



2017 Convocation

“Holding Fast, Being (Re)formed”

Staff Reports

Bishop	1
General Secretary	8
Assistant to the Bishop for Ministry and Ecumenism	13
Assistant to the Bishop for Mission	16
Communications Coordinator	21
Treasurer	22

– This page intentionally left blank. –

2017 North American Lutheran Church Convocation

Report of the Bishop

Grace and peace to you from God our Father and our Lord and Savior Jesus Christ,

Our text for this year's special observation of the 500th Anniversary of the Reformation is Philippians 2:12-18.

*Therefore, my beloved, as you have always obeyed, so now, not only as in my presence but much more in my absence, work out your own salvation with fear and trembling, for it is God who works in you, both to will and to work for his good pleasure. Do all things without grumbling or disputing that you may be blameless and innocent, children of God without blemish in the midst of a crooked and twisted generation, among whom you shine as lights in the world, **holding fast to the word of life**, so that in the day of Christ I may be proud that I did not run in vain or labor in vain. Even if I am to be poured out as a drink offering upon the sacrificial offering of your faith, I am glad and rejoice with you all. Likewise you also should be glad and rejoice with me.*

Paul reminds us that those loved by Christ are obedient and struggle to live and serve Him faithfully. We do so without grumbling or disputing, as innocent children living in the darkness of a culture that does not share our faith or values.

I would encourage you to focus on Paul's encouragement to shine as lights in this world. Jesus says that He is the light of the world. (John 8:12) This light shines and yet, even though people love the darkness, the darkness cannot overcome it. Jesus assures His disciples that, if they follow Him, they will no longer walk in the darkness but have the light of life. Jesus tells us that in Him we are the light of the world. (Matthew 5:14) He is also clear that we must let our light shine so that others may see it and be drawn to the light. Paul uses Jesus' image of light to encourage the Church by telling them they are shining lights in the world. He tells us where we will receive the source of light. "Hold fast to the word of life." Holding fast to the word of life in Holy Scripture is what equips us for Christ's mission of making disciples and providing light for a world filled with darkness.

Our understanding of Holy Scripture is just as important today as it was in providing the impetus for the Reformation. Luther's understanding of the authority of Scripture in directing the life of the individual and the Church was clear and concise. It is Scripture alone that is the "*Norma Normanza*" for all matters of life and faith. Luther wrote, "The Bible alone is to be trusted because it is through itself most certain, most easily accessible, comprehensible, interpreting itself, proving, judging all the words of all. All leaders must subordinate themselves to its witness... The Pope, Luther, Augustine, Paul, an angel from heaven — these should not be masters, judges, arbiters but only witnesses, disciples and confessors of Scripture." (*Luther's Works* 26:58)

After 500 years, the issue of authority, truth, relevance and the use of Scripture is not only a matter of great contention but a source of division in both the culture and the Church, pointing to the need for a reformation and renewal as powerful and substantive as the first.

In his lectures on the Psalms Luther writes, "What pasture is to the beast, the nest for the birds, the stream for fish, the Scriptures are for believing souls. To the arrogant, of course,

they are a stumbling block; he will have nothing to do with them, since they offer him nothing. But to him who approaches the Scriptures with humility they open themselves and themselves produce humility, change man from a desperate sinner into a child of God. They give everything which the soul needs, and it is to tempt God, if anyone will not be satisfied with the Scriptures. They are the fountain from which one must dip. Each word of the same is a source which affords an inexhaustible abundance of water to everyone who thirsts after the saving doctrine. God's will is completely contained therein, so that we must constantly go back to them. Nothing should be presented which is not confirmed by the authority of both Testaments and agrees with them. It cannot be otherwise, for **the Scriptures are divine; in them God speaks and they are His Word.**" In his lectures on the Psalms Luther regards the expressions, "God speaks," and "the Scriptures speak," as convertible. **To hear or to read the Scriptures is nothing else than to hear God. They are His sanctuary in which He is present.** Therefore, we dare not despise one single word of the Scripture for "all its words are weighed, counted and measured." (M. Reu, *Luther and the Scriptures*, p.5-6) [emphasis added]

Luther believed that the Scripture is the Word of God. It is purely transcendent, proceeding from the Holy Spirit with the cooperation of people who wrote according to the inspiration of the same Spirit. Further Luther believed the Scripture was both inerrant and infallible. He wrote, "Men may err and be deceived but God's Word cannot err. The Word of God will never fail you." It is powerful enough to effect the salvation it announces and to impart the life it promises. It is connected to Jesus. Luther refers to the Bible as the manger that holds the Christ. "Through the Spirit and the Word, God lets Himself and His will be known and grasped." It is comprehensive in its scope. "Through the Word, we come to Christ, the Kingdom of God comes to us, faith is given, we are called and converted, our sins are forgiven, our conscience is consoled, our hearts are comforted, we become the Saints of Christ, we properly worship." For Luther, the Scripture is so precious that we should "treat it as a treasure and a jewel.... Hear it, learn it and always have it in your heart, on your lips and in your ears."

In reflecting on the first reformation, many applauded Luther's efforts in moving the Bible from the cathedral to the kitchen table of every believer's home. Today it must be reassembled in its totality from the trash heaps of those who have engaged in minimalism, deconstruction and revisionist techniques for minimizing its normative influence. It must be pulled away from those who deny its truth and power while asserting contemporary human wisdom as more authoritative and relevant to our needs. This transcendent truth must find its way back into the daily devotional life of every Christian, a guide to every relationship, the foundation of the faith we believe, and the inspiration to engage in Christ's mission that provides direction and purpose for living.

There is no searching for Christ and His will apart from the Christ revealed in His Word. This is His Sanctuary. We cannot be light for the darkened world apart from dwelling in Christ and in His Word, holding fast to the word of life. There is no opportunity for continuing reform or renewal in the Church apart from a return to the Word of God and our attitude and understandings regarding it.

The Word of God alone is powerful enough to bring the reform and renewal the church needs today. Probing the depth of the Word of God when we regard it as transcendent and authoritative truth opens us to its life-giving and transforming power. It transforms our values, understandings and behaviors, equipping us to invest our life in Christ in the lives of others, through catechesis, or teaching the faith, and vocation, or modeling and living the faith, in the context of a Christian community committed to Word and Sacrament, committed to love expressed in mutual responsibility and accountability. It is the Word of

God in Holy Scripture that defines and describes this process as Jesus disciplined his first followers.

This is the focus of the North American Lutheran Church for life-to-life discipleship. In this process of making disciples we are pouring out our lives into the lives of others. Paul understood this as he wrote in this text: “Even if I am to be poured out as a drink offering upon the sacrificial offering of your faith...” Being poured out and poured into the life of another is precisely how Christian faith is passed on and how Christ calls us to “make disciples.”

