

THE 57th ANNUAL CONFERENCE
of the
ASSOCIATION OF
FREE LUTHERAN CONGREGATIONS

June 11-14, 2019

Conference Host:
AFLC Eastern Churches

Conference Site:
Spruce Lake Retreat Center, Canadensis, PA

Conference Theme:
“As For Me And My House”
Joshua 24:15

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Host Site – Spruce Lake Retreat Center, Canadensis, PA
“As For Me & My House”..... Joshua 24:15
(2019 Committee order for conference business committees #1, #2, #3, #4, #5)

TUESDAY - JUNE 11, 2019

9:00 a.m.

The conference committees meet for devotions, instructions and room assignments.

NOON

Committee Lunch

7:00 p.m.

AFLC President Lyndon Korhonen will open the 2019 Annual conference.
Opening Conference & Ordination Service
Report of Colloquy Committee before Ordination

| | |
|----------|-----------------------------------|
| Leader: | Rev. Terry Culler, Hagerstown, MD |
| Speaker: | Rev. Terry Olson, Grafton, ND |
| Music: | AFLBS Ambassadors |

AFLC President Lyndon Korhonen will appoint necessary committees for conference business.

WEDNESDAY - JUNE 12, 2019

7:00 a.m.

WMF Breakfast

9:00 - 9:15 a.m.

Devotions by Seminarian Kevin Czymbor called to St. Peter Armour, SD

9:15 a.m.

Credentials Committee Report

Adoption of the Conference Agenda
Adoption of the 2018 Conference Report

Report of Nominating Committee

Selection of Nominees for Corporations to Missions, Schools & ARC

AFLC President's Report

President's Report – Rev. Lyndon Korhonen, Plymouth, MN

Reports of AFLC Ministries (Com #1) General (8 minutes ea.)

Co-ordinating Com. Chairman – Dr. Daniel Mundfrom, Richmond, KY

AFLC Director of Development – Rev. Tonnes Pollestad, Andover, MN

10:10 a.m.

BREAK

10:45 a.m. Sessions Resume

Reports of AFLC Ministries – General (continued)

AFLC Foundation Chairman – Rev. Thomas Schierkolk, Eben Junction, MI

Director of Institutional Chaplaincy – Rev. Marlin Harris, Mora, MN

Director of Police & Fire Chaplaincy – Rev. Jon Benson, Janesville, WI

Director of Military Chaplaincy – Rev. Mark Antal, Park River, ND

Director of the ARC - Mr. Kirk Rautio, Osceola, WI

Report of Nominating Committee

Selection of Nominees to Committees for Corporation meetings:

| | | |
|-------------------|-----|----------------------|
| Board of Trustees | (1) | 1 Lay |
| World Missions | (2) | 1 Lay & 1 Pastor |
| Home Missions | (2) | 1 Lay & 1 Pastor |
| Flaps | (1) | 1 Pastor |
| Bay Broadcasting | (1) | 1 Pastor (3 yr term) |
| ARC Board | (1) | 1 Lay |

11:35 a.m.

Prayer Hour by Rev. Kris Nyman, Hagerstown, MD

NOON (Wednesday)

Conference Lunch

HM-Builders Fellowship Luncheon

Chaplains Luncheon

1:30 p.m.

Praise/Worship by Rev. Rodger Olson, Tioga, ND

1:45 p.m.

Devotions by Rev. Marlin Harris, Mora, MN

2:00 p.m.

Credentials Committee Report

Reports of AFLC Ministries - General (Continued)

AFLC Financial Report

Family Bible Camp Treasurers:

Lake Bronson - Mrs. Don Balmer, TRF, MN

Wilderness – Mr. Nathan Dalager, Argyle, MN

Bethany Family Camp -

Budget Analysis committee – Mr. Steve Jankord Fort Mill, SC

Reports of AFLC Ministries– AFLC Schools (Com #2)

President of AFLC Schools – Rev. Wade Mobley, Plymouth, MN
Board of Trustees Chairman & Vision – Rev. Lloyd Quanbeck, Moorhead, MN
Dean of the Seminary - Rev. James Molstre, Minneapolis, MN
Dean of the Bible School – Rev. Adam Osier, Minneapolis, MN

Reports of AFLC Ministries – Missions (Com #3)

World Missions Com. Chair - Rev Craig Johnson, Astoria, WA
World Missions Director – Rev. Earl Korhonen, Minneapolis, MN
Home Missions Com. Chair - Rev. Gerald Peterson, Durant, OK
Home Missions Director – Rev. James L. Johnson, Otsego, MN
F L A P S Executive Director – Dr. Kevin Lee, Beulah, ND
WMF President – Mrs. Lavonne West, Columbia Falls, MT

3:25 p.m.

BREAK

3:45 p.m.

Sessions Resume

Reports of AFLC Ministries – Publications, Parish Edu & Youth (Com #4)

Publications & Parish Edu Chair – Rev. Dennis Norby, Valley City, ND
Publications & Parish Edu Director – Mrs. Marian Christopherson, McVie, ND
Youth Board Chair - Rev. Eric Rasmussen, Fergus Falls, MN
Free Lutheran Youth President – Rev. Eric Christenson, Amery, WI
Youth Ministry Director – Rev. Jason Holt, St. Michael, MN

Reports of AFLC Ministries– Evangelism & Benefits (Com #5)

AFLC Evangelism & Discipleship Chair – Mr. Kevin Hoops, Byron, NE
Director of Evangelism – Rev. James Rasmussen, Maple Grove, MN
Benefits Board Chairman - Mr. Tony Onnen, Cokato, MN

4:15 p.m.

Workshops

Rev. Joel Rolf - "Grace Empowered Ministry"

Rev. John Eidsmoe - "Life Issues"

Rev. James L. Johnson - "Home Missions"

5:30 p.m.

Conference Dinner

Schools Corp Dinner

7:00 p.m.

MISSION Festival Service

Speaker: Mr. Michael Rokenbrodt, Chippewa Falls, MN
Seasonal Missionary to Uganda

Worship Leader : Rev. Del Palmer, Shakopee, MN

THURSDAY - JUNE 13, 2019

7:00 a.m.

Missions Corp Breakfast

9:00 - 9:15 a.m.

Devotions by Rev. Rob Edwards, Dassel, MN

9:15 a.m.

Credentials Committee Report

Report of Nominating Committee

Election of Nominating Committee for the next Conference
16 districts (2 from each district)

ELECTION PROCEDURES

(Ecclesiastical Ballot - see back of conference report book)

Elections of:

President (3 yr) _____
Vice President (1 yr) _____
Secretary (1 yr) _____

10:10 a.m.

BREAK

10:45 a.m.

Sessions Resume (*order of business by committees #1, #2, #3, #4, #5*)

REPORT OF COMMITTEE #1 (Administration)

(*Resolutions for AFLC Administration*)

Report Of Nominating Committee

Selection of nominees to:
AFLC Co-ordinating Committee (1 Pastor)

Election of Committee #1 for the next conference

(5 names – majority of Lay)

.....

REPORT OF COMMITTEE #2 (Schools)

(*Resolutions for AFLC Schools*)

Report of Nominating Committee

(Nominees previously given to Corporation for Board of Trustees)

Election of Committee #2 for the next conference

(5 names – majority of Lay)

.....

REPORT OF COMMITTEE #3 (Missions)

(Resolutions for AFLC Missions)

Report of Nominating Committee

(Nominees previously given to Missions Corporation for committees)

Election of Committee #3 for the next conference

(5 names – majority of Lay)

.....

11:35 a.m.

Prayer Hour by Rev. Kris Nyman, Hagerstown, MD

NOON (Thursday)

Conference Lunch

ARC Lunch

1:30 p.m.

Praise/Worship by Rev. Rodger Olson, Tioga, ND

1:45 p.m.

Devotions by Seminarian David Niemela, called to United, Greenbush, MN

2:00 p.m.

Credentials Committee Report

REPORT OF COMMITTEE #4 (Publications, Parish Edu & Youth Work)

(Resolutions for Publications, Parish Education, Youth Work)

Report of Nominating Committee

Selection of nominees to:

Board of Parish Edu. & Publications (1 Pastor term)

Youth Board (1 Lay)

Election of Committee #4 for the next Conference

(5 names – majority of Lay)

.....

REPORT OF COMMITTEE #5 (Evangelism & Benefits)

(Resolutions for Evangelism & Benefits)

Report of Nominating Committee

Selection of nominees to:

Commission on Evangelism (1 Lay term)

Board of Benefits (1 Lay term)

Election of Committee #5 for the next Conference

(5 names – majority of Lay)

.....

Report of Corporations:

Schools Corporation Annual Meeting
ARC Corporation Annual Meeting
Missions Corporation Annual Meeting

3:25 p.m.
BREAK

3:45 p.m.
Sessions resume

4:15 p.m.
Workshops
Rev. John Eidsmoe - "A Lutheran Two Kingdoms Analysis of Church/State Issues Today"
Dr. James Molstre - "Evangelism In Grief"

5:30 p.m.
Conference Dinner
Pastor's Banquet speaker: Dr. Don Bierle, Faith Search
Pastor's Banquet leader: Rev. Terry Olson, Grafton, ND
Pastor's Banquet music: AFLBS Ambassadors

7:00 p.m.
Layman's Service leader: Mr. Steve Deysher, Fleetwood, PA
Layman's Service speaker: Mr. Kurt Ziegler, McMurray, PA

FRIDAY - JUNE 14, 2019

7:00 a.m.
FLAPS Breakfast

9:00 - 9:15 a.m.
Devotions by Rev. Ryan Patenaude, Kindred, ND

9:15 a.m.
Credentials Committee Report

Report of Special Committees:

Election of:
Colloquy Committee for the next Conference (5 pastors)
Budget Analysis Committee (2 Lay term - 3 yr)

10:10 a.m.
BREAK

10:45 a.m.

REPORT OF COMMITTEE #1 GENERAL RESOLUTIONS

Other Reports

11:35 a.m.

Prayer Hour by Rev. Kris Nyman, Hagerstown, MD

NOON (Friday)

AFLBS Alumni Lunch

1:30 p.m.

Praise/Worship by Rev. Rodger Olson, Tioga, ND

1:45 p.m.

Devotions by Seminarian Matt Pillman called to Christ the King, Pipestone, MN

2:00 p.m.

Credentials Committee Report

Remaining Conference Business

3:25 p.m.

BREAK

3:45 p.m.

Sessions Resume

4:15 p.m.

Closing Conference Sharing Time

2019
CONFERENCE COMMITTEE
AFLC President, Rev. Lyndon Korhonen
AFLC Secretary, Rev. Micah Hjermstad

Journal Committee:
Rev. Craig Johnson, Astoria, OR
Rev. John & Velma Amundson, New Leipzig, ND

Parliamentarians:
Rev. John Eidsmoe, Pike Road, AL
Mr. Phil Peterson, Beresford, SD
Mr. Lyle Westrom, Crookston, MN

Credentials Committee:
East Coast AFLC Volunteers
AFLC Staff

Head Teller:
Rev. Jon Benson, Janesville, WI

Music Committee:
AFLC Conference Committee members

Local Host Coordinators:
Rev. David A. Johnson, Boyertown, PA
AFLC Eastern Churches

THE PRESIDENT'S REPORT

To the 57th Annual Conference of the Association of Free Lutheran Congregations meeting at the Spruce Lake Retreat Center in Canadensis, PA, June 11-14, 2019.

The theme of this year's conference is: "*As For Me & My House*" taken from Joshua 24:15. Joshua's charge to the Israelites is still relevant to us in our day. Israel had a choice of the gods their fathers had served beyond the River, or the gods of the Amorites in whose land they were living. Joshua with boldness from his God says, "*but as for me and my house, we will serve the Lord.*" I love that boldness! May the Lord empower us, by His Spirit working through His Word, to lead a fresh charge in our community, not of pushing people to know the God who delivers from all sorts of slavery, but begging them to know the only Savior who has risen from the dead and frees sinners from the bondage of sin.

As I have the privilege to travel throughout our AFLC, I see the beautiful results of what happens when individuals and families allow Jesus to be their Savior and Lord: Church families that love to be together; greeting times where brothers and sisters in Christ warmly welcome each other as well as visitors; where the Word is preached and believers are so thankful for their pastors who unapologetically declare the absolute truth of the Word of God. Where young people find clear direction for their lives as opposed to a culture that bombards them with a seemingly new lie every month. We may not be growing numerically like we once were, but the Word of God is doing its work in lives where it is received. We see the results of Paul's teaching in Colossians 2:7, "*having been firmly rooted and now being built up in Him and established in your faith, just as you were instructed, and overflowing with gratitude.*"

Adopt a Church

As the AFLC has begun to decline in church numbers, let me see if I can explain some of what I see happening. When the AFLC was growing quickly in member churches, I believe a number of churches joined our fellowship based on the recommendation of their current pastor. Their pastor had some connection with the AFLC and knew it to be theologically conservative and the church joined us on their pastor's recommendation. As those pastors are now reaching retirement age, and with the shortage of pastors we have had, some of these churches have never developed a conviction of what Free Lutherans are. When they try and call a new pastor and we do not have one for them, they quickly look elsewhere and often find a pastor who has a divorce in his or his wife's background. When they cannot get their pastor on our clergy roster, they join another Lutheran group.

Here's a challenge for you: What if your congregation, who has a real appreciation for the vision of Free and Living Congregations, would adopt one of these churches that has not had a close relationship with the AFLC? When you travel through their area, stop in to worship with them on a Sunday morning. Pray for this congregation on a regular basis. Or like one of our pastors did: offer to help someone from the church to come for training at our Summer Institute of Theology. This pastor had a church donate funds for airfare for the lay-pastor to come. When you snowbirds head south, you can stop in and visit this church.

Mongolia

In September of 2018, Pastor Craig Johnson, chairman of the World Mission Committee and myself flew to Ulan Bator, Mongolia. We were invited to come by Pastor Puje, president of the Mongolian Evangelical Lutheran Church. The MELC has 22 churches in Mongolia served by 4 ordained pastors. The evangelical churches of Mongolia have a two-year Bible School that they join together to provide. The MELC has a two-week Lutheran Bible School that they run four times a year. They usually have between 20-25 students in this Bible School. Currently the MELC has one student studying in our seminary. They seem to be in close agreement with us theologically and would like to send more students to our seminary.

One of the ways we could help the MELC would be to help finance the stay of future seminarians here. A second way in which we can minister in Mongolia would be to help them with English-speaking camps. Eastern European Mission Network did this for a number of years in Russia, before the door closed. Western culture is advancing rapidly in Mongolia, so there should be an urgency to spread the gospel in that land like our missionaries rode the wave of development in Brazil in the 60's and 70's. A third opportunity we have is sending over approved pastors and teachers to their Bible School that meets for two weeks quarterly. May the Lord help us to be faithful in ministering through this open door.

