

# 2023 ANNUAL REPORT



**OUR MISSION:**  
**TO LEAD ALL PEOPLE TO A LIFELONG FAITH IN JESUS CHRIST**  
This drives every decision we make and guides every conversation we have.

CALVARY  CHURCH





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## A NOTE FROM PASTOR HANS

Happy New Year, church!

Consider this: How do you measure the effectiveness or success of a church? Generally, there are two statistics church people use: Butts and bucks. It sounds funny, but you know it's true. Churches count how many butts are in the pews and how many bucks are in the offering plate.

At Calvary, our mission is *to lead all people to a lifelong faith in Jesus Christ*. We exist to move people into a growing relationship with Jesus Christ, and help people live lives shaped by the love, hope and grace of God.

Church, you are smart. You know that butts and bucks don't tell us whether or not we are reaching this mission. You can attend worship and write your annual check to the church, and just be going through the motions, never experiencing the love, hope and grace found in an engaged faith.

As you peruse this annual report, you may be tempted to shuffle past all the pages that speak of the powerful ministry done in this place in 2023 so you can get to the financials. Resist that temptation. Don't worry, the finances are fine. Calvary is the most generous church I've ever been a part of. But, please, resist the temptation to measure our success as a church in dollars and cents.

In fact, this year Calvary's leadership asked: *How do we know if we are really living out our mission?* Instead of only tracking butts and bucks, **we decided we needed better metrics**. So, we asked: "What would we see if we were actually leading people to a lifelong faith in Jesus?" Here's how we answered that question:

More and more people would be...

- sharing faith and life intentionally with one another in **groups**.
- stepping into **leadership** roles and actively leading others toward a lifelong faith.
- using their time and talents in **service** to our church, community, and world.
- realizing how God has blessed them with resources to generously **give**.

As you read through this Annual Report, look for these indicators. I believe you'll find them in droves. Friends, God is using you and using our church to point people to Jesus, grow faith and improve lives. Every week we see people connecting with God who never had in the past. We see families being restored, marriages rescued, and students finding hope and courage – lives are being changed.

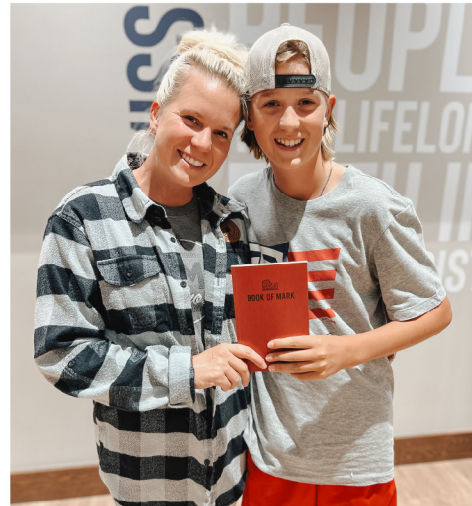
Thank you for being a church with better metrics!

Hans Dahl, Lead Pastor



# OUR MISSION:

TO LEAD ALL PEOPLE TO A  
LIFELONG FAITH IN JESUS CHRIST



**310 people** received daily text messages for **Bible studies** focused on Romans, Exodus and Mark, with hundreds more watching through YouTube, Facebook and local cable



Quilters faithfully met every Monday to produce **530 mission quilts** they distributed locally and globally through Lutheran World Relief

We expanded the canopy at Calvary at the Lake to provide shade for the **7,304 people who worshiped** between Memorial Day and Labor Day



**98 adults mentored Elevate students** 1-on-1 during the month of January



Worship attendance grew **7.7%** over last year, averaging **730 people each week**



Your generosity supported our largest Houseboat Trip yet, with **33 high schoolers and 7 adults** deepening their faith surrounded by God's beautiful creation



