

2015 OPERATING RESULTS SUMMARY FOR THE NINE MONTHS ENDING OCTOBER 31, 2015

The churchwide organization of the Evangelical Lutheran Church in America had total operating revenue and support of \$50.3 million for the nine-month period ended October 31, 2015, \$1.2 million higher than expenses of \$49.1 million. Net revenue over expenses is favorable to the period budget by \$5.7 million, and \$1.2 million more than the nine months ending October 31, 2014.

Revenue (excluding funds released) totaled \$46.7 million for the nine-month period compared with \$46.9 million the previous year, a decrease of \$(0.2) million or (0.5) percent. In addition, \$3.6 million in support was released from restriction or designation during the period. Total revenue and support for the nine-month period of \$50.3 million was favorable to the budget by \$1.5 million or 3.1 percent. Expenses related to the current operating fund of \$49.1 million were below the authorized unit spending plans by \$4.2 million, and constituted an increase of \$1.0 million from the previous year.

Income from congregations through synods in the form of Mission Support income for the nine months was \$33.0 million, 99 percent of budget, but unfavorable to the prior year by \$(0.9) million. The annual Mission Support budget for 2015 of \$47.25 million is \$(1.2) million or (2.4) percent lower than the amount received in 2014.

Other unrestricted and temporarily restricted revenue and support available for the budgeted operations of the church amounted to \$13.7 million compared with \$13.1 million in the previous year. Income from Vision for Mission amounted to \$0.5 million, and is \$0.1 million ahead of budget for the period. Income from Global Church Sponsorship (including missionary sponsorship) of \$2.0 million is unfavorable to the current year budget, though favorable to the prior year results. Endowment distributions of \$2.4 million were favorable to the budget by \$0.1 million. Income from bequests and trusts of \$3.5 million resulted in a favorable variance to the budget of \$1.8 million. Investment income for the nine-month period amounted to \$0.6 million, \$(0.5) million lower than the budget. The Mission Investment Fund provided grant support of \$1.1 million to the churchwide organization. Additionally, other income of \$3.6 million was received for the nine months.

Total contributions to ELCA World Hunger for the nine months were \$11.1 million, favorable to the budget by \$1.4 million and favorable to the prior year by \$1.2 million. ELCA members and partners contributed \$4.7 million for Lutheran Disaster Response in the nine-month period, primarily in support of Nepal Region Earthquake Relief, Middle East Refugee Crisis, U.S. Flood Relief efforts and general undesignated programs.

The ELCA Malaria Campaign has now exceeded its \$15.0 million five-year campaign goal. We celebrate that the success of this campaign reflects the generosity and commitment of our whole church in this global effort. We celebrate that the success of this campaign has meant life-saving programs and supplies provided through Lutheran companion churches and partners in 13 African countries.

Always Being Made New: The Campaign for the ELCA has raised \$66.0 million in revenue and commitments to date in this five-year, comprehensive campaign. This amount represents 33.3 percent of the total goal of \$198 million by January 31, 2019. In addition to results reported above, strong response to date has been in the areas of New Congregations, Fund for Leaders, and International Leaders: Women.

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CURRENT OPERATING FUNDS
SUMMARY OF REVENUE AND EXPENSES
(In Thousands)
For the Period Ending October 31, 2015

| | 2015 ACTUAL | 2015 BUDGET | 2014 ACTUAL | Year-to-Date Variance | |
|---|-------------------------|--------------------------|-------------------------|--|--|
| | | | | ACTUAL vs BUDGET Favorable/(Unfav) | CURRENT YEAR vs PRIOR YEAR Favorable/(Unfav) |
| REVENUE | | | | | |
| UNRESTRICTED | | | | | |
| Mission Support | \$ 32,983 | \$ 33,248 | \$ 33,890 | \$ (265) | \$ (907) |
| Other | 6,692 | 6,195 | 7,307 | 497 | (615) |
| Total Unrestricted | <u>39,675</u> | <u>39,443</u> | <u>41,197</u> | <u>232</u> | <u>(1,522)</u> |
| TEMPORARILY RESTRICTED | | | | | |
| Designated Gifts | 3,553 | 3,513 | 3,615 | 40 | (62) |
| Other | 3,502 | 2,352 | 2,132 | 1,150 | 1,370 |
| Total Restricted | <u>7,054</u> | <u>5,864</u> | <u>5,747</u> | <u>1,190</u> | <u>1,308</u> |
| TOTAL REVENUE | \$ 46,729 | \$ 45,307 | \$ 46,943 | \$ 1,422 | \$ (214) |
| DESIGNATED AND RESTRICTED FUNDS RELEASED | 3,572 | 3,490 | 3,138 | 82 | 434 |
| TOTAL OPERATING REVENUE AND SUPPORT | <u>50,301</u> | <u>48,797</u> | <u>50,081</u> | <u>1,504</u> | <u>220</u> |
| LESS TOTAL EXPENSES | \$ <u>49,074</u> | \$ <u>53,303</u> | \$ <u>50,062</u> | \$ <u>4,229</u> | \$ <u>988</u> |
| NET REVENUE OVER (UNDER) EXPENSES | <u>\$ 1,227</u> | <u>\$ (4,506)</u> | <u>\$ 19</u> | <u>\$ 5,733</u> | <u>\$ 1,208</u> |