Spiritual Health of Congregations

I recently reread one of my seminary textbooks, Lutherans and Conversion, by Jacob Andreasen. Pastor Olaf Holen, Ames, Iowa, wrote a recommendation in the front of this book and I think it is helpful to realize that our times may not be much different than 1955 when this book was written. Here is a paragraph from his recommendation:

In my opinion, this is a very timely book, because I sense there is much confusion among us with regard to the doctrine of conversion and its relation to baptism. There is a tendency to make of baptism an "eternal security" pillow on which to rest securely, thus making the teaching and preaching of conversion unnecessary. This is a very dangerous fallacy with dire consequences. Of course, baptism saves, and, thank God, there are those who remain true to their baptism, but there are also those who fall away and they need to be admonished to repent and to be converted in order to be saved. (Cf. Augsburg Conf. Art. XII). This is brought out very clearly in this book and it is given added weight by a number of testimonies from people in different walks of life.

Pastor Andreasen used a questionnaire to survey Lutherans of his day. Let me quote a paragraph in which he shares some of his findings.

Of the 580 who answered the questionnaire, 533 stated that they were baptized as infants. Of this number, 149- or 27%- claim to have remained in baptismal grace. A far larger number, namely 336- or 63%- maintain that they fell away from God and had to be converted. The remaining 48- or 10% of the total are not sure whether their experience was within the covenant of grace, or whether it was a real conversion.

I am so thankful for the clear teaching of our Seminary and Bible School on this matter. I think we would all agree that our main spiritual concern for people, whatever their age, is that they would have assurance of their salvation: that they know they were born into this world sinful and lost and that God loved them enough to provide the sacrifice of his Son Jesus to save them from their sin. They know on the basis of Christ's finished work, that they are forgiven and have a "know-so" salvation as I John 5:13 so clearly teaches. I suspect that in our day and age, the results of such a survey might prove much the same. If that is the case, I would like to issue a fresh challenge to the deacons of our congregations along with their pastors to make sure the souls under your care are not living in a false assurance of salvation, apart from a relationship with Jesus.

We believe the function of preaching God's Law is to 1)Point out to us our sins and the wrath of God toward sin; 2)Make us anxious to seek Christ; 3)Point out to the believer what fruits his faith must bear. As our culture continues to deteriorate, as man is emboldened to speak and live unashamedly a sinful lifestyle, the church must become bolder in proclaiming the truth of sin and grace. Our young people that are baptized need clear instruction on what is holy and sinful in the world in which they find themselves. They also need the bold proclamation that Jesus is the only Savior for their sin problem.

Not long ago, I had a friend ask me, "Who in our AFLC will be the evangelists of our day?" When many of us grew up, there was the Lutheran Evangelistic Movement that had Lutheran evangelists available for congregations to use for special meetings. In the early years of the AFLC, we had a traveling evangelist. Thankfully we have been blessed with a number of pastors in our AFLC who have had that gift, but they are aging and some have gone on to glory. If indeed, only 27% of baptized Lutherans remain in a relationship with Jesus, there is a great need for preaching and teaching to convert the baptized who are not living in repentance and faith, that they experience the horror of their sin and that they may know Jesus personally and rest in His finished work for them. Perhaps there would be a seminarian who would take up such a survey within our church fellowship and report to us the findings. We must not forget Paul's exhortation to Pastor Timothy in II Timothy 4:5 "*do the work of an evangelist...*".

AFLC Finances

I suspect that finances in the kingdom work will always be a concern until Jesus comes to take His church home! And by the way, what a day that will be!

I am thankful for the diligent work of the Budget Analysis Committee to try and encourage our Boards and Corporations to get their budgets in harmony with the gift receipts of congregations and individuals. The BAC has exhorted the AFLC Boards and Corporations to submit 3 and 5 year goals to them and to the Conference. Not all of us are good at visionary planning, but I do believe it is a very worthwhile discipline for all of us. If we don't live within our budgets, then we will either have to spend estate gifts that have been given (if we have any) or make an appeal to the congregations for further funding.

This last option is what we want to stay away from. The reason we need to avoid this is that the congregations are the Body of Christ. The AFLC Boards and Committees are the tail. The giving of the congregations is to dictate what the AFLC as a whole does. I have had times when my trailer behind my pickup

is loaded with too many logs, and when the tail starts to wag the dog, it is not a pleasant experience. So, committees, boards and corporations: live within the gifts that the congregations send to you. Pressuring congregations to give more is not spiritual life! This AFLC can only exist by the free-will, grace-motivated giving of people whose hearts have been changed by Jesus.

Thanks

Thank you again for the privilege of serving as president of the AFLC. I thank the many of you that remind me you still pray the “wuf” prayer for me: That I might be wise, have understanding and be faithful. Thank you also for upholding my wife’s health. We are very grateful that after 50 years of diabetes, she is able to travel with me. Thanks to Emily Goff, our faithful Business Manager, who returned to a new position with her former employer. Thanks to Pastor Paul Nash for his 23 years of faithful service in Home Missions and also to Pastor Del Palmer for his 17 years of faithful leadership in World Missions. Thanks to Karen Floan, my executive secretary, who knows what to be getting ready for, so all things are done properly and in an orderly manner. And thanks to my wife Linda, my faithful partner in ministry for 39 years.

Thanks to every one of you for being a part of this spiritual-life movement that we call the AFLC. What a privilege to be part of a family where the Word of God is upheld as inerrant and we have a solid foundation for each congregation to build upon! No matter what our culture tries next, praise God that we have truths to teach our children and grandchildren that they too may proclaim, “As for me and my house, we will serve the Lord.”

Pastor Lyndon Korhonen

2018-2019
SPECIAL EVENTS
(*attended for AFLC)

2018

- May 20 Installation Rev. Al Bedard, Sunnyside Free, Stacy, MN
May 16 Memorial Service, Rev. Al Monson, Glyndon, MN
May 18 Funeral Service, Mr. Robert Dietsche, ARC, Osceola, WI
July 1 Installation Rev. Todd Klemme, Grace Free, Bagley, MN
July 15 150th Anniversary Kvam Lutheran, Dalton, MN
August 5 Installation Rev. Craig Benson, Grace Lutherna, Morris, IL
August 12 10th Anniversary Good Shepherd, Brainerd, MN (Rev. Gary Jorgenson*)
Sept. 23 Installation Rev. Nick Schultz, Our Redeemer, Kirkland, WA
Sept. 23 Dedication New Fellowship Hall Skrefsrud, Beresford, SD (Rev. Gary Jorgenson*)
Oct. 7 Installation Pastor Mark Olson Assistant pastor, Good Shepherd Free, Cokato, MN (Rev. Gary Jorgenson*)
Oct. 12 Lutherans for Life Convention, St. Louis, MO
Oct. 21 Ordination Rev. Chad Friestad, Grace Free, Maple Grove, MN
Oct. 28 Installation Pastor Clayton Wilfer, Joy Christian, Fountain Hills, AZ
Nov. 25 Installation Rev. Joel Rolf, Minnewaska Lutheran, Starbuck, MN
Dec. 9 Installation Rev. Dick Gunderson, Spencer Creek, Eugene, OR

2019

- Jan. 27 Installation Rev. Gerald Peterson, Faith Free, Durant, OK (Rev. Gary Jorgenson*)
Feb. 3 Ordination & Installation Rev. Ryan Patenaude, West Prairie, Kindred, ND
Feb. 3 Installation Pastor Kendal Flaten of Ortley Free, Ortley, SD & Egeland, Egeland, SD (Rev. Gary Jorgenson*)
Feb. 10 Installation Rev. Chad Friestad, Good Shepherd, Camarillo, CA
March 10 Installation of Rev. Peter Ward, St. Pauls Lutheran, Fargo, ND (Rev. Micah Hjermstad*)
March 31 Ordination & Installation Rev. Chris Kumpula, Word of Life, Mankato, MN
April 4-9 Canadian Annual Conference, Elbow Saskatchewan
May 11 AFLC Schools Graduation, AFLC Campus
May 12 Ordination Seminarian Justin Nelson, Emmaus Lutheran, Bloomington, MN
May 12 Ordination Seminarian Israel Milton Flores, AFLC Chapel, Plymouth, MN

REPORT OF THE COORDINATING COMMITTEE

To the 57th Annual Conference of the Association of Free Lutheran Congregations gathered at the Spruce Lake Retreat Center, Canadensis, Pennsylvania, June 11-14, 2019.

Our conference theme, “As for Me and My House...” is based on Joshua 24:15, “And if it is evil in your eyes to serve the Lord, choose this day whom you will serve, whether the gods your fathers served in the region beyond the River, or the gods of the Amorites in whose land you dwell. But as for me and my house, we will serve the Lord.” In our world today there is no shortage of “gods” that compete for our attention, our time, our money, and yes, our worship, but there is nothing that can satisfy and fill that void in our hearts and lives as Jesus does. Only He can provide the peace, comfort, and joy we experience when we know Him and we give Him our hearts and first place in our lives. May it ever be that when we are confronted with choices as these, that our response will be, as with Joshua, “We will serve the Lord.”

FUNDAMENTAL PRINCIPLES PROJECT

Last year we reported that the Fundamental Principles of the AFLC Bible Study was “in the final stages of editing and hopefully will be ready for printing yet this year.” Unfortunately, that process did not proceed as speedily as we had hoped. We are continuing with the reviewing, editing, and revising process and we hope to have it completed and available in the near future.

PROPERTY

We received a gift in February designated to “pay off the remainder of the balance on the President’s House.” That property is now completely paid for, several months before a “large” balloon payment would have been due this summer. Thanks be to God for His marvelous provision! We also installed a new furnace in this house.

In July of 2017, we closed on the purchase of the Charles property, the parcel of land just below and to the west of the Administration building. All of the remaining tenants in the apartments on this property had moved out by the end of last July and demolition of the buildings, and property clean-up was completed early last fall. This past spring, after comparing the amount of interest we were paying on the loan with CIF, and the interest we were earning on monies in the General Fund Investment Account, we made the decision to use some of these monies to pay off the \$208,000 balance of the loan. We are thankful to the Lord for providing us with funds that allowed us to retire that debt.

Last year, we also reported on needed repairs to the driveway and parking areas along the north side of the Administration Building. That project will re-construct the grade to re-direct the water flow away from the building and re-pave this area. The cost of this project is approximately \$70,000. We were not able to complete all the surveying, bidding, etc., in time to complete the process before the beginning of winter last year, so that process has resumed and we hope to get it completed this summer.

Late last fall during a cold snap, a water pipe in one of the buildings on campus froze, split, and dumped water on one of the servers that housed many of our records and files. We have been able to recover or re-create the essential

information in those files, but it was a time-consuming and trying experience for many of our staff.

AFLC EVANGELISM AND DISCIPLESHIP (A.E.D.)

In response to information presented to us by the Commission on Evangelism in regard to their belief and recognition that for evangelism to have lasting, long-term effect it must be accompanied with discipleship, and their request to change their name to AFLC Evangelism and Discipleship, we approved that name change.

MISSION STATEMENT

In September, we spent some extra time in a vision casting retreat to examine and evaluate how well we understood, embraced, and fulfilled the varied facets of what our mission and vision is/should be as the primary administrative board within the AFLC. We were challenged to define clearly and concisely what the mission and vision of the Coordinating Committee is, should be, and/or needs to be. Through that process, we identified three main functions that comprise and define what we do: Advance, Administer, and Assist.

ADVANCE:

Fundamental Principle 9a states: “The Coordinating Committee shall seek to make known the Fundamental Principles and Rules for Work of the AFLC and further discussions of the same throughout the congregations, so that the task of the AFLC, in an ever increasing degree, may be more clearly understood and more generally put into practice.”

ADMINISTER:

Fundamental Principle 9d states: “It shall compile parochial statistics and report thereon to the Annual Conference. It shall maintain the clergy and congregational rosters of the AFLC.”

Fundamental Principle 9e states: “It shall have charge of the AFLC General Fund, from which shall be paid the salaries of the president, secretary, transportation secretary, traveling expenses, and expenses incurred in conjunction with the Annual Conference.”

ASSIST:

Fundamental Principle 9c states: “When desired, it shall assist congregations and pastors by giving counsel and guidance.”

We have informally referred to these functions as “Triple A Assurance”.

PERSONNEL CHANGES

In January, Emily Goff submitted her resignation from her position as Director of Business Management for the General Fund. In February, Mrs. Katie Johnson accepted this position and began her work for us in March. Welcome, Katie, we are glad to have you on board.

REPORT ON 2017 ANNUAL CONFERENCE RESOLUTION #10

The 2018 Conference report shared the AFLC Task Force’s report in addressing Resolution #10 of the 2017 Annual Conference, The Task Force committee appointed by the Coordinating Committee were: Pastor Lee & Carol Hoops, Rev. Michael & Colleen Brandt, Dr. Steve & Angie Lombardo,

Rev. Paul & Ruth Kneeland, Rev. Randy & Brenda Nelson, Rev. Jon & Jeannette Benson (served for the initial two meetings) and Rev. Tim Johnson (Coordinating Committee liaison). Their recommendation to develop a Pastoral And Congregational Care Team (PACCT) is one the Coordinating Committee will continue to work on in the coming year.

CLERGY ROSTER

The following pastors have been added to the Regular Pastor Roster:

Rev. Luke Berntson, Ulen, MN (from FR to regular roster)
Rev. Steve Berntson, Jamestown, ND (from FR to regular roster)
Rev. Chad Friestad, Camarillo, CA (ordained Oct 2018)
Rev. Chris Kumpula, Mankato, MN (ordained March 2019)
Rev. Matt Nelson, Radcliffe, IA (ordained June 2018)
Rev. Ryan Patenaude, Kindred, ND (ordained Feb. 2019)
Rev. Matt Quanbeck, Laurel, NE (ordained June 2018)
Rev. Nick Schultz, Kirkland, WA (ordained June 2018)

The following pastors have been added to the Fellowship or Licensed Roster:

Pastor Brady Arneson, Honolulu, HI (Licensed Pastor)
Pastor Mark E. Olson, Cokato, MN (Licensed Pastor)

The following pastors have been removed from the Clergy Roster:

Rev. Rodger Foltz, Plymouth, MN (at his request)
Rev. Steve Heilmann, Gallatin, TN (at his request)
Rev. Tim Hinrichs, Mankato, MN (at his request)
Rev. Lynn Qualm, Laurel, NE (at his request)

The following pastors have passed *(in alphabetical order)*:

Rev. Orville Hiepler, Camarillo, CA (deceased Mar. 2019)
Rev. David Keippela, Wyoming, MN (deceased Dec. 2018)
Rev. Allan Monson, Mesa, AZ (deceased June 2018)
Rev. Oliver Olson, Spring Valley, CA (deceased Aug. 2018)
Rev. Einar Unseth, Lester Prairie, MN (deceased Jan. 2019)

CONGREGATIONAL ROSTER UPDATES

AFLC congregations added to the Congregational Roster of the AFLC this past year:

None

The following congregations have been removed or closed:

Saron Lutheran, Erskine, MN
Hosanna Free Lutheran, Cumberland, WI
Faith Free Lutheran, Bertrand, NE
St. Johns Lutheran, Ambridge, PA

PASTORAL VACANCIES

*At the time of this writing, the following congregations are without a full-time pastor: (*May be too small to support a full-time pastor)*

Cross and Crown Lutheran Church, Montebello, CA*
Community Lutheran Church, Oceanside, CA
Stavanger Free Lutheran Church, Garden City, IA
Good Shepherd Lutheran Church, Lincoln, IL
Redeemer Free Lutheran Church, Ontonagon, MI
Bethany Free Lutheran Church, Bemidji, MN*
Ny Stavanger Free Lutheran Church, Buxton, ND
Taylor Lutheran Church, Taylor, ND
Community Of Grace Ev Lutheran Church, Elkhorn, NE
Abiding Savior Lutheran Church, North Royalton, OH
First Lutheran Church, Oklahoma City, OK
St. Matthew Lutheran Church, Millerstown, PA
St. Olaf Lutheran Church, Chamberlain, SD
Amazing Grace Free Lutheran, Mitchell, SD
Pukwana Free Lutheran Church, Pukwana, SD
New Hope Free Lutheran, Sisseton, SD
Egeland Lutheran Church, Waubay, SD
Good Shepherd Lutheran Church, Pleasanton, TX
Trinity Lutheran Church, Boscobel, WI

At the time of this writing, the following congregations are being served by an interim pastor:

Calvary Free Mesa, AZ (Dan Giles)
Hope Lutheran, Enderlin, ND (Christian Andrews)
Word Of Life, Upsala, MN (Wayne Hjermstad)

ORGANIZATION

At last year's Annual Conference, Rev. Tom Schierkolk was re-elected to a five-year term on the Coordinating Committee. Rev. Craig Benson has completed one five-year term and has requested that he not be considered for re-election.

