



GUIDE & SUPPORTING DOCUMENTS

CELEBRATION '25

NORTHWEST CONFERENCE ANNUAL MEETING

ROSEVILLE COVENANT & MINNEHAHA ACADEMY

BUSINESS SESSION 2025

The Northwest Conference in its 141st Annual Meeting // May 2-3, 2025

Friday, May 2

Noon	Lunch <i>Opportunity to visit Ministry Partner Displays</i>	
1:00 p.m.	Q&A with ECC President Tammy Swanson-Draheim	
2:00 p.m.	Business Session	
	Call to Order and Opening Prayer	Nikki Kahoud, NWC Chair
	Host Greeting from Roseville Covenant Church	Matt Kennedy, Lead Pastor
	Approval of Minutes by NWC Executive Board from 2024 Annual Meeting	
	Approval of Agenda for 2025 Annual Meeting	
	Greetings from the Evangelical Covenant Church	Tammy Swanson-Draheim, ECC President
	The Mission & Ministry of the Northwest Conference	Kara Stromberg, Superintendent NWC Staff
	Presentation and Vote on Northwest Conference Budget	Dan Riley, NWC Treasurer Sandy Norris, Director of Finance
	The Mission & Ministry of Minnehaha Academy	Donna Harris, President
	Presentation of Amendments to Minnehaha Academy Bylaws	Nikki Kahoud, NWC Chair
	Presentation and Vote on Minnehaha Academy Budget	Mike Huray, Chief Financial Officer
	Presentation of the Northwest Conference and Minnehaha Academy Ballot and Vote	Nikki Kahoud, NWC Chair
	Changes to the Roster of Churches	Nikki Kahoud, NWC Chair
	Grandview Covenant Church (withdrawn)	
	Blue Oaks Covenant Church (closed)	
	Introduction of Fellowship Groups	Scott Nelson, Associate Superintendent
	Ballot Results	Nikki Kahoud, NWC Chair
	Closing Announcements and Prayer	Nikki Kahoud, NWC Chair
	<i>Invitation to the 142nd Northwest Conference Annual Meeting April 23-25, 2026</i>	
5:30 p.m.	Dinner (Reservations Required)	
6:45 p.m.	Worship Celebration <i>Message by ECC President Rev. Tammy Swanson-Draheim</i>	
8:00 p.m.	Fellowship	

Saturday, May 3

9:00 a.m.	Leadership Matters: Practicing Change in a Time of Upheaval and Disruption <i>With Dr. Tod Bolsinger</i>
Noon	Lunch (Reservations Required)
3:00 p.m.	Adjourn



Leadership Matters: Practicing Change in a Time of Upheaval and Disruption

Led by **Tod Bolsinger, AE Sloan Leadership**

📍 Minnehaha Academy North Campus,
3100 West River Parkway, Minneapolis, MN 55406

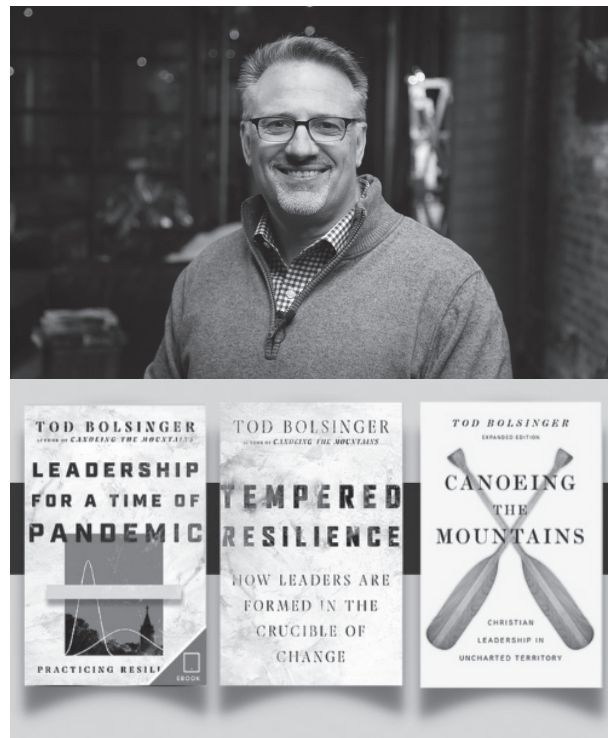
Time: Saturday, 9 a.m. – 3 p.m. (lunch provided)

Schedule:

- Session 1: Quit Trying Hard
- Session 2: Quit Relying on Trust
- Lunch
- Session 3: Quit Appeasing Stakeholders
- Session 4: Quit Pushing Back
- Closing Q & A

About the speaker:

Tod Bolsinger, MDiv, PhD, is the co-founder and principal of AE Sloan Leadership, Inc. Tod is the author of nine books, including “Leadership for a Time of Pandemic,” “Tempered Resilience” and “Canoeing the Mountains.”



Ministry Partners

Make sure to stop by the tables in the lobby and connect with these ministry partners.