**57 babies, kids, and adults** were **baptized** at the lake and the church



Families accompanied their kids through important faith milestones, with **54 elementary students receiving first communion, 58 kindergartners and 4th graders receiving Bibles, and 22 sophomores celebrating Confirmation**

**45 adults** who are newer to Calvary or wanted to get more engaged **attended a Next Steps Gathering**



By the end of the 2023 school year, **436 kids and students** had participated in Calvary's weekly **Next Gen programs**, and momentum remained strong with that number reaching **505** by December



**1,662** people joined us for Easter worship and **2,275** people for Christmas



# OUR VISION:

TO CARE AS MUCH FOR THOSE WHO  
AREN'T HERE AS THOSE WHO ARE, AND TO  
HELP OTHER CHURCHES DO THE SAME



**In 2023 we saw more and more people at Calvary**  
...sharing faith and life intentionally with one another in **groups**.  
...stepping into **leadership** roles and actively leading others toward a lifelong faith.  
...using their time and talents in **service** to our church, community, and world.  
...realizing how God has blessed them with resources to generously **give**.



Understanding that Calvary pastors could never provide sufficient individual care for every worshiper, we engaged **197 people in Connect Groups**, meeting regularly to grow in their faith and support one another



**30 Caring Ministers** regularly visited, brought communion and checked in on Calvary members who were homebound or struggling

Throughout the year, **321 Guest Services Volunteers** authentically and graciously welcomed people to Calvary as they held doors, collected offering, and served pizza with a smile



**73** people chose to become **new members** of the community of Calvary



You provided resources for clean drinking water to **9 communities in Ghana, West Africa**, and a fence at a women's dormitory, for a total of \$51,500 raised

**544 households** generously **donated financially** toward Calvary's mission

The **Calvary Choir** grew from 15 to more than **30 musicians** singing in worship each month



During the first week of August, we welcomed **355 Kids, 188 Adult & Student Volunteers, 54 Junior Leaders, 24 Treat-Makers, 14 Nursery Kiddos, and 7 Morning High-Fivers** – for a total of **642 amazing people** who participated in Vacation Bible School



**208 new households** stopped by the Welcome Desk to pick up a **First Time Guest Gift**

**3,500 bags of Backpack Attack food** were packed for kids struggling with hunger



Thank you for investing in Calvary during 2023. As you invited people to **WORSHIP**, intentionally chose to **CONNECT**, and looked outside yourselves to **SERVE**, you played an important role in the story God is writing through this place.





# TREASURER'S REPORT

Thank you for your ongoing support throughout 2023. Calvary's Worship Income lagged below the 2023 budget for a good share of the year, however the church consistently ran ahead of 2022. With faithful congregation support, the year finished strong, exceeding both the Total Worship Income and Total Income budgets by about one percent. Total gifts of the congregation toward the General Fund, specific programs, special projects, and the 'Now Is The Time' building project were \$1.6 million. After expenses, Calvary earned an operating profit of \$1,707. Thank you for your generous contributions, and to our leadership and staff for control of expenses during a challenging inflationary period.

The General Fund income statement does not include the financials of the Calvary Preschool, the Partner Network, the Ghana ministry, mortgage interest expense, and investment gains/losses. The combination of these areas with the general operating profit resulted in a negative \$126,880 impact on Calvary Equity on the balance sheet. The negative impact is attributed to interest paid on the building mortgage in 2023.

## KEY 2023 FINANCIAL OBSERVATIONS:

- Worship Income of \$1,142,309, was up nine percent over 2022.
- Despite significantly higher than planned snow removal and insurance expenses, Total General Fund Expenses of \$1,184,695 were less than one-half percent over the annual budget.
- Benevolence and Donations totaled \$116,250 in 2023, ten percent of Worship Income.
- Calvary's year-end General Fund reserve balance totaled \$248,825.
- 'Now Is The Time' building project donations in 2023 were \$344,853, bringing total donations to \$3,426,868. Eighty-eight percent of the total project pledges have been paid.
- \$21,775 was paid from the building project to the Calvary Endowment Fund in 2023. This represents five percent of the donations paid to the 'Now Is The Time' building campaign over the period from November 2022 through October 2023. In total, \$162,944 has been paid to the Endowment Fund.
- The building project year-end loan balance is \$3,396,296. The mortgage loan principal was reduced \$135,000 in 2023. Interest expense was \$130,616.