Officers elected for the Coordinating Committee are:

Chairman: Dr. Dan Mundfrom
Vice-Chairman: Rev. Tom Schierkolk
Secretary: Mr. Lowell Watt
Treasurer: Mr. Ron Strand

Rev. Craig Benson, Rev. Tim Johnson, and Dr. Lyle Westrom also serve on the Committee.

BUDGET

The proposed budget for the General Fund for the 2019 fiscal year is \$811,404. We are requesting a conference subsidy in the amount of \$472,500.

Respectfully submitted,
Dan Mundfrom, Chairman
AFLC Coordinating Committee

AFLC CLERGY ROSTER

**Placed on roster this past year or from FR*

| | |
|---------------------------|--------------------------|
| Rev. Lyle Aadahl | Rev. Kirk Flaa |
| Rev. John Abel | Rev. Michael J. Flechsig |
| Rev. Jonathan Abel | Rev. Leroy Flickinger |
| Rev. Paul Abel | Rev. David Franz |
| Rev. Alex Amiot | Rev. Peter Franz |
| Rev. John C. Amundson | Rev. Richard Frederick |
| Rev. Karl Anderson | Rev. Chad Friestad* |
| Rev. Richard Anderson | Rev. David Fruehauf |
| Rev. J. Christian Andrews | Rev. James Fugleberg |
| Rev. Daniel M. Antal | Rev. Kevin Garner |
| Rev. Mark Antal | Dr. James C. Gerdeen |
| Rev. Alan Arneson | Rev. Dan Giles |
| Rev. Joel S. Baker | Rev. Thomas Gilman |
| Rev. Thomas L. Baker | Rev. Richard Gilmore |
| Rev. Louis F. Balderach | Rev. William Goodman |
| Rev. Matthew Ballmann | Rev. Dennis D. Gray |
| Rev. Ray Ballmann | Rev. Scott Gray |
| Rev. Tim Banks | Rev. Alvin Grothe |
| Rev. David R. Barnhart | Rev. Jason Gudim |
| Rev. Walt Beaman | Rev. Richard Gunderson |
| Rev. Alan Bedard | Rev. Larry Haagenon |
| Rev. Craig Benson | Rev. James Haga |
| Rev. Jon Benson | Rev. Marlin Harris |
| Rev. Mark Benz | Rev. Kenneth Hart |
| Rev. Luke Berntson* | Rev. Gary A. Haug |
| Rev. Steve Berntson* | Rev. Philip Haugen |
| Rev. Brett A. Boe | Rev. Everett Hind |
| Rev. Michael Brandt | Rev. David Hinrichs |
| Rev. John M. Brennan | Rev. Micah W. Hjermstad |
| Rev. Ron Brubakken | Rev. Wayne Hjermstad |
| Rev. Rob Buechler | Rev. Brad Hoefs |
| Rev. Steven P. Carlson | Rev. Herbert Hoff |
| Rev. Timothy Carlson | Rev. Jason Holt |
| Rev. Richard Carr | Rev. Phillip Hooper |
| Rev. John R. Chandler | Rev. Martin Horn |
| Rev. Frank Cherney | Rev. Jan Horne |
| Rev. Tomasz Chmiel | Rev. Raynard Huglen |
| Rev. Eric R. Christenson | Rev. Daniel Hurner |
| Rev. Andy Coyle | Rev. Jarrod Hylden |
| Rev. Dana Coyle | Rev. Dean J. Iverson |
| Rev. Jeremy Crowell | Rev. Scott Jans |
| Rev. Terry Culler | Rev. Steven E. Jensen |
| Rev. Brian L. Davidson | Rev. Henry Johansen |
| Rev. Norman E. Dornquast | Rev. Craig Johnson |
| Rev. Connely Dyrud | Rev. David A. Johnson |
| Rev. Nick Dyrud | Rev. David W. Johnson |
| Rev. Rob Edwards | Rev. Gideon R. Johnson |
| Rev. John Eidsmoe | Rev. James L. Johnson |
| Rev. Curtis Emerson | Rev. James R. Johnson |
| Rev. Luke Emerson | Rev. Leslie Johnson |
| Rev. Eugene W. Enderlein | Rev. Mark S. Johnson |
| Rev. Todd Erickson | Rev. Michael F. Johnson |
| Rev. Richard L. Ewing | Rev. Rodney Johnson |
| Rev. Joe Faldet | Rev. Roy B. Johnson |
| Rev. Arlo Feiock | Rev. Timothy L. Johnson |
| Rev. Dale Finstrom | Rev. Walter Johnson |

Rev. Wendell Johnson
Rev. Timothy S. Jones
Rev. Ben Jore
Rev. Nathan Jore
Rev. Gary L. Jorgenson
Rev. Ted H. Kennedy
Rev. John Kent
Rev. John H. Kiehl
Rev. Lynn Kinneberg
Rev. Paul M. Kinney
Rev. Howard Kjos
Rev. Todd Klemme
Rev. Mike Klenner
Rev. Ray Klug
Rev. Charles L. Knapp
Rev. George Knapp
Rev. Jesse T. Kneeland
Rev. Paul Kneeland*
Rev. Steve Kneeland
Rev. Ronald Knutson
Dr. Johan Koren
Rev. Earl Korhonen
Rev. Lyndon Korhonen
Rev. Ivars Krafts
Rev. Wesley Langaas
Rev. Jon Langness
Rev. Dale Lankford
Rev. Richard P. Larson
Rev. George Lautner
Rev. John E. Lee
Rev. Robert L. Lee
Rev. Robert W. Lee
Rev. Brent A. Logeman
Rev. Patrick Lohse
Dr. Steven Lombardo
Rev. Richard Long
Rev. David Lusk
Rev. Ryan J. Mairs
Rev. Brandon Marschner
Rev. Shane McLoughlin
Rev. Mel Meyer
Rev. Bill Mitchell
Rev. Jerry Moan
Rev. Wade Mobley
Rev. Kenneth Moland
Rev. James Molstre
Rev. Mark Molstre
Rev. Stephen Mundfrom
Rev. Paul Nash
Rev. Barry L. Nelson
Rev. David A. Nelson
Rev. Elden Nelson
Rev. Jerry A. Nelson
Rev. Matthew W. Nelson*
Rev. Randy Nelson
Rev. Allan Ness
Rev. Jerome C. Nikunen
Rev. Dennis Norby
Rev. Bradley D. Novacek
Rev. Kris A. Nyman

Rev. Joe Ocker
Rev. Aaron R. Olson
Rev. Andrew Olson
Rev. Brent Olson
Rev. David G. Olson
Rev. Kevin J. Olson
Rev. Mark Olson
Dr. Nathan Olson
Rev. Rodger Olson
Rev. Terry L. Olson
Rev. Thomas C. Olson
Rev. Thomas W. Olson
Rev. Wayne A. Olson
Rev. Dennis O'Neil
Rev. Adam Osier
Rev. Del Palmer
Rev. Brian Pearson
Rev. LeRoy C. Petersen
Rev. David L. Peterson
Rev. David P. Peterson
Rev. Gerald R. Peterson
Rev. Michael Peterson
Rev. Tonnes Pollestad
Rev. Ronald Pulscher
Rev. Brad Putnam
Rev. Lloyd Quanbeck
Rev. Matthew Quanbeck*
Rev. Brent S. Raan
Rev. Marc Rakow
Rev. Richard L. Ramsbacher
Rev. Eric Rasmussen
Rev. James Rasmussen
Rev. Thomas Reagan
Rev. Doug Reitsch
Rev. Mark Richardson
Rev. Donald Richman
Rev. Brian R. Ricke
Rev. James Ritter
Rev. Phillip Rokke
Rev. Joel Rolf
Rev. Alvin Sather
Rev. Craig Scavo
Rev. Thomas Schierkolk
Rev. Todd Schierkolk
Rev. Irvin Schmitke
Rev. Greg Schram
Rev. Nick Schultz*
Rev. Larry Severson
Rev. Gary Simons
Rev. John Skeie
Rev. Joshua Skogerboe
Rev. David Skordahl
Rev. Gary Skramstad
Rev. Timothy K. Skramstad
Rev. Kerwin Sletto
Rev. Richard Sliper
Rev. Ronald Smith
Rev. Stephen Snipstead
Rev. Kent Sperry
Rev. Gerald L. Steele

Rev. Matthew Steendahl
Rev. Tony Stockman
Rev. Edward Strom
Rev. Scott K. Stroud
Rev. Gordon Strunk
Rev. Jeff Swanson
Rev. Eric J. Swenson
Rev. Gordon Thorpe
Rev. Kirk Thorson
Rev. Ryan Tonneson
Rev. Thomas R. Tuura
Rev. Jonathan Unverzagt
Rev. Daniel Uzupan
Rev. Jeremy Vance
Rev. Don Voorhees
Rev. Joel Walde
Rev. Peter Ward
Rev. Roy Warwick
Rev. Gordon L. Waterman
Rev. Jon Wellumson
Rev. Samuel Wellumson
Rev. Craig Wentzel
Rev. Calvin Willard
Rev. George R. Winston

FELLOWSHIP ROSTER

Rev. Ronald B. Dahle
Rev. Richard Erickson
Rev. Chad Forman
Rev. Scott Guhl
Rev. Joel W. Kangas
Rev. Lee Kuhns
Rev. James Lindgren*
Rev. Ken Marquardt
Rev. Tom Parrish
Rev. Dave Ryerson
Rev. Richard Taylor
Rev. Donald C. Thorson
Rev. David Tilney
Rev. Noel Vold
Rev. James Westgate

FR approved pending a call

Rev. David Jore (*pending a call*)
Rev. Ron Wik (*pending a call*)

LICENSED PASTORS (+*permanent*)

Pastor Kevin Borg
Pastor William Buck+
Pastor Roger David+
Pastor Curt Frankhauser+
Pastor Glenn Frecks+
Pastor Don Gillespie
Pastor Justin Hartman
Pastor Lee Hoops+
Pastor Kent Klawonn
Pastor Luke Long
Pastor Henry Mohagen+
Pastor Donald Norr+
Pastor Mark E. Olson*
Pastor Mark A. Ostrem
Pastor Roger Pahl
Pastor Warren Swanson
Pastor Kenneth Thoreson+
Pastor Lyle Twite+
Pastor Eric Westlake+
Pastor Clayton Wilfer

LP approved pending a call

Pastor Brady Arneson (*pending a call*)

LAY PASTORS

Pastor Don Edlund
Pastor Robert Grebel
Pastor Dean Lyste
Pastor Michael McCarlson

DIRECTOR OF DEVELOPMENT

To the 57th Annual Conference held at the Spruce Lake Retreat Center June 11th through the 14th. The theme for this year “*As for me and my house we will serve the Lord*” Joshua 24:15 is a very powerful one for me. This verse is stated on a plaque that has hung on several walls in every home that we have lived in for 45 years. Our grandkids would repeat it to us when they sat at our kitchen table. I need to remember this verse each and every day. May this theme renew our service to Him this year at this Annual Conference.

Even though giving was down in 2018 from that which came in from 2017, many of the ministries did receive generous gifts. We must always remember that the Lord gives us what we need. That does not mean that we stop planning or praying that God would increase our ministries. When He sees us being faithful He will increase the giving. He sees the things that need to happen in each of the ministries and then provides accordingly. “*He who is faithful in little I will make him faithful in much.*” The key is being faithful to Him each and every day.

The main theme for the Development Department continues to be that people need the Lord. I have stated this over and over again in my reports and it is still our heart’s desire. This theme resonates with me everywhere I go. I know that every donor that I meet needs the Lord either for the first time or in dealing with their personal lives.

This year again has been a busy year for me travelling. I have visited on an average, 373 donors plus pastors and churches over 16 states. I travel on an average away from my Minneapolis home about 2 ½ weeks per month. The other part of the month is spent in Minneapolis visiting and working in the office. The Lord has given the Development Department an awesome task of contacting donors and churches raising funds for 10 ministries of the AFLC. The Development Department is just the messenger the Lord is using to work on the hearts of donors. When concentrating on one donor at a time the larger picture is always kept in mind. I realize that the strength to continue to meet donors and present all of the needs comes only from our Heavenly Father. I give God all the praise for continued strength.

The General Fund covers the expenses of the headquarters which includes the President’s office, all of the support staff and the maintenance of the headquarters.

When more Sunday Schools inquire about Sunday school material as churches join the AFLC, Parish Education will need financial help to be able to print more materials.

As youth are directed towards churches with Youth ministries and to the Bible School we need funds to keep encouraging youth directors. In my

travels I see that youth are searching for the TRUTH. Many youth have come to know Jesus this year and we want to encourage them to attend our Bible School to become grounded in God's Word.

Our Bible school started out in small facilities, using a neighbor chicken coup building and chapel basement for dorms. Pastor Trygve Dahle saw the need and had the vision of building a new dormitory. His campaign in the 60's for our schools was known as the One Grand Fellowship. Now we have another need and vision for a gym and student life center for a future building project for our schools.

Evangelism is needed in many areas of our AFLC to provide materials and encouragement to churches and people. The Evangelism department needs support to continue equipping the saints for partnership in ministry.

The World Missions Department sees God opening doors for the harvest. Missionary John Abel was one of our the first AFLC missionaries to take a call to serve the mission field in Brazil, and God is still calling more missionaries to serve in foreign lands.

AFLC Home Missions continues to encourage new churches who seek to come into the AFLC. It is also seeking to establish home mission work and pastors. There are many small churches in rural areas that are struggling to keep going and we as an AFLC need to encourage these churches.

We see growth in AFLC Bible Camps as more and more families desire fellowship for their families found in attending such camps. What better way to spend your time as a family studying God's Word together for a week at camp?