- › Covenant Ability Network
- › Covenant Benefits
- › Covenant Trust Company
- › Covenant Camps in the NWC

- Adventurous Christians
- Bluewater Covenant Bible Camp
- Covenant Park Bible Camp
- Covenant Pines Bible Camp
- Lake Beauty Bible Camp



- › Evangelical Covenant Church
- › National Covenant Properties
- › Northwest Conference
- › Northwest Conference Women Ministries

NORTHWEST CONFERENCE OF THE EVANGELICAL COVENANT CHURCH // APRIL 26-27, 2024 // REDEEMER COVENANT CHURCH, BROOKLYN PARK, MN & ONLINE // "WITH JOY"

APRIL 26, 2024

Delegate Orientation was held prior to the start of Business Session 1. Information was given about the workings of a hybrid meeting.

CALL TO ORDER – NIKKI KAHOUN, NWC CHAIR

Northwest Conference (NWC) Chairperson Nikki Kahoun called the meeting to order at 2:30 pm. She read Psalm 100. Chairperson Kahoun led in prayer.

It was announced that Vice Chair Dave Hugare will be leading Business Session 2 on Saturday.

NWC VIDEO: With Joy Video - Part 1

HOST GREETING

Pastor Dan Thompson welcomed the delegates and meeting attendees to Redeemer Covenant Church on behalf of the Redeemer and La Bendicion congregations.

MINUTES FROM THE 2023 ANNUAL MEETING

The 2023 Annual Meeting minutes were reviewed and approved by the NWC Executive Board at its July 17, 2023 meeting. A motion was made to authorize the Northwest Conference Executive Board, on behalf of the delegates, to approve the Minutes of the 2024 Annual Meeting at the next formal meeting of the NWC Executive Board. There was a second and the motion carried.

APPROVAL OF AGENDA

A motion to approve the agenda was made and seconded. The motion carried.

ECC VIDEO

GREETINGS FROM THE EVANGELICAL COVENANT CHURCH

Paul Lessard, Vice President of Mission Priorities, brought

greetings from President Tammy Swanson-Draheim and the Covenant Office team. He shared that the work and numbers highlighted in the video are the result of the partnership between the denomination, the conference and the local church. The voice of the NWC is heard through our strong participation in Gather (ECC annual meeting) and through the many pastors, lay people and NWC staff that serve on Covenant boards, committees and associations. He expressed gratitude for the ongoing financial support from NWC churches.

NORTHWEST CONFERENCE SUPERINTENDENT REPORT

Kara Stromberg began her report by sharing that it is her honor and joy to serve as the NWC Superintendent. She serves the churches and pastors in the Conference and also speaks for us nationally on the Council of Superintendents where there is opportunity to influence our Covenant denomination.

Christianity Today recently published a study on the impact of Covid-19 on the American church. The study found that churches that rallied around shared mission during this time are the ones that are seeing fruit and growth.

The Northwest Conference is continuing our commitment to our shared mission by focusing on Congregational Vitality; Church Planting: Children, Youth and Family; and Pastoral Care and Connection with the hope that God will be glorified and honored.

Superintendent Stromberg highlighted a number of ways in which the NWC comes alongside churches including navigating pastoral transitions, facilitating cohorts of pastors, and providing lay leader training opportunities.

We are also trying to grow in our understanding of racial righteousness and living into the multiethnic mosaic. Small steps taken by the NWC are the ability to view the Conference website in Spanish and translation services being offered at this annual meeting. Affirmation was given to the number of NWC churches that have opened their doors to ethnic congregations.

We will continue to lean into the training and equipping of

leaders through contextualized learning opportunities, possible new models and options for theological training for those that are already serving in churches through North Park Theological Seminary, and expanded access to resources and learning through hybrid events.

Superintendent Stromberg called on several members of the NWC staff to provide updates from their ministry priority areas.

Associate Superintendent

Scott Nelson, Associate Superintendent, was introduced. He shared about his call to full-time ministry and the strong influence and challenge of the “widow’s mite.” He has found joy, freedom and purpose in giving God all.

Rev. Nelson will be leading church planting and leadership development. He will be looking for church planters that are Christ-led, connected and contributors. He challenged delegates and attendees to see the lost and reach them, knowing this may be uncomfortable or require sacrifice.

Congregational Vitality

Jon Kramka, Director of Congregational Vitality, stated that the church is in need of constant renewal. Renewal comes through a commitment to a journey. There is no magic bean or quick fix to renew and transform congregations. Change is essential. But remember:

- Christ is unchanging even while context is ever changing.
- Our Message is unchanging but our methods are ever changing.
- Our Mission is unchanging while the mission field is always changing.

Five attributes of a healthy church were presented. Churches are encouraged to pursue one of these as their next step in renewing their church and ministry for the sake of their community and beyond.

The Rural Impact Leadership Conference continues to grow and develop. It is a partnership between the NWC, Alexandria Covenant Church, Oak Hills Christian College and the Town & Country Commission of the ECC.

