



BUSINESS SESSION

GUIDE & SUPPORTING DOCUMENTS

GLIMPSES
OF HOPE
SIGNS OF GRACE



2022 ANNUAL MEETING

MINNEHAHA ACADEMY, MINNEAPOLIS, MN

The Northwest Conference in its 138th Annual Meeting // April 29-30, 2022

Friday, April 29

1:00 p.m.	Q&A with Superintendent Nominee Kara Stromberg	
2:00 p.m.	New Delegate Orientation	
2:30 p.m.	Business Session #1	
	Call to Order and Opening Prayer	James Volling, NWC Chair
	Host Greeting from Minnehaha Academy	Donna Harris, President
	Approval of Minutes by NWC Executive Board from 2021 Annual Meeting	
	Approval of Agenda for 2022 Annual Meeting	
	Greetings from the Evangelical Covenant Church	John Wenrich, President
	NWC Superintendent Report	Mark R. Stromberg, Superintendent
	Introduction & Affirmation of New Churches	Mike Brown, Director of Church Planting <i>Lakeside Covenant Church, Chanhassen, MN</i> <i>Midcurrent Covenant Church, Hudson, WI</i>
	Introduction of New Church Fellowship Groups	
	Presentation of Amendment to NWC Bylaws	James Volling, NWC Chair
	Presentation and Vote on Northwest Conference Budget	Nichelle Kaul, NWC Treasurer Sandy Norris, Director of Finance
	Presentation of the Northwest Conference Ballot and Vote	Dora Wagner, NWC Secretary
	Presentation and Vote on The Reverend Kara Janelle Stromberg	
		<i>For the position of Superintendent of the Northwest Conference</i>
	The Mission & Ministry of Minnehaha Academy	Donna Harris, President
	Presentation of Amendment to Minnehaha Academy Bylaws	
	Presentation and Vote on Minnehaha Academy Budget	Mike Huray, Chief Financial Officer
	Ballot Results	
5:15 p.m.	Dinner (Reservations Required)	
6:15 p.m.	Worship Celebration	
	Message by Rev. Kara Stromberg	
	Special Offering for UNITE North/MA Leadership Institute	
8:00 p.m.	Reception	

Saturday, April 30

8:30 a.m.

Worship & Reflection

Jeff Crafton, Upper School Sacred Studies Teacher, Minnehaha Academy

9:00 a.m.

Business Session #2

NWC Ministry Staff Panel

Evangelical Covenant Church Report

Affiliate Ministries

Camping Ministry in the Northwest Conference

Women Ministries

Solid Rock School of Discipleship

Covenant Ability Network

National Covenant Properties

Covenant Trust

Covenant Benefits

10:30 a.m.

“Trusting the Good Shepherd: God’s Leading Through the Valley”

Donna Harris, President of Minnehaha Academy

11:15 a.m.

Closing Announcements and Prayer

Invitation to the 139th Northwest Conference Annual Meeting

Bemidji Covenant Church / April 27-29, 2023

11:30 a.m.

Lunch (Reservations Required)

NORTHWEST CONFERENCE OF THE EVANGELICAL COVENANT CHURCH // APRIL 24, 2021 // ONLINE //
“HARDSHIP TO HOPE”

OPENING WORSHIP

Northwest Conference Superintendent Mark Stromberg and Associate Superintendent Kara Stromberg—review of 2020 and a recognition of the hardships and the implications it has for our practice of faith.

CALL TO ORDER – JAMES VOLLING, NWC CHAIR

137th meeting of the Northwest Conference called to order
 Mathew 14: Focus on Jesus, not on the storm

SUMMARY OF ACTIONS TAKEN BY NWC EXECUTIVE BOARD IN LIEU OF 2020 ANNUAL MEETING

Five motions passed in April 2020 by NWC Board in lieu of Annual Meeting:

- Minnehaha Academy's Operating Budget
- Minnehaha Board Member
- Northwest Conference Board Members
- 2020 NWC Budget
- Conference Board Chair Jim Volling