As I visit many of our forefathers who are today's senior citizens, they convey "how important it is to keep our Seminary going." As our world goes further and further away from the Truth of God's Word, it is so important to keep our Seminary true to God's Word and its teachings so that more pastors can be trained to go out and share the Truth in churches.

Our Women's Missionary Federation continues to reach out to women through bible studies and has an emphasis on the support needed for the AFLC. The WMF work also helps support new and old established churches in encouraging their local women's ministries.

The Lord has given the Development Department a great mission. To meet new donors, build new relationships, and to encourage our past donors in work with estate planning. It's our desire to reach as many donors as possible.

The Holy Spirit directs the hearts of the donors to give to the various AFLC ministries. The Development Department is only a messenger

presenting the needs of all 10 AFLC ministries and encourage donors to give as they are lead.

It is a great privilege to have opportunity to be used in this way, and I am grateful to those who had the vision to develop such a ministry department for the entire AFLC. Please visit the AFLC website and view the development information posted there.

I am also grateful to those who encourage and sustain me in their prayers. I want to especially thank the AFLC Coordinating committee, President Korhonen and Assistant to the President, Rev. Gary Jorgenson who faithfully support me every week. And I want to sincerely thank my wife who supports me in my many travels and upholds me in my entire ministry.

In His Service,
Tonnes Pollestad
Development Director

THE AFLC FOUNDATION

To the 57th Annual Conference of the Association of Free Lutheran Congregations assembled at the Spruce Lake Retreat Center in Canadensis, PA on June 11-14, 2019.

This year's theme gives us opportunity to unite as a family and repeat the same pledge that the Israelites made to Joshua's charge in Joshua 24:15, "But if it doesn't please you to worship the Lord, choose for yourselves today: Which will you worship—the gods your fathers worshiped beyond the Euphrates River or the gods of the Amorites in whose land you are living? As for me and my family, we will worship the Lord." The Israelites pledged in the following verses, "We will certainly not abandon the Lord to worship other gods! ... We too will worship the Lord, because he is our God." Worshipping the God of Abraham, Isaac and Jacob is our common ground. The Spirit of His Son, Jesus Christ, is what makes us one. Let us stand together, in this broken world, and hold fast our confession.

In 2018, the Foundation Board met three times to review the Foundation funds, distribute grants to various AFLC ministries in accordance with the funds' guidelines and to change account managers in order to significantly reduce fees and have access to and assistance from a dedicated account manager. We were able to distribute \$28,000 to fourteen different requests (\$2,000 per request).

The Foundation Board oversees and grants from the following funds:

- The AFLC Foundation ARC Fund
- The AFLC Foundation Capital Improvement Fund
- The AFLC Foundation Christian Education Fund
- The AFLC Foundation Missions Fund
- The AFLC Foundation Unrestricted Fund

In addition to the above funds, The Enoch & Madeline Thorsgard Endowment Fund for Missions distributes 5% annually divided equally between AFLC Home and World Missions. The final fund under the Foundation Board is the AFLC Foundation Development Fund which is an endowment created with the goal of one day funding the AFLC Development Department. It is continuing to grow and will hopefully, one day, meet this goal.

Every one of these funds can receive gifts from individuals, churches and other entities. However, these gifts must be designated to a specific fund or the gift will be placed in the AFLC Foundation Unrestricted Fund. To designate a gift, simply write, "AFLC Foundation [name of fund] Fund." Every gift will increase our ability to financially assist our AFLC ministries for years to come.

The Foundation Board members are appointed by their respective corporation. The current board members are:

Schools:

Rev. Craig Scavo & Rev. James R. Johnson

Coordinating Committee:

Rev. Tom Schierkolk & Rev. Tim Johnson

Missions:

Dr. Lyle Mattson and Mr. Philip Johnson

ARC:

Dr. Steve Johnson & Rev. David A. Johnson

Respectfully Submitted,
Rev. Tim Johnson
AFLC Foundation Committee

DEPARTMENT OF INSTITUTIONAL CHAPLAINCY

To the Fifty-Seventh Annual Conference of the Association of Free Lutheran Congregations meeting June 11-14, 2019 at Spruce Lake Retreat Center, Canadenses, PA.

Greetings from the AFLC Division For Institutional Chaplaincy.

On several occasions this past year, I have quoted this year's Conference Theme from Joshua 24:15, "*As for me and my house we will serve the Lord.*" Choosing to serve the Lord and others is imperative. Jesus said "*Whoever would be great among you must be your servant,*" (Matthew 20:26). In serving the Lord, we serve others. Serving is the heart and core of those who are willing to work in our Lord Jesus Christ's Kingdom.

The AFLC Chaplain's Division continues to enhance serving skills through the Annual Chaplain's Seminar. The focus of the 2018 seminar was "Assisting Individuals In Crisis." On completion of this Critical Incident Stress Group Training, participants learned the fundamentals and protocols for individual crisis intervention. Crisis intervention is not psychotherapy, but rather a specialized response to critical incidents which require specialized training. Crisis intervention is sometimes called "psychological, emotional, and spiritual first-aid".

This past fall, the AFLC Chaplain's Division held its Annual Chaplain's Seminar at the Association Retreat Center in Osceola, Wisconsin. The desire of the AFLC Chaplain leadership is to continue with Critical Incident Stress Management (CISM) Training. Approximately 20 pastors and laity attended this training. We would like to encourage other men and women in the AFLC to attend as the training is open to all, not just to those who are serving in Chaplain capacities.

The Division For Institutional Chaplaincy will continue the work in our Lord's Kingdom with Joshua's exhortation "As for me and my house we will serve the Lord". We are looking forward to working with the Department of Police & Fire Chaplains at the Annual Chaplains Conference , at the ARC, October 22-24, 2019 .

The Department of Institutional Chaplaincy would like to thank the AFLC for its continued support.

In His Service,
Chaplain Marlin Harris
AFLC Director of Institutional Chaplaincy

AFLC INSTITUTIONAL CHAPLAINS:

Chaplain Alan Bedard, Secretary, AFLC Institutional Chaplains, Wyoming, MN

Chaplain Mark Benz, Retired/Volunteer, Colorado Springs, CO

Chaplain Dean Franz, Good Samaritan Center, New Hope, MN

Chaplain Marlin Harris, Director of Institutional Chaplains, Mora, MN

Chaplain Dave Hinrichs, Volunteer, Good Samaritan Nursing Home, Park River, ND

Chaplain Jerry Nelson, President AFLC Institutional Chaplains, LaCrosse, WI

Chaplain Brian Pearson, full time hospice, Ruskin, FL

Chaplain Michael Peterson, full time hospice, Alexandria, MN

Chaplain John Rieth, Retired/Part time, Altru Hospital, Grand Forks, ND

Chaplain Tim Skramstad, Retired, Eagan, MN

Chaplain Kerwin Sletto, full time, Altru Hospital, Grand Forks, ND

Chaplain Ron Staudinger, Vice President, AFLC Institutional Chaplains, Tamarack, MN

Chaplain Marlin Harris

AFLC Director of Institutional Chaplaincy

AFLC DEPARTMENT OF POLICE/FIRE CHAPLAINS

To the 57th Annual Conference of the Association of Free Lutheran Congregations, meeting June 11-14, 2019 at Spruce Lake Retreat Center in Canadensis, PA.

The Department of Police/Fire Chaplaincy in the AFLC exists to provide encouragement and resources for Pastors in our Church Fellowship who have made themselves available in their local communities to offer support to the men and women who serve as Police Officers, Firefighters, and Emergency Medical Responders.

As a testimonial, one of our chaplains in a rural area of North Dakota last fall was called on to provide a Stress Debriefing for local Emergency Responders because his local authorities knew that he had received Critical Incident Stress Management training at our 2017 and 2018 Chaplain's Conferences, and they had no other resources available to them at the time.

This past year we also aided one of Pastor's who was invited to establish a Chaplaincy Program with his local Fire Department.

This Fall's Chaplains Conference is scheduled for October 21-23 at the Association Retreat Center. Plans are still being finalized for the focus of the training sessions.

In addition to providing resources for Chaplains we are continuing our efforts to establish a Crisis Response Team that will be available to assist AFLC Congregations that have staff or members that might be struggling as they deal with the stress of recovering from a Traumatic Incident in their congregation. Traumatic Incidents in a congregation when it might be helpful for the Crisis Response Team to be activated include: fire, tornado, acts of violence, or the death of a pastor. This team will respond when requested to do so by the AFLC President.

For more information on Police/Fire Chaplaincy in our AFLC, and to keep up on news about our ministry resources, check out our Facebook page: AFLC Police and Fire Chaplains.

Currently I am aware of the following men in our AFLC fellowship who are serving as Police/Fire Chaplains:

John Amundson, Matthew Ballman, Jon Benson, Dan Giles, Marlin Harris, Henry Mohagen, Randy Nelson, Aaron Olson, Steve Snipstead, and Jonathan Unverzagt.

Respectfully Submitted,
Rev. Jon Benson
Director of AFLC Police/Fire Chaplains

ANNUAL MILITARY CHAPLAINS REPORT

To the fifty-seventh annual conference of the Association of Free Lutheran Congregations assembled at Spruce Lake Retreat Center in Canadensis, Pennsylvania, June 11-14, 2019.

“The Land, which we passed through to spy it out is an exceedingly good land, If the Lord delights in us, he will bring us into this land and ... the Lord is with us; do not fear them.” (Numbers 14:8 and 9)

Today, our military is spread around the world. Naval ships circle the globe to answer our nations call. Our Airforce bases around the world keep watch in the cause of peace as well as the War on Terror. Soldiers and Marines stand ready to defend our country here at home and around the world. When I look into the faces of our active, guard and reserve military, I see the faces of youth, but I also see in them a call and confidence to serve our nation.

The Lord sent spies into the Land of Canaan to check out the possibility of invasion. Out of twelve spies, only two came back with a good report – trusting in God that they could conquer the land under God’s direction and protection. We know the rest of the story. The people fell to fear and distrust. They saw invasion as an obstacle they could not overcome. Joshua and Caleb were right. With the Lord they would prevail and in time they would.

May God help us as we encounter obstacles at home and abroad. May we be a nation that looks to the Lord for his guidance and direction. We pray for the safety and godly purpose of all our military and families.

The AFLC Department of Military Chaplain’s deals primarily with the entry, prayer support, mutual fellowship and training of our AFLC military chaplains and retired chaplains.

We praise God for these men who serve the Lord as military chaplains:

Chaplain (Colonel) John Eidsmoe continues to serve as a Chaplain with the Mississippi State Guard. As Senior Counsel for the Foundation for Moral Law he is involved in numerous cases involving the religious liberty of Christians in the armed forces. He also preaches Sunday mornings for two churches in rural Alabama.

We praise God for the faithful service of **Chaplain (Lieutenant Colonel) Craig Benson**. Chaplain Benson has officially retired from military service and is serving as a pastor in Morris, IL.

AFLC pastor, **Rev. Brad Novacek** is currently deployed with the United States Army as a Master Sergeant serving with the 34th Infantry Division

at Camp Arifjan, Kuwait. I quote Rev. Novacek, “I work to ensure that soldiers across the Middle –East have access to chaplains on a regular basis, and that those chaplains are providing the best ministry possible.” He stated that there is a lot of work and a great deal of travel.

We praise God for all the men and women who are serving in the Armed Forces today.

We praise God for the men and women of the AFLC who are serving in the Armed Forces today.

We praise God for the men and women of the AFLC who are retired from military service and continue to serve our nation as warriors for Christ.

Continue to pray that God will call more laborers into the field of military chaplaincy. May we as a nation keep our eyes on Christ, upheld by his Almighty Word. Praise his glorious name.

Respectfully submitted,
Pastor Mark Antal
Chaplain (MAJ) retired, U.S. Army

ASSOCIATION RETREAT CENTER (ARC)

Introduction:

To the fifty-seventh Annual Conference of Association Free Lutheran Congregations assembled at Spruce Lake Retreat Center in Canadensis, Pennsylvania. This annual conference marks my second complete year as the Executive Director at the Association Retreat Center (ARC) in Osceola, Wisconsin. The Lord has deeply blessed the ARC this year again as we have sought His face, prayerfully, standing on our knees knowing that it is He who guides our steps.

40 Years of Wonder:

This 2019 year marks our 40th year of service as the mission field that is the ARC. In 1979 a group of people with a vision set forth to secure a place where people could “Come away and rest awhile” dig deep into Gods word, spend time alone with Him, meet Him for the first time or just fellowship together with other believers. Today we can say with certainty this is the mission and vision of the ARC. We exist to glorify Jesus Christ by providing a place where people can be equipped to make a positive difference in their lives, homes, churches and communities. In this our 40th year we plan to celebrate all the wonders that God has done and look forward to the wonderful things He has yet to do with the mission field of the ARC. *“Many, Lord my God, are the wonders you have done”* Psalm 40:5. We hope to see you all for Family Camp this year, July 28th – August 3rd where we will have a week-long camp of Bible study, fellowship and tremendous celebration for what God has done and will do through the ARC. We plan to have an Auction that will include opportunities to bid even if you are off site this year and view live streaming of the services each night. Wednesday night is formal night with a 40th Anniversary celebration dinner and fundraiser with Pastor Michael Brandt as the Evening Speaker. We hope you plan to attend this and other events throughout this 40th year of wonder!

Reflection:

This past year at the ARC has been a year of prayer and development. I have closed out my second complete year as the Executive Director and have stepped into the beginning of my third year and with this - I have begun to work on the development of the ARC not only fiscally but physically, mentally and spiritually. In Matthew 28:19-20 Jesus calls us to Go and Make disciples and we at the ARC have a unique opportunity as a staff in that our mission field oftentimes comes to us. We have people week after week or weekend after weekend come through our doors looking to *“Come away and rest awhile”* but some come with burdens and some come needing to meet Jesus. This is a prime opportunity for us as a staff to be Jesus to them. Additionally, we have partnered with the local community and schools for hiring of high school aged students that may not have a relationship with Jesus but have a great work ethic, wonderful morals but who are seeking. What a great opportunity for us as a staff to show them the love of Jesus right here on the mission field of the ARC. I have worked to partner with the Commission on Evangelism who will be coming out this spring to train our staff on the process of friendship evangelism. This process will not only deepen those who are Christians on our staff but also allow for opportunities within our staff and throughout the camp to engage

in Jesus discussions more freely and with boldness through friendship. We are excited about this partnership. We are intent on making disciples for the Lord Jesus Christ. The staff sees thousands of people come through our doors each year. While they may not all come back Sunday after Sunday, we are allowed a God-appointed moment in their lives to be open to their needs, whether that is through our facilities, speaking with them directly, serving them, or offering them the quiet time they need to be with Jesus.

ARC-IT Program:

In 2018 the ARC started a program to partner with AFLBS to allow students who wish to spend a summer interning at the ARC to learn trades and work alongside of ARC staff. This program is run by the ARC and provides students with housing and food as well as compensation. Students who are returning to AFLBS in the fall are able to earn money for their down payment as well as cash, students who are not returning to AFLBS in the fall can earn cash only. This program will be in its pilot year in the summer of 2019. As I write this report I have two applications in hand. We have worked hard this winter to secure separate housing for males and females and we are hoping to fill the program. We are very excited for this opportunity for both the students of AFLBS and the ARC.