Children, Youth & Family Ministry

Ginny Olson, Director of Youth Ministry pointed to studies that suggest about one million people are leaving the church every year. She highlighted the work the NWC is doing in partnership with Fuller Youth Institute and others to address this new challenge as it relates to younger generations.

Sara Sosa, Director of Children and Family Ministry, pointed to the many ways the NWC can be a resource, support and encouragement to those serving emerging generations in our churches. She also mentioned LunchBox and CovYouth, online tools developed by the NWC and ECC for training, best practices and resources for those serving children and youth.

Pastoral Care and Connection

Pastoral care undergirds our ministry with prayer and support for our pastors. Hollis Kim, Director of Pastoral Care and Connection, serves as a pastor to the pastors. His work includes connecting pastors to each other and to resources that will be an encouragement in times of personal and family need.

PRAYER

Superintendent Stromberg closed the afternoon session by encouraging us to live into the Covenant we aspire to be for God’s glory and our neighbor’s good.

Jane Palmer, NWC Executive Board Member, prayed for the Northwest Conference staff.

The meeting was adjourned.

WORKSHOPS

Delegates were dismissed to a time of learning. Workshops included:

- Living With Joy. Leading With Joy. led by Jon Kramka
- Gen Z and Gen Alpha – Who Are These Kids and Why Does It Matter for Your Ministry? led by Ginny Olson
- Breaking the Silo of Faith Formation led by NWC Camp Directors Dave Cairns (Covenant Pines), Phil Tolbert (Lake Beauty), Kaela Stano (Covenant Park), and Chadwick Persons (Bluewater)

WORSHIP CELEBRATION

Worship was led by Courtland Pickens and the Known MPLS Choir. Five Candidates for Ordination in the Evangelical Covenant Church were recognized and prayed for. An offering was taken for scholarships for students who will be attending Unite East. Rev. Kevin Farmer, pastor of Epiphany Covenant Church, Minneapolis, MN, shared a message titled, "With Joy."

APRIL 27

Delegates and attendees gathered at 8:30 am for a time of worship, led by Courtland Pickens, Worship Director, Epiphany Covenant Church, Minneapolis, MN. Pastor Juan Lopez, pastor of La Bendicion Covenant Church, Brooklyn Park, MN, reflected on Psalm 85:6. He challenged all to be in prayer for joy in revival.

UNITE 2024 VIDEO

Vice Chair Dave Hugare called the meeting to order at 9:14 am.

NWC VIDEO: With Joy Video - Part 2

MISSION MOMENT – BLESS INTENTIONAL EVANGELISM

BLESS is our ECC mission initiative for intentional evangelism. Scott Nelson, Associate Superintendent, reminded us that evangelism must be one of our habits. The world is full of people who are lonely and desperate and need the hope that only come from Jesus and a connection to His people.

BLESS habits and rhythms include:

Begin with prayer
Listen with care
Eat together
Serve with love
Share the story

MINNEHAHA ACADEMY VIDEO

THE MISSION AND MINISTRY OF MINNEHAHA ACADEMY

Colossians 3:12-15 is this year's theme verse. Dr. Donna Harris, President of Minnehaha Academy, highlighted a number of ways the MA community is challenging itself to "put on humility, kindness and compassion" through prayer initiatives, vibrant chapel experiences, "teaching for transformation," the

Minnehaha Leadership Institute, Core Formation Experiences, and other grade specific experiences. We celebrate God's mighty work at MA and pray that we prepare students well to love and serve God with their heart, soul, mind and strength.

PRESENTATION AND VOTE ON MINNEHAHA ACADEMY BUDGET

Mike Huray, Chief Financial Officer, reported that Minnehaha has received a clean audit for the fifth year in a row. Mr. Huray reviewed the financial reports on pages 15-17 in the Business Session Guide highlighting an anticipated positive bottom line in operations. He also presented the FY2025 budget (page 18). This budget assumes 877 students (an increase of 1.5%), a 4% tuition increase, a slightly higher fundraising goal, increased compensation for staff, increased spending on marketing, and funding for onsite security. This is a solid budget with a positive bottom line and positive cash flow that aligns with the Strategic Plan. The motion to approve the budget comes from the NWC Executive Board so a second is not required. No discussion. The motion carried.

PRESENTATION AND VOTE ON NORTHWEST CONFERENCE BUDGET

Dan Riley, NWC Treasurer, reminded delegates of the concern that was shared at last year's meeting for church giving/income. He was happy to report that giving has been much stronger than expected and expressed great appreciation to churches and individuals for being a part of God's provision for the continued ministry of the NWC.

Mr. Riley expressed thanks to Steve Dawson, ECC Director of Finance, for assisting a number of ECC churches and institutions with the filing of the Employee Retention Credit paperwork. Mr. Dawson did not charge a fee for his service. And none of the requests were rejected. The Northwest Conference and many NWC churches received refunds because of his work.

