
Treasurer's Report and 2013 Budget Presentation

***NALC Convocation
Golden Valley, MN
August 16, 2012***



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2011 Financial Recap (audited)

- First full year of operation
- Strong financial position and cash reserves
 - Total operating donations and other income: \$1,004,689
 - Total designated donations: \$108,830
 - Total expenditures and grants: \$825,870
 - Total cash on hand \$1.4 million at 12/31/11



2012 Financial Update

- Financial data Jan-June 2012:
 - Total operating income: \$609,054
 - Total operating expenses: \$564,351
 - Net operating income: \$44,703
 - BUT: modest loss in second quarter
 - Total designated donations: \$56,647



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2012 Financial Update

- Full year 2012 forecast:
 - Total operating income: \$1,342,500
 - Current giving trends plus Convocation income
 - Total operating expenses: \$1,193,932
 - Current expenditures plus Convocation expenses
 - Net operating income: \$148,568
 - Bulk will be transferred to replenish Great Commission and Theological Education funds
 - Total designated donations: \$110,000 ?



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Budget Approach

- Separate Operating, Missions and Theological Education budgets
 - Enhances focus and clarity on primary emphases
 - Operating budget is primarily funded by congregational benevolence
 - Missions and Theological Ed budgets are funded by
 - Designated congregational and individual donations
 - Great Commission Society (for Missions)
 - Surplus from operating budget, if any



Proposed 2013 Operating Budget

- Total operating income: \$1,445,000
 - \$1,300,000 from congregational benevolence
- Total operating expenditures: \$1,298,778
 - Startup expenses largely completed
 - One new staff position (financial administration)
 - Continued significant expenses for presentations to member and prospective congregations
 - \$75,000 budget for ministry partner support
- Net operating income: \$146,222



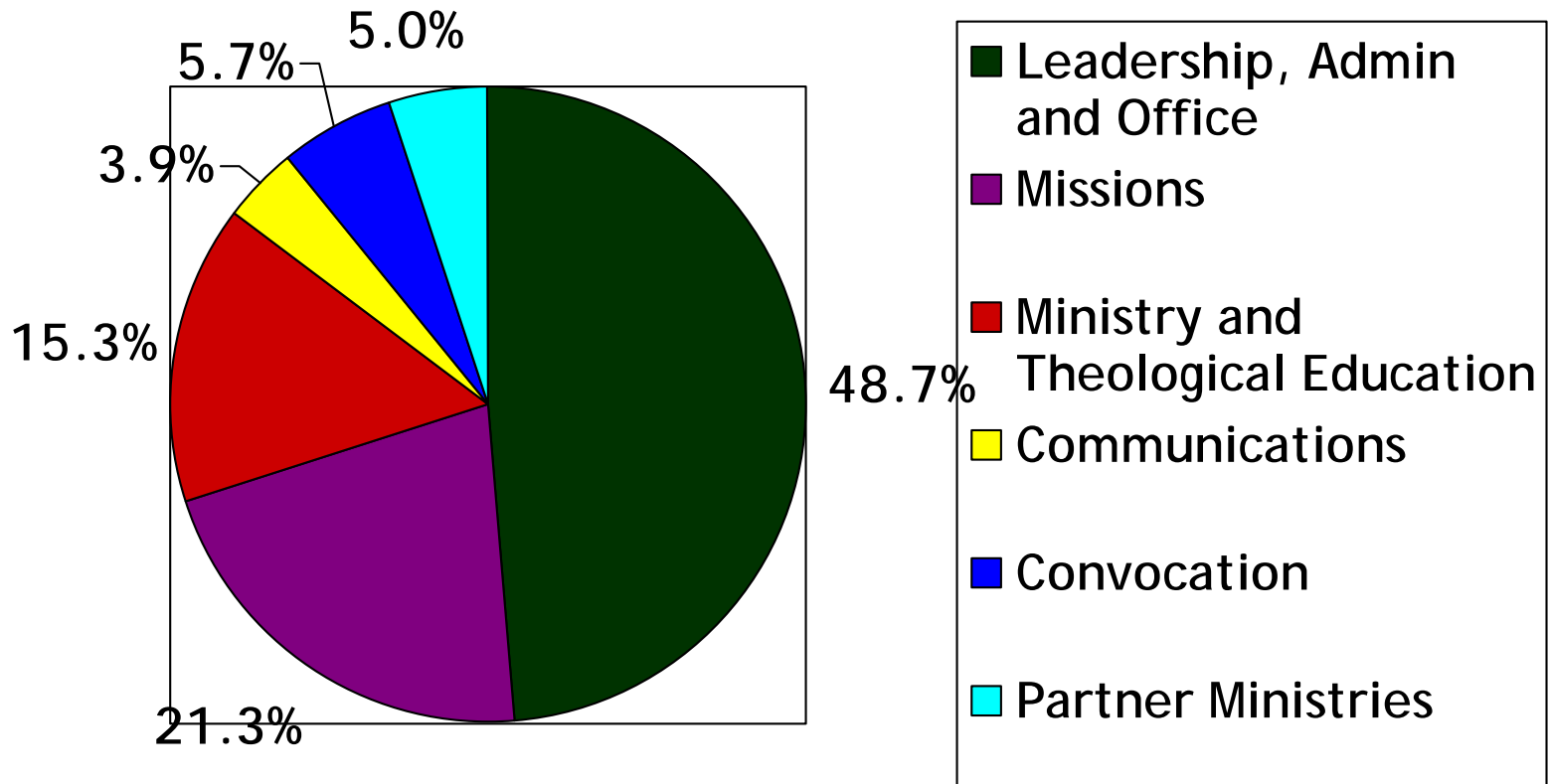
Proposed 2013 Dedicated Funds Budgets

- Great Commission Fund \$125,000
 - Mission congregations \$70,000
 - Congregational revitalization \$15,000
 - Missional leadership development \$5,000
 - International missions \$35,000
- Fund for Theological Education \$62,000
 - Seminarian scholarships \$30,000
 - Educational programs \$24,500
 - International programs \$7,500



Proposed 2013 Consolidated Budgets

Total Expenditures by Program Areas



Other Financial Matters

- Congregational benevolence share
 - 5-8% of congregational operating budgets
- 501(c)(3) application
 - NALC approved; group ruling still in process
- Broadening financial capabilities
 - Endowment funds management services
 - NALC cash management



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