Financial:

Over the 2018-2019 year we experienced the blessing of over \$174,000.00 in charitable giving. We were blessed to receive generous designated donations of the following:

12 Adirondack Chairs; Ford Ranger pickup; 3500 diesel truck; air compressor; re-siding of the House of Jacob and labor provided by a mission group from Peace Lutheran in Ohio; painting of the Purple Playground; refrigerated salad bar; 10 lawn games; renovated and dedicated Dietsche Memorial Prayer Chapel; industrial washer; sand for the lake and beach; utility trailer and hand tools; double door fridge; car for housekeeping; window air conditioners; audio equipment for multiple buildings; new washing machine in House of David; set of doors for gym; benches for outside seating; walkie talkies; and kitchen equipment.

The debt has been reduced to \$1.31 million dollars. The Executive Director along with the ARC Board has worked to acquire no additional debt over the 2017-18 fiscal year and has worked to reduce monthly expenses and is seeking God's face and praying for continued avenues to reduce the debt.

Prayer:

We would ask that you keep the ARC and the staff in your prayers though-out the year as we minister to those who come to the ARC to take time away with Jesus.

ARC Board:

Mr. Denis Parsley – Chairman
Mr. Chad Rieschl – Secretary
Mr. Kevin O'Neil – Member
Dr. Steven Johnson – Member
Pastor Richard Carr – Member

Full Time Staff:

Kirk Rautio - Executive Director
Valerie Anderson - ARC Programming Coordinator and Finance
Myrna Hinz - Scheduler
Pastor Mike Fisk - Marketing and IT
Dave Anderson - Food Service Manager

Part Time Staff:

Doug Paulson - Maintenance
Kevin Rader - Maintenance
Gene Vukonich - Maintenance
Maria Hobbs - Housekeeping
Brittany Stewart - Housekeeping / Foodservice
Mary Pollestad – Office Support
Austin Hatzenbeler - Supportive Services
Annie Anderson - Food Service
Stan Christenson - Maintenance
Allea Christenson - Canteen
Mary Anderson - Canteen / Flowers
Jerry Anderson - Maintenance
Irene Bantz - Food Service
Bob Bantz - Lawn Beautification Specialist

Thanksgiving:

I want to personally thank each of you for praying for the ARC. Thank you for praying for the mission of the ARC, for the people who come through our doors and for us as we serve them. Thank you for praying for the financial needs of the ARC and how God would lead you to support that through prayer.

I want to personally thank the Corporation and Board members for their support, prayers and guidance that I have felt and received over this year. My family and I covet your continued prayers for us and the ARC. I want to thank the ARC staff for their talents, hard work and service to the ARC's mission and vision. I want to thank each and every volunteer who have taken time to give of themselves to support the ARC, it is truly a gift that the Lord gives to us through you and we are eternally grateful.

Respectfully Submitted in Jesus,
Kirk M. Rautio
Executive Director Association Retreat Center

ASSOCIATION RETREAT CENTER, INC.

BUDGET

For the Year Ended December 31, 2018 and 2019 Budget

| | Actual | | Budget | | Budget | Budget | |
|---------------------------------|------------------|---------------|------------------|---------------|--------------------|------------------|---------------|
| | Year Ending | | Year Ending | | Over (Under) | Year Ending | |
| | 12/31/18 | Percent | 12/31/18 | Percent | 12/31/18 | 12/31/19 | Percent |
| Revenues | | | | | | | |
| ARC Programed Retreats | \$134,735 | 15.8% | \$100,000 | 12.0% | \$34,735 | \$135,000 | 15.6% |
| General Retreats | \$525,620 | 61.5% | \$500,000 | 60.1% | \$25,620 | \$530,000 | 61.3% |
| Canteen | \$11,962 | 1.4% | \$10,000 | 1.2% | \$1,962 | \$13,000 | 1.5% |
| Contributions | \$174,406 | 20.4% | \$180,000 | 21.6% | (\$5,594) | \$180,000 | 20.8% |
| House Rentals | \$970 | 0.1% | \$0 | 0.0% | \$970 | \$0 | 0.0% |
| Debt forgiveness | \$0 | 0.0% | \$30,000 | 3.6% | (\$30,000) | \$0 | 0.0% |
| Miscellaneous | \$6,907 | 0.8% | \$12,000 | 1.4% | (\$5,093) | \$7,000 | 0.8% |
| Total Revenues | \$854,599 | 100.0% | \$832,000 | 100.0% | \$22,599 | \$865,000 | 100.0% |
| Expenses | | | | | | | |
| Advertising and Marketing | \$4,928 | 0.6% | \$10,000 | 1.2% | (\$5,072) | \$6,000 | 0.7% |
| Retreat expenses | \$19,184 | 2.2% | \$25,000 | 3.0% | (\$5,816) | \$20,000 | 2.3% |
| Automobile Expense | \$14,331 | 1.7% | \$12,000 | 1.4% | \$2,331 | \$15,000 | 1.7% |
| Canteen | \$10,022 | 1.2% | \$5,000 | 0.6% | \$5,022 | \$11,000 | 1.3% |
| Contract labor | (\$10,910) | -1.3% | \$0 | 0.0% | (\$10,910) | \$2,000 | 0.2% |
| Bank and Credit Card Charges | \$1,934 | 0.2% | \$3,000 | 0.4% | (\$1,066) | \$2,000 | 0.2% |
| Food | \$88,249 | 10.3% | \$120,000 | 14.4% | (\$31,751) | \$100,000 | 11.6% |
| Insurance | \$44,077 | 5.2% | \$60,000 | 7.2% | (\$15,923) | \$45,000 | 5.2% |
| Interest expense | \$45,628 | 5.3% | \$50,000 | 6.0% | (\$4,372) | \$45,000 | 5.2% |
| Licenses and Permits | \$3,012 | 0.4% | \$2,000 | 0.2% | \$1,012 | \$3,000 | 0.3% |
| Miscellaneous | \$3,088 | 0.4% | \$4,000 | 0.5% | (\$912) | \$4,000 | 0.5% |
| Payroll | \$269,166 | 31.5% | \$400,000 | 48.1% | (\$130,834) | \$350,000 | 40.5% |
| Payroll health insurance | \$4,486 | 0.5% | \$6,000 | 0.7% | (\$1,514) | \$6,000 | 0.7% |
| Payroll taxes | \$21,412 | 2.5% | \$27,000 | 3.2% | (\$5,588) | \$23,000 | 2.7% |
| Pension/other | (\$102) | 0.0% | \$5,000 | 0.6% | (\$5,102) | \$0 | 0.0% |
| Postage and office supplies | \$2,831 | 0.3% | \$1,500 | 0.2% | \$1,331 | \$3,000 | 0.3% |
| Professional fees | \$6,089 | 0.7% | \$6,000 | 0.7% | \$89 | \$6,000 | 0.7% |
| Repairs | \$27,780 | 3.3% | \$30,000 | 3.6% | (\$2,220) | \$30,000 | 3.5% |
| Supplies | \$19,305 | 2.3% | \$30,000 | 3.6% | (\$10,695) | \$20,000 | 2.3% |
| Taxes - Other | \$1,061 | 0.1% | \$1,500 | 0.2% | (\$439) | \$1,100 | 0.1% |
| Telephone/Internet | \$9,025 | 1.1% | \$9,000 | 1.1% | \$25 | \$9,100 | 1.1% |
| Travel & entertainment | \$156 | 0.0% | \$1,000 | 0.1% | (\$844) | \$1,000 | 0.1% |
| Utilities | \$107,298 | 12.6% | \$100,000 | 12.0% | \$7,298 | \$110,000 | 12.7% |
| Total Expenses Excluding | | | | | | | |
| Depreciation | \$692,050 | 81.0% | \$908,000 | 109.1% | (\$215,950) | \$812,200 | 93.9% |

| | | | | | | | |
|---|------------------|-------|--------------------|-------|------------------|----------|--------------------|
| CHANGE IN NET ASSETS FROM OPERATIONS | \$162,549 | 19.0% | (\$76,000) | -9.1% | \$238,549 | \$52,800 | 6.1% |
| Loan Principal Payments | | | | | | | \$0 |
| Banks/Thrivent | (\$24,522) | | (\$25,000) | | \$478 | | (\$25,000) |
| Individual notes | (\$20,104) | | \$0 | | (\$20,104) | | (\$10,000) |
| Total Loan Payments | (\$44,626) | | (\$25,000) | | (\$19,626) | | (\$35,000) |
| Other Cash Flow Items | | | | | | | |
| Property and Equipment | | | | | | | |
| Outlays | (\$33,816) | | \$0 | | (\$33,816) | | (\$35,000) |
| Receivables and Other Assets | \$279 | | (\$2,000) | | \$2,279 | | \$0 |
| Payables | (\$59,774) | | (\$30,000) | | (\$29,774) | | \$0 |
| Deferred Revenue | \$162,566 | | \$0 | | \$162,566 | | (\$150,000) |
| Total Other | \$69,255 | | (\$32,000) | | \$101,255 | | (\$185,000) |
| NET CASH FLOW | <u>\$187,178</u> | | <u>(\$133,000)</u> | | <u>\$320,178</u> | | <u>(\$167,200)</u> |

AFLC BUSINESS MANAGERS REPORT

To the 57th Annual Conference of the Association of Free Lutheran Congregations assembled at the Spruce Lake Retreat Center in Canadensis, PA on June 11-14, 2019.

I have been truly blessed my time so far as the Director of Business Management at the AFLC. I started in this role in late February of 2019. Since then, I have been greatly encouraged by my co-workers and brothers and sisters in Christ here at Headquarters. I want to thank Emily Goff for her previous work in this position and the multiple hours of training she provided me. She left some big shoes to fill! Our Business Office currently consists of Deb Nelson, Assistant Bookkeeper, and Liz McCarlson, who is also one of our part-time receptionists. I'm extremely thankful for them both and their hard work.

In the fall of 2018, the house on the Charles Property that was being used for rental units was demolished. There was a lot of work put in by Emily Goff, our maintenance staff, and many others to make this happen. The property is now worth more without the building on the land. In April of 2019, we paid off the loan taken out for the purchase of the Charles Property. Praise God!

The following pages you will find Financial Statements consisting of Balance Sheets and Income Statements for the following ministries: General Fund, General Fund Investments, Lutheran Ambassador, Benefits Fund, Youth Ministries, Parish Education, Evangelism, Home Missions, FLAPS, Builders Fellowship, and World Missions.

Some basics on the Financial Statements:

The Balance Sheets show what we own (assets), what we owe (liabilities), and our worth (equity).

The Income Statements shows all that we received (gifts, revenue, etc.) and all the expenses (or disbursements) spent during the year.

The Income Statements will show if we spent more than we received, which would be a Net Loss, or if we received more than we spent, which would be a Net Income.

If you have any questions you can always contact me at katie.johnson@aflc.org or by calling my office phone, (763) 412-2036.

So then, just as you received Christ Jesus as Lord, continue to live in Him, rooted and built up in Him, strengthened in the faith as you were taught, and overflowing with thankfulness; Colossians 2:6-7.

Respectfully Submitted,
Katie Johnson

AFLC FINANCIALS

General Fund Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|---------------------|---------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| CASH | | |
| CASH IN CHECKING | \$207,390.00 | \$55,379.19 |
| CASH DESIGNATED TO SPECIAL PROJECTS | 12,620.65 | 61,731.29 |
| CASH IN SAVINGS | 6,055.01 | 2.71 |
| HYMNAL SAVINGS | 52,474.05 | 45,096.05 |
| TOTAL CASH | 278,539.71 | 162,209.24 |
| RECEIVABLES & INVENTORY | | |
| ACCOUNTS RECEIVABLE - SCHOOLS | 44,344.54 | 40,903.79 |
| ACCOUNTS RECEIVABLE | 0.00 | 2,113.84 |
| ACCOUNTS RECEIVABLE - MISSIONS | 46,586.34 | 6,927.54 |
| ACCOUNTS RECEIVABLE - ARC | 58.90 | 38,567.38 |
| TOTAL RECEIVABLES | 90,989.78 | 88,512.55 |
| HYMNAL INVENTORY | 20,233.30 | 28,071.78 |
| TOTAL CURRENT ASSETS | 389,762.79 | 278,793.57 |
| FIXED ASSETS | | |
| HEADQUARTERS LAND DEVELOPMENT | 698,465.61 | 689,308.61 |
| ADMINISTRATION BUILDING | 824,414.22 | 824,414.22 |
| PRESIDENT'S HOUSE | 293,814.00 | 293,814.00 |
| RENTAL UNITS | 0.00 | 75,000.00 |
| FURNITURE AND EQUIPMENT | 146,459.03 | 148,154.03 |
| PRIOR DEPRECIATION TAKEN | (677,433.66) | (633,167.25) |
| TOTAL FIXED ASSETS | 1,285,719.20 | 1,397,523.61 |
| TOTAL ASSETS | 1,675,481.99 | 1,676,317.18 |
| LIABILITIES & EQUITY | | |
| CURRENT LIABILITIES | | |
| ACCOUNTS PAYABLE - GENERAL | 0.00 | (34.32) |
| SECURITY DEPOSITS | 0.00 | 1,570.25 |
| ACCOUNTS PAYABLE - SCHOOLS | 52,832.06 | 24,938.96 |
| ACCOUNTS PAYABLE - MISSIONS | 243,903.90 | 58,187.77 |
| TOTAL CURRENT LIABILITIES | 296,735.96 | 84,662.66 |
| LONG TERM LIABILITIES | | |
| CONTRACT FOR DEED | 0.00 | 39,957.57 |
| CONTRACT FOR DEED - CHARLES PROPERTY | 219,907.29 | 315,000.00 |
| TOTAL LONG TERM LIABILITIES | 219,907.29 | 354,957.57 |
| TOTAL LIABILITIES | 516,643.25 | 439,620.23 |
| EQUITY | | |
| GENERAL FUND EQUITY | 1,236,696.95 | 872,856.53 |
| NET INCOME (LOSS) | (77,858.21) | 363,840.42 |
| TOTAL EQUITY | 1,158,838.74 | 1,236,696.95 |
| TOTAL LIABILITIES & EQUITY | 1,675,481.99 | 1,676,317.18 |