This life-to-life discipleship begins as a fulfillment of our baptismal faith and promises. Holding fast to the Word of Life through Holy Scripture is the focus of our Holy Families! initiative during this 500th anniversary celebration of the Reformation. The Scripture is the primary resource of holy families. In the context of our families, faith grows and disciples of Jesus Christ are nurtured. Holy Families! resources will be available to you at our Convocation and I encourage their full utilization in every family in the North American Lutheran Church.

While the world debates absolute truth and relative truth, objective truth and subjective truth, ultimate truth and situational truth, universal truth and cultural truth, for the sake of its own renewal and for the sake of the world, the Church must boldly proclaim the transcendent truth of Sacred Scripture. We do so not simply by arguing for it as one among many understandings of the truth but in word and deed we regard it as the norm above all other norms for all matters of life and faith, believing it, confessing it and living it. It is our only hope for “*semper reformanda*.” To that end, we press on.

As I travel across the North American Lutheran Church, pastors and congregations are taking seriously the nature of our Reformation heritage, confessional legacy and commitment to Christ and His Word, expressed in fulfilling Christ’s mission to make disciples. I see the evidence of renewal and “*semper reformanda*” in the transformation taking place in individual lives of pastors and laity and in their life together as a congregation. Together they are probing the depths of Holy Scripture and all that it means to follow Christ Jesus. Their commitment to this mission is strengthening their witness to the world. I affirm them with the words of Paul; they are shining brightly as lights in the world as they point to Christ, the light of the world.

Throughout this past year, I have been privileged to work with our NALC Life-to-Life Discipleship Team. Pastor Eric Riesen has provided excellent leadership in working with our pastors and theologians in taking full ownership of this central commitment to discipleship in the NALC by incorporating these three key concepts:

Catechesis – Teaching the Faith

Vocation – Living the Faith

Ecclesiology – Teaching the Faith and Living the faith in the context of mutually accountable and responsible relationships (the nature of the Body of Christ)

The team is setting realistic goals for encouraging and recruiting both pastors and congregations to engage in this shared commitment to pursue discipleship. With them, I encourage every one of our congregations to gather the information and begin this process.

Because of the nature of the Church and the interdependent nature of the Body of Christ, it is deeply fulfilling to serve with other faithful leaders, without whom I would be unable to fulfill this role. I give thanks for these brightly shining lights that have poured their lives and faith into my life. I am privileged to serve with them.

Bishop Emeritus Paull Spring is a treasured friend who offers consistent wisdom and advice. He remains active, serving in a variety of capacities and accepting challenging assignments. His new mission congregation is growing and has called its first pastor.

Along with Bishop Spring I am also thankful for the faithful service and expertise of Bishop Ralph Kempinski.

Other brightly “shining lights” who are also pouring out their lives into yours and are deserving of your appreciation and encouragement include our entire staff, who faithfully serve both you and Christ with joy. Please continue to pray for them as I do.

Rev. Mark Chavez, General Secretary
Rev. Gemechis Buba, Assistant to the Bishop for Mission
Rev. David Wendel, Assistant to the Bishop for Ministry and Ecumenism
Rev. Mark Ryman, Communications Coordinator
Becky Seifert, Administrative Assistant to the Executive Staff
Jenny Brockman, Administrative Assistant for Missions
Anne Gleason, Financial Administrator
Kathy Jacobson, Administrative Assistant
Maddie Benson, Receptionist

Others who are also committed to bringing light into the darkness of this world are the members of your Executive Council. Along with providing oversight and strategic direction for the entire North American Lutheran Church, they continue to read, study and grow in their faith and encourage our pastors and laity by their own example. They give graciously of their time and commitment to serve Christ. Our witness is stronger because of their service that keeps us moving forward faithfully and efficiently between our convocations.

The office of the Bishop can only be implemented across the NALC through the work of our Deans from each Mission District. These faithful partners serve congregations daily proclaiming the Gospel, “calling people out of darkness into His marvelous light.” Their congregations graciously provide them with the necessary time and opportunity to fulfill this important office. I depend on their leadership and am blessed by the gifts, wisdom and encouragement they provide for our pastors and congregations. I encourage every congregation to pray for its Dean, even as you pray for me. The larger we grow the more difficult it is for our staff to adequately visit and provide the support and encouragement our congregations need. The larger we grow, the more we depend on our Deans.

Other shining lights are those who are helping us answer the question of who will fill the pastoral role in providing leadership for equipping others to become disciple makers and create a faithful discipleship culture in our congregations. No one person in the North American Lutheran Seminary can recruit all the students we need to fulfill the needs of our congregations for the future. This is the responsibility of every pastor and lay leader of the NALC. I am amazed at the quality of students called by Christ into the service of this church. These leaders, along with the Board of Regents, have been serving us by preparing students for Word and Sacrament ministry in the NALC. Please pray for them and support them in their faithful service.

Rev. Dr. Amy Schiffrin, NALS President; Director, NALS Seminary Center at Trinity School for Ministry; and Associate Professor of Liturgy and Homiletics

Rev. Dr. David Yeago, Professor of Systematic Theology

Rev. Dr. Mary Havens, Director, Lutheran House of Studies at Gordon-Conwell Theological Seminary

Rev. Dr. James Nestingen, Professor at St. Paul's Lutheran Seminary

Throughout this year others have been beacons of light and hope, serving on our committees, task forces and commissions. These include:

Candidacy	Church and Ministry Task Force
Commission on Theology and Doctrine	Communications
Convocation	Court of Adjudication
Holy Families Initiative	Life-to-Life Discipleship Team
Mission Teams	NALS Board of Regents
Task Force on Youth and Family Ministry	

Their work is helping us to advance our strategic objectives, supporting and strengthening the ministry of our congregations and pastors. Our strength for the future is in each of our congregations calling people from the darkness of our culture into the light of Christ through faith in Him. Our strength is in the power of the Holy Spirit at work in the life of every disciple of Jesus who is a part of the North American Lutheran Church.

Throughout these years, I have approached this call through my perspective as a parish pastor, deeply appreciating my time in our congregations, leading worship, preaching, celebrating the sacrament, participating in baptisms, confirmations, weddings and funerals. Anniversary celebrations, installations and ordinations also provide opportunities for celebrating our life together. As I spend time at Mission District convocations, I am encouraged by the commitment of our people to begin new mission starts and house churches. The excitement and mutual encouragement are profound. We are no longer just talking about discipleship; our congregations and Mission Districts are pursuing it. Pastors and congregations are sharing their experiences and testimonies of how the pursuit of discipleship has affected their lives and ministry. This challenge to make disciples of all nations is life-giving for our congregations.