An external operating procedures audit was completed in 2023 by Clifton Larson Allen LLP. No major discrepancies were identified.

Calvary Church Council has approved a balanced \$1.24 million budget for 2024. This is a six percent increase over the 2023 budget and a five percent increase over 2023 actual. The Worship Income budget is three percent over 2023 actual. The 2024 Total Expense budget is five percent above 2023 actual expenses. The primary expense budget adjustment is in Property Expense due to increases in insurance, general repair and upkeep, and equipment and software contracts. The 2024 budget is a little less aggressive than the past year. This is as we recognize that Calvary will also be embarking on a new five-year financial pledge campaign to reduce the building mortgage and assess potential additional building improvements.

Calvary continues in a healthy and strong financial position in the mission "To lead all people to a lifelong faith in Jesus Christ." Thank you to the congregation for the continuous faithful support!

- BRUCE LUEHMANN, TREASURER

**TOTAL GIVING TO ALL FUNDS IN 2023 WAS \$1,689,558!**  
**THANK YOU FOR YOUR INCREDIBLE GENEROSITY TO OUR MISSION**  
**TO LEAD ALL PEOPLE TO A LIFELONG FAITH IN JESUS CHRIST!**

## CALVARY GENERAL FUND BUDGET

ACCOUNT NUMBER:		2022 ACTUAL	2023 ACTUAL	PROPOSED 2024 BUDGET
<b>REVENUES:</b>				
10000	General Fund-Worship Offering Income	\$1,051,308.56	\$1,142,309.48	\$1,171,000.00
11000	Program Income	\$20,623.07	\$19,997.17	\$21,000.00
12000	Designated Donations	\$22,914.04	\$13,684.52	\$14,000.00
13000-15000	Other Income	\$7,096.90	\$10,410.97	\$34,500.00
	<b>Total General Fund Income</b>	<b>\$1,101,942.57</b>	<b>\$1,186,402.14</b>	<b>\$1,240,500.00</b>
<b>EXPENSES:</b>				
30000	Benevolence and Donations	\$102,570.00	\$116,250.00	\$110,500.00
31000	Program Expenses	\$76,893.78	\$66,594.36	\$65,850.00
32000	Staff Expenses	\$735,585.53	\$806,801.20	\$855,426.00
33000	Communication Expense	\$5,769.00	\$989.00	\$5,860.00
34000	Office & Administrative Expense	\$53,781.20	\$47,382.87	\$50,800.00
35000	Property Expense	\$119,620.71	\$140,264.93	\$147,600.00
36000	Other Expense	\$3,852.75	\$6,412.83	\$4,250.00
	<b>Total General Fund Expenses</b>	<b>\$1,098,072.97</b>	<b>\$1,184,695.19</b>	<b>\$1,240,286.00</b>
	<b>Net Total</b>	<b>\$3,869.60</b>	<b>\$1,706.95</b>	<b>\$214.00</b>