General Fund Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|------------------------------------|-------------------|-------------------|
| GENERAL FUND BUDGETED | | |
| RECEIPTS | | |
| GIFTS - CONGREGATIONS | \$375,162.98 | \$388,496.18 |
| GIFTS - INDIVIDUALS | 31,997.72 | 34,183.57 |
| GIFTS - PRESIDENT'S ASSISTANT | 2,434.27 | 2,733.16 |
| GIFTS - REIMB. PRES TRAVEL/SPEAK | 3,331.00 | 5,219.04 |
| TOTAL GENERAL GIVING | 412,925.97 | 430,631.95 |
| SUBSIDY TO GF FOR EXPENSES | 44,809.18 | 40,950.48 |
| SALARY REIMB. - IT | 0.00 | 7,768.92 |
| OVERHEAD EXPENSE | 179,623.68 | 164,808.00 |
| DEVELOPMENT OVERHEAD | 94,055.52 | 92,946.78 |
| OVERHEAD FROM OTHER FUNDS | 318,488.38 | 306,474.18 |
| DIRECTORY/HANDBOOK | 2,807.50 | 2,802.50 |
| CONFERENCE OFFERINGS | 784.86 | 737.78 |
| REGISTRATION - CONFERENCE | 12,970.18 | 15,399.87 |
| GRANTS - CHAPLAINS | 2,000.00 | 0.00 |
| OIL ROYALTIES | 714.51 | 514.99 |
| RENTAL INCOME | 17,453.00 | 17,230.10 |
| OTHER REVENUE & SUPPORT | 36,730.05 | 36,685.24 |
| TOTAL RECEIPTS | 768,144.40 | 773,791.37 |
| DISBURSEMENTS | | |
| SALARY - ASST TO PRESIDENT | 71,400.00 | 62,513.12 |
| SALARY - PRESIDENT | 81,729.84 | 81,729.84 |
| SALARY - SECRETARY AFLC CONF. | 1,250.00 | 2,500.00 |
| SALARY - DIR. OF DEV. | 93,755.76 | 91,917.36 |
| SALARY - SECRETARY | 57,109.68 | 55,989.84 |
| SALARY - RECEPTIONIST | 12,873.35 | 13,488.96 |
| SALARY - BUSINESS/IT MGR | 88,434.00 | 86,700.00 |
| SALARY - ASSISTANT BOOKKEEPER | 44,267.28 | 43,677.40 |
| SALARY - IT MANAGER | 33,855.83 | 37,656.65 |
| 401K CONTRIBUTIONS | 22,564.06 | 22,398.04 |
| LIFE INSURANCE | 1,497.76 | 1,593.60 |
| LTD INSURANCE | 1,091.30 | 1,061.47 |
| TAXES - PAYROLL | 24,061.02 | 23,843.01 |
| PAYROLL AND BENEFITS | 533,889.88 | 525,069.29 |
| DIRECTORY/HANDBOOK | 930.00 | 870.00 |
| PROMOTIONAL MATERIALS | 3,262.06 | 4,386.01 |
| HYMNAL COMMITTEE EXPENSES | 7,838.48 | 0.00 |
| CONFERENCE EXPENSES | 13,629.38 | 9,062.67 |
| PASTORS CONFERENCE | 700.00 | 725.00 |
| LUTHERAN AMBASSADOR SUBSIDY | 11,652.00 | 8,793.00 |
| TRAVEL | 0.00 | 288.00 |
| TRAVEL - ASST TO PRESIDENT | 8,045.26 | 1,494.88 |
| TRAVEL - PRESIDENT | 12,654.88 | 12,476.93 |
| TRAVEL - BOARDS | 15,478.04 | 14,822.09 |
| TRAVEL- AFLC BOARDS | 6,886.22 | 3,086.52 |
| TRAVEL - DIRECTOR DEVELOPMENT | 26,937.22 | 22,950.46 |
| CHAPLAINCY | 4,740.88 | 2,699.65 |
| PROGRAM AND PROMOTIONAL | 112,754.42 | 81,655.21 |
| ACCOUNTING | 2,800.84 | 4,736.75 |
| AUDIT/REVIEW | 10,500.00 | 2,500.00 |
| LEGAL | 0.00 | 0.00 |
| INSURANCE & BONDS | 10,005.14 | 11,013.73 |
| INTEREST | 10,250.82 | 7,562.61 |
| MISCELLANEOUS | 3,147.59 | 2,298.13 |
| MISCELLANEOUS - RENTAL PROPERTY | 6,637.98 | 305.00 |
| PASTORAL SCREENING | 1,108.00 | 580.00 |

General Fund Income Statement Continued

| | 2018 | 2017 |
|--|--------------------|-------------------|
| POSTAGE | 4,229.35 | 1,183.91 |
| SUPPLIES - OFFICE | 122.59 | 945.11 |
| OFFICE EQUIP - LEASES | 1,259.57 | (950.40) |
| SUPPLIES - ALL OFFICES | 2,568.16 | 3,125.35 |
| OFFICE EXPENSES - DEVELOPMENT | 647.50 | 1,594.91 |
| TAXES - REAL ESTATE | 8,278.26 | 3,478.09 |
| TELEPHONE | 8,716.48 | 9,042.73 |
| NEW EQUIPMENT | 1,657.06 | 7,698.28 |
| COMPUTER SUPPORT EXPENSES | 51,405.43 | 41,387.76 |
| GENERAL & ADMINISTRATIVE | 123,334.77 | 96,501.96 |
| CONTRACTED SERVICES-SCHOOLS | 20,953.08 | 20,630.15 |
| CONTRACTED SERVICES-RENTAL PROPI | 7,414.80 | 7,679.10 |
| REPAIR & MAINTENANCE | 3,620.92 | 1,505.14 |
| REPAIRS - RENTAL PROPERTY | 571.81 | 167.69 |
| CUSTODIAL SERVICES | 9,059.23 | 8,438.88 |
| UTILITIES | 18,474.92 | 17,876.79 |
| UTILITIES - PRESIDENTS HOUSE | 2,352.76 | 2,414.17 |
| UTILITIES - RENTAL PROPERTY | 4,792.91 | 1,832.48 |
| REPAIRS AND BUILDING MAINTENANCE | 67,240.43 | 60,544.40 |
| TOTAL DISBURSEMENTS | 837,219.50 | 763,770.86 |
| BUDGETED NET INCOME OR (LOSS) | (69,075.10) | 10,020.51 |
| GENERAL FUND NON-BUDGETED | | |
| RECEIPTS | | |
| SALARY REIMB. - W.M.F. | 27,226.27 | 26,315.24 |
| IN & OUT ARC GIFTS RECEIPTS | 10,551.29 | 32,876.82 |
| IN & OUT RECEIPTS | 4,367.84 | 4,776.00 |
| GRANTS | 0.00 | 4,000.00 |
| SPECIAL PROJECTS | 58,321.98 | 405,874.91 |
| PROMOTIONAL INCOME | 460.03 | 1,037.69 |
| MISC. REIMB. - DOD | 51,957.80 | 21,589.80 |
| GIFTS - PRESIDENT'S HOUSE | 36,858.02 | 10,555.00 |
| HARVEY RELIEF FUND | 0.00 | 14,725.22 |
| HYMNAL SALES | 7,748.00 | 6,348.04 |
| LEGACIES | 0.00 | 2,601.43 |
| MISCELLANEOUS RECEIPTS | 343.97 | 64.65 |
| GIFTS FROM CAP INV | 48,645.50 | 6,514.49 |
| INTEREST INCOME-OTHER | 52.30 | 55.65 |
| TOTAL RECEIPTS | 246,533.00 | 537,334.94 |
| DISBURSEMENTS | | |
| SALARY - W.M.F. SECRETARY | 27,226.27 | 26,315.24 |
| IN & OUT ARC GIFTS PAID | 10,551.29 | 32,876.82 |
| IN & OUT EXPENSES | 4,367.84 | 4,776.00 |
| GRANTS PAID | 0.00 | 9,043.71 |
| SPECIAL PROJECT DISBURSEMENTS | 53,482.80 | 62,968.40 |
| BILLABLE TO THE ARC | (54.00) | 0.00 |
| LOSS ON DISPOSAL OF ASSETS | 114,433.00 | 0.00 |
| DEPRECIATION EXPENSE | 45,308.91 | 47,534.86 |
| TOTAL DISBURSEMENTS | 255,316.11 | 183,515.03 |
| NON-BUDGETED NET INCOME OR (LOSS) | (8,783.11) | 353,819.91 |
| COMBINED NET INCOME | (77,858.21) | 363,840.42 |

General Fund Investments Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|------------|------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| TOTAL CHECKING/SAVINGS | 533,212.45 | 207,542.32 |
| TOTAL ASSETS | 533,212.45 | 207,542.32 |
| | | |
| LIABILITIES & EQUITY | | |
| EQUITY | | |
| GENERAL FUND INVESTMENT EQUITY | 207,542.32 | 213,515.04 |
| NET INCOME (LOSS) | 325,670.13 | (5,972.72) |
| TOTAL EQUITY | 533,212.45 | 207,542.32 |
| | | |
| TOTAL LIABILITIES & EQUITY | 533,212.45 | 207,542.32 |

General Fund Investments Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|--------------------------------------|------------|------------|
| RECEIPTS | | |
| 3010-38 GIFTS - CONGREGATIONS | \$32.30 | \$730.95 |
| 3030-38 GIFTS - INDIVIDUALS | 0.00 | 1,000.00 |
| 3380-38 INTEREST INCOME - SAVINGS | 488.09 | 100.75 |
| 4140-38 LEGACIES | 373,795.24 | 0.00 |
| TOTAL RECEIPTS | 374,315.63 | 1,831.70 |
| | | |
| DISBURSEMENTS | | |
| 6160-38 LEGACIES PAID | 0.00 | 1,289.93 |
| 6161-38 GIFTS TO GEN FUND | 48,645.50 | 6,514.49 |
| TOTAL DISBURSEMENTS | 48,645.50 | 7,804.42 |
| | | |
| NET INCOME (LOSS) | 325,670.13 | (5,972.72) |

Lutheran Ambassador Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|-----------------|--------------|
| ASSETS | | |
| CHECKING ACCOUNT | \$854.05 | (\$7,061.59) |
| EOM RECEIVABLES - ARC SUBSIDY | 158.00 | 1,248.75 |
| EOM RECEIVABLES - MISSIONS | 1,703.00 | 0.00 |
| EOM RECEIVABLES - SCHOOLS | 3,142.17 | 5,812.84 |
| TOTAL ASSETS | 5,857.22 | 0.00 |
| LIABILITIES & EQUITY | | |
| ACCRUED AFLAC | 0.12 | 0.00 |
| TOTAL LIABILITIES | 0.12 | 0.00 |
| EQUITY | | |
| NET INCOME (LOSS) | 5,857.10 | 0.00 |
| TOTAL EQUITY | 5,857.10 | 0.00 |
| TOTAL LIABILITIES & EQUITY | 5,857.22 | 0.00 |

Lutheran Ambassador Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|--|-------------------|-------------------|
| RECEIPTS | | |
| SUBSCRIPTION FEES | \$51,619.24 | \$48,234.50 |
| SALES REVENUE | 51,619.24 | 48,234.50 |
| GIFTS - LUTHERAN AMBASSADOR | 822.00 | 290.00 |
| SUBSIDY FROM OTHER FUNDS | 63,204.00 | 55,499.88 |
| SALARY REIMBURSEMENT | 17,270.04 | 16,932.00 |
| GIFTS FROM GF INV LEGACIES | 0.00 | 1,289.93 |
| GIFTS & TRANSFERS FROM OTHER DEPTS. | 81,296.04 | 74,011.81 |
| TOTAL RECEIPTS | 132,915.28 | 122,246.31 |
| DISBURSMENTS | | |
| LUTHERAN AMBASSADOR POSTAGE | 9,542.06 | 9,387.58 |
| PRINTING | 24,954.72 | 24,954.72 |
| PRINTING & MAILING EXPENSE | 34,496.78 | 34,342.30 |
| SALARY - EDITOR | 11,564.04 | 11,337.36 |
| SALARY - SECRETARY | 1,459.61 | 1,073.55 |
| SALARY - ASSISTANT EDITOR | 57,008.88 | 55,890.96 |
| TAXES - PAYROLL | 4,517.15 | 4,352.15 |
| 401K CONTRIBUTIONS | 3,464.64 | 3,418.53 |
| LIFE INSURANCE | 234.00 | 234.00 |
| LTD INSURANCE | 149.40 | 146.40 |
| PAYROLL & BENEFITS | 78,397.72 | 76,452.95 |
| INSURANCE | 44.99 | 269.54 |
| MISCELLANEOUS | 100.34 | 94.82 |
| POSTAGE | 674.92 | 495.07 |
| SUBSIDY TO G.F. FOR EXPENSES | 5,162.16 | 4,535.76 |
| SUPPLIES | 1,041.34 | 1,258.96 |
| TELEPHONE | 492.05 | 477.47 |
| TRAVEL | 1,025.84 | 369.90 |
| OVERHEAD EXPENSE | 5,198.04 | 3,578.04 |
| NEW EQUIPMENT | 0.00 | 0.00 |
| COMPUTER SUPPORT EXPENSES | 424.00 | 371.50 |
| GENERAL & ADMINISTRATIVE | 14,163.68 | 11,451.06 |
| TOTAL DISBURSMENTS | 127,058.18 | 122,246.31 |
| NET INCOME OR (LOSS) | 5,857.10 | 0.00 |

Benefits Board Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|-------------------|------------------|
| ASSETS | | |
| CASH | | |
| CASH - BENEFITS | \$13,290.23 | \$10,821.80 |
| CASH - HIS FUND | 102,131.85 | 78,333.05 |
| TOTAL CASH | 115,422.08 | 89,154.85 |
| RECEIVABLES | | |
| ACCOUNTS RECEIVABLE | 675.00 | 206.25 |
| TOTAL RECEIVABLES | 675.00 | 206.25 |
| TOTAL ASSETS | 116,097.08 | 89,361.10 |
| LIABILITIES & EQUITY | | |
| LIABILITIES | | |
| 401K CONTRIBUTIONS PAYABLE | (165.55) | 1,468.82 |
| ACCRUED DISABILITY-CHURCHES | (28.38) | (12.23) |
| ACCRUED LIFE INSURANCE-CHURCHES | (37.08) | |
| TOTAL LIABILITIES | (231.01) | 1,456.59 |
| EQUITY | | |
| BENEFITS BOARD EQUITY | 87,904.51 | 76,272.12 |
| NET INCOME OR (LOSS) | 28,423.58 | 11,632.39 |
| TOTAL EQUITY | 116,328.09 | 87,904.51 |
| TOTAL LIABILITIES & EQUITY | 116,097.08 | 89,361.10 |

Benefits Board Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|-----------------------------|------------------|------------------|
| RECEIPTS | | |
| RECEIPTS | | \$2,280.00 |
| INTEREST INCOME - SAVINGS | 427.87 | 175.18 |
| HIS FUND | 26,180.68 | 14,233.92 |
| 401K ADMIN FEE | 3,801.00 | 3,750.00 |
| ADMIN FEE - HRA/FSA/HSA | 1,680.00 | 3,400.00 |
| ADMIN FEE - LIFE & LTD INS | 3,555.00 | 3,645.00 |
| TOTAL RECEIPTS | 35,644.55 | 27,484.10 |
| DISBURSMENTS | | |
| LEGAL | 818.00 | 245.00 |
| MISCELLANEOUS | 0.75 | 127.52 |
| TRAVEL- BENEFITS BOARD | 135.90 | 719.65 |
| ADMINISTRATION FEES | 3,466.32 | 4,075.54 |
| HELP IN SERVICE DONATIONS | 2,800.00 | 10,684.00 |
| TOTAL DISBURSMENTS | 7,220.97 | 15,851.71 |
| NET INCOME OR (LOSS) | 28,423.58 | 11,632.39 |