Sandy Norris, Director of Finance, reviewed the financial reports on pages 9-11 in the Business Session Guide and presented the 2024/25 budget (page 12). The new budget includes increased spending for church planting as well as additional office expense related to a new lease with Minnehaha Academy.

The motion to approve the 2024/25 budget was made by the NWC Executive Board. No discussion. The motion carried.

PRESENTATION OF THE NORTHWEST CONFERENCE AND MINNEHAHA ACADEMY BALLOT

Ballots were distributed. Nominees for the NWC Executive Board are Dr. Jacob Gayle, Sanctuary Covenant, Minneapolis, MN (5 year term); Pastor Terri Russell, Salem Covenant, New Brighton, MN (5 year term); and Pastor Jonathan Wilson, Salem Covenant, Pennock, MN (1 year term). Nikki Kahoud, Rochester Covenant, Rochester, MN, is the Board Chair nominee (1 year term). Vice Chair Dave Hugare asked for nominations from the floor for the NWC Executive Board. No nominations were received. A motion to close the ballot was made and seconded. No discussion. The motion carried.

Nominees for the Minnehaha Academy Board of Trustees (3 year term) are Katie Craig, Bethlehem Covenant, Minneapolis, MN; Sean Mahoney, Plymouth Covenant, Plymouth, MN; and Todd O'Bert, Bethlehem Covenant, Minneapolis, MN. Vice Chair Hugare asked for nominations from the floor for the MA Board of Trustees. No nominations were received. A motion to close the ballot was made and seconded. No discussion. The motion carried.

The delegates voted.

CHANGES TO THE ROSTER

Churches to be deleted from the roster of churches include:

- City of Lakes Covenant Church, Minneapolis, MN
- Edina Covenant Church dba Mercy Commons Covenant Church, Edina, MN

A motion was made and seconded to approve the removal of these two member churches from the roster of churches in the Northwest Conference. No discussion. The motion carried. Dave Hugare prayed a prayer of thanks for the mission and ministry of these 2 churches.

Pastor Kevin Farmer and leaders and attenders of Epiphany Covenant Church of Minneapolis, MN were welcomed to the platform. A motion in the form of a recommendation to welcome this church into membership in the NWC was made by the Northwest Conference Executive Board. No second was

required. No discussion. The motion carried.

Superintendent Kara Stromberg led the delegates and attenders in a prayer and litany for Epiphany Covenant Church.

NWC MINISTRY PARTNERS

A video was shown highlighting the work of Covenant Benefits. Delegates and attenders heard from ministry partners in the Northwest Conference. Greetings and reports were given by: Brad Kindall, NWC Ministerial Association; Rachel Kleinschmidt and Sheryl Schanil, Women Ministries; Chadwick Persons, Bluewater Covenant Bible Camp, representing the 5 camps in the Conference; Dana Norton, Covenant Ability Network; Rollie Persson, National Covenant Properties; and Steve Allison, Covenant Trust Company.

A video from Pastor Matt Kennedy invited all to next year's annual meeting which will take place at Roseville Covenant Church in Roseville, MN. The dates are May 1-3, 2025.

Superintendent Kara Stromberg expressed our thanks to Redeemer Covenant Church and LaBendicion Covenant Church for the wonderful hospitality.

All nominees for the Northwest Conference Executive Board and the Minnehaha Academy Board of Trustees were elected.

Superintendent Stromberg closed the meeting in prayer, giving thanks for current and newly elected board members.

A motion was made and seconded to adjourn. The motion carried.

*Respectfully and joyfully submitted,
Cheryl Theilen*



MARCH 2025

Greetings Covenant Family,

Thank you for taking the time to be present together, to pray, to worship, to fellowship, and to collectively discern how God is moving within your conference and where you are being called to partner with God more deeply in this coming season of ministry. I love that these annual gatherings are often referred to as a “celebration” as there is so much to celebrate in the Covenant Church.

I am excited about the upcoming gathering of our local churches for Gather 2025 in Orlando, Florida! We will be joined by many of the presidents of our sister Covenant denominations around the world as we come together to celebrate 140 years of shared mission and ministry. Our global ministry and partnerships have been transformational to both our local churches here in North America and to communities around the world. What an amazing grace we participate in when we work together in service to Jesus and follow him where he leads us. The theme of this year’s gathering is “Follow Me.” Throughout the week, we will hear Jesus’s timeless call to “Follow Me”—the invitation that has transformed countless lives across the centuries. Come connect with sisters and brothers, joining guests from around the world, as we celebrate, discern, and dream together—following Christ into the next chapter of the Covenant story. Please plan to attend in person or online as a delegate or a general conferee. This will be a time that you will not want to miss out on. Details, including how to register, are available online: covchurch.org/gather.

As we prepare to gather both locally and nationally, I feel a deep burden to call our churches to pray. Pray for our churches seeking to faithfully respond to the many places in need of the love of Jesus expressed through words and through acts of compassion, mercy, justice, and peace-making. This will look different in each of your communities, but as a nation, we are facing a time where the love of Christ and his call to care for the lost and the least of these has never felt more pressing. Sharing God’s love in word and deed is embedded in the DNA of the Covenant Church. May we, as God’s people who experience the love of the Father, continue to seek the good of our brothers and sisters in need. May we act boldly as we are led by the Holy Spirit, through the resurrection power of Christ Jesus, to bring the good news of God’s kingdom to a lost and hurting world.