While it is life-giving, it also involves a struggle. It is consistent with the birthing process. New life does not come without the pain and struggle of labor. It was true for Luther and others during the Reformation, and we can expect nothing less as we work for reform and renewal today. This movement forward requires adjusting our vision, values and behaviors. It is important for leaders to move together in harmony with the congregation and equally important for the congregation to embrace a clear vision to pursue discipleship. We cannot expect to have any impact on the larger culture without life-giving transformation in the culture of our congregations. The strength of community in the local congregation is essential, as disciples need a nurturing community in order to grow and mature into those who can disciple others. While our congregations have not been without struggles and conflicts, working through difficulties are ways in which we grow in our complete dependence on Christ and his reconciling love that restores relationships and strengthens us for mission, establishing relationships with others in order to share Christ's love and the truth of His Word of life.

Like Paul, I tell you, “I am glad and rejoice with you all.” The challenge of the schedule and travel are always overcome by the joy of being in your presence, listening to your stories and celebrating the mission and ministry we share in the NALC. When I am privileged to represent you in the presence of other church bodies and organizations, I do so with both pride and joy in serving as your Bishop. Your witness continues to bring encouragement to many more people than you may ever see or know.

It is impossible to accept every invitation to be with you, but there is always time to pray for you. Our pastors and congregations are always part of both my daily prayers of thanksgiving and intercession.

Below is a list of some of the most significant ways I have used my time in serving you and discharging my responsibilities.

- More than 37 weekends with congregations in the US and Canada
- Ordinations/Installations:
 - David Abuya
 - Jonna Bohigian
 - Randy Drafts
 - Samar Ghandour
 - Leslie Haines
 - Orrey McFarland
 - Daniel Mershon
 - Chris Metze
 - Mark Metze
 - Juan Portillo
 - Dawn Rister
 - Glen Sokolowski
 - Christopher Wendel
- Work with the Commission on Theology and Doctrine
- Trip to China to visit with our global workers, as well as with other leaders in the Christian Church of China
- Work with congregations in transition leaving the ELCA
- Meeting with Mission District Deans
- Mission Conference presenter
- Mission District Convocations
- Board of Regents meetings
- NALC Pastors’ Conference
- Ecumenical efforts:
 - Meetings with leaders of the Anglican Church of North America
 - Meetings with Lutheran Church—Missouri Synod leaders
 - Association for Church Renewal (now Common Ground Christian Network)
- Gordon Conwell Advisory Committee
- Executive Staff meetings
- Full staff meetings
- Hosting staff in our home
- Executive Council meetings
- Candidacy Committee
- Visits to our Hispanic congregations in Texas

- Haiti mission trip / pastors' conference on discipleship
- Funerals for Pastor Lori Hoyum, Pastor Ben Arlen Johnson, and Jocelyn Chavez
- Work with Deans on NALC structure
- Work with ACNA on discipleship conference
- Oromo Ethiopian Festival
- Mekane Yesus gathering in Columbus
- Trip to Ethiopia and Tanzania to meet with newly-elected President and Presiding Bishop
- Work with Executive Council Task Force on Structure

When I first began to pursue discipleship in a congregational setting, the leaders came to me and said, "We have only one question. How long will this last?" I was intrigued by their question and inquired why they were asking. They said, "The pursuit of discipleship as you describe it is sure to require a change in our culture, values and behaviors. This will be hard work." They added, "Most programs in the church last about five years and then a new program takes its place. If this is only going to last for five years, it's not worth the investment of our time and energy to make such major changes." I was amazed by their insight into the typical flow of programs in the Church. I responded, "This is not a program and I am not looking for anything to replace it. This is Christ's missional command: 'Go and make disciples of all nations.' For me, this is all there is!" That commitment is the same today as it was in 1990.

For that reason, I am deeply grateful for the opportunity you give me to pursue that passion by serving with you in Word and Sacrament ministry. I am honored by the trust and confidence you have placed in me to serve as your Bishop. I rely on your prayers for the grace and strength to faithfully represent Christ and each of you.

It is my prayer that we will not only celebrate this 500th Anniversary of the Reformation by remembering the past but also by our renewed commitment to hold fast to the Word of Life, trusting in Holy Scripture as transcendent truth that is the norm above all norms for all matters of life and faith.

As we continue this journey together, be assured of my love and prayers for you that your light will continue to shine brightly. With Paul I pray that you will "be glad and rejoice with me."

It is good to be with you following Christ,



Bishop John F. Bradosky

2017 North American Lutheran Church Convocation

Report of the General Secretary

A Word of Thanks

Thanks to all in the NALC for your amazing love and care for my family and me this past year as we let go of my wife, Jocelyn, and entrusted her into our Lord's strong hands. Your continuing prayers for us are much appreciated. May God bless you with all good gifts from above.

NALC Staff and Offices

We are now one year into our decentralized office configuration. From the staff's perspective, we think it is working well. We welcome feedback on your perception of how the configuration is working for you.

We have not relocated the office in Minnesota, because the cost of the other leased space we were considering increased significantly. We are considering possibilities for other leased space in the Twin Cities. In the meantime, we will be giving back some unneeded space in the present office to our landlord and negotiating a new lease with a reduced monthly rental fee.

Communications Team

The team's attention this past year was focused on two major projects: 1) a much-needed redesign of the web site with a new congregational finder and a new clergy finder; 2) development of a more secure NALC network. Pr. Mark Ryman did the bulk of the redesign work on the site, and David Hahn and his team did the work on the new finders. David Hahn's team also developed the new NALC Network.

The other ongoing regular communication projects are capably handled by Pr. Mark Ryman (read his separate report to this Convocation), Pr. David Baer, the newsletter editor, and Kathy Jacobson who proofreads all our communications and helps update the website.

We also depend on the other members of the Communications Team for their wisdom, guidance and planning for all our communications goals. They are Donna Evans, Pr. Bill Maki, Pr. Scott Ness and Ryan Schwarz.

Discipline Procedures

Our Inquiry Panel had one assignment this past year, which did not result in the convening of a disciplinary hearing. After an initial investigation, the panel was prepared to file formal charges of misconduct against a pastor, but the pastor resigned from the NALC. We are indebted to the volunteers on the Inquiry Panel: Pr. Jim Bangsund, Pr. K. Glen Johnson, Pr. Ralph Kempinski, Vic Stevens and Pr. Solveig Zamzow. Their wisdom and counsel are much appreciated.

