



NORMANDALE LUTHERAN CHURCH



Normandale Preschool
Blessing Place



YOU ARE THE
LIGHT
OF THE WORLD
-Matthew 5:14

children, youth, and family ministry



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FOUNDATION** | Bold in our Faith.
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NORMANDALE HOUSE



NORMANDALE CENTER FOR
Healing & Wholeness

Annual Meeting February 23, 2025

Agenda



- | | |
|---|--------------------------------|
| ✓ Call to Order | Alison Pence |
| ✓ Devotions | Pastor Maria Pederson |
| ✓ Approval of Minutes | Steve Milne |
| ✓ Report of the President | Alison Pence |
| ✓ Report of the Lead Pastor | Pastor Hans Lee |
| ✓ Report of the Call Committee | Matt Klein |
| ✓ Financial Report and
Approval of 2025 Budget | Eric Askegaard
Brent Malcom |
| ✓ Elections for Church Council | Lowell Stortz |
| ✓ Normandale Foundation | Lowell Stortz |
| ✓ Prayer and Benediction | Pastor Rebecca Gamble |

Report of the President

Alison Pence

Lead Pastor Report

Pastor Hans Lee

Call Committee Update

Matt Klein

Financial Report

Eric Askegaard

Brent Malcom

Financial Report



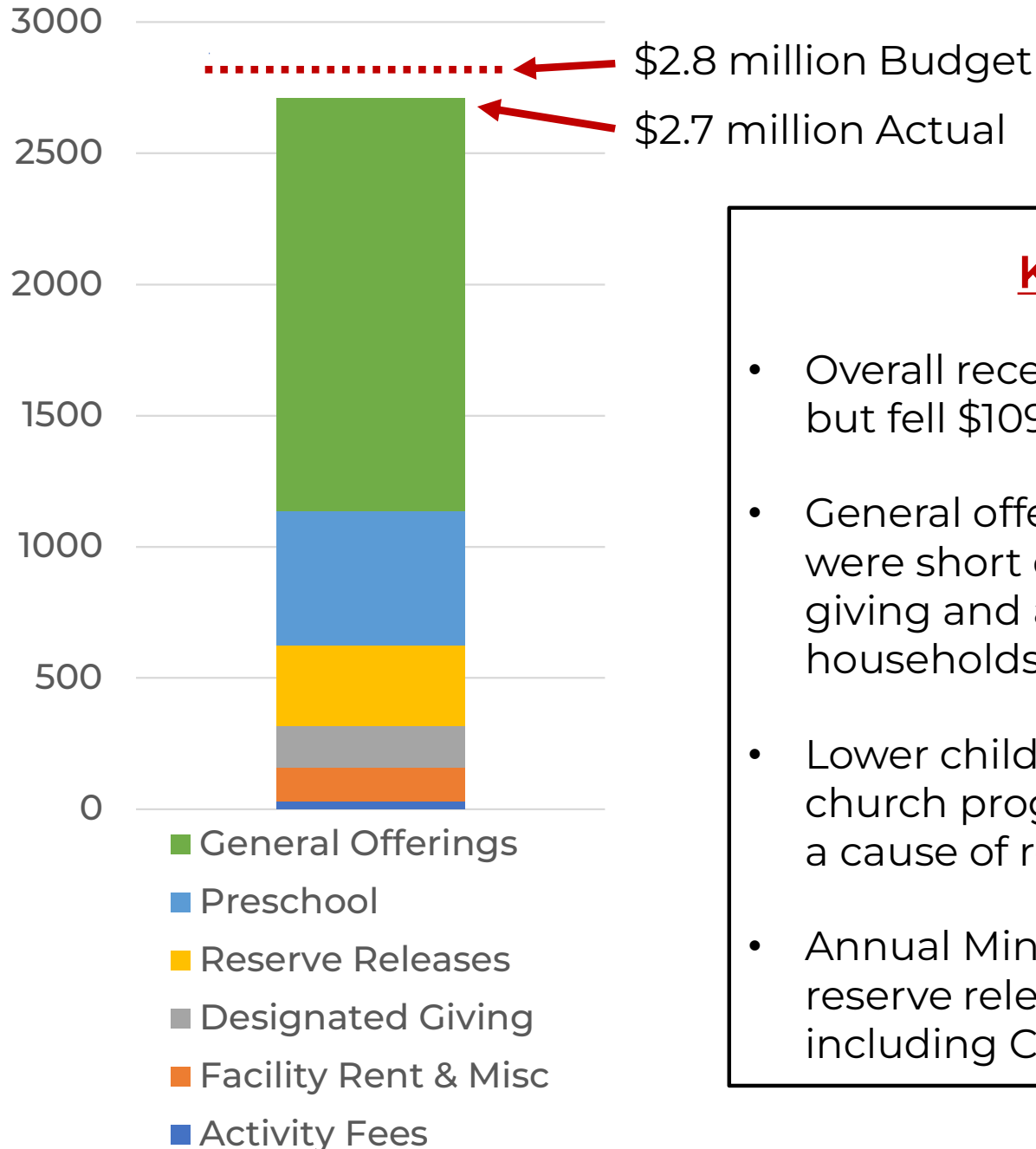
Topics to cover today ...

