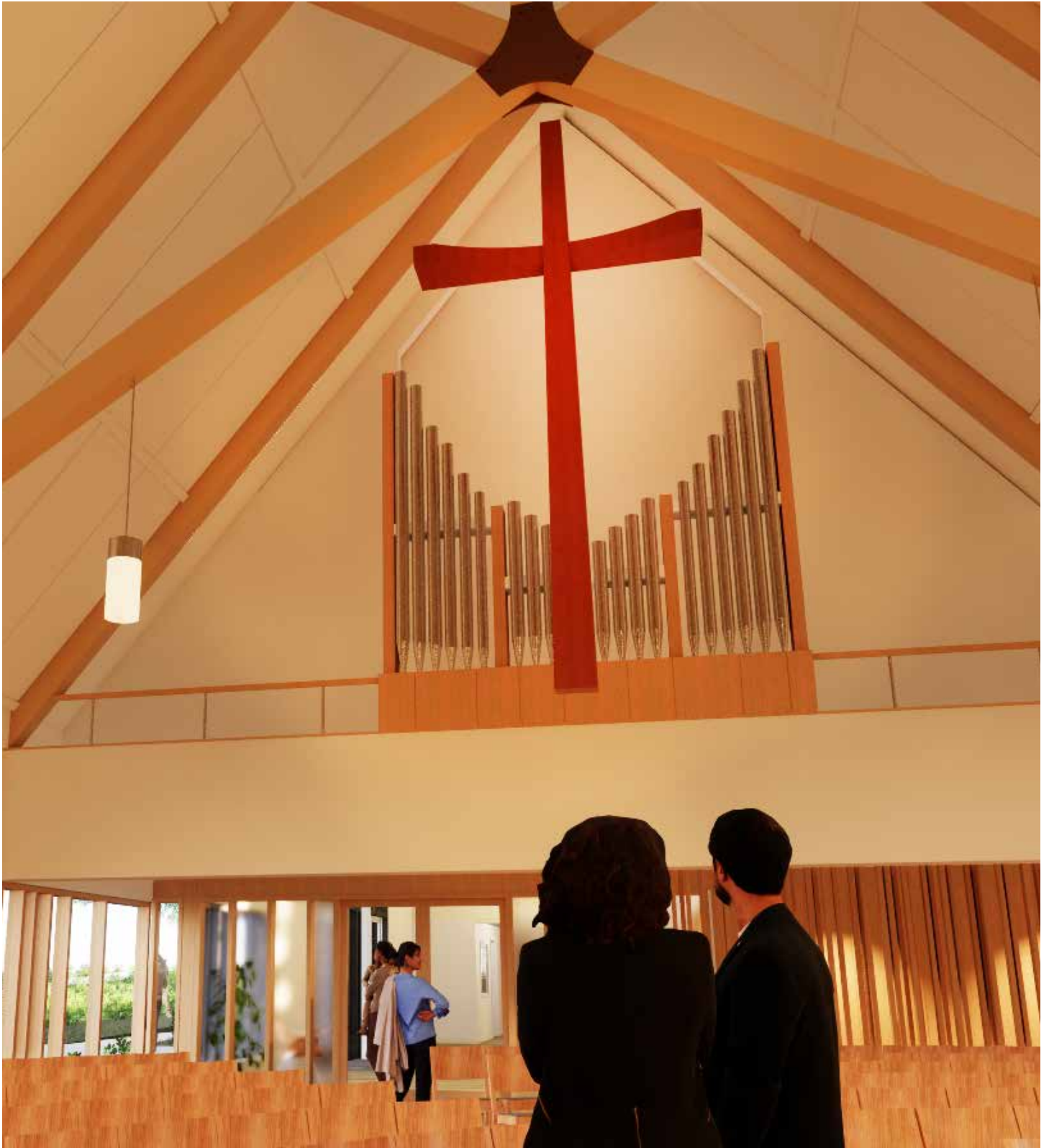
Expenses	2019-2020 Approved Budget	2020-2021 Proposed Budget	Percent Increase or Decrease
Social Justice / Gifts to the World	81,766	80,554	-1%
Pastoral Staff	251,466	256,495	2%
Worship & Music	36,916	29,455	-20%
Fellowship & Caring	3,180	1,200	-62%
Faith Formation	9,804	3,300	-66%
Stewardship	7,950	7,686	-3%
Communication and Outreach	46,201	49,720	8%
Facilities	103,850	74,823	-28%
Administration	111,427	116,941	5%
<b>TOTAL EXPENSES</b>	<b>652,560</b>	<b>620,174</b>	<b>-5%</b>

*Social Justice and Gifts to the World* are projected to decrease slightly in accordance with the projected decreases in giving. \* Staff salaries increased 3% to meet SYNOD's cost of living adjustment guidelines. \* *Worship and Music, Fellowship and Caring, Faith Formation, and Stewardship's* decreases are reflective of decreased facility usage not programming. \* The decrease to *Facilities* reflects savings in areas like utilities and janitorial supplies while we utilize other means of gathering and working for the next several months.

Income	2019-2020 Approved Budget	2020-2021 Proposed Budget	Percent Increase or Decrease
Envelope Offerings	525,000	513,750	-2%
Loose / Special Offerings	29,000	28,130	-3%
Church Use	45,000	29,000	-36%
Fundraising	23,500	19,500	-17%
Interest	100	100	0%
Other Income		63,127	100%
<b>TOTAL REVENUES</b>	<b>622,600</b>	<b>653,607</b>	<b>5%</b>

The proposed budget reflects a 2-3% projected decrease in giving. \* Income from *Church Use* is significantly reduced as no indoor usage will occur during most Covid-19 phasing nor while under construction. \* *Church Use* income reflects parking use income and projected May-June indoor usage income. \* *Fundraising* is currently planned to be held online and it is estimated that this will decrease giving. \* *Other Income* denotes Payroll Protection Plan (PPP/Cares Act) funds allocated to the 2020-2021 fiscal year. \* In accordance with Our Redeemer's 2014 congregational vote in adoption of the strategic plan, \$15,000 from Calvary funds will be used for staffing costs in the 2020-2021 fiscal year.

# GOD'S CALL | OUR VISION





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**return service requested**

## Congregational Annual Meeting

July 12 | 1pm, via ZOOM

**Our annual congregational meeting will be a Zoom meeting on Sunday - July 12 at 1pm.**

We will review the journey of our past year together, elect new members to our Church Council, vote on our annual operational budget, and vote on the upcoming construction budget. Join us for informational cottage meetings held in the two weeks prior to the annual meeting to discuss the two different budgets being voted on. Let's celebrate God's faithfulness and work through Our Redeemer's together!

**LINK TO MEETING VIA ZOOM**