APPROVAL OF AGENDA FOR 2021 ANNUAL MEETING

No second needed, approved via online voting

APPROVAL BY NWC EXECUTIVE BOARD OF 2021 ANNUAL MEETING MINUTES

No second needed, approved via online voting

NWC STAFF REPORT – MARK R. STROMBERG, SUPERINTENDENT AND KARA STROMBERG, ASSOCIATE SUPERINTENDENT

Serving over 2020:

- Gratitude expressed to delegates for faithfulness of churches in support of NWC through prayer, finances and service
- Regular Zoom outreaches to help pastors maintain strong mental, spiritual, and church health
- Staying abreast of Department of Health recommendations and how they impact churches

- Weekly communications during high stress times
- Workshops of various issues facing the Church
- 30-day pivot training with Carey Nieuwhof
- Specifically help churches with audio visual outreach
- Six churches planted
- Listening to Children's and Family Ministry needs and the needs of their families
- Developing leaders: outward missional focus, Godly leadership, active discipleship

PRESENTATION & ACTION ON THE NWC BUDGET – SANDY NORRIS, DIRECTOR OF FINANCE

- Church giving remained strong
- Investment income significantly declined
- Expenses are significantly reduced
- New line item for technology grants
- Cash reserves will be used to cover the gap in new budget

APPROVAL OF NORTHWEST CONFERENCE BUDGET FOR 2021-2022

Approved via online voting

PRESENTATION & ACTION ON THE NWC BALLOT

Approved via online voting

THE MISSION OF MINNEHAHA ACADEMY – DONNA HARRIS, PRESIDENT

- Creativity and imagination in learning and teaching during these times
- Health protocols, ventilation improvements, modified scheduling allowed for in person learning
- Success in sports both from alumni and current students
- Leadership Institute and its three cohorts (115 students)
- Application for Minnehaha Academy up 22%

PRESENTATION & ACTION ON THE MINNEHAHA ACADEMY BUDGET – DAN BOWLES, DIRECTOR OF FINANCE & BUSINESS OPERATIONS

- First PPP loan forgiven
- Projected surplus of \$400,000
- 884 students projected enrollment (continued growth over the past several years)

- Budgeting for “COVID light” safety regulations
- Partial recovery in “other income” includes rental and camps
- Received PPP 2 loan
- On a path to a balanced budget with an operating surplus

APPROVAL OF 2021-2022 MINNEHAHA ACADEMY BUDGET

Approved via online voting

GREETINGS FROM ECC

PRAYER & ADJOURNMENT: MARK STROMBERG

Mark Stromberg addresses inquiries from online concerning Abbey Way Covenant Church and Genesis West Covenant Church leaving the ECC and, therefore, the NWC roster. Differences on human sexuality position stand as central to their departure.

Chair Volling reminded delegates that the 2022 NWC Annual Meeting would be held at Minnehaha Academy on April 29-30, 2022.

MEETING ADJOURNED AT 11:50 A.M.

WORKSHOPS

Looking Ahead in the ECC

Looking Ahead in the NWC

Managing Finances and Facility During a Crisis and Beyond

First Steps: Equipping Parents for Discipleship in the Home

Faith and Fake News

CHANGES TO CHURCH MEMBERSHIP

CHURCHES JOINING THE EVANGELICAL COVENANT CHURCH AND THE NORTHWEST CONFERENCE

Lakeside Covenant Church, Chanhassen, MN
Pastor Steve Anderson

Midcurrent Covenant Church, Hudson, WI
Pastor Sten Carlson



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Executive Board and Management
Northwest Conference of the Evangelical Covenant Church
Minneapolis, Minnesota

We have reviewed the accompanying financial statements of Northwest Conference of the Evangelical Covenant Church (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Northwest Conference of the Evangelical Covenant Church and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

