

LCC Administrator reports on 2018 financial results and approved 2019 budget

Lutheran Church-Canada Administrator Dwayne Cleave reported to the LCC Board of Directors at their April 5, 2019, meeting that the 2018 fiscal year ended with an operating surplus of \$14,055, a positive result when compared to the 2018 budget expectation of a \$3,402 surplus. This was due in part to a bequest gift of \$20,000, and to “very positive” mission remittances received from LCC congregations during the fourth quarter. Mr. Cleave also reported that the audit firm of KPMG recently audited the 2018 financial statements prepared by Management, and that the audited statements and the independent auditor’s report would be available for the LCC Board of Directors to review and approve at their June 19th meeting, after which time they will be available on the LCC website.

Starting in January 2019, LCC began incurring the costs of domestic programs and services previously administered by the former District Offices, however, LCC also began receiving the full amount of mission remittances from member congregations. Mr. Cleave conveyed that “the extra revenues received and expenses incurred during the month of January essentially offset each other.”

The 2019 spending budget approved by the Board of Directors is in the amount of \$3,671,950, and the revenue to support the budget is anticipated to come from mission remittances of \$2.5 million from the 290 LCC member congregations and \$1.2 million from external sources. The external sources primarily include organizations and individuals who focus on providing financial support to the mission and ministry work of LCC. The Board was encouraged that 180 of the 290 member congregations provided mission goal pledges that totalled \$2 million, and are hopeful that with support and contributions from the other 110 congregations, the remaining \$500,000 required to support the church’s mission and ministry activities will be provided. Most of the spending budget (74%) is allocated toward the priorities of the church, namely domestic missions, international missions, higher education, and ecclesiastical services. Administration costs are expected to make up 16% of the budget.

Mr. Cleave stated that the 2019 budget figures for domestic mission funding within each Region are at the same level as in 2018, when the respective Districts still administered the domestic mission programs, and that the domestic budgeting arrangement is consistent with what LCC communicated to delegates at the three District conventions, in 2018. The 2019 budget simply continues the existing domestic mission programs that were taking place in each District. One of the District Corporations has continued to provide LCC with direct funding for the mission projects they had been supporting, with designated funds, so that these programs could continue in 2019.

To request domestic mission funding, congregations must complete a Funding Assistance application form (**sample attached**), and send it to their local Regional Mission and Ministry Council (RMMC). The RMMCs, in collaboration with the Domestic Mission Executive, will review all requests and submit them to the LCC Board of Directors, which will then provide funding as available. Mr. Cleave stated that the allocation of resources for domestic mission funding in 2019 has been set, but that consideration may be given to an emergency situation. The current International Mission Executive, Rev. Mark Smith, has been appointed as the Interim

Domestic Mission Executive, and he will engage with the Regional Pastors and the RMMCs to evaluate current mission programs and plan for future budgeting.

Details of the 2019 budget are available on www.canadianlutheran.ca.

Funding Assistance Application Forms are available at <https://lutheranchurch.ca/resources/congregation-resources/>