PRELIMINARY AND UNAUDITED

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CURRENT OPERATING FUNDS
REVENUE SUMMARY
For the Period Ending October 31, 2015

| | 2015 ACTUAL | 2015 BUDGET | 2014 ACTUAL | Year-To-Date Variance | |
|--|----------------------|----------------------|----------------------|---|---|
| | | | | ACTUAL vs. BUDGET Favorable/(Unfavor) | CURRENT YEAR vs. PRIOR YEAR Favorable/(Unfavor) |
| UNRESTRICTED | | | | | |
| Mission Support | \$ 32,983,109 | \$ 33,247,727 | \$ 33,889,567 | \$ (264,618) | \$ (906,458) |
| Vision for Mission | 511,033 | 410,000 | 695,574 | 101,033 | (184,541) |
| Investment Income | 605,727 | 1,088,044 | 2,316,820 | (482,317) | (1,711,093) |
| Bequests and Trusts | 1,401,949 | 725,000 | 736,401 | 676,949 | 665,548 |
| Endowment | 988,151 | 881,364 | 632,456 | 106,787 | 355,695 |
| Rent | 1,181,316 | 1,215,595 | 1,192,762 | (34,279) | (11,446) |
| Other | 2,003,624 | 1,874,985 | 1,733,337 | 128,639 | 270,287 |
| Total Unrestricted | <u>39,674,909</u> | <u>39,442,715</u> | <u>41,196,917</u> | <u>232,194</u> | <u>(1,522,008)</u> |
| TEMPORARILY RESTRICTED | | | | | |
| Global Church Sponsorship | 2,029,540 | 2,139,415 | 1,936,745 | (109,875) | 92,795 |
| Bequests and Trusts | 2,051,364 | 940,000 | 862,396 | 1,111,364 | 1,188,968 |
| Endowment | 1,450,208 | 1,411,669 | 1,269,425 | 38,539 | 180,783 |
| Unit-Designated Gifts | 398,137 | 248,200 | 302,971 | 149,937 | 95,166 |
| Mission Investment Fund | 1,125,000 | 1,125,000 | 1,375,000 | - | (250,000) |
| Total Restricted | <u>7,054,249</u> | <u>5,864,284</u> | <u>5,746,537</u> | <u>1,189,965</u> | <u>1,307,712</u> |
| TOTAL REVENUE | <u>\$ 46,729,158</u> | <u>\$ 45,306,999</u> | <u>\$ 46,943,454</u> | <u>\$ 1,422,159</u> | <u>\$ (214,296)</u> |
| Total Designated and Restricted Funds | <u>3,572,170</u> | <u>3,489,684</u> | <u>3,137,532</u> | <u>82,486</u> | <u>434,638</u> |
| TOTAL OPERATING REVENUE ANI | <u>\$ 50,301,328</u> | <u>\$ 48,796,683</u> | <u>\$ 50,080,986</u> | <u>\$ 1,504,645</u> | <u>\$ 220,342</u> |

PRELIMINARY AND UNAUDITED

**EVANGELICAL LUTHERAN CHURCH IN AMERICA
CURRENT OPERATING FUNDS
ACTUAL EXPENSES VS. SPENDING AUTHORIZATION
For the Period Ending October 31, 2015**