For God’s glory and neighbor’s good,

Tammy Swanson-Draheim, PRESIDENT, EVANGELICAL COVENANT CHURCH



*Celebrating 140 years of
shared mission and ministry.*



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, 2024 and 2023, 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
December 17, 2024

NORTHWEST CONFERENCE OF THE EVANGELICAL COVENANT CHURCH
STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

ASSETS		
	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	\$ 198,361	\$ 187,893
Short-term investments	754,143	679,295
Due from churches	20,000	19,017
Prepaid expense	8,361	-
Total Current Assets	<u>980,865</u>	<u>886,205</u>
OTHER ASSETS		
Endowment fund investments	1,494,024	1,346,077
Operating lease right-of-use asset	20,422	-
Total Other Assets	<u>1,514,446</u>	<u>1,346,077</u>
PROPERTY AND EQUIPMENT		
Property and equipment	269,918	269,918
Accumulated depreciation	(224,323)	(213,410)
Property and Equipment, Net	<u>45,595</u>	<u>56,508</u>
TOTAL ASSETS	<u>\$ 2,540,906</u>	<u>\$ 2,288,790</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 1,893	\$ 4,171
Other liabilities	83,305	116,166
Obligations under operating leases	4,230	-
Total Current Liabilities	<u>89,428</u>	<u>120,337</u>
LONG-TERM LIABILITIES		
Obligations under operating leases	16,403	-
Total Liabilities	<u>105,831</u>	<u>120,337</u>
NET ASSETS		
Without donor restrictions	2,394,131	2,127,787
With donor restrictions	40,944	40,666
Total Net Assets	<u>2,435,075</u>	<u>2,168,453</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,540,906</u>	<u>\$ 2,288,790</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, 2024 and 2023

	2024			2023		
	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	\$ 944,448	\$ -	\$ 944,448	\$ 850,585	\$ -	\$ 850,585
Appropriations from Evangelical Covenant Church	84,940	-	84,940	125,847	-	125,847
All other contributions	226,761	7,750	234,511	26,321	15,635	41,956
Proceeds from church closures	9	-	9	55,043	-	55,043
Program service revenue	114,264	-	114,264	117,287	-	117,287
Investment return, net	223,817	318	224,135	180,822	212	181,034
Miscellaneous revenue	9,000	-	9,000	57,299	-	57,299
Net assets released from restrictions	7,790	(7,790)	-	36,555	(36,555)	-
Total Support and Revenue	1,611,029	278	1,611,307	1,449,759	(20,708)	1,429,051
Expenses						
Program services	1,121,181	-	1,121,181	1,291,295	-	1,291,295
Support services						
Management and general	223,504	-	223,504	215,915	-	215,915
Total Expenses	1,344,685	-	1,344,685	1,507,210	-	1,507,210
CHANGE IN NET ASSETS	266,344	278	266,622	(57,451)	(20,708)	(78,159)
NET ASSETS, BEGINNING OF YEAR	2,127,787	40,666	2,168,453	2,185,238	61,374	2,246,612
NET ASSETS, END OF YEAR	\$ 2,394,131	\$ 40,944	\$ 2,435,075	\$ 2,127,787	\$ 40,666	\$ 2,168,453

(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, 2024 and 2023

	2024		
	Program Services	Management and General	Total
Salaries and benefits	\$ 701,427	\$ 175,357	\$ 876,784
Fees for services	-	7,562	7,562
Advertising and promotion	2,375	594	2,969
Ministries expenses			
Planting churches	176,506	-	176,506
Healthy churches	116,318	-	116,318
Other ministries	7,245	-	7,245
Office expenses	22,715	5,565	28,280
Information technology	6,210	1,553	7,763
Occupancy	3,821	955	4,776
Travel and transportation	13,644	3,411	17,055
Conferences, conventions, and meetings	68,549	17,137	85,686
Depreciation	-	10,913	10,913
Insurance	1,826	457	2,283
Other expenses	545	-	545
TOTAL	\$ 1,121,181	\$ 223,504	\$ 1,344,685

	2023		
	Program Services	Management and General	Total
Salaries and benefits	\$ 669,180	\$ 167,295	\$ 836,475
Fees for services	-	8,348	8,348
Advertising and promotion	2,138	534	2,672
Ministries expenses			
Planting churches	247,911	-	247,911
Healthy churches	219,163	-	219,163
Other ministries	16,215	-	16,215
Office expenses	27,980	6,994	34,974
Information technology	6,704	1,676	8,380
Occupancy	12,899	3,225	16,124
Travel and transportation	10,059	2,515	12,574
Conferences, conventions, and meetings	62,170	15,543	77,713
Depreciation	-	9,315	9,315
Insurance	1,823	456	2,279
Other	15,053	14	15,067
TOTAL	\$ 1,291,295	\$ 215,915	\$ 1,507,210