- 1 2024 Review**
 - ✓ Receipts
 - ✓ Expenses
 - ✓ Operational Update

- 2 Current Financial Position**
 - ✓ Cash / Liquidity
 - ✓ Vision 2025 Campaign

- 3 2024 Budget Plan**
 - ✓ Expenses
 - ✓ Receipts
 - ✓ Approval Vote

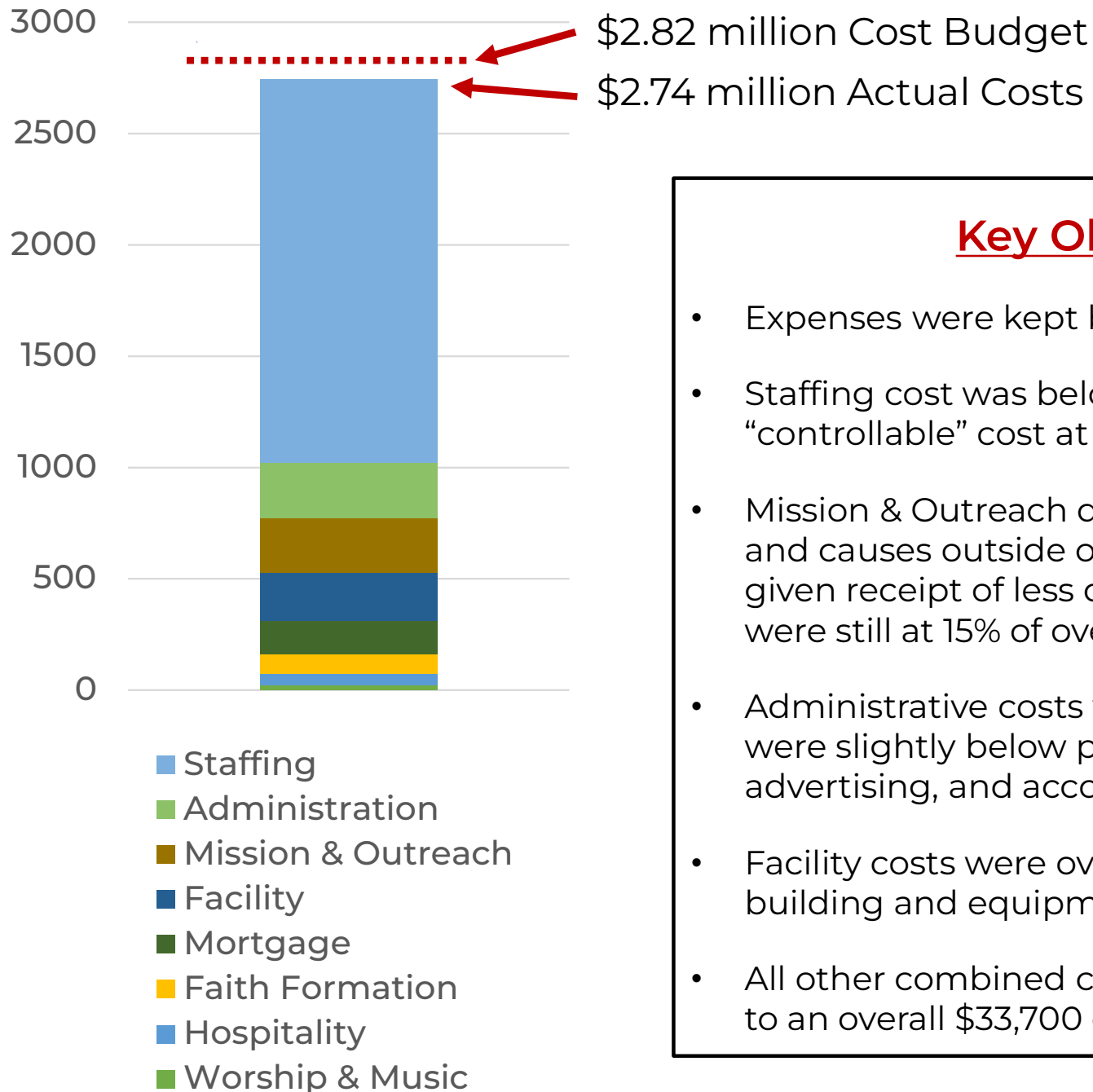
2024 Annual Ministry Receipts



Key Observations

- Overall receipts were stable, equal to 2023, but fell \$109k below Plan for 2024
- General offerings were up 6% Y-T-Y but were short of Plan given weaker year end giving and a reduced number of giving households
- Lower children and youth enrollment in church programs and Preschool were also a cause of receipts being below Plan
- Annual Ministry Plan was reliant on \$316k of reserve releases, in accordance with Plan, including Covid relief funds and Vision 2025