CarlsonSV JH

Amery, Wisconsin
April 1, 2022

NORTHWEST CONFERENCE OF THE EVANGELICAL COVENANT CHURCH
STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020

ASSETS		
	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	\$ 504,252	\$ 406,613
Short-term investments	889,193	722,239
Due from churches	25,197	26,930
Other receivables	-	288,939
Total Current Assets	<u>1,418,642</u>	<u>1,444,721</u>
OTHER ASSETS		
Endowment fund investments	1,150,882	907,190
PROPERTY AND EQUIPMENT		
Property and equipment	266,147	266,147
Accumulated depreciation	(257,829)	(248,928)
Property and Equipment, Net	<u>8,318</u>	<u>17,219</u>
TOTAL ASSETS	<u>\$ 2,577,842</u>	<u>\$ 2,369,130</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 8,468	\$ 17,130
Accrued expenses	3,076	7,280
Short-term debt	-	288,939
Current portion of long-term debt	-	165,533
Other liabilities	210,175	63,353
Total Current Liabilities	<u>221,719</u>	<u>542,235</u>
NET ASSETS		
Without donor restrictions	2,302,513	1,805,636
With donor restrictions	53,610	21,259
Total Net Assets	<u>2,356,123</u>	<u>1,826,895</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,577,842</u>	<u>\$ 2,369,130</u>

(The accompanying notes are an integral part of these financial statements.)

NORTHWEST CONFERENCE OF THE EVANGELICAL COVENANT CHURCH
STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING ACTIVITIES						
Revenues, Gains, and Other Support						
Contributions and grants						
Member church contributions	\$ 895,005	\$ -	\$ 895,005	\$ 980,544	\$ -	\$ 980,544
Appropriations from Evangelical Covenant Church	181,428	-	181,428	191,771	-	191,771
All other contributions	168,112	50,348	218,460	110,870	18,046	128,916
Proceeds from church closures	6,005	-	6,005	38,860	-	38,860
Investment return, net	411,134	1,380	412,514	16,957	(95)	16,862
Miscellaneous revenue	165,540	-	165,540	8,661	-	8,661
Net assets released from restrictions	19,377	(19,377)	-	15,354	(15,354)	-
Total Support and Revenue	1,846,601	32,351	1,878,952	1,363,017	2,597	1,365,614
Expenses						
Program services	1,129,492	-	1,129,492	1,219,351	-	1,219,351
Support services						
Management and general	220,232	-	220,232	366,457	-	366,457
Total Expenses	1,349,724	-	1,349,724	1,585,808	-	1,585,808
CHANGE IN NET ASSETS	496,877	32,351	529,228	(222,791)	2,597	(220,194)
NET ASSETS, BEGINNING OF YEAR	1,805,636	21,259	1,826,895	2,028,427	18,662	2,047,089
NET ASSETS, END OF YEAR	\$ 2,302,513	\$ 53,610	\$ 2,356,123	\$ 1,805,636	\$ 21,259	\$ 1,826,895

(The accompanying notes are an integral part of these financial statements.)

NORTHWEST CONFERENCE OF THE EVANGELICAL COVENANT CHURCH

STATEMENTS OF FUNCTIONAL EXPENSES

For the Years Ended June 30, 2021 and 2020

	2021		
	Program Services	Management and General	Total
Salaries and benefits	\$ 759,698	\$ 189,925	\$ 949,623
Fees for services	186	5,852	6,038
Advertising and promotion	6,197	1,549	7,746
Ministries expenses			
Planting churches	269,211	-	269,211
Healthy churches	12,563	-	12,563
Other ministries	1,671	-	1,671
Office expenses	15,263	3,927	19,190
Information technology	7,960	1,990	9,950
Occupancy	4,536	1,134	5,670
Travel and transportation	5,583	1,396	6,979
Conferences, conventions, and meetings	18,814	4,703	23,517
Depreciation	-	8,901	8,901
Insurance	6,577	1,644	8,221
Other expenses	21,233	(789)	20,444
TOTAL	\$ 1,129,492	\$ 220,232	\$ 1,349,724