Legal Resources

If your congregation does not have an employee handbook or yours needs to be updated, I encourage you to make use of the excellent resource developed by Joan Rennekamp, assistant to Martin Nussbaum, our lead attorney at Lewis Roca Rothgerber LLP in Colorado Springs, CO. Contact our Minnesota office at 651-633-6004 to get connected with Joan, and she will assist in developing an employee handbook to fit your congregation's need and context. The assistance we receive from our legal counsel on all matters is outstanding. We also are thankful for the continuing assistance from the law firm of Trimble and Associates, LTD, in Minneapolis, MN, on matters related to the NALC's 501(c)(3) status.

Our volunteer team of legal experts have assisted with a few inquiries from congregations on legal and constitutional matters this past year. James Gale, Pr. Ron Hoyum, Ryan Schwarz and Matt Burkhart provide excellent support and service for congregations. Do not hesitate to contact me if you would like their assistance.

If you have not already made use of the team's resources for guarding against threats to religious liberty, I urge you to do so. The two resources are "Marriage Law and the Protection of Religious Liberty: Implications for Congregational Policies and Practices" and "Marriage Law and the Protection of Congregations' Religious Liberty." You may download them at <https://thenalc.org/congregational-resources/religious-liberty-and-marriage/>.

In the ongoing concern for safeguarding religious liberty for congregations, the legal team will also be developing guidance for congregational practices on baptism, communion and membership, and guidance for congregations working with outside ministries and other community organizations.

Common Ground Christian Network

The board of the Common Ground Christian Network (CGCN), an organization of Anglican, Lutheran, Methodist, Presbyterian and other Reformed movements and churches, will be reviewing the overall goals for CGCN at a three-day meeting in October. In the past couple of years, attention was focused on religious liberty issues, because of increasing threats to religious liberty in North America. CGCN will continue to monitor those issues, but the board wants to revisit and review the founding vision, which was much broader than religious liberty. The board will hear presentations and discussion in four areas: Church Planting, Social Witness, Engaging the Culture and Leadership Development. The original vision for CGCN included the hope that we would work across denominational lines in these areas to make a common witness to Christ in a secular culture, and mutually build up the body of Christ in North America.

Lutheran Benefits

The Hahn Financial Group in Sioux Falls, SD, continues to provide excellent care and service for the NALC's health and retirement plan. Our pastors and congregations appreciate the outstanding service from Verlyn Hahn and his staff. He has helped keep the rise of the cost of health insurance way below the average the past couple years, and the retirement plan is in great shape.

James Hansen, Pr. Paul Larson, and Ryan Schwarz serve on the review committee for our Lutheran Benefits, and work with the Hahn Financial Group to strengthen and improve our benefits. Verlyn Hahn will be reporting at this Convocation, and will lead a workshop on Friday. He will also be available throughout the Convocation to meet with individuals.

Here is a summary of the status of Lutheran Benefits as of the end of June 2017:

The Lutheran Benefits Health Plan

- 194 individuals (148 congregations) currently enrolled in the health plan
- 71 individuals (47 congregations) currently enrolled only in the ancillary (non-health) package

The Lutheran Benefits 403b Retirement Plan

Employees

- Total number of employees enrolled in the plan: 478
- Total number of active participants (with an account balance): 365

Employers

- Total number of enrolled churches: 267
- Total number of churches enrolled actively submitting dollars: 221

Transfers

Eighteen (18) new transfers totaling \$2,987,528.49 have been processed in the last year (September 1, 2016 to August 31, 2017).

Plan Assets

Total plan funds under management – \$76,987,760

The table below shows how the above figures compare with previous years:

Lutheran Benefits Trends

Year	2013	2014	2015	2016	2017
Health Plan					
Individuals	282	250	176	172	194
Congregations	181	178	152	145	148
Ancillary Plan					
Individuals	18	50	76	80	71
Congregations	8	24	62	61	47
Retirement					
Total individuals	302	343	398	423	478
Active individuals	n/a	n/a	364	358	365
Congregations	181	216	236	251	267
Active congregations	155	n/a	186	177	221
Total plan funds	\$45,478,322	\$56,222,976	\$60,730,854	\$61,113,345	\$76,987,760

Certification of Pastors

I receive inquiries from pastors in other Lutheran churches and non-Lutheran churches on a weekly basis. Most inquiries are from ELCA pastors, and secondly from LCMC pastors seeking dual membership. I expect interest in serving in the NALC will remain keen.

The vetting panel, consisting of Pastors Ron Hoyum, Harvey Mozolak, Heidi Punt and Solveig Zamzow, began serving last year and has significantly strengthened our certification process. I am thankful for their service.

Congregational Reports

The number of congregations not submitting annual reports remains disappointing. While the NALC grows in members (congregations and pastors), we do not know if the NALC is declining like virtually all churches in North America in terms of active involvement by people. As we work to transform the culture of our congregations into disciple-making cultures, we ought to be able to assess our efforts. That will only be possible when most of our congregations submit reports. The information we seek in the report would also be very helpful for long-range planning and improving our support and service for congregations.

The statistics below are based on data submitted in congregational reports, supplemented with information in our database gathered by other means:

Total number of congregations: 421
Total baptized membership: 141,500
Geographic Setting of NALC congregations
 Farming area: 89
 Small town or rural: 214
 Suburb of large city: 64
 Metropolitan area: 54

Total clergy: 433 Active 155 Retired 37 On leave from call 2 Not in good standing
Candidates approved for ordination: 6
Deaths of pastors: 4

There are now 83 dual NALC/LCMC congregations and 163 dual NALC/LCMC pastors.

Here is how some of the above figures compare with previous years:

Year	2012	2013	2014	2015	2016	2017
Baptized membership	125,000	136,00	137,000	140,000	141,000	141,500
Total Congregations	330	364	384	393	407	421
Dual LCMC/NALC congregations	39	34	71	76	82	83
Dual LCMC/NALC pastors	n/a	n/a	n/a	40	151	163

Respectfully submitted,



The Rev. Mark C. Chavez
General Secretary

– This page intentionally left blank. –

2017 North American Lutheran Church Convocation

Report of the Assistant to the Bishop for Ministry and Ecumenism

As I was writing this report, I was impressed by one of the daily devotional readings from Acts 14:19-28. This reading has to do with Paul and his disciple-making in the early Church. Having been stoned and thought dead, Paul got up and, the next day, went with Barnabas to Derbe. There, they proclaimed good news and “made a considerable number of disciples.” They then returned to Lystra and Iconium and Antioch, strengthening the spirits of the disciples, exhorting them to persevere in the faith. Then, they went on to other cities, finally to Antioch, where they “spent no little time with the disciples.”