2024 Annual Ministry Expenses



Key Observations

- Expenses were kept below budget by \$73,000
- Staffing cost was below plan and is our greatest “controllable” cost at 63% total ministry expense
- Mission & Outreach disbursements to partners and causes outside of the church were below plan given receipt of less designated giving, but outlays were still at 15% of overall congregational giving
- Administrative costs were down from 2023 and were slightly below plan due to lower printing, advertising, and accounting expenses
- Facility costs were over plan by \$18,000 due to building and equipment repair/replacement needs
- All other combined costs were on plan, which led to an overall \$33,700 deficit result for 2024

2024 – Operations & Facility



An active year for operational investments and updates ...

1 Property investments

- ✓ Trinity Commons and Playground completed and in use
- ✓ Sanctuary sound system
- ✓ Technical updates to modernize network and Wifi
- ✓ Heating, cooling, and ventilation equipment updates

2 Columbarium operations

- ✓ Niche reservations up to 22 (out of 288 total), with proceeds contributing to church restricted funds for engraving and property maintenance
- ✓ Columbarium committee handles niche applications
- ✓ Memorial Wall to be introduced in May 2025

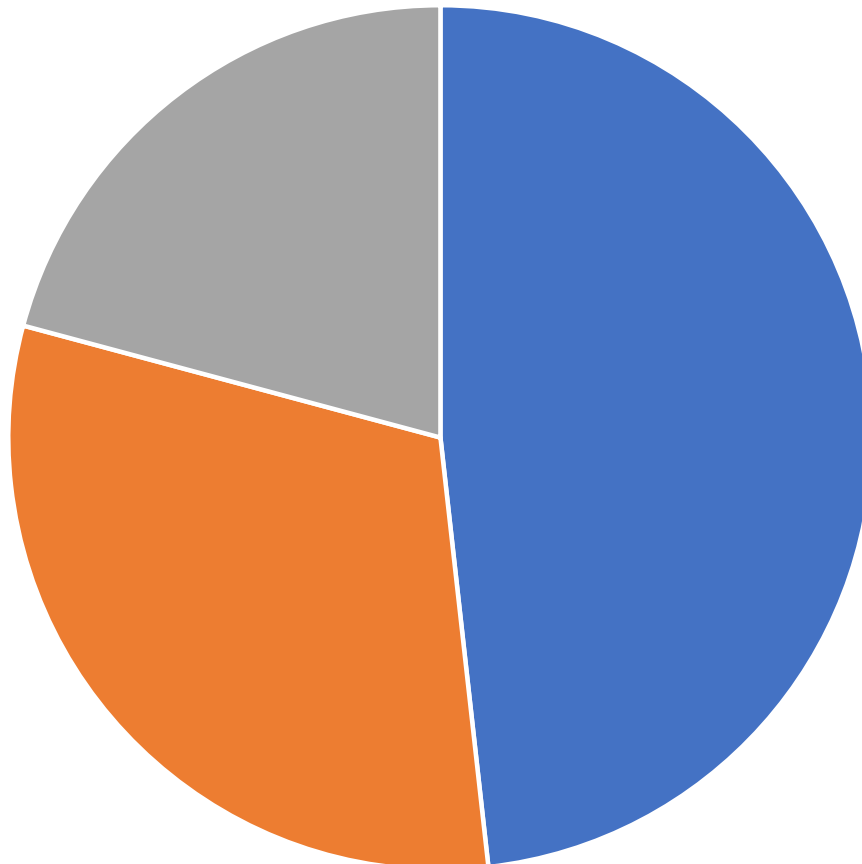
3 Kitchen and food operations

- ✓ Community Meals underway on Wednesdays
- ✓ Commercial kitchen and food supplier ramp up
- ✓ Crosstown Meals on Wheels start up at year end

Financial Position (at 12/31/24)