Youth Ministries Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|--|------------------|------------------|
| ASSETS | | |
| CASH IN CHECKING | \$65,898.89 | \$47,568.41 |
| ACCOUNTS RECEIVABLE - FLY ADMINISTRATION | 8,000.00 | |
| TOTAL ASSETS | 73,898.89 | 47,568.41 |
| EQUITY | | |
| YOUTH BOARD EQUITY | 47,568.41 | 10,911.84 |
| NET INCOME OR (LOSS) | 26,330.48 | 36,656.57 |
| TOTAL EQUITY | 73,898.89 | 47,568.41 |
| TOTAL LIABILITIES & EQUITY | 73,898.89 | 47,568.41 |

Youth Ministries Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|--------------------------------|-------------------|-------------------|
| RECEIPTS | | |
| GIFTS - CONGREGATIONS | \$91,138.54 | \$99,830.32 |
| GIFTS - INDIVIDUALS | 21,365.00 | 35,841.44 |
| GIFTS - UNDESIGNATED | 29,299.78 | 29,574.29 |
| TEACHING INCOME | 12,530.00 | 9,200.00 |
| FLY CONVENTION INCOME | 23,000.00 | 23,000.00 |
| SPECIAL PROJECTS | 16,300.00 | 23,950.00 |
| CONFERENCE OFFERINGS | 784.24 | 286.89 |
| SALE OF BOOKS, VIDEOS, ETC. | 0.00 | 11.00 |
| LEADERSHIP CONF. REG/OFFERINGS | 38,850.00 | 0.00 |
| YOUTH WORKERS RETREAT | 5,781.00 | 2,850.21 |
| INTEREST INCOME-OTHER | 0.00 | 29.24 |
| GRANTS | 2,000.00 | 2,000.00 |
| IN & OUT RECEIPTS | 32.99 | 0.00 |
| TOTAL RECEIPTS | 241,081.55 | 226,573.39 |
| DISBURSEMENTS | | |
| PROMOTIONAL EXPENSE | 603.85 | 557.44 |
| INSURANCE | 91.48 | 296.87 |
| LEADERSHIP CONF. EXPENSES | 30,158.82 | 529.84 |
| YOUTH WORKERS RETREAT | 8,016.07 | 6,138.11 |
| MISC | 92.98 | 116.20 |
| POSTAGE & MAILINGS | 234.08 | 911.17 |
| SUBSIDY TO G.F. FOR EXPENSE | 2,825.64 | 2,482.80 |
| SUPPLIES - OFFICE | 2,478.77 | 3,270.79 |
| TAXES - PAYROLL | 2,161.64 | 2,151.94 |
| TELEPHONE | 2,016.90 | 1,999.26 |
| TRAVEL-YOUTH DIRECTORS | 2,537.76 | 4,072.02 |
| TRAVEL-BOARD | 743.71 | 2,921.22 |
| MEALS & NETWORKING-DIRECTOR | 1,729.00 | 1,451.13 |
| SPECIAL PROJECTS | 14,966.65 | 23,099.71 |
| OVERHEAD EXPENSES | 16,038.96 | 15,657.96 |
| SALARY - YOUTH WORKER | 82,736.23 | 78,593.24 |
| SALARY - SECRETARY | 15,719.06 | 17,568.46 |
| FLY COORDINATOR | 14,597.30 | 11,818.30 |
| FLY CONVENTION EXPENSE | 700.00 | 0.00 |
| CONTINUING EDUCATION | 8,309.05 | 7,703.47 |
| LUTH AMB SUBSIDY | 2,448.00 | 2,512.32 |
| 401K CONTRIBUTIONS | 4,691.27 | 4,833.64 |
| LIFE INSURANCE | 324.86 | 368.76 |
| LTD INSURANCE | 226.99 | 244.68 |
| TECHNOLOGY UPGRADES | 0.00 | 383.39 |
| COMPUTER SUPPORT SERVICES | 302.00 | 209.10 |
| GRANT DISBURSEMENTS | 0.00 | 25.00 |
| TOTAL DISBURSEMENTS | 214,751.07 | 189,916.82 |
| NET INCOME OR (LOSS) | 26,330.48 | 36,656.57 |

Parish Education Ambassador Publications Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|-------------------|-------------------|
| ASSETS | | |
| CASH IN CHECKING | \$29,564.74 | \$47,009.46 |
| CC PROCESSING ACCT | 9,928.95 | 7,237.99 |
| TOTAL CASH | 39,493.69 | 54,247.45 |
| RECEIVABLES | | |
| ACCOUNTS RECEIVABLE | 1,917.96 | 4,776.32 |
| BULLETINS RECEIVABLE | 2,191.62 | 2,770.66 |
| TOTAL RECEIVABLES | 4,109.58 | 7,546.98 |
| BOOK INVENTORY | 287,477.07 | 274,012.04 |
| TOTAL ASSETS | 331,080.34 | 335,806.47 |
| LIABILITIES | | |
| REFUNDS PAYABLE | 1.98 | 0.67 |
| ACCRUED INVENTORY | 4,402.30 | 269.36 |
| SALES TAX PAYABLE | 779.84 | 861.18 |
| GIFT CERTIFICATES OUTSTANDING | 161.31 | |
| TOTAL LIABILITIES | 5,345.43 | 1,131.21 |
| EQUITY | | |
| PARISH EDUCATION EQUITY | 334,675.26 | 340,049.67 |
| NET INCOME OR (LOSS) | (8,940.35) | (5,374.41) |
| TOTAL EQUITY | 325,734.91 | 334,675.26 |
| TOTAL LIABILITIES & EQUITY | 331,080.34 | 335,806.47 |

Parish Education Ambassador Publications Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|------------------------------|-------------------|-------------------|
| RECEIPTS | | |
| GIFTS - CONGREGATIONS | \$146,289.17 | \$139,018.91 |
| GIFTS - INDIVIDUALS | 11,730.50 | 17,065.29 |
| GIFTS - WMF | 9,231.24 | 13,261.47 |
| HERITAGE SERIES | 0.00 | 0.00 |
| CONFERENCE OFFERINGS | 784.24 | 300.56 |
| INTEREST INCOME | 0.00 | 0.00 |
| BOOKNOOK SALES | 8,278.86 | 0.00 |
| SALES - MINNESOTA | 6,562.88 | 12,946.96 |
| SALES - MINNESOTA TAX EXEMPT | 26,501.56 | 24,022.31 |
| FREIGHT INCOME | 5,700.55 | 5,182.47 |
| SALES - INTERSTATE | 48,597.21 | 47,200.52 |
| BULLETIN RECEIPTS | 39,879.13 | 42,572.45 |
| LEGACIES | 0.00 | 0.00 |
| IN & OUT EXPENSES | 0.00 | 0.00 |
| GRANTS | 6,926.09 | 8,448.64 |
| TOTAL RECEIPTS | 310,481.43 | 310,019.58 |
| DISBURSEMENTS | | |
| INSURANCE | 109.16 | 453.28 |
| MISCELLANEOUS | 3,947.16 | 2,029.68 |
| POSTAGE | 9,476.19 | 9,437.36 |
| COST OF BULLETINS | 32,977.93 | 35,084.66 |
| BOOK FUND EXPENSE | 0.00 | 0.00 |
| SUBSIDY TO G.F FOR EXPENSES | 13,403.40 | 11,777.16 |
| SALARY - DIRECTOR | 78,900.00 | 78,900.00 |
| SALARIES - OTHER | 53,806.92 | 48,388.26 |
| RESOURCE | 215.22 | 349.21 |
| TEACHING AIDS | 8,915.48 | 8,986.12 |
| OTHER BOOKS | 22,767.79 | 20,041.20 |
| CURRICULUM PRINTING | 11,741.51 | 10,039.89 |
| OTHER PUBLICATIONS PRINTING | 3,955.67 | 10,399.66 |
| SUPPLIES - OFFICE | 1,477.31 | 1,435.83 |
| TAXES - PAYROLL | 9,676.31 | 9,476.61 |
| SALES & USE TAX | 0.00 | 537.49 |
| TELEPHONE | 2,402.31 | 2,991.80 |
| TRAVEL | 11,295.07 | 12,354.27 |
| PRINTING EXPENSE | 11,542.75 | 12,344.94 |
| OVERHEAD EXPENSES | 26,814.96 | 26,343.96 |
| LUTHERAN AMBASSADOR SUBSIDY | 3,468.00 | 3,409.56 |
| 401K CONTRIBUTIONS | 6,174.76 | 6,097.08 |
| LIFE INSURANCE | 497.40 | 497.40 |
| LTD INSURANCE | 306.96 | 303.96 |
| NEW EQUIPMENT | 1,549.52 | 641.64 |
| GRANTS PAID | 4,000.00 | 2,000.00 |
| CHANGE IN INVENTORY | 0.00 | 1,072.97 |
| NET CHANGE IN INVENTORY | 0.00 | 1,072.97 |
| TOTAL DISBURSEMENTS | 319,421.78 | 315,393.99 |
| NET INCOME OR (LOSS) | (8,940.35) | (5,374.41) |

Evangelism Balance Sheet
Twelve Months Ending, December 31, 2018

| | | <u>2018</u> | <u>2017</u> |
|---------------------------------------|----------------------|-------------------------|-------------------------|
| ASSETS | | | |
| | CASH IN CHECKING | \$16,111.85 | \$13,155.40 |
| TOTAL ASSETS | | <u>16,111.85</u> | <u>13,155.40</u> |
| LIABILITIES & EQUITY | | | |
| LIABILITIES | | 0.00 | 0.00 |
| EQUITY | | | |
| | EVANGELISM EQUITY | 13,155.40 | 9,967.58 |
| | NET INCOME OR (LOSS) | 2,956.45 | 3,187.82 |
| TOTAL EQUITY | | <u>16,111.85</u> | <u>13,155.40</u> |
| TOTAL LIABILITIES & EQUITY | | <u>16,111.85</u> | <u>13,155.40</u> |

Evangelism Income Statement
Twelve Months Ending, December 31, 2018

| | | <u>2018</u> | <u>2017</u> |
|-------------------------------------|------------------------------------|--------------------------|--------------------------|
| RECEIPTS | | | |
| | EVANGELISM-SUPPORT/SERVICES | \$135,765.44 | \$136,035.17 |
| | EVANGELISM GIFTS-REKINDLE THE FIRE | 1,000.00 | 15,965.00 |
| TOTAL GENERAL GIVING | | 136,765.44 | 152,000.17 |
| | SALES OF MATERIAL | 889.50 | 363.33 |
| | TRAVEL FUND | 1,180.15 | 2,917.80 |
| | SPECIAL PROJECTS | 2,000.00 | 0.00 |
| | GRANTS | 6,926.09 | 6,448.64 |
| OTHER REVENUE & SUPPORT | | <u>10,995.74</u> | <u>9,729.77</u> |
| TOTAL RECEIPTS | | <u>147,761.18</u> | <u>161,729.94</u> |
| DISBURSEMENTS | | | |
| | SALARY - SECRETARY | 9,195.18 | 9,735.04 |
| | SALARY/EXPENSES EVANGELIST | 87,649.99 | 87,950.04 |
| | MINISTRY REIMBURSEMENT, | 2,150.45 | 2,500.00 |
| | 410K CONTRIBUTIONS | 4,796.77 | 5,149.68 |
| | LIFE INSURANCE | 219.99 | 247.44 |
| | LTD INSURANCE | 219.48 | 229.68 |
| | TAXES - PAYROLL | 702.67 | 745.98 |
| PAYROLL & BENEFITS | | 104,934.53 | 106,557.86 |
| | PROMOTIONAL | 2,470.77 | 557.44 |
| | PURCHASE OF BOOKS, ETC. | 2,108.34 | 3,725.05 |
| | REKINDLE THE FIRE | 5,662.78 | 4,803.87 |
| | DIRECTOR - TRAVEL | 4,129.02 | 6,184.49 |
| | COE- TRAVEL | 1,261.89 | 535.00 |
| | ROUND TABLE MINISTRY RETREAT | 0.00 | 2,044.63 |
| | SPECIAL PROJECTS | 0.00 | 3,644.54 |
| PROGRAM & PROMOTIONAL | | 15,632.80 | 21,495.02 |
| | INSURANCE | 60.08 | 351.30 |
| | MISCELLANEOUS | 441.45 | 632.97 |
| | POSTAGE | 337.40 | 624.21 |
| | BUILDING SUBSIDY TO GF | 2,825.64 | 2,482.80 |
| | SUPPLIES-OFFICE | 653.01 | 945.99 |
| | TELEPHONE | 1,024.86 | 1,529.24 |
| | OVERHEAD TO GF | 16,038.96 | 15,657.96 |
| | LUTHERAN AMBASSADOR SUBSIDY | 2,856.00 | 3,230.04 |
| | GRANTS PAID | 0.00 | 5,034.73 |
| GENERAL & ADMINISTRATIVE | | <u>24,237.40</u> | <u>30,489.24</u> |
| TOTAL DISBURSEMENTS | | <u>144,804.73</u> | <u>158,542.12</u> |
| NET INCOME OR (LOSS) | | <u>2,956.45</u> | <u>3,187.82</u> |

Home Missions Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|-------------------|-------------------|
| ASSETS | | |
| CASH IN CHECKING | \$28,361.03 | \$86,051.70 |
| RESTRICTED CASH | 155,606.66 | |
| CREDIT CARD CLEARING ACCOUNT | 27,407.53 | 4,699.78 |
| SPLIT GIFTS RECEIVABLE | 82,460.52 | 19,667.67 |
| ACCOUNTS RECEIVABLE | | 2,026.54 |
| HOME MISSION SAVINGS | 3,950.74 | 3,949.10 |
| INVESTMENTS | | 41,876.56 |
| TOTAL | 297,786.48 | 158,271.35 |
| LIABILITIES | | |
| NOTE PAYABLE | | 42,500.00 |
| TOTAL LIABILITIES | | 42,500.00 |
| EQUITY | | |
| HOME MISSIONS EQUITY | 115,771.35 | 4,999.54 |
| NET INCOME OR (LOSS) | 182,015.13 | 110,771.81 |
| TOTAL | 297,786.48 | 115,771.35 |
| TOTAL LIABILITIES & EQUITY | 297,786.48 | 158,271.35 |