For all the teaching, organizing, coaching and work we have done in the NALC regarding our Lord’s Great Commission and our emphasis on being disciples and making disciples, it’s always a surprise that we have some pastors and congregations who have not yet heard, do not understand, or are not involved in our emphasis on discipleship! We call it “Life-to-Life” discipleship and disciple-making—as it’s all about person-to-person relationships, as one disciple invests in another, walking together on the journey of faith, even as our Lord has promised to be with us, even to the close of the age. “Life to Life” is an appropriate title for our discipleship initiative, but I believe an equally useful theme might have been, “No Little Time!”

As Paul was traveling on his missionary journeys, it was about proclaiming the good news of Jesus Christ, making disciples wherever he went, but it was also about spending “no little time” with those disciples. Paul was not a fly-by-night evangelist, preaching the Gospel, making disciples and then leaving them unprepared for the life of discipleship. Rather, Paul was all about strengthening the disciples, encouraging them in the faith, uplifting them when persecuted. Paul invested “no little time” in this work of making disciples. He invested in the lives of others, raising up leaders in the churches he founded, trying to ensure that the congregations would survive and thrive.

As I consider “ministry” and “ecumenism” in the NALC, I believe our theme might be titled, “No Little Time.” In other words, in the NALC, we are all about relationships, investing time and energy in pastors, seminarians, lay leaders and congregations. In our ecumenical relationships, as well, our intention is to develop close and abiding friendships for the sake of the kingdom and the glory of God. We are not about superficial or “least common denominator” ecumenism, but unity that is founded in Jesus Christ, the only Savior of the world, the truth and authority of God’s Word, and the trustworthy template God has laid out for healthy, godly homes, families, churches and societies. Regarding international ecumenism and mission, our goal is not to send funds from afar, but to develop relationships that will, in time, bear fruit that will endure.

Granted, spending “no little time” takes time. Making disciples and growing relationships happens over weeks, months and years, not in an instant. It takes an investment of time, energy and self. It requires sacrifice. It is, however, the way of the kingdom of God. As God became human to invest Himself in our world and our lives, in the life, death and resurrection of Jesus, God continues to come to us in the means of grace, in Word and Sacrament, present for us. Our God continues to be “God with us”, not God at a distance. In response to God’s presence with us, we seek to be present with and for others. We hope this is what it means to be part of the NALC. Without listing all the various responsibilities with which I am entrusted, let me reflect on the past year with regard to “Ministry and Ecumenism” from the viewpoint of spending “no little time.”

As I fill out my monthly NALC time analysis report, I am always thankful that the bulk of my time is spent visiting, resourcing, and working with our local congregations. Being assistant to the bishop for “ministry” weighs heavy on my heart, as I realize my primary focus must always be what addresses, strengthens and builds up ministry in the NALC. And because we are “congregationally-focused,” my emphasis must be on our congregations. Whether it’s working with the call process, developing and implementing the new “Pastoral Care and Transition Teams” (P-CAT Teams), assisting pastors and congregations in serious conflict, serving as liaison to the Life-to-Life Discipleship team, the Commission on Theology and Doctrine, the Church and Ministry, and Stewardship Task Forces, or writing the monthly “Ministry Matters” articles, my chief aim is always “what will support and strengthen our pastors and congregations?” I spend “no little time” focused on the ministry of our local congregations — indeed, most of my time is spent there — and for that, I give thanks for the opportunity.

Regarding international relationships and ecumenism, be assured we are investing ourselves in developing relationships that are faithful to Scripture and our confessions. For this reason, we believe these relationships will abide. One example of this investment was our visit to Ethiopia and Tanzania in January, 2017. We did not go to present a donation or to check on projects. Bishop Bradosky, Gemechis and I traveled there to further our relationships with these important church leaders in the Evangelical Ethiopian Church Mekane Yesus and the Evangelical Lutheran Church in Tanzania. ELCT had elected a new presiding bishop the year before, and Mekane Yesus was electing a new president in January. Our visit manifested how important these relationships are and the priority we place upon them. This is bearing fruit by the wonderful representation we have at our 2017 Lutheran Week by dignitaries from EECMY and ELCT! We are now being blessed by their presence, as our relationships will grow even more deeply.

We are also investing ourselves, giving “no little time” to the Global Confessional and Missional Lutheran Forum taking place in conjunction with our Lutheran Week. This effort, for the third year, will bring together 20 or so leaders of confessional, missional Lutheran church bodies and movements from around the world. Providing a forum for the development of relationships and opportunities for learning, sharing and ministry will strengthen our witness around the world, especially regarding the Great Commission and our commitment to discipleship and disciple-making.

Finally, while there is much we might report about ecumenical relationships and our ongoing consultations with the Lutheran Church-Missouri Synod, the Lutheran Church-Canada, the ecumenical office of the United States Catholic Conference of Bishops, and our upcoming meeting with leaders of the ELCA and ELCiC, let me highlight the time we have invested in our relationship with the Anglican Church in North America (ACNA) and the fruit that is growing out of that investment.

From the first days of the NALC, our brothers and sisters in the ACNA have been involved with us in a twice-yearly consultation. While we have discussed many topics, and worked together on issues of marriage, the sanctity of all human life and religious liberty, we will soon be releasing four pastoral and educational affirmations, with study guides, on “Jesus Christ, the Gospel and Justification”; “Holy Baptism”; “Holy Communion”; and “Holy Scripture.” Our hope and prayer is that local ACNA and NALC congregations will meet in various contexts to share our common understanding of Jesus and justification, Baptism, Communion and Scripture. Ecumenical consultations serve little purpose if they do not, at some point, involve pastors and people at the local level. There is much ACNA and NALC congregations could be doing together for the sake of local mission and ministry. However, many local folks are unaware of their Anglican/Lutheran neighbors. The four affirmations provide for solid

catechesis, reflection upon our common faith within our current political and social context, and opportunity for participants to share responses with the ACNA/NALC consultation, helping to shape the direction of our ecumenical work. We encourage our folks to invest in this conversation, seeking out neighboring ACNA parishes to participate with in this study. It will be time well spent!

We would also like to highlight the fruit that will be borne out of our ACNA/NALC consultation as we look forward to a joint discipleship/disciple making conference in November, 2018! While we share commitments to the Word of God, mission and outreach, we also are walking side-by-side in relation to the Great Commission. As a result of conversations about this topic in our ecumenical consultation, the participants and appropriate leaders from each church body are planning a major conference on discipleship. Tentatively titled, “Word and Sacrament: First Century Discipleship for the Twenty-first Century” Acts 2:42, the conference is scheduled for Nov. 13-15, 2018, in Dallas/Fort Worth, Texas. Together, we are committed to disciple-making and are spending “no little time” in each of our church bodies addressing discipleship. Why not partner together for the sake of the kingdom, mission and outreach, to the glory of God? Please prayerfully consider, now, whether you might give some time to participating in this important conference.