Cash Holdings at \$1.53 million

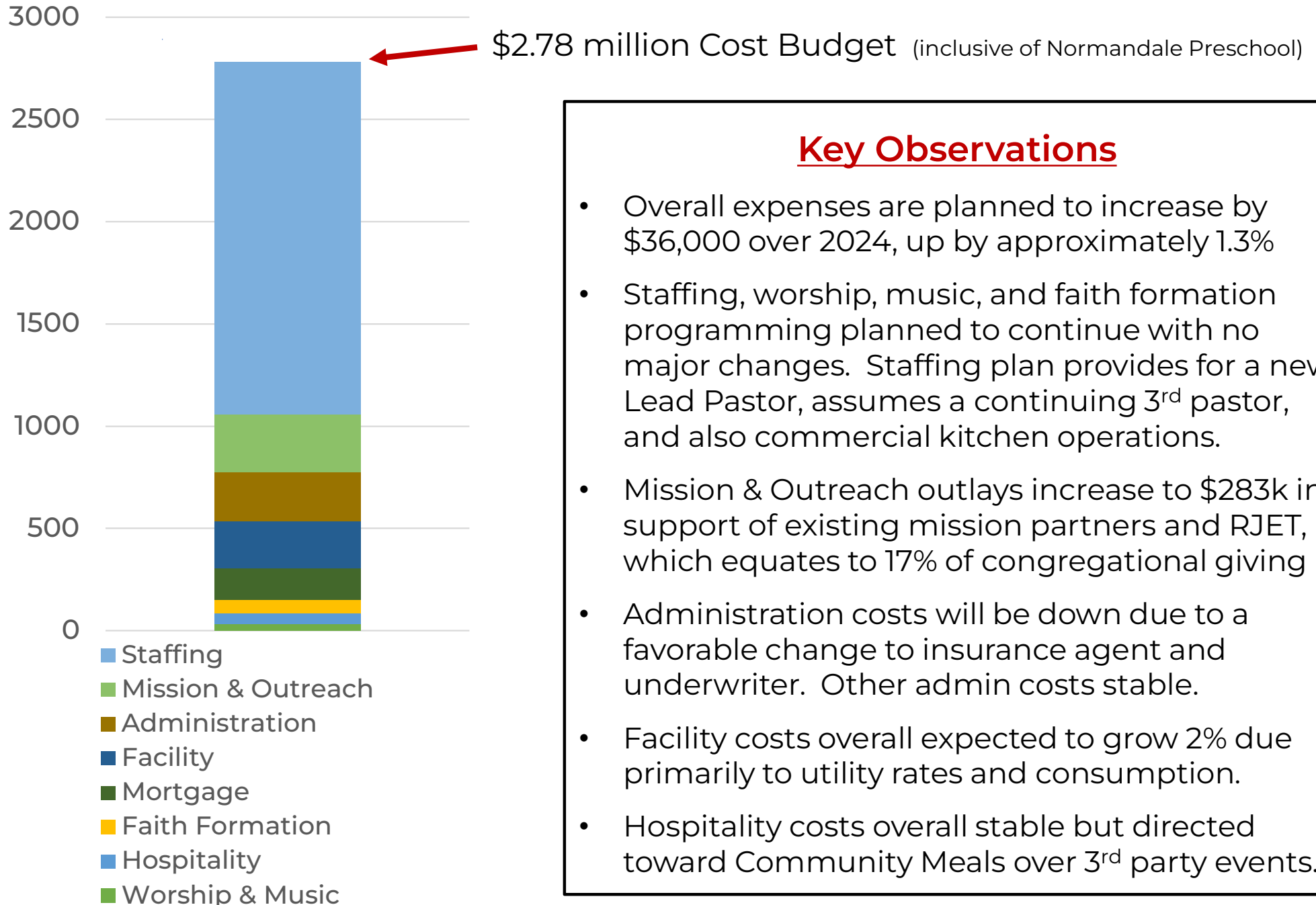


■ Council Controlled ■ Donor Restricted ■ General Fund

Key Observations

- Despite operating deficits of recent years, the church continues to be in a good financial position with strong liquidity to support 2025 ministry and beyond
- Council-controlled funds are notably high at present because of holdings of insurance claim proceeds, Employee Retention Credit (ERC) funds still held, and the Property Maintenance fund (see p.24 in report)
- Gifts to Vision 2025 campaign were \$375k in 2024, while ~\$400k of additional pledged gifts are due in 2025 to fund efforts continuing in 2026