# CALVARY LUTHERAN CHURCH

## BALANCE SHEET

### AS OF DECEMBER 31, 2023

#### ASSETS

<b>CURRENT ASSETS</b>	
<b>CHECKING/SAVINGS</b>	
11000 • GENERAL FUND ACCOUNTS	248,824.87
12000 • BUILDING FUND ACCOUNTS	145,574.51
13000 • CALVARY PARTNER NETWORK	47,357.73
14000 • DESIGNATED ACCOUNTS	98,179.01
15000 • PRESCHOOL ACCOUNTS	30,972.19
18000 • LILLY GRANT ACCOUNTS	1,423,107.70
19000 • ENDOWMENT ACCOUNTS	441,456.75
<b>TOTAL CHECKING/SAVINGS</b>	<b>2,435,472.76</b>
<b>OTHER CURRENT ASSETS</b>	<b>64,239.03</b>
<b>TOTAL CURRENT ASSETS</b>	<b>2,499,711.79</b>
<b>FIXED ASSETS</b>	
11900 • Real Estate, Furniture, Equip	7,949,252.42
<b>TOTAL FIXED ASSETS</b>	<b>7,949,252.42</b>
<b>OTHER ASSETS</b>	<b>575,386.84</b>
<b>TOTAL ASSETS</b>	<b>11,024,351.05</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>CURRENT LIABILITIES</b>	
	47,838.47
<b>LONG TERM LIABILITIES</b>	
24010 • Mortgage	3,396,296.44
28000 • Lilly Foundation Grant	516,868.99
28100 • Lilly Foundation Grant #2	976,470.00
28200 • Lilly Sabbatical Grant #3	59,968.73
<b>TOTAL LONG TERM LIABILITIES</b>	<b>4,949,604.16</b>
<b>TOTAL LIABILITIES</b>	<b>4,997,442.63</b>
<b>EQUITY</b>	<b>6,026,908.42</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>11,024,351.05</b>

# Now is the Time

## BUILDING EXPANSION & RENOVATION UPDATE

Our beautiful building is allowing us to live out our mission of leading people to faith as growing numbers of people worship together, connect in deeper relationships, and serve our community and world. Thanks to your generosity, we are entering 2024 with solid financials to report. Income received toward the project in 2023 was \$344,853! We celebrate giving the fourth of five annual gifts to Calvary's Endowment Fund from 5% of total income received for the project of \$21,775, bringing the total to \$162,944 of support for future ministry leaders. We've made several principal payments this year in addition to monthly interest, and look ahead to November 2024 when our loan goes into principal and interest payments for 5 years. As we enter the final months of interest-only payments on our mortgage, we will ask the congregation for support in moving forward with a financial appeal to raise the dollars needed to pay down our mortgage over the next 5 years.

With ongoing growth in worship and program participation, we wonder how we can continue to *Make Room* for more people to grow in their faith at Calvary. The Make Room Building Team comprised of Marc Sugden, Rich Rentz, Kristi Van Ahn-Kjeseth, Elaine Larson, Ron Sahli, and Bruce Luehmann has begun exploring possible renovation of the lower level of the building that was left largely untouched in 2020. The team is recommending that we invest in a Facility Improvement Study of the lower level in order to understand the true scope and cost of renovations. The study will include additional architectural drawings as well as a hazardous materials test since the basement is 1950s construction. We ask for your permission to move forward with both the Facility Improvement Study and the start of the financial appeal to reduce our mortgage with a vote at the annual meeting. Will you join us as we continue to *Make Room* for all people to grow in their faith in Jesus?



### THROUGH DECEMBER 31, 2023

#### INCOME

	<u>Anticipated</u>	<u>Received</u>
Pledges Committed	\$3,914,950	
2018 donations		\$202,327
2019 donations		\$981,568
2020 donations		\$838,497
2021 donations		\$642,588
2022 donations		\$417,035
2023 donations		\$344,853
<b>TOTAL INCOME</b>	<b>\$3,914,950</b>	<b>\$3,426,868</b>

#### TOTAL INCOME EXPENSES

	<u>Budget</u>	<u>Total Spent</u>
Total Known Costs		
Construction	\$4,693,066	\$4,828,855
Professional Fees	\$716,184	\$696,563
Equipment	\$439,000	\$435,974
<b>Total Known Costs</b>	<b>\$5,848,250</b>	<b>\$5,961,392</b>
Total Variable Costs		
Safeguard	\$328,515	\$93,517
Financing/Closing Costs	\$535,000	\$569,666
Endowment	5% of total cash received	\$162,944
<b>Total Variable Costs</b>		<b>\$826,127</b>
<b>TOTAL EXPENSE</b>	<b>\$6,896,765</b>	<b>\$6,787,519</b>