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

Northwest Conference
FY2025-2026 Budget Proposal

	Proposed FY2025-2026	Approved FY2024-2025		Proposed FY2025-2026	Approved FY2024-2025
Income					
Church Contributions	954,579	925,000			
Other Donations	110,841	33,000			
Appropriation and Living Legacy	58,750	170,504			
Event registration fees	124,800				
Honoraria and other Misc	5,000				
Investment earnings	90,738	85,035			
Total Income	1,344,708	1,213,539			
Expense					
Connections, Networks and Ministry Development			Personnel		
Church Planting	12,000		Salaries and Wages	732,013	
Church Revitalization	6,500		Insurance Benefits	163,494	
Youth Ministry Leaders	11,325		Retirement Benefits	82,504	
Children's Ministry Leaders	4,375		Payroll expenses	22,137	
Leadership Investment	19,250		Continuing Ed and Conferences	26,255	
Pastor, Church and lay leader connections	14,940			1,026,403	
	68,390		Administration		
Events and Training Opportunities			E-payment and banking fees	2,280	
Rural Impact Leadership Conference	15,000		Software subscriptions and service	7,828	
MUJUICE	81,000		Automobile expenses	11,210	
Unite	515		Conference Executive Board	12,900	
Adventures in Leadership	7,000		Conference wide meetings	36,750	
Church Chair Training (online)	0		Hosting and meetings	15,150	
Financial Leadership Workshop	3,000		Office supplies and leases	16,360	
Church Planter assessment and training	16,000		Conference Promo material	11,800	
Clergy Coaching	2,000		Professional Services	33,500	
	124,515			147,778	
Direct Aide to churches			Facilities		
New Church Appropriations and Residencies	97,500		Office rent	24,000	
Discretionary Support	1,000		insurance	18,100	
Crisis disbursements	5,000		utilities	7,500	
	103,500		building services and supplies	6,850	
				56,450	
Partner Support			Total Expense	1,552,036	1,361,434
Covenant Family	13,500				
Ministry Partners	11,500		Total Income minus Total Expense	-207,328	-147,895
	25,000		Release from restriction*	207,328	147,895
				0	0

Policy would allow up to \$567,114 release from restriction



INDEPENDENT AUDITORS' REPORT

Board of Trustees and Finance Committee
Minnehaha Academy
Minneapolis, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Minnehaha Academy (a nonprofit organization) which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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, 2024 and 2023, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Minnehaha Academy and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Minnehaha Academy's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit 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 Minnehaha Academy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Minnehaha Academy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
October 31, 2024

MINNEHAHA ACADEMY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Cash Equivalents	\$ 771,725	\$ 11,445,563
Operating Investments	10,813,609	62,045
Accounts Receivable, Net of Allowance for Expected Credit Losses of \$85,000 in Both 2024 and 2023	324,077	338,922
Promises to Give, Net	776,269	922,011
Endowment Investments	16,906,257	15,395,104
Inventories	17,426	22,191
Prepaid Expenses	165,435	187,961
Right of Use Assets	425,286	274,848
Property, Plant, and Equipment:		
Land	1,092,952	1,092,952
Construction in Progress	284,244	91,608
Buildings and Improvements	74,801,098	74,569,041
Furniture and Equipment	4,941,838	4,853,103
Total	81,120,132	80,606,704
Less: Accumulated Depreciation	(24,602,583)	(22,315,581)
Net Property, Plant, and Equipment	56,517,549	58,291,123
Total Assets	<u>\$ 86,717,633</u>	<u>\$ 86,939,768</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 417,129	\$ 683,007
Accrued Expenses	14,708	25,000
Accrued Salaries	846,809	511,856
Accrued PTO and Sick Pay	322,913	266,441
Prepaid Tuition and Programs	1,017,307	746,190
Lease Liabilities	429,581	274,041
Total Liabilities	3,048,447	2,506,535
NET ASSETS		
Without Donor Restrictions	65,742,666	67,793,526
With Donor Restrictions	17,926,520	16,639,707
Total Net Assets	<u>83,669,186</u>	<u>84,433,233</u>
Total Liabilities and Net Assets	<u>\$ 86,717,633</u>	<u>\$ 86,939,768</u>