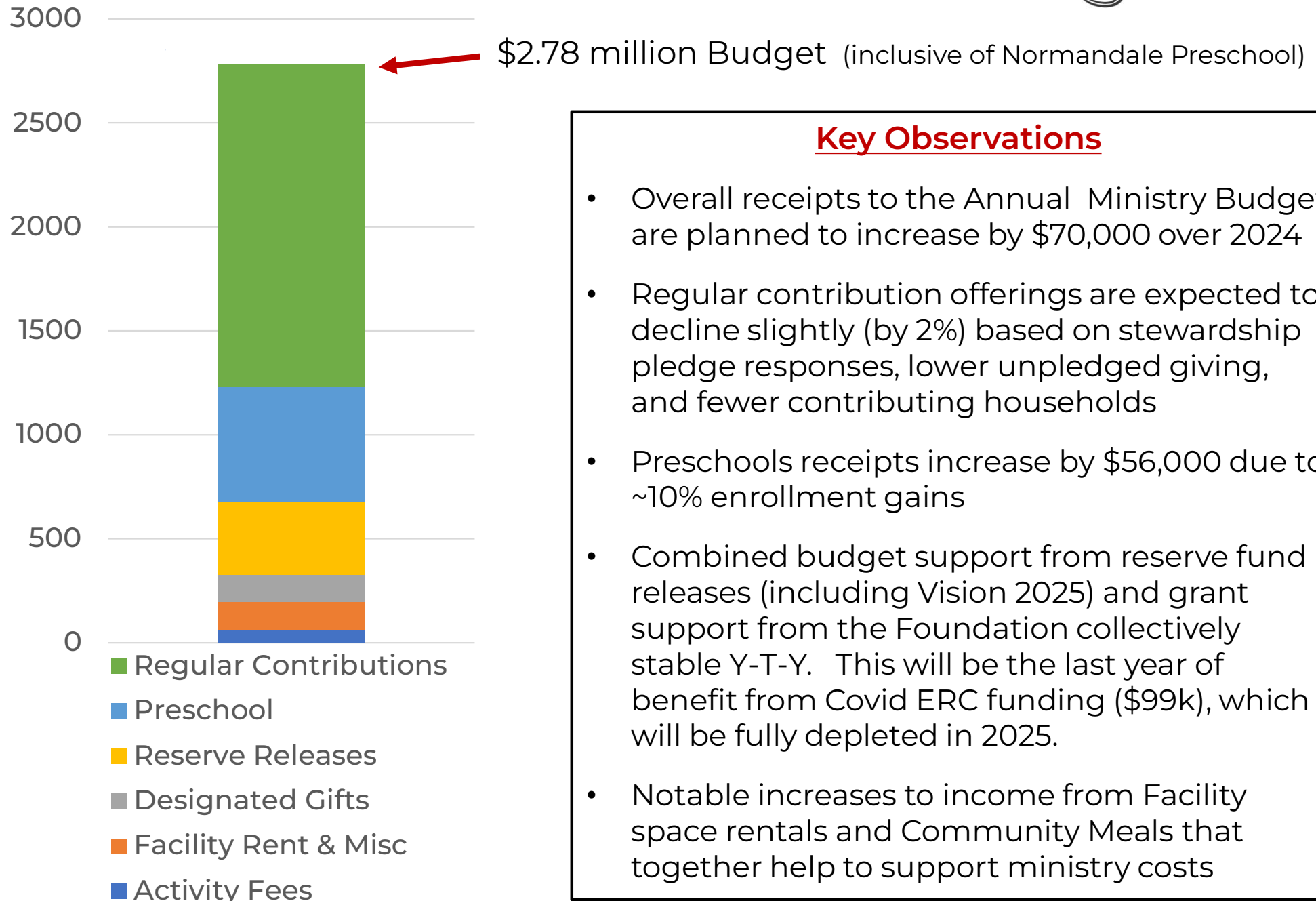
2025 Budget Expenses



Key Observations

- Overall expenses are planned to increase by \$36,000 over 2024, up by approximately 1.3%
- Staffing, worship, music, and faith formation programming planned to continue with no major changes. Staffing plan provides for a new Lead Pastor, assumes a continuing 3rd pastor, and also commercial kitchen operations.
- Mission & Outreach outlays increase to \$283k in support of existing mission partners and RJET, which equates to 17% of congregational giving
- Administration costs will be down due to a favorable change to insurance agent and underwriter. Other admin costs stable.
- Facility costs overall expected to grow 2% due primarily to utility rates and consumption.
- Hospitality costs overall stable but directed toward Community Meals over 3rd party events.

2025 Budget Receipts



Financial Summary



- 1 Church operated at a small deficit in 2024, as giving levels did not meet budget and income sources related to children/youth enrollments were also short of plan, but operating costs were held below budget to offset the impact of reduced receipts
- 2 Financial and liquidity position of the church remains strong
- 3 2025 Budget recommends a slight increase in overall expenditures (+1.3%) to grow ministry and community invitation efforts, with these costs supported by stable albeit slightly lower regular giving and by increased fee income sources for the church
- 4 Overall 2025 budget for Annual Ministry Plan returns to breakeven

2025 Budget Approval

The budget as presented by Church Council and staff leadership is recommended for congregational approval.