# ENDOWMENT

The Endowment Fund is used to manage, and distribute gifts received for educational and charitable purposes. **Calvary is committed to helping meet the growing need for those interested in ministry.** If you have questions regarding the Endowment Fund or how to include it in your estate planning, please contact any of the committee members.

As of 12/31/2023 the balance of the Endowment Fund was \$446,907. The annualized rate of return since 2009 is 7.6%. In 2023 we did not have any financial requirements for our one member in seminary due to scholarships through Luther Seminary. Instead we were able to support Ukrainian student Dasha Shyroka in her college education that cannot be funded by financial aid due to her refugee status. In addition, \$18,300 was donated to charitable organizations and causes. In 2023, \$21,775 was directed to the Endowment Fund which represents 5% of the generous donations to the Now is the Time Building Campaign for the previous year.

- Derek Trosvig, Chairperson

Endowment Committee: Derek Trosvig, Nancy Einerson, Bruce Luehmann, Mike Svobodny, Judy Korn, Dale Vollmers, Scott Larson (Investment Advisor)

*\*Endowment Fund policies for fund distribution are available upon request from the church office*

## CALVARY ENDOWMENT FUNDS ACTIVITY REPORT 2023

FUND BALANCES & ASSETS	12/31/2023	12/30/2022
Edward Jones Investment Account	\$422,403	\$381,053
Checking Account	\$24,504	\$26,831
Total Endowment Fund	\$446,907	\$407,884
ACTIVITY 2023		
Now is the Time Commitment	\$21,775	
Disbursements Cleared*	(\$34,634)	
Donations	\$500	
Dividends	\$531	
Investment Value Change	\$56,541	
Fees & Charges	(\$5,691)	
2023 DISTRIBUTIONS		
Gustavus Adolphus College - Tuition for Dasha Shyroka	\$5,000	
Calvary Lutheran Church - Luther Crest Scholarships	\$4,300	
Calvary Lutheran Preschool	\$2,000	
Douglas Cty. Car Care Program Inc.	\$1,750	
GlobeServe International - Dewormer & Mosquito Nets	\$5,000	
Habitat for Humanity	\$1,750	
Lutheran Campus Ministries - Morris	\$1,000	
Salvation Army	\$1,500	
YMCA	\$500	
Elder Network	\$500	
TOTAL 2023 DISTRIBUTIONS*	\$23,300	

*Distributions will not equal 'Cleared Disbursements' due to timing when checks cleared.*

