
Treasurer's Report and 2015 Budget Presentation

***NALC Convocation
Charleston, SC
July 24, 2014***



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2013 Financial Recap (pre-audit)

- Third full year of operation
- Strong financial position and cash reserves
 - Total operating donations and other income:
\$1,600,986
 - Total designated donations: \$705,966
 - Total expenditures and grants: \$1,875,567
 - Total cash on hand \$2.3 million at 12/31/13
 - \$1.8 million designated for specified purposes
 - \$0.5 million unrestricted reserves



2014 Financial Update

- Financial data Jan-May 2014:
 - Total operating income: \$601,441
 - Total operating expenses: \$528.460
 - Net operating income: \$72,981
 - BUT: most of surplus in first quarter
 - Total designated donations: \$308,673



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2014 Financial Update

- Full year 2014 forecast:
 - Total operating income: \$1,680,500
 - Current giving trends plus Convocation income
 - Total operating expenses: \$1,519,713
 - Current expenditures plus Convocation expenses
 - Net operating income: \$160,787
 - Bulk will be transferred to augment Great Commission and Theological Education Funds
 - Total designated donations: \$630,000 ?



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Budget Approach

- Separate Operating, Missions and Theological Education/NALS budgets
 - 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)
 - Donations earmarked for NALS
 - Surplus from operating budget, if any



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Proposed 2015 Operating Budget

- Total operating income: \$1,772,375
 - \$1,550,000 from congregational benevolence
- Total operating expenditures: \$1,715,642
 - One new part-time staff position, beginning mid-year
 - Disaster response and missions teams training
 - Annual spring preaching conference
 - Slow/no growth in administrative & staff expenses
 - \$90,000 for ministry partner support
- Net operating income: \$56,733



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Proposed 2015 Dedicated Funds Budgets

- Great Commission Fund \$178,000
 - Mission congregations \$100,000
 - Congregational revitalization \$10,000
 - Missional leadership development \$28,000
 - Global missions and projects \$40,000
- Fund for Theological Education \$651,700
 - North American Lutheran Seminary \$520,250
 - Seminarian scholarships and programs \$107,150
 - Other programs \$24,300



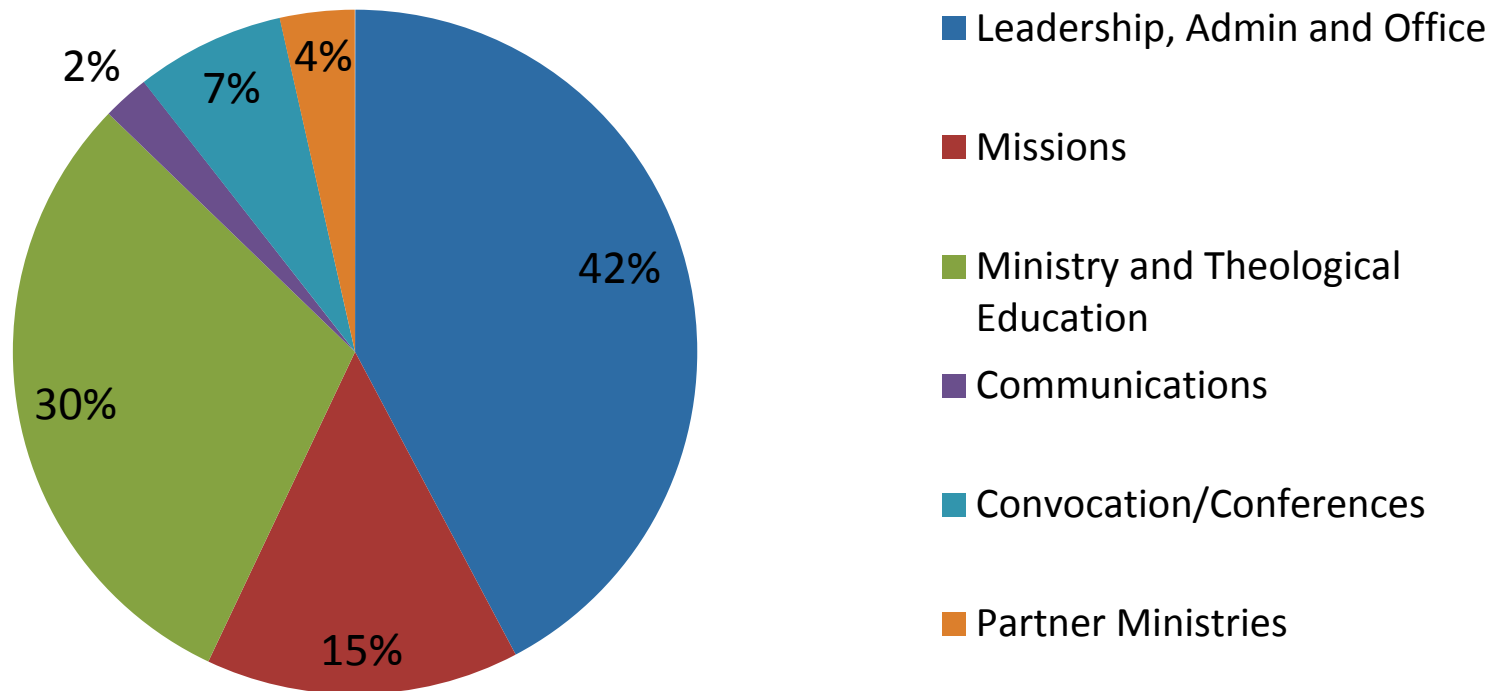
Proposed 2015 NALS Budget

| | |
|-------------------------------------|------------------|
| ■ Seminary Center, TSM (PA) | \$398,250 |
| □ Faculty and Staff \$248,250 | |
| □ Administrative Costs \$105,000 | |
| □ Contrib. to TSM Overhead \$45,000 | |
| ■ HoS, Gordon-Conwell (NC) | <u>\$147,500</u> |
| □ Faculty and Staff \$127,500 | |
| □ Administrative Costs \$20,000 | |
| □ Total Expenditures | \$545,750 |



Proposed 2015 Consolidated Budgets

Total Expenditures by Program Area



Other Financial Matters

- Congregational benevolence share
 - 5-8% of congregational operating budgets
- 501(c)(3) application
 - Group ruling obtained (finally)
 - Communication to included congregations this fall
 - Congregations can be added at any time



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