

2007 OPERATING RESULTS SUMMARY

The churchwide organization of the Evangelical Lutheran Church in America had income over expense of \$2.5 million in current operating funds for the fiscal year ended January 31, 2008.

Receipts totaled \$83.3 million for fiscal year 2007 compared with \$83.0 million the previous year, an increase of \$0.3 million or 0.4%. Expenses related to the current operating fund amounted to \$80.8 million, an increase of \$1.2 million or 1.5% from fiscal 2006. Revenue was favorable to the budget by \$1.9 million or 2.3%. Expenses were below the Church Council authorized level by \$1.0 million or 1.2%.

Income from congregations through synods in the form of mission support income increased slightly to \$66.1 million, an increase of \$0.5 million or 0.7%. This was the second consecutive year with an increase in annual mission support income, following four years of decline. It is the fourth consecutive year of an increase in total current operating income.

Other temporarily restricted and unrestricted funds available for the budgeted operations of the church amounted to \$17.2 million compared with \$17.3 million in 2006. Major sources of income in these categories included: Missionary Sponsorship, \$3.8 million; bequest and trust income, \$2.3 million; investment income, \$2.7 million; endowment income, \$2.2 million; grants for new starts, \$2.5 million; Vision for Mission, \$1.2 million; and other income of \$3.4 million. Included in other income is \$0.7 million in unrestricted gifts from synods and other partner organizations that shared bequests and proceeds from the sale of property.

Total contributions to the ELCA World Hunger Appeal in 2007 reached \$22.1 million, a new high, of which a record \$21.3 million was for the general World Hunger Appeal. This represents an increase of 11.1% over 2006 and the third consecutive year of income growth in the World Hunger general appeal. Designated World Hunger income was \$0.8 million, with the majority, \$0.6 million, designated for the Stand with Africa campaign.

ELCA members in 2007 contributed \$3.1 million for the ELCA disaster response and an additional \$3.9 million was received in federal grants for hurricane relief, for a total of \$7.0 million. This compares to \$5.1 million from members and \$3.4 million in external grants in 2006. The disaster appeal that received the most donations continued to be the 2005 hurricanes response with receipts of \$0.9 million. Other disaster income was primarily for the general disaster fund, \$0.5 million; general domestic disaster fund, \$0.8 million; and the general international disaster fund, \$0.4 million.

Overall, it was a year of positive financial results for the churchwide organization. Mission support income increased in 42 synods and six regions. The range in synod variances as compared to the prior year was again high, with increases up to 11.9% and decreases as low as 38.3%, but the vast majority of synods performed within 5% of their plan. In total, the churchwide organization received 98.0% of synod mission support income plans. Investment income realized a short-term boost of 15.7% and exceeded budget by \$1.5 million because of higher restricted fund levels, the market value of the investments, and improved interest rates. Unrestricted bequest and trust income exceeded budget by \$0.4 million and contributed to a positive revenue variance. The variance above budget of \$0.4 million was transferred to the Mission Development Fund. World Hunger results continued to exceed expectations.