	2020		
	Program Services	Management and General	Total
Salaries and benefits	\$ 676,172	\$ 230,412	\$ 906,584
Fees for services	-	6,043	6,043
Advertising and promotion	12,886	326	13,212
Ministries expenses			
Planting churches	403,862	-	403,862
Healthy churches	11,502	-	11,502
Other ministries	8,500	-	8,500
Office expenses	9,599	11,993	21,592
Information technology	1,835	7,342	9,177
Occupancy	39,564	9,891	49,455
Travel and transportation	15,718	3,929	19,647
Conferences, conventions, and meetings	12,760	7,860	20,620
Depreciation	-	9,615	9,615
Insurance	-	2,267	2,267
Other	26,953	76,779	103,732
TOTAL	\$ 1,219,351	\$ 366,457	\$ 1,585,808

(The accompanying notes are an integral part of these financial statements.)

Northwest Conference
Proposed Budget
Fiscal Year July 1, 2022 - June 30, 2023
Approved and
Amended Budget **Proposed Budget**
2021-2022 **2022-2023**

Principal released from Restriction

For Planting	97,896	110,499
For CYF	25,553	10,995
For Vitality	25,553	42,242
For Operations	41,887	0
Total Savings/Investment Spending	190,889	163,735

Current Income

Church Contributions	925,000	900,000
Individuals and Organizations - Undesignated	50,000	75,000
Individuals and Organizations - Designated		0
Total donations	975,000	975,000
ECC Share - New Church Appropriations	161,734	208,367
ECC for Coaching	11,880	12,075
ECC for Technology grants	50,000	0
Draw on Property Proceeds (from the ECC)	77,939	163,735
ECC Missional Vitality (offset Rural Ministry)		5,033
Support for Unite		30,000
Interest/Investment Income	179,962	194,200

Total Current Income

1,456,515 1,588,410

Available to fund Mission and Ministry

1,647,404 1,752,146

Congregational Vitality

Revitalization and Training	8,800	17,200
Technology grants	50,000	0
Compassion, Mercy & Justice	5,500	18,500
Ministry Resources	500	10,500
Leadership Training	35,500	30,600
Latino Ministry	2,400	5,000
Pastoral Care and Support	7,500	18,000

Church Planting

New Church Appropriations	323,467	424,234
Assessment and Training	16,200	12,300
New Church Support	33,860	29,590

Children, Youth and Family

Children and Family	3,400	4,400
Youth Ministry	18,950	52,840

Unite North

Supporting Expenses

Personnel - Salaries	763,232	751,356
Personnel - Benefits	225,612	218,173
Staff Travel	26,000	23,500
Boards/Commissions/Meetings	32,900	48,750
Office	24,829	25,053
IT/Communications	53,400	45,088
Insurance	7,000	8,300
Professional Services/Consultants	8,354	8,762

Total Mission and Ministry Expense

1,647,404 1,752,146

AMENDMENT TO NORTHWEST CONFERENCE BYLAWS

ARTICLE III Officers

Section 3.1. The Superintendent

d. Election. A two-thirds vote of the delegates present and voting at the Annual Meeting shall be required for election of the Superintendent. ~~All voting shall be by written ballot. The election for the Superintendent will follow the same voting procedures as the Annual Meeting.~~
Should the candidate fail to receive the required vote, the position shall be filled temporarily under Section 3.1(I) of this article. A new nomination process for the permanent position shall proceed according to Section 3.1

ARTICLE IX The Annual Meeting of the Conference

Section 9.2. Delegates.

m. Delegates to the NWC Annual Meeting may participate in person or virtually, and given vote and voice accordingly. Voting may take place via written ballot or by electronic means with a printed written record.

