2025
ANNUAL REPORT

First Lutheran CHURCH

320.762.2196 | firstlutheranalexandria.com | 1655 18th Ave E

PASTORS' PEN

"First Lutheran is a vibrant Christian community where faith and life meet through worship, learning, and serving in Jesus' name."

2025 was a year of unexpected transition for First Lutheran Church. The resignation of your lead pastor prompted the Congregation Council to contract with me for interim ministry, something that has not happened here since 2000. The interim process is a time to intentionally discern God's call for this congregation as you move into your next pastorate. Preparing to go in a new direction can be disconcerting. Trusting the Holy Spirit to work through this process is key.

The first months of my interim ministry with you were dedicated to getting to know the staff, council leadership, the congregation's organizational structure, and the ministry responsibilities of the lead pastor. Four interim goals were set in September 2025: 1. Improve communication, build relationships, and trust. Take time for processing changes in the past six years, i.e., new building, Covid shutdown, pastoral transitions, hurts, etc. 2. Update the constitution. 3. Review organizational and leadership structures and revise as necessary. 4. Clarify staff roles, job descriptions, and HR structure and accountability.

The Transition Task Force was appointed by the Congregation Council and started meeting in October. The Task Force has completed collecting historical information and hosted forums for the congregation. In February, the Task Force will focus on the congregation's current position. In March, the Task Force will focus on the ministry's future direction. The Task Force will use information gathered from the congregation to complete the Ministry Site Profile (MSP). The MSP is sent by the Synod staff to prospective candidates for the call to lead pastor. The goal is to have a call committee formed right after Easter. The call committee will receive the Rostered Minister Profile (RMP) for prospective candidates interested in serving Jesus as lead pastor at First Lutheran Church. The interview process will follow.

I have also been working with your dedicated Congregation Council and Human Resources Task Force to restructure the staff and organization to better align with this congregation's structure, as outlined in your mission statement shared above. New staff roles, job descriptions, HR structure, and accountability are presently being set in place.

A constitution committee has yet to meet. If you would like to serve or know someone who would, please let me know!

2026 will be another year of transition, as expected. I invite you to trust the Holy Spirit to lead this congregation to the mission and ministry God has in store for you!

~Pastor Karen Young Trenne

PASTORS' PEN

"*'Oh, it wouldn't be fair to rush to church because one was miserable,' I said to the pastor – taking care to look particularly cheerful.*
'It'd be most unfair not to – you'd be doing religion out of its very best chance.' Said the Pastor. 'You mean Man's extremity is God's opportunity?'
'Exactly. Of course, there are extremities at either end; extreme happiness invites religion almost as much as extreme misery.'"

- From I Capture the Castle by Dodie Smith

I invite you to read the above quote; then reread it. The church is full of many filled with extreme happiness and extreme misery and everyone in-between. This pastor feels all those emotions as well. It is a wonder we accomplish anything – and yet, in those extremes, where we share our authentic selves is where God meets us.

"God is our refuge and strength, a very present help in trouble."
~ Psalm 46:1

I am humbled once again to reflect on the gift it is to be one of your pastors. I get to walk with you through life's greatest joys and difficulties and all the ordinary days in-between. My greatest memories of this past year were the women's retreat, teaching confirmation, Easter worship, the Twins Game, Reformation Sunday fun, weddings, funerals, baptisms, and so much more. I look forward to seeing how Jesus continues to walk with us in 2026's extremes and getting to know my church family more.

Your human pastor who loves you,
Pastor Julé Ballinger

Dear First Lutheran Friends,

2025 was a year of much change. There was transition in our pastoral team. Caring ministry has shifted after the retirement of our parish health nurse. We have spent many hours asking how we steward the ministries which are in our care into God's future.

This last year we have walked together in illness, grief, and aging. We have celebrated births, graduations, and marriages. We have shown up for our neighbors, though imperfectly. We have felt deep turmoil at home and across the world. We have relished moments of laughter, a visit from a caring companion, celebrating Holy Communion together, receiving a card at just the right moment. And we have prayed - some days in gratitude, some days out of frustration - for Jesus to guide us, make us whole, and fill us with hope.