# CALVARY PARTNER NETWORK

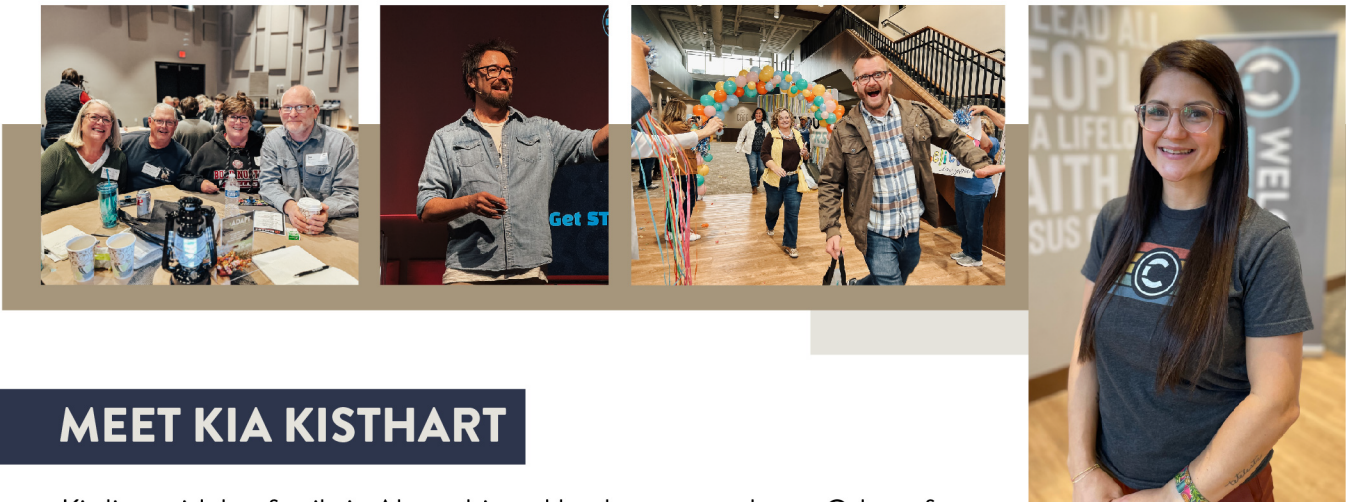
An important part of Calvary’s **vision** is helping **other churches thrive**.

In 2020, Calvary was awarded a 5 year, \$997,100 grant from the Lilly Foundation of Indianapolis, Indiana, to launch the Calvary Partner Network (CPN). **The purpose of the Network is to help churches gain clarity, vitality and adaptability through 1-on-1 coaching, leadership gatherings, and resource sharing.**

As we embarked on the 3rd year of the grant process, the CPN has grown to include 10 official church partners from as far away as Blacksburg, Virginia, and rural Ashley, North Dakota. Each partner church has unique contexts and differing challenges, and they look to Calvary on a consistent basis for coaching, kids ministry materials, and other worship resources that might otherwise be unavailable to them. In October, 85 leaders from partner churches and other regional churches attended the 2nd annual Calvary Conference, designed to help churches gain perspective and practical tools for engaging their members.

Some highlights in 2023 include:

- Growth from 7 to 10 official CPN churches
- Engaging churches who welcome 300+ people to weekly worship, to an online-only church community, to a church outside of Alexandria that welcomes 35-50 to worship
- 100s of church leaders and volunteers using resources from the CPN website
- Leaders from 6 CPN churches joined Calvary’s staff at a ministry conference in Atlanta



## MEET KIA KISTHART

Kia lives with her family in Alexandria and has been a member at Calvary for over 6 years. By profession, she is a nurse, doing rural nursing and home health care. Her ministry journey started here at Calvary in 2018 when she joined the kid and student ministry team, leading the JAM program for preschoolers.

In February, Kia assumed the position of Lead Minister at West Moe Lutheran Church, demonstrating a strong commitment to spiritual leadership and community engagement. This pivotal role with a partner church has allowed her to make a positive impact on the lives of those within the surrounding community, fostering a sense of belonging and support.

Seeing first hand how the Calvary Partner Network empowers churches made it a very easy “YES!” when she was asked to take on the significant responsibility of overseeing the Calvary Partner Network. This role exemplifies Kia’s dedication to expanding the reach of Calvary’s ministry and mission, strengthening connections within the broader network. With a heart for service and a passion for making a difference, she continues to navigate the intersection of healthcare, ministry, and community leadership.



Calvary Preschool is a vibrant ministry of Calvary Lutheran Church. We are committed to creating a Christian atmosphere in which social emotional skills, spiritual growth, physical development, and developmentally appropriate pre-academic opportunities are of the utmost importance.

Our teachers and staff have worked extremely hard to obtain a 4-Star Parent Aware Rating. This not only helps for marketing our quality preschool, but also helps families obtain scholarships to attend Calvary Preschool.

