
Treasurer's Report and 2017 Budget Presentation

***NALC Convocation
Anaheim, California
August 12, 2016***



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NALC Budgets Overview

- Separate Operating, Missions and NALS/Theological Education 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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2015 Financial Recap (pre-audit)

- Total operating income: \$1,804,740
 - 2.9% increase in congregational benevolence
- Total designated donations: \$725,127
- Total expenditures and grants: \$2,753,511
- Annual Surplus/(Deficit):

□ Operating	\$14,164
□ Designated Funds	<u>(\$237,808)</u>
□ Total	<u>(\$223,644)</u>



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Financial Reserves at 12/31/15

- Total cash on hand \$2.3 million at 12/31/15
 - \$0.6 million unrestricted reserves
 - \$1.7 million designated for specified purposes
 - NALS/Theological Education \$884,121
 - Great Commission Fund \$215,801
 - Disaster Response Fund \$173,222
 - Strategic Opportunities Fund \$400,000
 - Other Designated Purposes \$59,212
 - Total \$1,732,356



2016 Financial Update

- Financial data Jan-May 2016:
 - Total operating income: \$639,635
 - Total operating expenses: \$706,938
 - Net surplus/(deficit): (\$67,303)

 - Total designated donations: \$242,616
 - Total designated distributions: \$285,766
 - Net surplus/(deficit): (\$43,150)



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2016 Financial Update (cont.)

- Full year 2016 forecast:
 - Total operating income: \$1,741,775
 - Total operating expenses: \$1,941,610
 - Net surplus/(deficit): (\$199,835)
 - Reflects substantial shortfall in income compared to budget; expenses modestly lower than budget

 - Total designated donations*: \$365,400
 - Total designated distributions*: \$545,955
 - Net surplus/(deficit): (\$180,555)

* Missions and Theological Education only



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Proposed 2017 Operating Budget

- Total operating income: \$1,853,625
 - \$1,580,000 from congregational benevolence
- Total operating expenditures: \$2,043,303
 - Maintenance of current staff levels
 - Full effect of office space reduction plan
 - Slow/no growth in most administrative expenses
 - Modest increase in spending on missions, disaster response and stewardship teams
- Net surplus/(deficit): (\$189,678)



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Proposed 2017 Dedicated Funds Budgets

- NALS/Theological Education Fund
 - Anticipated total donations \$340,000
 - Total expenditures and grants \$525,160
 - NALS faculty and staff \$281,320
 - NALS administrative costs \$53,000
 - Seminarian scholarships and programs \$166,440
 - Other programs \$24,400
 - Net surplus/(deficit) (\$185,160)



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Proposed 2017 Dedicated Funds Budgets

- Great Commission Fund
 - Anticipated total donations \$65,000
 - Total grants and expenditures \$140,500
 - Mission congregations \$85,000
 - Congregational revitalization \$10,000
 - Missional leadership development \$10,500
 - Global missions and projects \$35,000
 - Net surplus/(deficit) (\$75,500)

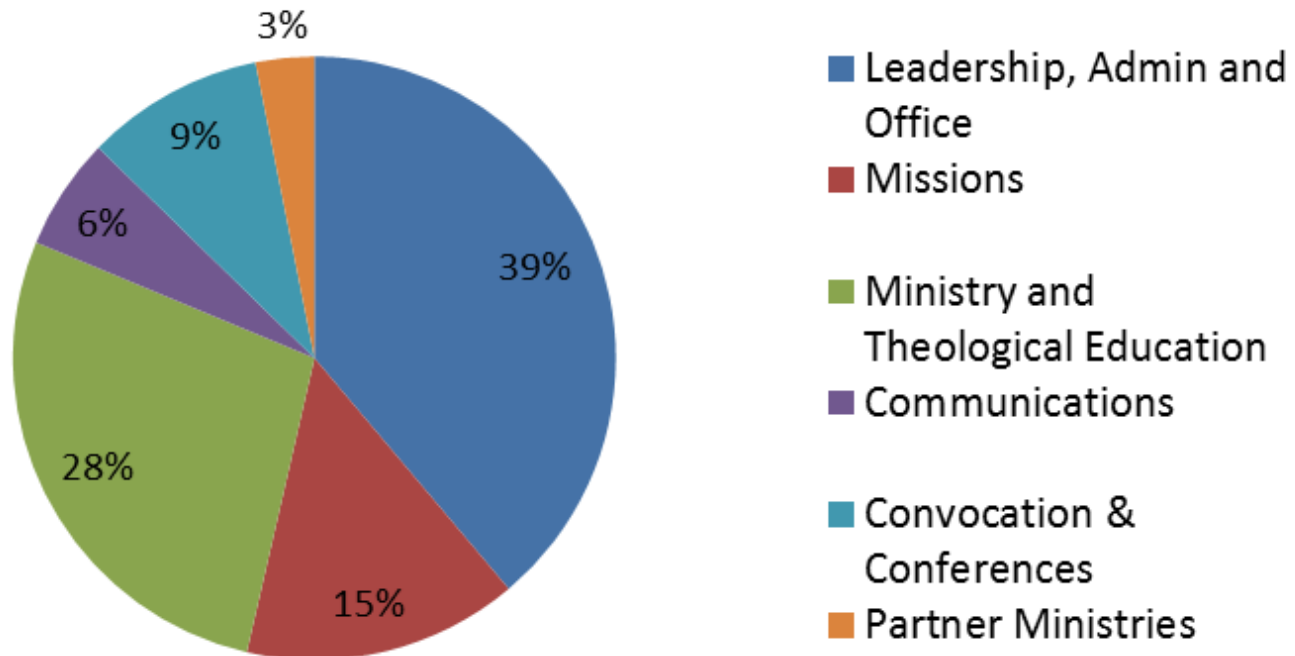


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Proposed 2017 Consolidated Budgets

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 income tax ruling
 - Congregations can be added at any time



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