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AMENDMENT TO MINNEHAHA ACADEMY BYLAWS

Section 3.2 Number, Election/Appointment, Tenure, Qualifications

- a) **Classes of Trustees.** The Board of Trustees shall consist of up to twenty-eight (28) members and be elected as Trustees in one of the following manners: Elected by the Member; Elected by the Trustees; and Ex-Officio.
- b) **Trustees Elected by the Member.** ~~Fifteen~~ Up to fifteen (15) members of the Board of Trustees of the Corporation shall be elected by the Corporation's Member ~~Each Trustee so elected shall serve staggered terms of five (5) years, such that three (3) Trustees shall be elected at the annual meeting of the Member, and shall serve for terms of three (3) years.~~
- c) **Trustees Elected by Trustees.** ~~Ten~~ Up to ten (10) members of the Board of Trustees of the Corporation shall be elected by the affirmative vote of a majority of the Corporation's Trustees present at a duly held meeting, and shall serve for terms of ~~five~~ three (5~~3~~) years.
- d) **Ex-Officio Trustees.** The ex-officio members of the Board of Trustees of the Corporation shall consist of the Superintendent of the Member, the President of the Corporation, and a liaison member of the Executive Board of the Member appointed by the Executive Board of the Member. Trustees who serve ex-officio shall remain Trustees for so long as they hold such position.
- e) **Trustee, Policies.** Each new Trustee shall participate in an orientation program. Each Trustee shall abide by a conflict-of-interest policy and a confidentiality policy.
- f) **Number of Terms.** At the completion of their first or second term, Trustees may be elected for another three-year term or shall rotate off the Board of Trustees. A Trustee may be elected to serve up to three (3) consecutive terms. At the end of a third consecutive term, a Trustee must rotate off the Board of Trustees for a period of at least one (1) year, with the exception of a former Board Chair, who may be elected by Corporation's Trustees to serve an additional one (1) year-term to assist the incoming Board Chair.

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INDEPENDENT AUDITORS' REPORT

Board of Trustees and Finance Committee
Minnehaha Academy
Minneapolis, Minnesota

We have audited the accompanying financial statements of Minnehaha Academy (a nonprofit organization) which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Trustees and Finance Committee
Minnehaha Academy

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Minnehaha Academy as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
December 2, 2021

MINNEHAHA ACADEMY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and Cash Equivalents	\$ 13,566,619	\$ 18,990,524
Cash - Held in Escrow or Reserve	522,928	808,688
Accounts Receivable, Net	364,196	747,523
Promises to Give, Net	2,578,746	4,828,636
Investments	15,810,257	12,868,231
Inventories	18,637	22,156
Prepaid Expenses	114,085	240,904
Property, Plant, and Equipment:		
Land	1,092,952	1,092,952
Construction in Progress	135,849	152,103
Buildings and Improvements	74,001,929	73,885,138
Furniture and Equipment	5,468,362	5,595,272
Total	<u>80,699,092</u>	<u>80,725,465</u>
Less: Accumulated Depreciation	<u>(18,693,419)</u>	<u>(16,639,180)</u>
Net Property, Plant, and Equipment	<u>62,005,673</u>	<u>64,086,285</u>
 Total Assets	 <u><u>\$ 94,981,141</u></u>	 <u><u>\$ 102,592,947</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 762,243	\$ 541,522
Accrued Expenses	25,401	55,908
Accrued Salaries	778,215	600,976
Accrued PTO and Sick Pay	329,181	298,511
Prepaid Tuition and Programs	800,685	611,206
Capital Leases Payable	16,176	36,869
Notes Payable, Net	4,802,129	15,109,382
Total Liabilities	<u>7,514,030</u>	<u>17,254,374</u>
NET ASSETS		
Without Donor Restrictions	68,605,649	67,370,425
With Donor Restrictions	18,861,462	17,968,148
Total Net Assets	<u>87,467,111</u>	<u>85,338,573</u>
 Total Liabilities and Net Assets	 <u><u>\$ 94,981,141</u></u>	 <u><u>\$ 102,592,947</u></u>

See accompanying Notes to Financial Statements.