**MINNEHAHA ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT			
Tuition and Fees	\$ 21,564,752	\$ -	\$ 21,564,752
Less: Financial Aid and Tuition Remission	(8,563,899)	-	(8,563,899)
Net Tuition and Fees	13,000,853	-	13,000,853
Contributions	1,606,886	262,512	1,869,398
Transportation	246,406	-	246,406
Auxiliary Activities	1,062,671	-	1,062,671
Rental Income	130,378	-	130,378
Special Events	131,800	-	131,800
Interest, Dividends and Capital Gains, Net	648,276	337,582	985,858
Realized and Unrealized Gains on Investments	-	1,692,048	1,692,048
Other Income, Net	35,992	-	35,992
Net Assets Released from Restrictions	1,005,329	(1,005,329)	-
Total Revenues, Gains, and Other Support	17,868,591	1,286,813	19,155,404
OPERATING EXPENSES			
Program Services	14,774,078	-	14,774,078
Management and General	1,982,332	-	1,982,332
Fundraising	714,373	-	714,373
Total Expenses, Before Depreciation	17,470,783	-	17,470,783
CHANGE IN NET ASSETS BEFORE DEPRECIATION	397,808	1,286,813	1,684,621
Depreciation and Amortization	2,448,668	-	2,448,668
CHANGE IN NET ASSETS	(2,050,860)	1,286,813	(764,047)
Net Assets - Beginning of Year	67,793,526	16,639,707	84,433,233
NET ASSETS - END OF YEAR	<u>\$ 65,742,666</u>	<u>\$ 17,926,520</u>	<u>\$ 83,669,186</u>

**MINNEHAHA ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT			
Tuition and Fees	\$ 21,187,591	\$ -	\$ 21,187,591
Less: Financial Aid and Tuition Remission	(8,416,526)	-	(8,416,526)
Net Tuition and Fees	12,771,065	-	12,771,065
Contributions	1,437,529	588,757	2,026,286
Transportation	285,611	-	285,611
Auxiliary Activities	998,324	-	998,324
Rental Income	282,962	-	282,962
Special Events	136,138	-	136,138
Interest, Dividends and Capital Gains, Net	359,838	462,283	822,121
Realized and Unrealized Gains on Investments	-	1,314,846	1,314,846
Other Income, Net	271,289	-	271,289
Net Assets Released from Restrictions	2,031,784	(2,031,784)	-
Total Revenues, Gains, and Other Support	18,574,540	334,102	18,908,642
OPERATING EXPENSES			
Program Services	14,662,306	-	14,662,306
Management and General	1,937,231	-	1,937,231
Fundraising	598,692	-	598,692
Total Expenses, Before Depreciation	17,198,229	-	17,198,229
CHANGE IN NET ASSETS BEFORE DEPRECIATION	1,376,311	334,102	1,710,413
Depreciation and Amortization	2,369,043	-	2,369,043
CHANGE IN NET ASSETS	(992,732)	334,102	(658,630)
Net Assets - Beginning of Year	68,786,258	16,305,605	85,091,863
NET ASSETS - END OF YEAR	<u>\$ 67,793,526</u>	<u>\$ 16,639,707</u>	<u>\$ 84,433,233</u>



FY2026 Proposed Operating Budget

	FY2025 Forecast	FY2026 Budget
Enrollment	856	872
<u>REVENUE</u>		
1 Net Tuition Revenue	12,650,843	13,657,291
2 Student Fee Revenue	487,251	497,025
3 Unrestricted Contributions	1,857,860	1,913,596
4 Transportation Income	247,454	237,500
5 Endowment Distribution	705,000	721,500
6 Investment Income	635,000	585,000
7 Auxillary Revenue	708,413	697,600
8 Agency Accounts Revenue	510,000	510,000
9 Other Revenue	711,898	1,102,000
10 TOTAL INCOME	18,513,719	19,921,512
<u>EXPENSES</u>		
11 Wages, Salaries & Benefits	13,813,050	14,806,433
12 Admin, Advancement, Marketing, Admissions	624,157	736,800
13 General Operations	949,831	969,629
14 Instructional & Curriculum	735,034	972,314
15 Athletics	201,280	257,100
16 Summer Program & Extended Day	261,709	368,850
17 Facilities Operations	745,379	794,200
18 Student Transportation Expense	581,000	581,200
19 Depreciation	2,438,680	2,500,000
20 Capital Lease Payments	76,000	65,500
21 Contingency	-	50,000
22 Other Expenses	510,133	507,562
23 TOTAL OPERATIONAL EXPENSES	20,936,253	22,609,588
24 CHANGE IN OPERATING NET ASSETS	(2,422,534)	(2,688,076)
25 Adjust for Non-Cash Items		
26 Add Back Depreciation & Contingency	2,438,680	2,550,000
27 ADJUSTED CHANGE IN NET ASSETS	16,146	(138,076)

CHANGES TO CHURCH MEMBERSHIP

CHURCHES TO BE DELETED FROM THE ROSTER OF THE NORTHWEST CONFERENCE AND THE EVANGELICAL COVENANT CHURCH

Grandview Covenant Church, Larchwood, IA

Organized: 1912

Joined the ECC and NWC: 1946

Withdrawn: 2025

Grandview was the sole church in Iowa that was part of the Northwest Conference (not the Midwest). In recent years, Grandview was led by a pastor who more closely aligned with Southern Baptist theology. The church subsequently discerned they were no longer a theological or missional fit with the Covenant and withdrew to become an independent church.