Elections for Church Council



Nominations for Approval

Carlos Llanes	1st Term
Ryan Petz	1st Term
???	1st Term

Other Current Council Members

Susie Baker	2nd Term
Tad Gullickson	1st Term
Edel Henningsen	1st Term
Sarah Howard	1st Term
Steve Milne	2nd Term
Alison Pence	2nd Term
Emily Steuerwald	1st Term
Lowell Stortz	2nd Term

Ending Terms

Chad Anderson
Jim Douglas
Mark Odland

Thank You !!

2024 Executive Committee





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Annual Meeting
February 23, 2025



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Annual Meeting Agenda

- Election of Directors
-

- Report of the President
- Update on donations & grants
- Financial update
- Discuss the year ahead



***Join us for
lunch and
discussion
in the
Fireside
Room***

Election of Directors

Nominations for Approval

Greg Buck	1st Term
Mark Odland	1st Term
Lowell Stortz	2nd Term

Completion of Term

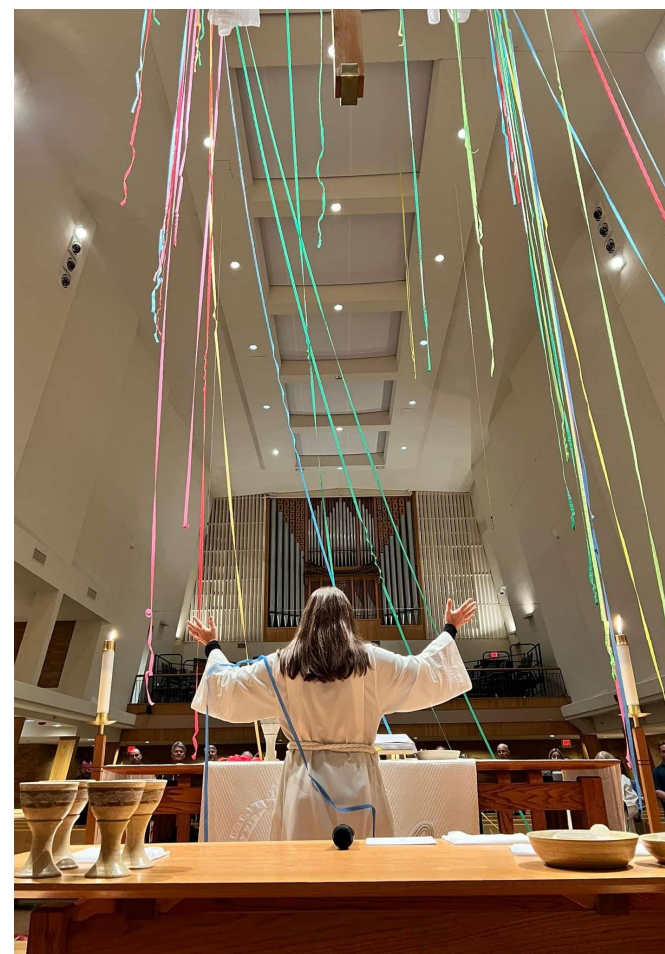
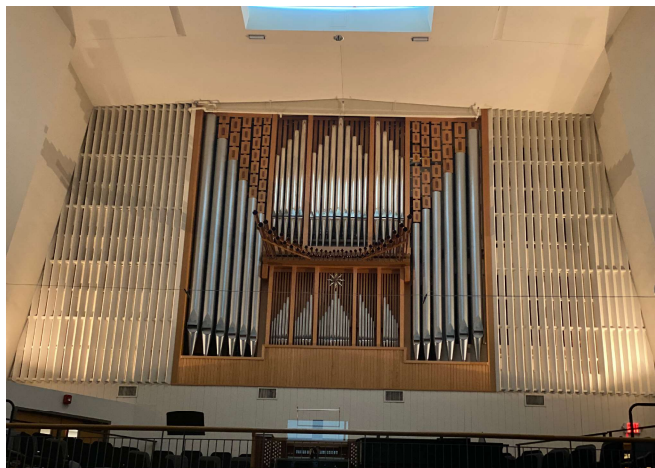
Phil Boelter



Thank You !!