**MINNEHAHA ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Tuition and Fees	\$ 18,558,254	\$ -	\$ 18,558,254
Less: Financial Aid and Tuition Remission	(7,375,705)	-	(7,375,705)
Net Tuition and Fees	11,182,549	-	11,182,549
Contributions	3,129,814	422,416	3,552,230
Transportation	156,216	-	156,216
Auxiliary Activities	690,587	-	690,587
Rental Income	106,409	-	106,409
Special Events	115,520	-	115,520
Interest, Dividends and Capital Gains, Net	28,011	343,611	371,622
Realized and Unrealized Gains on Investments	-	2,852,269	2,852,269
Other Income, Net	2,068,498	-	2,068,498
Net Assets Released from Restrictions	2,724,982	(2,724,982)	-
Total Revenues, Gains, and Other Support	20,202,586	893,314	21,095,900
EXPENSES			
Program Services	16,323,896	-	16,323,896
Management and General	1,836,035	-	1,836,035
Fundraising	807,431	-	807,431
Total Expenses	18,967,362	-	18,967,362
CHANGE IN NET ASSETS	1,235,224	893,314	2,128,538
Net Assets - Beginning of Year	67,370,425	17,968,148	85,338,573
NET ASSETS - END OF YEAR	<u>\$ 68,605,649</u>	<u>\$ 18,861,462</u>	<u>\$ 87,467,111</u>

See accompanying Notes to Financial Statements.

**MINNEHAHA ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Tuition and Fees	\$ 16,992,460	\$ -	\$ 16,992,460
Less: Financial Aid and Tuition Remission	(6,425,067)	-	(6,425,067)
Net Tuition and Fees	10,567,393	-	10,567,393
Contributions	1,058,256	2,847,121	3,905,377
Transportation	304,942	-	304,942
Auxiliary Activities	1,025,054	-	1,025,054
Rental Income	178,629	-	178,629
Special Events	63,780	-	63,780
Interest, Dividends and Capital Gains, Net	41,610	264,771	306,381
Realized and Unrealized Gains on Investments	-	316,806	316,806
Other Income, Net	16,799,266	-	16,799,266
Net Assets Released from Restrictions	4,465,804	(4,465,804)	-
Total Revenues, Gains, and Other Support	34,504,734	(1,037,106)	33,467,628
EXPENSES			
Program Services	15,634,741	-	15,634,741
Management and General	1,950,583	-	1,950,583
Fundraising	582,876	-	582,876
Total Expenses	18,168,200	-	18,168,200
CHANGE IN NET ASSETS	16,336,534	(1,037,106)	15,299,428
Net Assets - Beginning of Year	51,033,891	19,005,254	70,039,145
NET ASSETS - END OF YEAR	<u>\$ 67,370,425</u>	<u>\$ 17,968,148</u>	<u>\$ 85,338,573</u>

See accompanying Notes to Financial Statements.



FY2023 Proposed Operating Budget

	FY2022 Forecast	FY2023 Budget
Enrollment	856	890
<u>INCOME</u>		
1 Net Tuition Revenue	11,318,800	11,989,308
2 Transportation Income	151,200	286,600
3 Unrestricted Contributions	1,400,000	1,700,000
4 Endowment Distribution	587,600	654,200
5 Investment Income	40,000	121,000
6 PPP Forgiveness Entry	1,993,000	-
7 Auxillary Revenue	657,800	695,000
8 Other Revenue	1,218,441	1,215,625
9 TOTAL INCOME	17,366,841	16,661,733
<u>EXPENSE</u>		
10 Wages, Salaries & Benefits	11,204,450	12,044,500
11 Admin, Advancement, Marketing, Admissions	485,100	525,800
12 General Operations	854,900	756,230
13 Instructional & Curriculum	715,230	503,730
14 Athletics	209,000	216,200
15 Summer Program & Extended Day	226,900	230,000
16 Facilities Operations	954,300	850,600
17 Minor Equipment Expense	73,300	5,500
18 Student Transportation Expense	601,200	452,900
19 Strategic Planning	452,660	771,538
20 Debt Service	235,238	-
21 Depreciation	2,402,899	2,296,078
22 Other Expense	527,410	464,015
23 TOTAL OPERATIONAL EXPENSES	18,942,587	19,117,091
24 CHANGE IN OPERATING NET ASSETS (C N A)	(1,575,746)	(2,455,358)
25 Adjust for Non-Cash Items		
26 Add Depreciation	2,402,899	2,296,078
27 Less PPP Loan Forgiveness Entry	1,993,600	-
28 C N A Adjusted for Non-Cash Items	(1,166,447)	(159,280)