Still, I give thanks day by day for the opportunity to serve as a pastor in the North American Lutheran Church, assisting Bishop Bradosky, and ministering alongside Mark, Gemechis and our other staff. Regardless the challenges of travel, time away from home, struggles and issues in congregations, we find great joy in serving! May we all find that joy, as we spend “no little time” investing in the lives of others, for the sake of mission and ministry and the making of disciples of Jesus Christ!

Respectfully submitted in Christ,

A handwritten signature in cursive script, reading "The Rev. David M. Wendel".

Dr. David M. Wendel

2017 North American Lutheran Church Convocation

Report of the Assistant to the Bishop for Mission

I. Called to Mission

In the fifth chapter of Luke's Gospel, we read the familiar story of Jesus calling the first disciples. The heartbeat of the text is found in Luke 5:5: "*Simon answered, 'Master, we've worked hard all night and haven't caught anything. But because you say so, I will let down the nets.'*"

Just before this text, we see Jesus preaching and teaching, giving the spoken Word of God on one side of the lake. But on the other side we see Peter, James and John trying to fish. On their own, apart from Jesus. Why don't they see any results? It isn't because they were lazy; they were hard workers. Is the problem with the lake? Is the problem with the net? Is the problem the way the disciples are doing it? What is the missing piece?

This text makes the most important point in discipleship, mission, and evangelism clear. As sacramental, confessional Lutherans, this becomes a very important text for us. Obviously, the missing piece was Jesus and His Word. It was the only thing added in this fishing exercise. Jesus didn't have them change their style. Or their net. Or the boat. Or the lake. Or the fishermen. They didn't change any of that. The only element that was missing or added was Jesus and His Word.

There are many hardworking churches and hardworking pastors. They are spending their time, talent, and energy: showing up early in the morning and not going home until late at night. They are hardworking fishermen on the other side of the lake from Jesus and his Word. "We have worked, but have not caught much. We have tried everything, but we have not seen much fruit." These are common sentiments expressed by many leaders in the church. "We have done everything that we know. We have changed the color of the building; we have put in new carpet. There are new musicians; we have changed the council leadership. We have tried this program and that program. We have tried everything we can think of, but there is no result! And rather than growing, we are not even plateauing; we are declining. We don't know what to do. We have worked hard all night."

Hard work without Jesus is not going to give us any result. We need to keep the Word at the center of our mission and the center of our ministry. When we lift up Jesus, he draws people to himself. The magnetic attraction in the ministry of the church of Jesus Christ is not the building, the pastor, the choir, or the musicians. It is Jesus Himself — Christ crucified. The Son of the Living God at the center of our lives. The greatest mistake and crisis in the western church was when we started to push the Word of God away from the center. When we put ourselves at the center, the church started to decline. In our time together in Nashville, we will not teach new programs or mechanics, but we are here to remind them — and now you — "let's bring Jesus and his Word to the center of our mission and ministry." And let's do that well. Then we will see the result.

Jesus brought the most stubborn fisherman to his knees with the Word of God. When Jesus is at the center, the driest humanity breaks into pieces. Human hearts melt. When the Gospel is at the center, sinners confess and receive salvation. Is Jesus at the center of the Church? Or on the other side of the lake where we are not? Are we working very hard on the other side of the lake, while not depending on Him?

The concluding remark that Jesus made was not criticism, but three little words. There were no harsh words. He simply said: **“From now on.”**

From now on — it will not be like yesterday. **From now on** — it will not be like 2016. **From now on** — it is not going to be like my previous experience. Jesus is an expert at giving you a new season, a new experience, a new chapter. It is the year of God’s favor — **from now on.**

II. Organized for Mission



The NALC Mission Office has a primary focus of mobilizing congregations, leaders, and mission districts for mission. To achieve this, systematic organization for mission is critically important. Therefore, the NALC Mission Office has spent the last several years working to implement the “teamwork” approach as presented previously. Significant steps were taken forward, but it is critical that we continue to work in three categories of teams to mobilize the entire denomination:

- National Mission Teams (NMT)
- District Mission Teams (DMT)
- Congregational Mission Teams (CMT)

As we continue to train, equip, and resource these teams, this will help us to awaken, mobilize, and equip our mission workers nationwide at every level. These mission teams are responsible being advocates, ambassadors, leaders, and resource people for the works of mission in their own areas.

1. National Mission Teams (NMT) — As we continue to acknowledge that the DNA in the NALC is creating a different culture, we recognize that the NALC must not be “staff driven” but “mission driven.” This requires identifying different gifts and callings, and using them within the Body of Christ together for the building up of His Church. What a blessing that we are not called to do mission alone!

The NALC is abundantly blessed with teachers, leaders, pastors, and servants. Without them and the selfless gifts of their congregations in sharing these people’s time, none of this would be possible. I would like to take a moment to personally thank all who have been so generous in sharing the gifts that God has given to them for the building up of His Church. The blessing is that there is no retirement in the kingdom

of God, and so, as roles may change, we will always be blessed to serve together in Christ Jesus, our Lord. We continue to gather together to meet annually for a time of visioning and planning. Teams then continue to meet quarterly to pursue specific project areas and work together for our unified vision as we strive to provide the necessary resources. Aside from the resources you will find on our website or at the end of this report, the national mission teams have spent most of their time this year focusing on coaching leaders and congregations in their respective areas, as well as the 2017 Church Planting Conference held this past January.

2. District Mission Teams (DMT) — The purpose of the District Mission Teams is to help congregations engage in the Great Commission by discipling faith communities grounded in the Lutheran tradition, developing relationships with local, domestic and global partners, and planting churches and new mission starts.

Mission needs strategic mission networks. To that end, the Great Commission Society's primary goal from 2016, carried over into 2017, has been to assist each Mission District in forming its own DMT (or mission network). Each Mission District is unique and so too will be the shape and function of its mission networks.

Three Models of District Mission Teams

Congregation Mission Team

- This approach works well if one or more of these characteristics describe you: You are formally structured. You tend to work in teams or committees. You have a variety of mission partnerships and needs.
- In this approach, a traditional team is developed to be the creator and keeper of the network. A chair or co-chairs are named and a team of five to seven people, which includes pastors and laity, come together to pray for missions, to establish connections between missions and mission partners, and to cultivate the soil for mission growth and support. This will be creating communication networks for sharing personal stories, mission needs and opportunities, training and resource sharing.