In the midst of all the change, our purpose has stayed the same - to share the transformative love of Jesus inside and outside our walls. Jesus walks with you on the mountain tops and in the valleys and everywhere in between. Yesterday, today, and always - you are not alone.

~Pastor Megan Preston

COUNCIL & BOARDS

The Council is supported by five boards that represent our core values: Worship, Learning, Serving, Finance & Facilities, and Communications.

2025 Council

Bruce Belseth - Chair

Scott McDonald - Vice Chair

Gene Hartwig - Worship Board

Cody Hammer - Learning Board

Michelle Flaten - Serving Board

Jed Burkey- Finance & Facilities Board

Stephanie Heseltine - Communications Board

Joanne Bliese - Treasurer

First Lutheran is a
vibrant Christian Community

Where faith and life meet

through worship, learning,
and serving in Jesus' name.

Worship

Gene Hartwig *
Corliss Stark
Carrie Urness
Pastor Karen Young Trenne
Paula Odland
Randy Morken

Serving

Michelle Flaten *
Dave & Alice Anderson
Hilarie Tolifson
DeDe Tollefsrud
Jeff Lindoo
Twylla Vickmark

Learning

Cody Hammer *
Julie McDonald
Roger Schultz
Kim Taylor
Pam Miller
Pastor Julé Ballinger

Finance & Facilities

Jed Burkey *
Michael Amberg
Nancy Doebbert
Darrell Egly
Dave Holtz
Chuck Thompson
Greg Tvrdik
Maria Waggoner

Communications

Stephanie Heseltine *
Craig Andrews
Neal Larson
Natosha VanLiere
Jill Holverson
Molly Comer

*represents council liaison

WORSHIP

We provide meaningful, relevant worship that is joy-filled, authentic, and inspiring for all ages and stages of life.

We grew in faith together as we worshipped in our sanctuary and outdoor space.

We journeyed through the highs and lows of Holy Week, with services on Palm Sunday, Maundy Thursday, Good Friday, and Easter.

We had a beautiful evening of ecumenical worship on Wednesday, November 26, with our friends from St. Mary's, Calvary, Bethesda, Shalom, United Methodist, First Congregational, and Emmanuel Episcopal. The offering from this service supported Harvest Pack, and together we raised $1,475.48.

We celebrated the joy that Jesus' birth brought to the world on Christmas Eve.

Pictured above is the manger scene from the children's worship service and adjacent is from a candlelight service.

LEARNING

We nurture vibrant and active faith for people of all ages and stages of life.

It's been a fun year learning and growing in faith together. Members traveled around the state, met in homes, and gathered at church to dive into scripture, explore God's creation, and deepen relationships with each other and with God.

Reformation Sunday

Women's Retreat

Pastor Talks

Sips & Scripture

Small Groups

Mystery Trip - U of M Landscape Arboretum

The Great Up North Trip

Minnesota Twins Baseball Game

LEARNING

We LOVE kids at First Lutheran, and our goal in youth ministry is to foster relationship building between students and God and their peers. We do this through worship, learning, serving, and by having a whole lot of fun together!

34 Confirmed 10th Graders

12 Bibles Given to 2nd Graders

22 First Communion Students

36 Students went on the High School Houseboat Trip

86 Students & 64 Volunteers Participated in VBS “True North”

21 Students went on the Middle School Canoe Trip

6 Bibles Given to 3 Year Olds

LEARNING

In January 2025, our Children, Youth, and Family staff attended Extravaganza, a continuing education conference for ministry leaders. They returned inspired to reimagine our whole CYF ministry. What began as a dream—to help every child feel seen, loved, and connected to God—has grown into a full rebrand of our programs: Spark, Ignite, Ablaze, and Bonfire. We've also refreshed several spaces to be warm, welcoming, and full of life, reflecting the vibrancy of this ministry we share.