Other Current Board Members

Lynne Billings	1st Term
Randy Gullickson	1st Term
Hans Lee	Ex officio
Brent Malcom	Ex officio
Kris Maser	1st Term
Bud Meadley	1st Term
Karen Newcomer	1st Term
Alison Pence	Ex officio
Bob Tengdin	2nd Term



Prayer & Benediction

Pastor Rebecca Gamble



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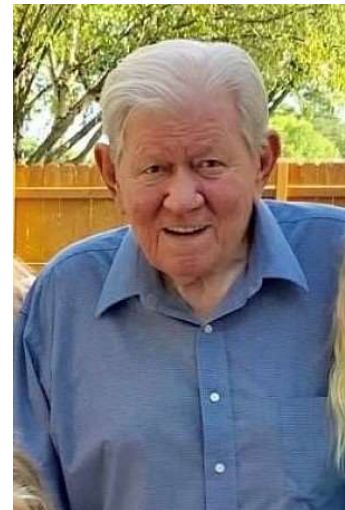
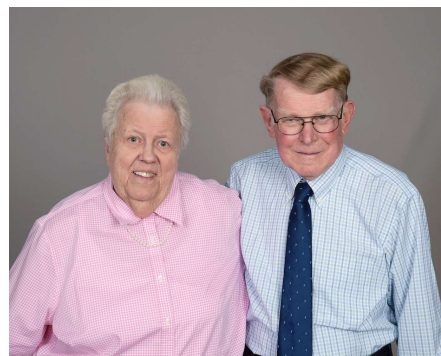
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2024 in Review

Generous contributions from members!

2024

2023



Normandale Foundation is here to support the long-term growth of the ministries of Normandale Lutheran Church!



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Recent Years' Grants

<u>Organization</u>	<u>Purpose</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Totals</u>
Normandale Lutheran Church	Trinity Commons	\$300,000			\$300,000
	Endowment Funds annual contribution to budget	\$ 12,762	\$ 6,364	\$ 6,212	\$ 25,337
	Seminarian support		\$ 28,500		\$ 28,500
	Community Outreach initiatives		\$ 20,000		\$ 20,000
	Organist support		\$ 20,000		\$ 20,000
	Organ Fund Annual Disbursement (Danielson Fund)		\$ 6,157	\$ 6,792	\$ 12,949
	Stewardship Dinners sponsorship		\$ 10,000		\$ 10,000
	Confirmation Retreat		\$ 2,000		\$ 2,000
	Wang Fund (Heritage Committee)	\$ 385	\$ 410	\$ 452	\$ 1,247
	Darwin Fund (for WWBS, Altar Guild, & Quilting)			\$ 1,148	\$ 1,148
	Johnson Fund (Senior pastor discretion)			\$ 2,532	\$ 2,532
Normandale Preschool	Preschool Scholarships funding			\$ 20,000	\$ 20,000
	Learning materials and toys replacements			\$ 6,000	\$ 6,000
	Spanish Immersion	\$ 500			\$ 500
Normandale Housing	Programming support	\$ 50,000			\$ 50,000
Center for Healing & Wholeness	Annual Support (Galatians Fund)	\$ 4,190	\$ 4,457	\$ 4,917	\$ 13,564
	Annual Support (KELL Fund)	\$ 2,721	\$ 2,910	\$ 3,226	\$ 8,857
Augsburg College	Annual scholarship support (Carlson Fund)	\$ 3,565	\$ 3,793	\$ 4,184	\$ 11,541
Community Emergency Services	Annual Support	\$ 6,872	\$ 7,311	\$ 8,064	\$ 22,247
		\$380,995	\$ 111,901	\$ 63,526	\$556,423



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Statement of Activities

	<u>2024</u>
Receipts	
Contributions	32,337
Interest & Dividends	68,772
Investment Gains (Losses)	279,290
Total Receipts	380,399
Expenditures	
Augsburg College - Carlson Fund - Annual	3,793
Community Emergency Services - Annual	7,311
Normandal Center for Healing & Wholeness KELL Fund - Annual	2,910
Normandale Lutheran Church - Danielson Organ Fund - Annual	6,157
Normandale Lutheran Church - Endowment Funds - Annual	6,364
Normandale Lutheran Church - Wang Fund - Annual Disbursement	410
Normandale Lutheran Church - Grants to NLC	80,500
Total Grants Awarded	107,444
Investment Management Fees	963
Admin and Accounting Expenses	15,626
Total Expenditures	124,034
Surplus / (Deficit)	256,365

Key Observations

- Good year for receipt of contributions and also investment fund returns
- Grant disbursements each year include annual disbursements prescribed by donors
- Key grant applications approved by the Board included grants to NLC for seminarian support, community outreach, stewardship and youth retreat.
- Combined financial activity led to a significant increase in the Foundation assets



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Financial Position (at 12/31/24)

Assets

Checking	3,106
Money Market	115,928
Fixed Income	770,329
Equity/Stocks	1,824,202
Total Assets	2,713,565

Liabilities

Custodial - Galatians Fund (for Healing & Wholeness)	98,335
Custodial Funds - Healing & Wholeness	111,432
Custodial Funds - NLC (for seminarian support)	77,919
Custodial Funds - Normndale Housing	282,627
Total Liabilities	570,312