Blue Oaks Covenant Church, Brooklyn Park, MN

Organized: 2010

Joined the ECC and NWC: 2013

Closed: 2024

Planted in April 2010 by Pastor Nicole Bullock, Blue Oaks grew into a vibrant African American church in the northern suburbs of Minneapolis. The Covid pandemic was an incredibly difficult season for Blue Oaks. Post-pandemic, the church tried to move forward with an online-only ministry that failed to gain traction. After much consideration, the pastor and remaining members decided it would be best to officially close.

AMENDMENT TO MINNEHAHA ACADEMY BYLAWS

Section 3.2 Number, Election/Appointment, Tenure, Qualifications

(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. For purposes of this Section, filling a partial term for a vacant seat shall not count towards the total number of terms served. 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: (i) an elected Board Chair, who shall serve as Chair for up to three years regardless of the number of terms previously served; (ii) the Corporation's Trustees may elect the Board Chair to serve as Chair for a fourth year in event of exigent circumstances, as decided by the Corporation's Trustees; and (iii) 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.

Section 4.5 Chair.

The Chair shall preside at all meetings of the Board of Trustees. He/She shall be an ex-officio member of all committees. He/She may sign, with the Secretary or any other proper Officer of the Corporation authorized by the Board of Trustees, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Trustees has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Trustees or by these Bylaws or by statute to some other Officer or agent of the Corporation; and in general he/she shall perform all duties incident to the office of Chair and such other duties as may be prescribed by the Board of Trustees from time to time. The Chair shall serve for up to three years, provided that the Corporation's Trustees may elect the Chair to serve a fourth year in exigent circumstances, as decided by the Corporation's Trustees.

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MINNEHAHA ACADEMY BOARD OF TRUSTEE MEMBER



Matt Kennedy (3 Year Term)

Matt currently serves as Lead Pastor at Roseville Covenant Church, in Roseville, MN, and has served in the ECC for over 20 years including congregations in Washington State, Chicago, and South Minneapolis. He is a graduate of North Park University (BA) and North Park Theological Seminary (MDiv).

Originally from the Pacific Northwest, Matt and his family have lived in the Twin Cities almost 14 years and have been part of the Minnehaha community since 2015. His daughter, Lucinda, is a sophomore at MA's upper school and son, Benno, is a fifth grader in MA lower school. His youngest, Rollo, is a student in Roseville Public Schools where he receives special education.

Matt's wife, Nicole, is an administrator at the University of Minnesota. He enjoys travel, the outdoors, music and cooking.

NORTHWEST CONFERENCE EXECUTIVE BOARD



Sharon Ardon Morales (5 year term)

After growing up in Rochester, MN, Sharon studied social work in Lynchburg, VA to pursue working with and advocating for the voiceless and most vulnerable in our community. After earning a BSW in 2015, she returned to Minnesota and started as a social worker for New Life Family Services in St. Paul, MN. In 2020, seeking to advocate for the same people in a legal capacity, Sharon attended the University of St. Thomas School of Law. After earning a J.D. and becoming licensed in 2023, she continues her advocacy for vulnerable populations through her immigration practice at Mid Minnesota Legal Aid in Minneapolis, MN as a Staff Attorney. Sharon attends En Su Presencia Covenant Church in Rochester, MN.



Gary Gilkinson (5 year term)

Rev. Gary Gilkinson serves as Pastor at Winthrop Evangelical Covenant Church in a typical Minnesota rural town of 1,300. He has served in Minnesota since 2018 after immigrating from Canada with his wife, Pam. Previous ministry has included churches in Ontario and Saskatchewan as well as serving as a faculty member and Academic Dean at Nipawin Bible College in Saskatchewan. Gary transferred his ordination to the Evangelical Covenant Church in 2010 after serving with another Canadian denomination for 15 years. Over 40 years of ministry has given Gary many opportunities to serve in various ministry roles in both Canada and the United States.

Gary has been married to Pam since 1987. Of course, enjoying hockey is a given along with video chatting with their family back in Canada.

NORTHWEST CONFERENCE EXECUTIVE BOARD CHAIRPERSON



Dave Hugare (1 year term)

Dave has been in vocational ministry for over 20 years and is currently serving as Lead Pastor at Lakeview Covenant Church in Duluth, MN. Prior to coming to Lakeview he served at Zion Covenant Church in Ellsworth, WI; was an ECC Church Planter; and was a Youth Pastor at Crossroads Church in Woodbury, MN, and Church of the Open Door in Maple Grove, MN.

Additionally, he worked for several years between ministry positions as an Executive Team Leader with the Target Corporation. Dave received his undergraduate degree at the University of Northwestern (St Paul, MN) and received his Masters of Divinity from Bethel Theological Seminary (St Paul, MN). He is ordained in the Evangelical Covenant Church. Dave is passionate about “making disciples who make disciples.” He finds great joy in participating in and watching others deepen their relationship with Christ and share their faith with others. Dave is married to his wife Leslee and together they have two children: Ethan and Macy.

DEVELOPING
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THRIVING
CHURCHES.



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