FAMILY MINISTRIES
FIRST LUTHERAN CHURCH

SPARK
BIRTH - PRE K

IGNITE
K - 5TH GRADE

ABLAZE
6TH - 9TH GRADE

BONFIRE
10TH - 12TH GRADE

THIS LITTLE LIGHT CHOIR

Weekly Programming

311 Students
48 Adult Leaders
20 Student Leaders
30 Mentors

THE LANTERN
CALM CORNER

The Firepit is a youth space where faith and friendship come alive! It's the ultimate hangout for middle and high school students.

The Lantern is a quiet, calming space designed for students who need a moment to recharge. This sensory-friendly room offers peace, comfort, and safety for those who feel overwhelmed in large or small groups. Here, students can take a break, breathe, and reset—so they can return feeling refreshed and ready to engage.

THE FIREPIT
YOUTH ROOM

HOSPITALITY & CARE

371+
Worship Hospitality Volunteers

121
Lent Volunteers

20
Ambassadors

21
Caring Companions

160+
Outdoor Worship Volunteers

Ashes delivered to 40+ members at 7 locations on Ash Wednesday.

127
Households received grief care.

FLC Bus
259 Riders
4 Facilities
9 Drivers

Palms delivered to 70 members at 8 care facilities.

164
Funeral Volunteers

23
Communion Prep Volunteers

6
Senior living facilities receive monthly communion services.

SERVING

We engage leaders of all ages and stages of life to extend hospitality, build relationships and care for one another, our community, and the world.

We are proud of the many ways this faith community comes together to serve within and beyond our walls. These pages include some examples of how you shared your gifts with others in 2025.

Habitat for Humanity Faith Build Partners

In 2025, 43 volunteers served over 1,896 hours building homes and creating affordable housing.

Shoes for School

This year was the fourth annual event with the mission to put new, well-fitting shoes on Alexandria area students who need them. Through this outreach, over 180 kids walked away confidently in their new shoes!

Mission Quilters

Our mission quilters work diligently throughout the year to make kits for Lutheran World Relief & Global Health Outreach. This year they shipped out 119 quilts, 48 lab coats, and 486 kits, including baby, personal care, fabric, hospice, & school kits!

They also donated two veterans' dignity quilts to Grand Arbor (pictured).

Bricks to Bread

We partnered with Bricks to Bread on Reformation Weekend to make over 500 homemade pretzels. $757 was raised for their mission to help build brick ovens for Costa Rican families seeking a sustainable source of income. Volunteers from First Lutheran also support Bricks to Bread throughout the year baking and selling bread.

Outreach Food Shelf & FLC Garden

This year First Lutheran donated $4,850 ($9,700 after a matching grant) along with over 2,700 pounds of non-perishable items to the Outreach Food Shelf. Additionally, the garden on our property was tended by FLC volunteers so we could supply fresh produce to local families with food insecurity.

Health Professional Care Bags

As a way to show support and gratitude to local health professionals, students packed over 900 gift bags that were delivered to Alomere Health.

SERVING

Each of you should use whatever gift you have received to serve others, as faithful stewards of God's grace in its various forms.
-1 Peter 4:10

Douglas County Foster Closet

Our 2025 Advent of Gratitude supported the Douglas County Foster Closet, which provides immediate needs to foster and adoptive families. Through your generosity, $1,205 in cash, $360 in gift cards, and two car loads of donations were given to support this impactful program.

Adopt A Highway

First Lutheran Church has adopted a two and a half mile section of the highway along South McKay. Each spring and fall, volunteers gather to pick up trash and care for God's creation.

DMS Shelf

The DMS Shelf is a food program at the Discovery Middle School that was started by First Lutheran in 2017 to ensure that students have access to nutritious food on the weekend. In 2025, we collected $6,556.71 to support middle schoolers!

Mobile Food Pantry

Volunteers from First Lutheran continue to support a Mobile Food Pantry site in our community.

Each month, over 500 pounds of food is delivered to Viking Towers where clients face physical or transportation barriers.

Let's Go Fishing

In June, our Parkinson's Disease Support Group partnered with Let's Go Fishing to enjoy a scenic boat ride on the chain of lakes.