Line of Credit Proposal

- ***\$5 Million Line of Credit***
 - *Part of strategy to invest cash from savings at Old National and from NCP Demand Investment Account (combined total of \$8.9M).*
 - *New investment could be with NCP in a 30-month certificate.*
 - *Leave \$1M balance in savings at Old National Bank.*
 - *Line of credit will be for emergency use only, especially around June/July.*
 - *Carry balance no more than 2 months.*
 - *Creating tools to closely monitor cash. Transfers from NCP can be made in 1 day.*
- ***National Covenant Properties (NCP) had best terms of 4 lenders that were reviewed.***
 - *Floating prime (currently at 3.25%)*
 - *Annual fee of \$5,000 (.1%)*
 - *Origination fee = \$0*
 - *Collateral will be assets invested with NCP in 30-month certificate.*



MARCH 7, 2022

Dear Northwest Conference,

Grace and peace to you in the name of our Lord Jesus Christ.

As you gather for your Conference Annual Meeting, please know how much I appreciate you. I am grateful for our partnership in the Gospel and the joy it is to be on mission together. We are truly mission friends, going deeper in Christ and further in mission.

You are not alone. You are part of a Spirit-filled union of 903 churches throughout the United States and Canada. Together, we proclaim and demonstrate the whole Gospel in our communities and around the world. We are a Gospel-centered people, grounded in the Scriptures and linked in mission.

As we come out of Covid, navigating life and ministry, we continue to experience both challenges and opportunities. What are the new realities of the post-pandemic church? Let's discover together as we remain open to the new things the Spirit is doing. May God grant us a clear understanding of how the kingdom of God is advancing so we may follow the Spirit wherever the Spirit leads.

Here is what we know for certain: a dynamic expression of the Spirit's work among us continues to be the multiethnic mosaic of churches of which we are all part. The ethos of mission friends is our roots. The mosaic of mission friends is our future. As we move forward in mission, we do so not through our own strength, but through the power of the Holy Spirit who is the blazing center of our mission. We cannot do the work of God without the power of God; we must be consciously dependent on the Holy Spirit.

WE REMAIN FAITHFUL TO OUR CORE IDENTIFY AND TRUE TO OUR THREE COVENANT QUESTIONS:

• Where is it written? | • How goes your walk? | • Are you alive in Christ?

This is who we are, and this is who we will continue to be. As we love and follow Jesus, I have hope for the Evangelical Covenant Church because of our roots and our core commitments. We are at our best when we are grounded in Scripture, calling out the best in each other and sharing stories of transformation and hope.

Pandemic or no pandemic, Jesus is the firm foundation of our faith. He will build his church, and the gates of hell shall not prevail against it (Matthew 16:8). Yes, there is both beauty and brokenness in the church, and I trust that we will be encouraged in heart and united in love (Colossians 2:2).

May you sense the presence of Jesus as you gather. We stand on his promise, "For where two or three gather in my name, there am I with them" (Matthew 18:20).

Thank you again for your support of our shared mission. Together we trust in a generous God.

May God bless you and your families in every way.

John S. Wenrich, PRESIDENT, EVANGELICAL COVENANT CHURCH

MINNEHAHA ACADEMY BOARD OF TRUSTEE MEMBERS**Tim Carlson (3 Year Term)**

Tim's connections to Minnehaha Academy intersect on several levels, both as an alumnus and as a current parent of four children attending the school. He is married to Erin Kilgore Carlson, a fellow alumna from the class of 1991. The Carlson family resides in Inver Grove Heights and are members of Crossroads Church, attending the Eagan campus. Tim is the Co-founder and Chief Operating Officer of AgMotion Inc. in Minneapolis, a holding company focused on physical commodity trading and risk management of grains, food and feed ingredients. He holds a BS degree in Agricultural Business Management from the University of Minnesota and serves on the Foundation Council for the Minnesota chapter of FarmHouse Fraternity. He previously served on the board of Elders for Crossroads Church, as a volunteer in the Children's ministry and as a member of the Eagan Impact team.