Mission Central

- This approach works well if one or more of these characteristics describe you: You are informally structured. You may or may not tend to work in teams or committees. You may or may not have a variety of mission partnerships and needs.
- This approach utilizes a single person or pair (lay person or pastor) to serve like an assistant to the pastor or mission leader, specializing in mission. This person collects mission information (resources, congregational news, etc.) and then shares prayer needs, mission partnership opportunities, and tools throughout the communication networks in the congregation.

Mission All

- This approach works well if one or more of these characteristics describe you: You are informally structured or are new. You tend to work as one large team. You may tend to focus on one area of mission partnership and need.
- In this approach, most individuals in the congregation have responsibility for his/her own mission and partnerships. As one body, the congregation communicates and prays together, creates relationships among congregations (finds mission partners for any/all missions within the district,

usually informally in a small group). All take responsibility for training and promoting a mission focus in the mission district.

3. Congregational Mission Teams (CMT) — Congregational Mission Teams will have a greater focus to enhance mission work in their congregations through in-reach and outreach work, in order to renew and mobilize people for mission. Ongoing training and resources are available for congregations to help embrace the vision. Like the approach taken for District Mission Teams, we offer three different models in our resourcing to help each congregation uniquely embrace their identity and call. For more information on available resources, please visit <http://thenalc.org/missionresources/>. Or to hear what God is doing in congregations just like yours, please read more about MissionConnect (below).

III. Equipping for Mission

- **Senior Ministry Conference:** Our first annual conference will be held October 17–18, 2017 in Culpeper, Virginia. For more information, go to <https://missions.nalcnetwork.com/senior-ministry-conference/>
- **GOODNEWS! Media:** This weekly video blog provides short reflections on discipleship, being mission driven and stories from across the NALC from the NALC staff and congregations. To connect, visit <https://missions.nalcnetwork.com>
- **GOODNEWS!:** This weekly staff blog from the Mission Office shares stories, travels and updates from life on the road. As we journey together as the Body of Christ, this allows for continued prayer requests, shared creative ideas and increased communication. To connect, please visit <https://missions.nalcnetwork.com>
- **Mission Resources on NALC Website:** Designed specifically to connect pastors, leaders and congregations to requested resources. Includes video teaching, “how to” and other administrative documents, past training events and more at <http://thenalc.org/missionresources/>
- **Mission Connect:** A weekly update from the Mission Office sharing stories of discipleship and mission across the NALC. You can sign up to receive a weekly text (SMS) message or email:
 - SMS: text @mconnect to (614) 682-8693
 - Email: visit www.remind.com/join/mconnect and complete the form.
- **Mission Finder:** Mission cannot be done in isolation. It is about relationship and building strategic mission networks. Find information about other hands-on mission and ministry projects in the NALC (including short-term mission trips): <https://missions.nalcnetwork.com>
- **Drops from the Well:** Utilizing the readings from Sunday morning, Drops from the Well can be delivered to your phone (*US phone numbers only*) via a text message or to your email inbox. More than a verse-a-day, Drops from the Well focuses on sending out one key point or Gospel kernel with the hopes that you read and reflect on that drop each day of the week.
 - SMS: text @dropswell to 81010
 - Email: visit <https://www.remind.com/join/dropswell> and complete the form.
- **Drops in Focus:** Utilizing the same technology as Drops from the Well, but instead of sending the verse in a “text,” it is delivered to your phone in a picture image each week. The goal is to save this image to your phone and set it as your lock screen image.
 - SMS: text @dropsfocus to 81010
 - Email: visit <https://www.remind.com/join/dropsfocus> and complete the form.

IV. Resourcing for Mission

Mission Grants — The NALC continues to offer short-term grants for mission starts, global worker support, international mission projects, congregational renewal, and emergency aid. This support comes from the NALC Great Commission Fund. We invite you to partner with us today. Your partnership enables these amazing projects and missions to start, as they form the relationships that will sustain in the long run. If you wish to become a member, or you already are a member and interested in becoming a partner with one of our many approved missions or global workers, visit the GCS website (<http://thenalc.org/gcs/>) or speak to a member of the team at Convocation to assist you in joining or forming a long sustaining relationship.

Additionally, we are grateful to Pastor Phil Gagnon for his donation of original watercolor artwork to benefit the Great Commission Society, and to Susan Riches for her assistance in the production of notecards and calendars and organization of the silent auction. Please visit the ministry display area to view the artwork or partner in raising awareness of mission with a donation for notecard prints and calendars showcasing Pastor Gagnon’s “Mission Driven” artwork.

International Mission — The NALC continues to build relationships, provide training, and grow together with mission societies all over the world, as well as partnering with new global workers. This year we have visited and have been working specifically with the Democratic Republic of Congo, South Sudan, Mongolia, China, South Africa, Dubai, India, EECMY (Ethiopia, www.eecmy.org), Slovakia, Belarus, Tanzania, Kenya, Norway, Sweden, Denmark, Germany, Nepal, Bangladesh, and many others.

Thank you for the continued gift of being called to serve in the North American Lutheran Church. It is a continued blessing to both me and my family, as we strive together to proclaim the Gospel!

Blessings,



The Rev. Dr. Gemechis Desta Buba

2017 North American Lutheran Church Convocation

Report of the Communications Coordinator

2017 brought the long-awaited, new website for the NALC. Thenalc.org features a graphic-rich environment and streamlined navigation that allows users to more easily find what they need on our website. The Congregation Finder has been thoroughly updated by David Hahn's company, making it very easy to find NALC congregations throughout the North American continent — even narrowing down choices to within a range of miles from your location. Hahn's team also added a Clergy Finder.

Our website looks great and works well on mobile devices, too. Going forward, the next step is to create a mobile application that utilizes the look and functionality of the new website. To that end, a mobile publishing platform has been constructed so that we may create this mobile application.

Daily devotions continue to be a feature of our website. The devotions are now more prominent, while only showing one devotion on our home page instead of dozens in a column. Nearly 100 of our NALC pastors write these daily devotions, using the two-year Daily Lectionary. In their writing, and our publishing, we bring the Word of God to not only our members but to the entire world every day.

The NALC Network had to be shut down for security reasons earlier this year. Hackers were trying to gain access to the network in order to steal personal information. The site was immediately disabled to keep this from happening. To the best of our knowledge, no data was stolen. A new network is being developed by David Hahn's company. It is well underway, though not completely restored. It is a work in progress, and we thank you for your patience.

