
Treasurer's Report and 2016 Budget Presentation

***NALC Convocation
Dallas, Texas
August 13, 2015***



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North American Lutheran Church

NALC Budgets Overview

- 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
 - “Designated” = Missions and Theological Education



2014 Financial Recap (pre-audit)

- Fourth year of operation
- Strong financial position and cash reserves
 - Total operating donations and other income:
\$1,652,873 (3.2% increase)
 - Total designated donations: \$603,371 (14.5% **decrease**)
 - Total expenditures and grants: \$2,146,664
 - Total cash on hand \$2.4 million at 12/31/14
 - \$2.0 million designated for specified purposes
 - \$0.5 million unrestricted reserves



2015 Financial Update

- Financial data Jan-June 2015:
 - Total operating income: \$759,642
 - Total operating expenses: \$749,537
 - Net operating income: \$10,105

 - Total designated donations: \$273,655
 - Total designated distributions: \$393,185
 - Net excess/(deficit): (\$119,530)



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2015 Financial Update

- Full year 2015 forecast:
 - Total operating income: \$1,795,625
 - Total operating expenses: \$1,854,876
 - Net operating income/(deficit): (\$59,251)
 - Reflects Convocation expenses and end of shared office/administrative expenses with Lutheran CORE

 - Total designated donations: \$455,000
 - Total designated distributions: \$651,050
 - Net excess/(deficit): (\$196,050)



Proposed 2016 Operating Budget

- Total operating income: \$1,887,250
 - \$1,674,000 from congregational benevolence
- Total operating expenditures: \$1,989,408
 - Two new staff positions: (1) youth and family ministry, (2) communications coordinator
 - Fall missions festival merged with Convocation
 - Slow/no growth in administrative & staff expenses
 - \$90,000 for ministry partner support, unchanged
- Net operating income/(deficit): (\$102,158)



Proposed 2016 NALS Budget

■ Seminary Center, TSM (PA)	\$330,830
□ Faculty and Staff \$264,530	
□ Administrative Costs and Other \$66,300	
■ HoS, Gordon-Conwell (NC)	<u>\$119,200</u>
□ Faculty and Staff \$109,200	
□ Administrative Costs \$10,000	
□ Total Expenditures	\$450,030



Proposed 2016 Dedicated Funds Budgets

- Theological Education Fund
 - Total grants and expenditures \$625,860
 - NALS operations \$450,030
 - Seminarian scholarships and programs \$155,190
 - Other programs \$20,640
 - Anticipated total donations \$476,000



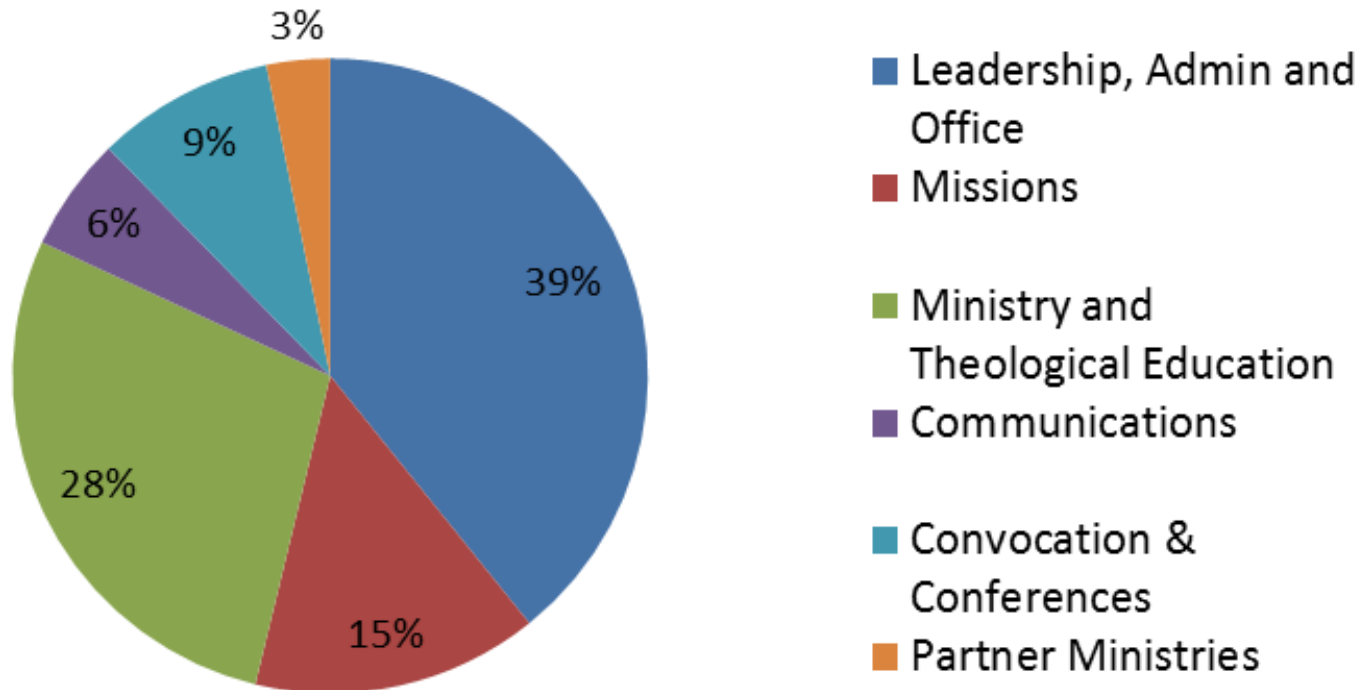
Proposed 2016 Dedicated Funds Budgets

- Great Commission Fund
 - Total grants and expenditures \$170,000
 - Mission congregations \$100,000
 - Congregational revitalization \$10,000
 - Missional leadership development \$25,000
 - Global missions and projects \$35,000
 - Anticipated total donations \$75,000



Proposed 2016 Consolidated Budgets

Total Expenditures by Program Area



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Other Financial Matters

- Congregational benevolence share
 - 5-8% of congregational operating budgets
- 501(c)(3) group ruling
 - Congregational communications in process
 - Congregations can be added at any time
- NALC health plan



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