Red Cross Blood Drive

First Lutheran volunteers made 11 Red Cross Blood Drives possible in 2025. We have over 612 registered donors, collected 587 units, and served over 1,700 patients. Thank you for your lifesaving impact!

FINANCE & FACILITIES

We provide operational and financial oversight to coordinate a safe, comfortable, and sustainable environment for all ages and stages of life at First Lutheran Church.

The financial life of First Lutheran Church reflects both faithful generosity and the real challenges facing congregations today. In 2025, the church continued to steward resources carefully while sustaining a broad range of ministries across worship, learning, serving, communications, community preschool, and facilities.

Our year-end numbers show total income of $1.59M and total expenses of $1.71M, leaving an operating shortfall of about $123,000. That gap was covered through a combination of our beginning balance and cash reserves, allowing our ministry to continue uninterrupted throughout the year.

Income:

General Fund Offering	*$1,415,037*
Non-Offering Income	*$ 175,684*
Total	*$1,590,721*

Expense:
Total $1,714,384

Difference:
Total (-$ 123,663)

Year-End Position:

General Fund Balance	*$ -43,124*
Cash Reserve Balance	*$135,568*

The 2025 approved budget was $1,769,500, and through careful stewardship and fiscal responsibility, the year ended $55,116 under budget. First Lutheran Church is not simply about numbers—it is about people, ministry, and mission. Even in a challenging financial climate, the congregation continues to worship, serve, learn, and care for one another with faith and generosity. With prayerful stewardship, transparent leadership, and shared commitment, we look ahead with hope—trusting that God will continue to provide as we seek to align our resources with God's call for this community.

~Joanne Bliese - Treasurer

Summer Storm Damage

On June 2, 2025, First Lutheran Church was struck by lightning, which damaged several critical building systems. Most significantly, the strike affected portions of our sound and audio equipment and the church bell—an important and beloved part of our worship life. Thank you for your patience throughout much of the summer as we navigated less-than-ideal livestreams and radio broadcasts while replacement equipment was ordered and installed.

Following the incident, the damage was quickly assessed, and an insurance claim was filed. We are grateful that insurance fully covered the repair and replacement of the damaged sound equipment, allowing worship, livestreaming, and other gatherings to continue without long-term disruption. Repairs to the bell were also completed, and it was fully restored and operational by December 23, 2025.

CAPITAL CAMPAIGN

Set Free Capital Campaign | August 1, 2024 - Sept 30, 2026

The Set Free Capital Campaign was launched with a bold and faithful vision: to eliminate our building mortgage and free First Lutheran Church for ministry, mission, and long-term sustainability. By addressing this debt, we seek to redirect financial resources away from interest payments and toward the life-giving work God is calling us to do in our community and beyond.

A significant milestone occurred in September 2025, when our adjustable-rate mortgage reset from **4.2% to 7.375%.** While the interest rate increased, the loan restructuring resulted in a **lower monthly payment, dropping from $25,126 to $14,906**. This change has provided important short-term relief in our operating cash flow, while also underscoring the importance of continuing our efforts to fully eliminate the mortgage and protect the congregation from future rate volatility.

Campaign Highlights:

- Total Goal: $1,760,000
- Engaged Households: 202
- Pledged Amount: $737,828
- Non-Pledged Gifts: $78,401
- Funds Received Since August 2024: $578,564

As the Set Free Capital Campaign draws to a close this coming fall of 2026, the congregation will be invited into the next faithful step of this journey.

> *Let no debt remain outstanding, except the continuing debt to love one another, for whoever loves others has fulfilled the law.*
>
> *-Romans 13:8*

We will be discerning pathways to fully retire the remaining building debt, which may include continuing gifts to the campaign, making additional one-time contributions, or possibly incorporating the ongoing mortgage payment into the annual operating budget in 2027. These options will be prayerfully considered with transparency and care, keeping the congregation's long-term health and mission at the forefront.

Every gift, large and small, moves us closer to freedom from debt and toward a future where more of our resources can be devoted to worship, learning, serving, and caring for our neighbors. We give thanks for the generosity already shown and remain prayerful and hopeful as we continue this journey together, trusting that God will provide as we step forward in faith.