**Lynn Farmer (3 Year Term)**

Lynn Farmer is a 25-year marketing veteran with varied experience in for profit, nonprofit and higher education organizations. Lynn specializes in transforming teams to achieve strategic and mission aligned goals while communicating brand value. Lynn spent 18 years at Target Corporation leading teams in merchandising and in store marketing for Target stores around the country. She started her own consulting firm, Farmer Consulting in 2014. Lynn also worked at Hamline University implementing a new brand strategy and launching branding for their comprehensive campaign. Lynn joined Twin Cities PBS in January 2021 where she holds the position of Vice President of Marketing and Communications. She leads organizational branding, digital marketing, creative services and events. Lynn also volunteers with numerous community organizations. She was board chair of the Northside Economic Opportunity Network, a board member of the Minndependent (formerly Minnesota Independent School Forum), and governance chair for Brightwater Montessori School. She also stewarded the most recent strategic plan for the Phillips West Neighborhood Organization. She is a member of Epiphany Covenant Church in Minneapolis.

**Rose Lee-Norman (3 Year Term)**

Rose Lee-Norman is a pastor, professor, and speaker. She is Formation Pastor at Sanctuary Covenant Church, an urban, multiethnic church in North Minneapolis. She has served in multiethnic ministry for over 15 years and is ordained in the Evangelical Covenant Church. She received her Doctor of Ministry in Transformational Leadership at Boston University in the School of Theology. She is an adjunct professor in Reconciliation Studies at Bethel University in St Paul, MN. She lives in North Minneapolis with her husband and two daughters, and they are a proud Minnehaha Academy family!

**Greg Siwek (3 Year Term)**

Greg is a graduate of Minnehaha Academy and grew up the son of a Covenant minister. He completed his undergraduate degree at North Park University. He then attended Medical School at the University of MN. He has been a physician in the field of infectious diseases since 2005. He and his wife live in Eagan with their 3 children Tyler, Hailey and Brooke. They are members of Crossroads Church at the Eagan campus.

NORTHWEST CONFERENCE EXECUTIVE BOARD



Mark Coronna (5 year term)

Mark became a licensed pastor through the Evangelical Covenant Church in 2015. Before that, he served for more than 30 years on various church and faith-based boards and committees. Mark and his wife Maryanne have been involved in the leadership of two successful church start-ups in the Twin Cities and have been permanent residents of Stockholm since 2012. They've been married 43 years and have two grown children and one grandchild.

Mark brings his faith into the business community and authors a monthly column called "Faith Works!" in the regional newspaper. He also speaks to faith-based business groups throughout the Twin Cities on a variety of current business topics. In addition to his role as pastor at Calvary Covenant in Stockholm, WI, Mark is a Partner & CMO for Chief Outsiders—a national firm of Marketing experts.



James Volling (1 year term)

Jim grew up in Le Sueur, MN. He is a graduate of The Taft School in Connecticut, Harvard University, and George Washington University Law School in Washington, D.C., where he was Executive Editor of the Law Review. After law school, Jim had the opportunity to serve as a law clerk to Chief Justice Warren E. Burger of the United States Supreme Court. He is currently a partner at Faegre Drinker Biddle & Reath LLC; one of the 100 largest law firms in the United States. He has also been active in leadership at Excelsior Covenant Church, serving twice as Church Chair. Jim has also served as Chair of the Board of Trustees at Minnehaha Academy.



Dora Wagner (5 year term)

Dora Wagner is a Midwestern transplant who has called Minnesota home for 17 years. She spent several years in Iowa completing her undergraduate in English and Studio art and completed her Master in Library and Information Sciences from University of Wisconsin Milwaukee.

She now works as a Teaching Librarian at Minnehaha Academy Upper School and serves on the Leadership Team for her home church, Catalyst Covenant in St. Paul, MN.

NORTHWEST CONFERENCE EXECUTIVE BOARD CHAIRPERSON

James Volling (1 year term)

-See bio above-

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