| | 2015 ACTUAL EXPENSES | 2015 SPENDING AUTHORIZATION | Variance Favorable (Unfavorable) | Percent of Actual to Budget |
|--------------------------------------|-------------------------------------|--|---|--|
| UNITS | | | | |
| Congregational and Synodical Mission | 19,854,550 | 21,357,633 | 1,503,083 | 92.96% |
| Global Mission | 10,819,441 | 11,539,055 | 719,614 | 93.76% |
| Mission Advancement | 2,849,973 | 3,881,545 | 1,031,572 | 73.42% |
| OFFICES | | | | |
| Presiding Bishop | 3,851,949 | 4,214,505 | 362,556 | 91.40% |
| Treasurer | 6,140,281 | 6,445,143 | 304,862 | 95.27% |
| Secretary | 2,813,969 | 3,093,048 | 279,079 | 90.98% |
| OTHER | | | | |
| General Treasury | 104,611 | 113,400 | 8,789 | 92.25% |
| Retiree Minimum Health Obligation | 750,000 | 749,997 | (3) | 100.00% |
| Depreciation | 1,886,360 | 1,886,360 | - | 100.00% |
| Strategic Initiatives | 3,000 | 22,500 | 19,500 | 13.33% |
| TOTAL OPERATING EXPENSES | \$ 49,074,134 | \$ 53,303,186 | 4,229,052 | 92.07% |

PRELIMINARY AND UNAUDITED

**EVANGELICAL LUTHERAN CHURCH IN AMERICA
ELCA WORLD HUNGER
SUMMARY OF REVENUE AND EXPENSE
For the Period Ending October 31, 2015**

| | <u>Actual</u> | <u>Budget</u> | <u>Income and Expense Variances</u> <u>Favorable (Unfavorable)</u> | |
|---|-----------------------|-----------------------|---|--------------------------------------|
| | | | <u>Actual Vs. Budget</u> | <u>Current Vs. Previous Year</u> |
| Beginning Balance | \$ 2,911,784 | | | |
| Income: | | | | |
| Direct Giving | \$ 8,660,166 | \$ 8,976,550 | \$ (316,384) | \$ 611,015 |
| Endowments and Donor Requested Payments | 431,282 | 385,000 | 46,282 | 24,940 |
| Bequests, Miscellaneous | 1,980,641 | 335,000 | 1,645,641 | 534,979 |
| Total Income | 11,072,089 | 9,696,550 | 1,375,539 | 1,170,934 |
| Expense: | | | | |
| Global Mission | 10,112,200 | 10,144,036 | 31,836 | (2,262,142) |
| Congregational and Synodical Mission | 1,669,673 | 2,014,020 | 344,347 | (47,218) |
| Mission Advancement | 1,650,725 | 2,016,974 | 366,249 | (271,706) |
| Total Expense | 13,432,598 | 14,175,030 | 742,432 | (2,581,066) |
| Net | \$ (2,360,509) | \$ (4,478,480) | \$ 2,117,971 | \$ (1,410,132) |
| Ending Balance | \$ 551,275 | | | |

EVANGELICAL LUTHERAN CHURCH IN AMERICA
ELCA MALARIA CAMPAIGN
SUMMARY OF REVENUE AND EXPENSE
For the Period Ending October 31, 2015

| | <u>Actual</u> | <u>Budget</u> | <u>Variance Favorable (Unfavorable)</u> | <u>Campaign To Date</u> |
|-----------------------------|-----------------------|-----------------------|---|-----------------------------|
| Beginning Balance | \$ 4,647,372 | | | |
| Income | | | | |
| Direct Giving | 1,356,537 | 708,331 | 648,206 | 14,918,162 |
| Endowment and Miscellaneous | 77,154 | - | 77,154 | 303,973 |
| Total Income | <u>\$ 1,433,691</u> | <u>\$ 708,331</u> | <u>\$ 725,360</u> | <u>\$ 15,222,135</u> |
| Expense | | | | |
| <i>Global Mission</i> | | | | |
| Program Grants | 1,998,751 | 2,396,204 | 397,453 | 8,781,105 |
| Capacity Building | 96,879 | 135,806 | 38,927 | 480,419 |
| Program Coordination | 208,144 | 226,753 | 18,609 | 1,256,000 |
| <i>Mission Advancement</i> | | | | |
| Interpretation/Coordination | 18,956 | 31,403 | 12,447 | 663,395 |
| Fundraising | 116,527 | 171,022 | 54,495 | 1,333,022 |
| Total Expense | <u>\$ 2,439,257</u> | <u>\$ 2,961,188</u> | <u>\$ 521,931</u> | <u>\$ 12,513,941</u> |
| Net | <u>\$ (1,005,566)</u> | <u>\$ (2,252,857)</u> | <u>\$ 1,247,291</u> | |
| Ending Balance | <u>\$ 3,641,806</u> | | | |

PRELIMINARY AND UNAUDITED