COMMUNICATIONS

We promote our mission and values in order to engage people of all ages and stages of life in our congregation and community.

A LOOK BACK ON OUR SERMON SERIES

1,252
Subscribers to the weekly e-news

373
Followers on our Instagram page

CELEBRATIONS

- **5** Weddings
- **25** Funerals
- **46** Sponsored Radio Broadcasts
- **38** Sponsored Livesteam Services
- **40** New Members
- **35** Confirmed
- **15** Baptisms

531
Subscribers on our YouTube channel

ATTENDANCE

- **189** Average Outdoor Worship
- **1,526** Christmas Eve
- **521** Carols and Candles
- **440** Confirmation
- **554** Average Weekly Worship
- **1,248** Holy Week Services
- **1,318** Easter

2,600
Followers on our Facebook page

YOUTH SNAPSHOTS

PARENT'S NIGHT OUT

We hosted two Parents' Night Out this year. Middle and high school students, along with other volunteers, signed up to hang out and play games with kids in our congregation while parents could enjoy some time away together. Funds raised from these events help support summer youth trips.

ATCC CONNECTIONS

In 2025, we grew our outreach and partnership with Alexandria College. We offered students free meals on Wednesday nights and hosted a fall tie-blanket event and a spring mindfulness event to support students ahead of their finals. We give thanks for these opportunities to extend ministry to young people beyond our walls.

MAY DAY CELEBRATION

On Saturday, May 3, we held a Family May Day Celebration that included crafts, games, face painting, a bounce house, a book exchange, story time, snacks, pop-up book shops, and more! Approximately 150 people attended, including many community members. A big thanks to everyone who made this fun and springy event come to life!

DAY OF CARING

First Lutheran is a proud sponsor of the annual Day of Caring, facilitated by United Way and Discovery Middle School. Over 350 students and leaders were out around the community on Thursday, May 22nd, helping with various service projects.

EVENT SNAPSHOTS

PROM PHOTOS

On Saturday, May 3, we welcomed prom attendees and their parents to come to First Lutheran to take photos. There were indoor and outdoor photo locations, along with a great spread of snacks and cider. We love being a place where faith and life meet!

PRIDE IN THE PARK

On Saturday, July 12, pastors, staff, and volunteers from First Lutheran hosted a table at Pride in the Park. Our team helped welcome attendees, offered glitter blessings, and shared information. It was a great opportunity to show our commitment to love, inclusion, and hospitality.

WELCA CONVENTION

First Lutheran hosted the Synod's WELCA Convention on September 19-20. 107 women from across our area came together for worship, breakout sessions, and a business meeting. Jennifer Hockenbery delivered a message about being an authentic woman of God in today's world. The event concluded with a worship service, during which Bishop Bill Tesch delivered the sermon. It was a joyful reminder of the Spirit at work through WELCA!

THE CHRISTMAS BOUTIQUE & BAKE SALE

This was a record-setting year, raising over $22,500! These funds will support Community Preschool, Children's, Youth, and Family Ministries, Alexandria College Wednesday night meals, and the Douglas County Foster Closet. This was a true congregational effort, with over 200 people baking, crafting, making lefse, and volunteering at the event.

ADVENT SNAPSHOTS

FAMILY MUSIC CLASS

Kids ages 18 months - 5 years old celebrated the nativity story with singing, movement, and instruments during the Christmas Family Music Class led by Paula Odland.

CAROLS & CANDLES

Our annual Carols & Candles service in December was as beautiful as ever. We are so blessed by such incredibly talented musicians!

FIRESIDE SING-A-LONG

In December we gathered around the fireplace and joined our voices to sing Christmas songs. This special evening was led by Paula Odland, Pat Kalina, and Joyce Engel with some special guest singing by First Lutheran youth. It's always a blessing to sing and celebrate the Christmas season together!

THE LIVING NATIVITY

Once again, we had an incredible Sunday for our 41st annual Living Nativity. We love this meaningful tradition! Over 230 volunteers came together to reenact the nativity scene. Over 500 cars made their way through the line to experience the story of Jesus' birth.