### STAFF

Our council hired me to move into a dual role to both teach and direct our preschool. We also hired two new teachers, both with Bachelor’s Degrees in Early Childhood Education to enrich the development and learning experiences of our preschoolers, as well as an after school staff who adds fun and creativity to our programming.

### PROGRAMMING

We offer a variety of half and full-day classes for 3 to 5-year-olds each week, as well as before and after school care options. Registration for the 2024-25 school year opens to the public on January 29th.



### CURRICULUM AND ASSESSMENT

Our licensed and experienced teachers use the Opening the World to Learning curriculum (OWL). The OWL curriculum is rich in literacy and math, while also incorporating science and social emotional development. It also provides an assessment that teachers use to plan and differentiate their lessons pertaining to the development of preschoolers in their classes. Our teachers strive to offer multisensory opportunities to enhance the retention of skills that are taught and learned. To incorporate a Christian rich environment, each day also includes bible stories, prayer and devotions. Pastor Hans & Pastor Angie as well as other Calvary staff hold chapel for the preschoolers once a month. We work to carefully individualize learning for each child as they begin preparing for kindergarten.

We are proud to market Calvary Preschool as a Christian, developmentally appropriate place where children can thrive and begin their educational journey and support a lifelong faith in Jesus.

### BUDGET

A detailed budget can be seen below. We were very fortunate to receive the Great Start Compensation Grant again this year. This helps to support our personnel expenses and cover some of the costs of inflation. We also have seen an increase in the use of scholarship opportunities. We have two scholarship opportunities that we offer to families. The first, being the Connie Good Memorial Scholarship, in honor of our previous director. The second, is an Early Learning Scholarship through the Lakes and Prairie Community Action Partnership. We qualify for this scholarship because Calvary Preschool has a 4-star rating though Parent Aware.

-KRISTIN NOTCH, PRESCHOOL DIRECTOR

### INTERESTED IN REGISTERING FOR CALVARY PRESCHOOL?

Visit [calvaryalex.org/preschool](https://calvaryalex.org/preschool) for information

## MEET KRISTIN NOTCH

Kristin Notch started as the Director of Calvary Preschool position in the summer of 2023 with 14 years of Early Education experience, most recently as a teacher at Calvary Preschool. She continues to teach part-time in addition to the part-time director duties. Kristin loves to help children experience the love of Jesus in everyday moments in the classroom and embrace a love of learning through their time at Calvary Preschool.



## PRESCHOOL 2023-2024 BUDGET

FISCAL YEAR IS AUGUST 2023 - JULY 2024

INCOME		BUDGET	AUG-DEC 2023 ACTUALS
	Registration	\$3,700	\$100
	Tuition	\$208,512	\$78,359
	Before/After Care	\$11,248	\$2,988
	Misc. Income	\$15,000	\$8,670 <i>*Received MN Child Care funding</i>
TOTAL INCOME		\$238,460	\$90,117
EXPENSE			AUG-DEC 2023 ACTUALS
	Milk	\$100	\$404
	Supplies	\$2,000	\$616
	Equipment	\$3,600	\$3,906
	Liscensing Fee	\$400	\$400
	Continuing Education	\$750	\$652
	Special Events	\$750	\$253
	Staff Recognition	\$800	\$352
	Staff Salaries & Benefits	\$230,060	\$111,547
TOTAL EXPENSE		\$238,460	\$118,130
NET INCOME		\$0	-\$28,013



# CONGREGATIONAL ANNUAL MEETING AGENDA

JANUARY 28, 2024 AT 9:30AM

1. Call to order
2. Certification of Quorum
3. Devotions, Pastor Hans
4. Report of Council Chairperson, Jana Berndt
5. Treasurer's Report, Bruce Luehmann
6. Endowment Fund Report, Derek Trosvig
7. Other Business
  - A. Adoption of the 2024 budget
  - B. Election of 2024 Council members
  - C. Adoption of the Make Room Building  
Team recommendation
8. Adjourn