Equity

Unrestricted Net Assets	452,622
Temporarily Restricted Funds	
Boelter Founders	12,864
Carlson (Augsburg)	83,670
Community Emergency Services	161,286
Darwin Memorial Fund	28,705
Johnson (Scholarship)	25,319
KELL (H&W)	71,683
NLC Endowment (H&W)	36,422
NLC Endowment (Youth)	98,312
NLC Ministries Fund	711,704
Norman (Music)	74,528
Normandale Music	48,040
Swanson (Organist)	100,357
Wang (Heritage)	9,042
Temporarily Restricted Funds	1,461,931
Permanently Restricted Funds	
Danielson (Organ)	135,840
Hitchcock (Education)	83,353
Knutson (Youth)	9,507
Permanently Restricted Funds	228,700
Total Equity	2,143,252
Total Liabilities & Equity	2,713,565

Key Observations

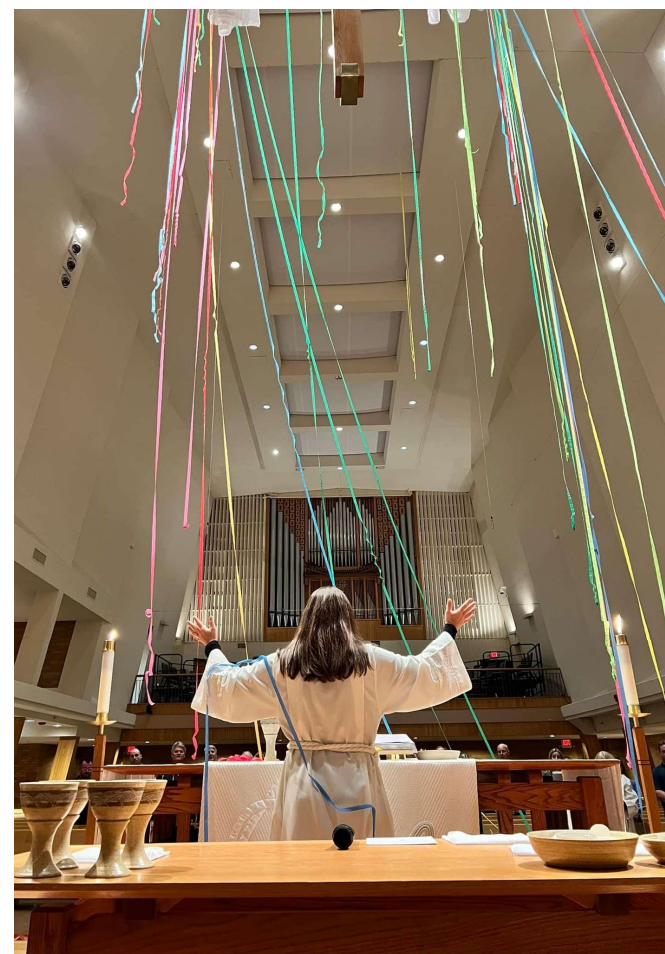
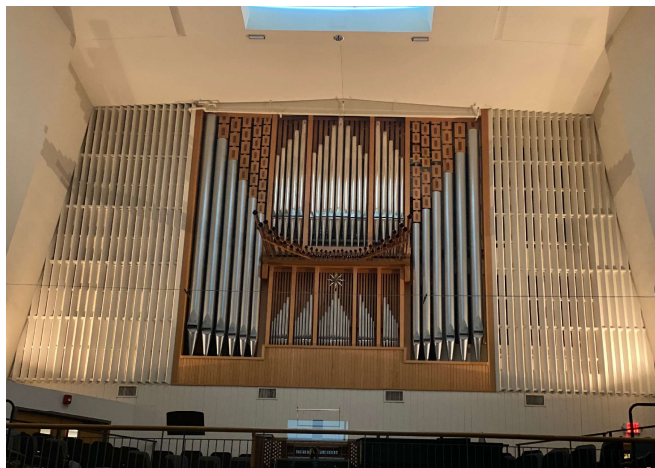
- Change in investment manager was made at end of 2023 to Sit Investment Associates
- Foundation assets grew by \$511k in 2024 due to strong investment returns and new contributions
- Custodial funds were increased by new proceed funds from Normandale Housing
- Foundation funds are in a strong position to continue to support growth in the ministries of the church



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The Year Ahead

- Recognition of 50th Anniversary of NLCF
- Role in 75th Anniversary of the Church
- Promote an understanding and model for gifting intentions related to Foundation support vis-à-vis Church donations
- Undertake work toward identifying members' legacy giving plans



Thank You