COMMUNITY PRESCHOOL

Community Preschool is in its 47th year as part of First Lutheran Church! Our preschoolers have been busy painting, counting, writing names, drawing shapes and pictures, singing, and reading books. We enjoy the opportunity to attend Musikgarten classes twice a month and have been thrilled to add monthly chapel time with the pastors or children's ministry team to our schedule. We have 89 spots filled for the 25-26 preschool year, and we look forward to everything in store for students in 2026.

~Melisa Schueler, Director

Community Preschool
of First Lutheran Church

OUR STAFF AND PARTNERSHIPS

Our preschool continues to partner with Alexandria College (ATCC) as an opportunity for early childhood development students to have a place to complete their lab explorations and student teaching. The ATCC nursing students also complete part of their pediatric rotation here at the preschool.

STAFF

Melisa Schueler, Director, 27 years
Randi Rach, Teacher, 5 years
Angie Carstensen, Assistant, 9 years
Helen Maier, Assistant, 20 years

BOARD

Mary Carpenter
Amanda Grove
Ivy Herd
Leona Hurlbut
Laura Olson
Alea Peterson

Angie Carstensen, Melisa Schueler, Randi Rach & Helen Maier

Annual Meeting Agenda
February 8, 2026 | 11:15am | Sanctuary & Zoom

First Lutheran is a vibrant Christian Community **where faith and life meet** through **worship**, **learning,** and **serving** in Jesus' name.

Welcome and Call to Order…..……..…….…..... Bruce Belseth – Council Chair

Opening Prayer…..……..…….…….…. Pastor Julé Ballinger

Approval of the 2025 Annual Meeting Minutes……..…….. Vote to Approve

Endowment Fund Report.…….…..…….Jody Johnson, Endowment Fund Treasurer

Audit Report ……..…..……Joanne Bliese – FLC Treasurer

Treasurer's Report……..……Joanne Bliese – FLC Treasurer

Building Fund and Capital Campaign Report……..…Greg Tvrdik - Church Administrator

Pastor's Reports……..

Pastor Karen Young Trenne
Pastor Julé Ballinger
Pastor Megan Preston

Council Chair Reflection ……..…Bruce Belseth

Elections……..……..…. Scott McDonald Council Vice-Chair
Vote to approve Synod Assembly Voting Members, Delegates and Council and Board Terms

Presentation and Vote to Approve 2026 Budget……..……

Dave Holtz – Finance and Facilities Board
Bruce Belseth – Council Chair
Greg Tvrdik – Church Administrator

Old/New Business…..…..…….……

Closing Prayer and Blessing ……..……..…..…Pastor Megan Preston

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Adjourn……..…….…..……..…Bruce Belseth – Council Chair

First Lutheran Church 2025 Financial Report Summary

See the full annual financial report for details.