Respectfully submitted,

Pr. Mark Ryman
Communications Coordinator

2017 North American Lutheran Church Convocation

Report of the Treasurer

As the NALC completes its seventh year of existence, our church body remains on solid financial footing, although operating with significant annual deficits at present. Last year at this time, the NALC was also experiencing substantial deficits. However, a surge of giving towards the end of 2016, including three very significant one-time gifts, eliminated those deficits and enabled the NALC to finish the year with a surplus. Once again, we have seen God's faithfulness in providing the substantial resources necessary for ministry.

Despite the strong financial finish last year, we believe that all three of our major expenditure budgets (operating, theological education, missions) will operate at a deficit this year. Congregational benevolence and other giving to the NALC has increased, but not enough to eliminate the budgeted deficits. Happily, due to the increased income as well as effective expenditure control, the actual deficits look to be smaller than budgeted. This deficit spending will be funded from the NALC's still-ample cash reserves.

However, that mode cannot continue indefinitely. In the next few years, income and expenditures must come into balance on a sustainable basis, either through increased donation and benevolence income, or through a reduction in expenditures (staff, programs, missions, seminary and theological education), or both. Moreover, the Executive Council believes that additional spending on expanded staff and programs will be necessary in coming years to support our growing church body, which would require a corresponding increase in benevolence income.

2016 Financial Results: The last page of this report summarizes the NALC's financial statements for 2016. For the full year, the NALC received congregational benevolence of \$1,501,690, a decrease of 0.6% from the amount in 2015. Individual and other donations more than doubled to \$219,421, including a large one-time donation of \$100,000. Other income totaled \$125,634. Donations to the NALC's dedicated funds and other specified purposes totaled \$914,086, an increase of approximately 25% from the prior year due to \$175,000 in one-time gifts from an NALC congregation in Kansas that disbanded in 2016, as well as the strong response to the 2016 NALS Seminary Month Appeal.

Total expenditures, including operating costs and grants from the dedicated funds, were \$2,621,392. While the NALC experienced an operating deficit in 2016 of (\$64,114), contributions to the dedicated funds were substantially above expenditures, generating a consolidated surplus of \$139,439.

2017 Forecast: Congregational benevolence to the NALC decreased modestly in 2016 compared to 2015, but has risen more than 9% on a year-over-year basis thus far in 2017. In the first six months of 2017, the NALC received congregational benevolence and other operating income of \$838,504, while operating expenses totaled \$880,325, creating an operating deficit of (\$41,821).

For the full year 2017, we now estimate that congregational benevolence and other operating income will total \$1,897,729, which is approximately \$44,000 greater than budget, through continued growth in congregation benevolence. Operating expenses are estimated to total \$2,059,950, which is only approximately \$16,000 greater than budget. Accordingly, we presently forecast an operating deficit of (\$162,220) in 2017.

Turning to the dedicated funds, we forecast total grants in 2017 from the Great Commission Fund of \$132,000, which is modestly less than budget due to fewer than anticipated missional leadership grants. We estimate total expenditures from the Theological Education Fund of \$458,372, which is substantially below budget and reflects fewer seminarians on scholarship as well as a one-year hiatus in the annual seminarian gathering. In both cases, donations to these funds are also running somewhat ahead of budget. We forecast smaller than budgeted deficits of (\$57,000) in the Great Commission Fund and (\$83,372) in the Theological Education Fund for the full year 2017.

2018 Proposed Budgets: For 2018, the proposed operating budget contemplates a 2.9% increase in total income to \$1,952,844, and a 0.9% increase in total expenditures to \$2,077,737, both compared to forecast 2017 levels. The growth in planned spending includes one additional staff member focused on domestic missions and a cost of living increase for all staff, and is offset in part by anticipated lower costs for next year's Convocation.

As a result, we forecast an operating deficit of (\$124,893) in 2018, an improvement of approximately \$65,000 from the budgeted deficit in 2017. While we are disappointed not to be able to propose a balanced budget, the Executive Council believes that in 2018, spending a portion of the operating surpluses from prior years is appropriate to grow the NALC's capabilities to serve its congregations.

The Great Commission Fund budget for 2018 proposes total expenditures of \$165,500, an increase of approximately \$33,000 from the 2017 forecast level, chiefly to provide funding for the increased number of NALC global workers in the field. Donations to this fund are rising albeit slowly, and are budgeted at \$85,000 in 2018. Accordingly, a significant increase in donations in coming months and years will be required to sustain the current level of seed grants to new mission congregations and financial support for global workers.

The 2018 proposed Theological Education Fund budget calls for a significant increase in total expenditures to \$543,040, due to anticipated increases in the number of NALS student scholarships, restart of the annual seminarian gathering and addition of a communications consultant for the NALS. The budget contemplates total donations to the NALS and Theological Education Fund of \$390,000 in 2018, resulting in substantial deficit spending again this coming year.

Finally, the 2018 proposed budgets include a budget for the NALC Disaster Response Fund. This fund has now grown to a sufficient size, and has sufficient operating history, that it merits being transitioned to a standalone budget. This fund also now includes the operating expenses of the NALC's disaster response team. The proposed budget contemplates donation income of \$60,000 and expenditures of \$63,890, split roughly equally between direct disaster relief and operating costs.

A range of additional information is available on the NALC website, including the Treasurer's presentation at the Convocation, the proposed 2018 budgets, the 2016 audited financial statements and a memo providing disclosure of compensation information for the NALC's executive staff.

Respectfully submitted,



Ryan M. Schwarz, Treasurer

NORTH AMERICAN LUTHERAN CHURCH
Summary 2016 Consolidated Audited Financial Results

Statement of Activities

Income

Unrestricted Donations	
Member Congregation Donations	\$ 1,501,690
Individual and Other Donations	219,421
Other Income	125,634
Subtotal - Unrestricted Income	1,846,745
Restricted and Designated Donations	914,086
Total Income	\$ 2,760,831

Expenditures

Committees and Task Forces	\$ 120,803
Convocation and Conferences	205,738
Mission Support and Other Grants Distributed	477,722
NALS Operating Expenses	312,811
Staff Salaries and Benefits	1,019,670
Staff Travel	202,352
Administrative Expenses and Other	282,296
Total Expenditures	2,621,392
Change in Net Assets	\$ 139,439

Balance Sheet

Assets

Cash and Cash Equivalents	\$ 2,428,782
Accounts Receivable	12,166
Prepaid Expenses	48,868
Property and Equipment	9,667
Total Assets	\$ 2,499,483

Liabilities and Net Assets

Liabilities	
Accounts Payable	\$ 18,698
Accrued Expenses	58,290
Other Accrued Liabilities	33,354
Total Liabilities	110,342
Net Assets	2,389,141
Total Liabilities and Net Assets	\$ 2,499,483

NOTE: Complete Audited Financial Statements are available on the NALC website.