GENERAL MINISTRY FUND

	2025 BUDGET	2025 ACTUALS	2026 PROPOSAL
OFFERING INCOME	$1,571,960	$1,415,037.28	$1,423,600
OTHER INCOME	$197,540	$175,683.54	$232,000
TOTAL INCOME	**$1,769,500**	**$1,590,720.82**	**$1,655,600**
WORSHIP			
Ministry & Operations Exp.	$18,450	$22,794.65	$20,670
Personnel Expense	$380,630	$355,295.67	*see below*
WORSHIP TOTAL	**$399,080**	**$378,090.32**	**$20,670**
LEARNING			
Ministry & Operations Exp.	$44,200	$43,190.35	$33,050
Benevolences	$5,000	$5,000.00	$4,000
Personnel Expense	$269,000	$262,451.38	*see below*
LEARNING TOTAL	**$318,200**	**$310,641.73**	**$37,050**
SERVING			
Ministry & Operations Exp.	$10,300	$11,337.02	$60,150
Benevolences	$55,000	$53,000.00	$50,000
Personnel Expense	$163,458	$157,365.76	*see below*
SERVING TOTAL	**$228,758**	**$221,702.78**	**$110,150**
COMMUNICATIONS			
Ministry & Operations Exp.	$28,000	$27,414.79	$26,600
Personnel Expense	$109,434	$103,967.21	*see below*
COMM. TOTAL	**$137,434**	**$131,382.00**	**$26,600**
COMMUNITY PRESCHOOL			
Ministry & Operations Exp.	$5,200	$2,376	$5,200
Personnel Expense	$206,440	$196,839	*see below*
PRESCHOOL TOTAL	**$211,640**	**$199,215.37**	**$5,200**
FINANCE & FACILITIES			
Ministry & Operations Exp.	$241,450	$239,701.54	$286,055
Personnel Expense	$232,938	$233,650.51	*see below*
FINANCE & FACIL. TOTAL	**$474,388**	**$473,352.05**	**$286,055**
PERSONNEL EXPENSE			
Pastoral Staff	shown above under each board	shown above under each board	$357,687
Lay Staff			$620,452
Preschool Staff			$179,736
Wellness & MN Paid Leave			$12,000
PERSONNEL TOTAL	**$0.00**	**$0.00**	**$1,169,875**
TOTAL EXPENSE	**$1,769,500**	**$1,714,384.25**	**$1,655,600**
2024 GENERAL FUND NET BEHIND:	**-$123,663.43**		

General Fund Beginning Balance 2025:		**$80,539.55**
Total General Fund Income:	**+**	**$1,590,720.82**
Total General Fund Expense:	**-**	**$1,714,384.25**
GENERAL FUND YEAR END BALANCE 2025:		**-$43,123.88**

BANK ACCOUNT ACTIVITY

GENERAL CHECKING ACCOUNT	
BALANCE 1/1/25	**$80,539.55**
2025 Additions	$1,590,720.82
2025 Disbursements	-$1,714,384.25
BALANCE 12/31/25	**-$43,123.88**
CASH RESERVE ACCOUNT	
BALANCE 1/1/25	**$139,336.22**
2025 Additions	$1,231.73
2025 Disbursements	-$5,000.00
BALANCE 12/31/25	**$135,567.95**
BUILDING ACCOUNTS	
BALANCE 1/1/25	**$272,060.03**
2025 Additions	$334,181.60
2025 Disbursements	-$411,852.45
BALANCE 12/31/25	**$194,389.18**
CONSTRUCTION LOAN	
BALANCE 1/1/25	**$1,819,079.79**
2025 Payments to Principal	$332,821.41
2025 Interest Accrued & Paid	$79,031.04
BALANCE 12/31/25	**$1,486,258.38**
DESIGNATED GIFTS & MEMORIALS FUND	
BALANCE 1/1/25	**$66,381.00**
2025 Additions	$87,524.95
2025 Disbursements	-$61,895.55
BALANCE 12/31/25	**$92,010.40**
PROJECT NEIGHBOR FUND	
BALANCE 1/1/25	**$2,563.72**
2025 Additions	$7,097.72
2025 Disbursements	-$6,536.37
BALANCE 12/31/25	**$3,125.07**

The 2026 budget reflects several significant cost increases and changes to more accurately represent the cost of ministry at First Lutheran.

Food, coffee, and supplies have historically been treated as an “in-and-out” expense. For 2026 we have split income and expense into separate lines for $55,000 each. This causes no net change to our bottom line, and our goal remains to have income cover these expenses. An internship expense of $30,000 has been added under pastoral expense with the hope of receiving dedicated income to offset this cost. Repairs and maintenance increased by $24,000, primarily due to the need to stripe and seal the parking lot. Insurance premiums increased by approximately $9,000. Personnel costs also increased by $10,000 due to the Minnesota Paid Family and Medical Leave Act, effective January 1.

Conversely, the 2026 budget includes a $179,554 reduction in personnel costs to ensure closer alignment with projected income. Boards also diligently reduced expense wherever possible.

Overall, we seek to present a realistic financial picture so that we can be faithful stewards of the offerings entrusted by our congregation.

First Lutheran CHURCH