Home Missions Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|--|-------------------|-------------------|
| GENERAL OPERATING RECEIPTS | | |
| GIFTS - CONGREGATIONS | \$321,159.28 | \$296,002.49 |
| GIFTS - INDIVIDUALS | 153,075.73 | 269,354.79 |
| CONFERENCE OFFERINGS | 804.24 | 1,839.79 |
| MISCELLANEOUS RECEIPTS | 171,337.84 | 0.00 |
| INTEREST INCOME - SAVINGS | 1.64 | 1.40 |
| INTEREST INCOME - INVESTMENTS | 2,119.61 | 870.13 |
| REPLACEMENT OF CARS | 1,000.00 | 0.00 |
| GIFTS-REIMB. DIRECTOR TRAVEL | 2,942.47 | 1,050.00 |
| BARNABAS TEAM | 0.00 | 34,394.00 |
| H.M. PASTOR SUPPORT | 0.00 | 0.00 |
| LEGACIES | 22,520.25 | 0.00 |
| HOME MISSIONS RETREAT | 4,938.61 | 7,823.27 |
| INSURANCE REIMBURSEMENTS | 0.00 | 581.00 |
| IN & OUT RECEIPTS | 5,948.00 | 14,680.16 |
| HOPE - ENDERLIN, ND | 325.00 | 0.00 |
| GRANTS-HOME MISSIONS | 28,031.41 | 24,294.14 |
| COME JOIN US | 200.00 | 350.00 |
| TOTAL GENERAL RECEIPTS | 714,404.08 | 651,241.17 |
| GENERAL OPERATING DISBURSEMENTS | | |
| ACCOUNTING | 0.00 | 1,750.00 |
| LEGAL | 1,118.50 | 12.50 |
| PROMOTIONAL MATERIALS | 5,903.60 | 3,618.76 |
| INSURANCE & BONDS | 19,120.93 | 23,165.20 |
| VEHICLE/REGISTRATION | 2,699.75 | 1,594.00 |
| INTEREST | 619.80 | 1,487.52 |
| MISCELLANEOUS | 6,476.85 | 2,409.41 |
| POSTAGE | 1,516.03 | 1,623.48 |
| SUBSIDY TO G. F. FOR EXPENSES | 7,716.00 | 6,780.00 |
| REPAIR-VEHICLES | 3,399.68 | 335.81 |
| SUPPLIES - OFFICE | 2,888.28 | 3,596.57 |
| OFFICE FURNITURE STORAGE | 0.00 | 160.90 |

| | 2018 | 2017 |
|---------------------------------------|-------------------|-------------------|
| TAXES - PAYROLL | 4,263.16 | 5,181.34 |
| TELEPHONE | 2,646.00 | 3,009.70 |
| TRAVEL - OTHER | 2,099.40 | 2,106.22 |
| TRAVEL - DIRECTOR | 12,207.84 | 8,005.17 |
| TRAVEL - ASST DIRECTOR COME JOIN US | 703.43 | 3,085.91 |
| TRAVEL - DIRECTOR FLIGHTS | 0.00 | 210.18 |
| TRAVEL-WOMEN'S MINISTRY FLIGHTS | 1,140.89 | 134.20 |
| TRAVEL - DIRECTOR COMMERCIAL FLIGHTS | 4,872.72 | 2,978.33 |
| TRAVEL - BOARDS | 5,755.39 | 3,510.32 |
| TRAVEL - GOSPEL TEAMS | 0.00 | 32,948.09 |
| OVERHEAD EXPENSES | 44,941.92 | 43,434.96 |
| OVERHEAD - AFLC DEVELOPMENT | 23,513.88 | 22,324.58 |
| SALARY - DIRECTOR | 151,568.35 | 88,138.58 |
| SALARY - OFFICE STAFF | 55,532.05 | 54,652.62 |
| CONTINUING EDUCATION | 0.00 | 567.81 |
| LUTHERAN AMBASSADOR SUBSIDY | 6,336.00 | 5,562.96 |
| 401K CONTRIBUTIONS & FEES | 5,884.29 | 4,935.83 |
| LIFE INSURANCE | 563.25 | 497.40 |
| LTD INSURANCE | 378.76 | 314.64 |
| NEW EQUIPMENT | 3,034.31 | 651.69 |
| COMPUTER SUPPORT EXPENSES | 596.67 | 17.56 |
| H.M. PASTOR SUPPORT | 0.00 | 1,399.11 |
| SX 300 EXPENSES | 7,803.40 | 1,803.84 |
| BELLANCA EXPENSES | (2,131.25) | 1,643.00 |
| HOME MISSIONS RETREAT | 13,577.19 | 10,503.15 |
| PURCHASE OF CARS | 0.00 | 3,000.00 |
| IN & OUT EXPENSES | 5,948.20 | 600.00 |
| HONORARIUMS | 0.00 | (25.00) |
| TOTAL GENERAL EXPENSES | 402,695.27 | 347,726.34 |
| SUBSIDY DISBURSEMENTS | | |
| REDEEMING LOVE-ST. JOSEPH, MN | 1,383.65 | 0.00 |
| LUTH CHURCH HOPE-LOVELAND, CO | 23,200.04 | 32,000.04 |
| IMMANUEL LUTHERAN-SPRINGFIELD,MO | 0.00 | 2,310.00 |
| LIVING FAITH - BOYERTOWN, PA | 0.00 | 200.00 |
| GOOD SHEPHERD - MADISON, SD | 24,999.96 | 12,499.98 |
| HOPE - ENDERLIN, ND | 4,505.60 | 27,999.96 |
| TOTAL SUBSIDY EXPENSES | 54,089.25 | 75,009.98 |
| NEW WORK RECEIPTS | | |
| CUMBERLAND, WI | 10,678.75 | 0.00 |
| BUTTE, MT GATHERING | 31,827.33 | 23,602.98 |
| GATEWAY GATHERING | 28,119.00 | 44,373.01 |
| RAPID CITY, SD | 0.00 | 600.00 |
| WAIKIKI BEACH GATHERING | 10,192.45 | 4,112.31 |
| NEW WORK - GENERAL | 0.00 | 0.00 |
| TOTAL NEW WORK RECEIPTS | 80,817.53 | 72,688.30 |
| NEW WORK DISBURSEMENTS | | |
| NEW WORK - GENERAL | 0.00 | 0.00 |
| CUMBERLAND, WI | 2,284.48 | 0.00 |
| BUTTE, MT GATHERING | 15,091.53 | 4,364.45 |
| SALARY -BUTTE, MT GATHERING | 49,814.87 | 35,210.00 |
| BENEFITS - BUTTE, MT | 2,320.73 | 311.20 |
| GATEWAY GATHERING | 19,440.91 | 26,146.57 |
| SALARY - GATEWAY GATHERING | 39,425.82 | 66,587.04 |
| BENEFITS - GATEWAY GATHERING | 2,228.45 | 3,981.92 |
| NEW WORK - RAPID CITY | 0.00 | 600.00 |
| WAIKIKI BEACH GATHERING | 10,642.40 | 1,861.77 |
| TOTAL NEW WORKS DISTRIBURMENTS | 141,249.19 | 139,062.95 |

| | 2018 | 2017 |
|---|-------------------|-------------------|
| PARISH BUILDERS RECEIPTS | | |
| PARISH BUILDERS | 29,502.17 | 16,543.44 |
| TOTAL PARISH BUILDERS RECEIPTS | 29,502.17 | 16,543.44 |
| PARISH BUILDERS DISBURSEMENTS | | |
| PARISH BUILDERS PROMOTION | 0.00 | 43.34 |
| PARISH BUILDERS | 16,084.85 | 14,985.30 |
| TOTAL PARISH BUILDERS DISBURSEMENT | 16,084.85 | 15,028.64 |
| ALASKA RECEIPTS | | |
| ALASKA MISSION | 28,874.35 | 43,261.81 |
| AK - KAKN | 11,275.00 | 61,567.00 |
| ALASKA - KAKN EXPANSION | 69,387.16 | 0.00 |
| AK - PROJECTS | 875.00 | 1,310.00 |
| AK - PILOT | 12,656.25 | 3,825.00 |
| AK - MISSIONARY SUPPORT | 2,225.00 | 1,650.00 |
| ALASKA VBS | 9,461.03 | 2,217.36 |
| THE NET | 6,416.77 | 4,750.00 |
| TOTAL ALASKA RECEIPTS | 141,170.56 | 118,581.17 |
| ALASKA DISBURSEMENTS | | |
| ALASKA MISSION | 3,717.42 | 2,755.14 |
| AK - MISSIONARY SUPPORT | 0.00 | 3,358.56 |
| KAKN RADIO | 5,301.38 | 35,665.08 |
| AK - SPECIAL PROJECTS | 0.00 | 1,569.36 |
| KAKN EXPANSION | 39,055.02 | 0.00 |
| AK-PILOT EXPENSES | 0.00 | 1,225.00 |
| SALARY - AK ASSISTANT DIRECTOR | 0.00 | 12,553.38 |
| KAKN SALARIES | 48,481.20 | 47,762.67 |
| PILOT SALARIES | 48,481.20 | 61,842.83 |
| AK - EMPLOYEE BENEFITS | 3,109.68 | 3,131.70 |
| AK - VBS | 13,068.65 | 1,152.64 |
| THE NET EXPENSES | 835.00 | 104.00 |
| AK - GARAGE CONSTRUCTION | 2,137.77 | 0.00 |
| AK - INSURANCE | 5,573.33 | 334.00 |
| TOTAL ALASKA DISBURSEMENTS | 169,760.65 | 171,454.36 |
| NET INCOME OR (LOSS) | | |
| NET INCOME OR (LOSS) - OPERATING | 257,619.56 | 228,504.85 |
| NET INCOME OF (LOSS) - NEW WORK | (60,431.66) | (66,374.65) |
| NET INCOME OR (LOSS) - PARISH BUILDERS | 13,417.32 | 1,514.80 |
| NET INCOME OR (LOSS) - ALASKA | (28,590.09) | (52,873.19) |
| TOTAL NET INCOME OR (LOSS) | 182,015.13 | 110,771.81 |

FLAPS Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|-----------------|------------------|
| ASSETS | | |
| CASH IN BANK | (\$2,750.27) | \$7,142.92 |
| CREDIT CARD PROCESSING ACCOUNT | 1,655.05 | |
| SPLIT GIFTS RECEIVABLE | 5,134.22 | 7,230.00 |
| AIRPLANES | 250,640.00 | 384,640.00 |
| ACCUMULATED DEPRECIATION - AIRPLANES | (250,640.00) | (384,640.00) |
| TOTAL ASSETS | 4,039.00 | 14,372.92 |
| LIABILITIES | | |
| EQUITY | | |
| FLAPS EQUITY | 14,372.92 | 10,988.25 |
| FLAPS NET INCOME OR (LOSS) | (10,333.92) | 3,384.67 |
| TOTAL EQUITY | 4,039.00 | 14,372.92 |
| TOTAL LIABILITIES & EQUITY | 4,039.00 | 14,372.92 |

FLAPS Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|-----------------------------|--------------------|------------------|
| FLAPS RECEIPTS | | |
| F.L.A.P.S. INCOME | \$184,204.26 | \$47,920.71 |
| CESSNA 182 INCOME | 0.00 | 35,000.00 |
| CHEROKEE 140 | 0.00 | 300.00 |
| GRANTS | 2,000.00 | 2,000.00 |
| TOTAL RECEIPTS | 186,204.26 | 85,220.71 |
| DISBURSEMENTS | | |
| OVERHEAD - AFLC DEVELOPMENT | 0.00 | 1,226.72 |
| F.L.A.P.S. EXPENSES | 164,213.44 | 7,255.79 |
| CESSNA 182 EXPENSES | 8,555.00 | 46,203.12 |
| CHEROKEE SIX | 8,139.60 | 13,624.34 |
| CHEROKEE 6 - OVERHAUL | 519.00 | 0.00 |
| CESSNA 175 EXPENSES | 1,976.10 | 4,830.66 |
| AK - TRACTOR | 40.00 | 647.00 |
| CHEROKEE 140 | 13,095.04 | 8,048.41 |
| TOTAL DISBURSEMENTS | 196,538.18 | 81,836.04 |
| NET INCOME OR (LOSS) | (10,333.92) | 3,384.67 |

Builders Fellowship Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|-------------------|-------------------|
| ASSETS | | |
| CASH IN BANK | \$165,694.03 | \$166,061.84 |
| CREDIT CARD PROCESSING ACCOUNT | 102.00 | |
| SPLIT GIFTS RECEIVABLE | 1,252.47 | |
| CIF - BUILDERS FELLOWSHIP CD | 71,109.15 | 71,109.15 |
| SAVINGS ACCOUNT | 89,086.34 | 88,909.36 |
| TOTAL ASSETS | 327,243.99 | 326,080.35 |
| LIABILITIES & EQUITY | | |
| TOTAL LIABILITIES | - | - |
| EQUITY | | |
| BUILDERS FELLOWSHIP FUND EQUITY | 326,080.35 | 318,315.45 |
| NET INCOME OR (LOSS) | 1,163.64 | 7,764.90 |
| TOTAL EQUITY | 327,243.99 | 326,080.35 |
| TOTAL LIABILITIES & EQUITY | 327,243.99 | 326,080.35 |

Builders Fellowship Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|-----------------------------|-----------------|-----------------|
| RECEIPTS | | |
| GIFTS - CONGREGATIONS | \$918.60 | \$1,929.52 |
| GIFTS - INDIVIDUALS | 0.00 | 200.00 |
| INTEREST INCOME - SAVINGS | 1,709.04 | 937.74 |
| BUILDER'S FELLOWSHIP | 3,920.00 | 5,070.00 |
| TOTAL RECEIPTS | 6,547.64 | 8,137.26 |
| DISBURSEMENTS | | |
| MISCELLANEOUS | 1,384.00 | 27.46 |
| WORK PROJECTS | 4,000.00 | 344.90 |
| TOTAL DISBURSEMENTS | 5,384.00 | 372.36 |
| NET INCOME OR (LOSS) | 1,163.64 | 7,764.90 |

World Missions Balance Sheet
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|---------------------------------------|-------------------|-------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| CASH IN BANK | (\$125,215.61) | \$30,785.21 |
| CREDIT CARD PROCESSING ACCOUNT | 111,045.58 | 93,676.80 |
| SPLIT GIFTS RECEIVABLE | 155,056.69 | 28,580.68 |
| DESIGNATED SAVINGS - SCHEDULE 51 | 631,494.21 | 626,217.04 |
| TOTAL CURRENT ASSETS | 772,380.87 | 779,259.73 |
| FIXED ASSETS | | |
| CAPITAL INV.-MISSION HOME | 27,148.07 | 27,148.07 |
| CAPITAL INV.-BRAZIL HDQR/SCHOOLS | 41,235.50 | 41,235.50 |
| CAPITAL INV.-CAMPO GRANDE | 15,000.00 | 15,000.00 |
| TOTAL FIXED ASSETS | 83,383.57 | 83,383.57 |
| TOTAL ASSETS | 855,764.44 | 862,643.30 |
| LIABILITIES | | |
| ACCOUNTS PAYABLE - WORLD MISSIONS | 0.00 | 840.00 |
| TOTAL LIABILITIES | 0.00 | 840.00 |
| EQUITY | | |
| WORLD MISSIONS EQUITY | 861,803.30 | 1,042,127.05 |
| BUDGET NET INCOME OR (LOSS) | (28,143.01) | (18,757.56) |
| NON-BUDGET NET INCOME OR (LOSS) | 43,554.76 | (36,912.52) |
| PERSONAL SUPPORT NET INCOME OR (LOSS) | (21,450.61) | (124,653.67) |
| TOTAL EQUITY | 855,764.44 | 861,803.30 |
| TOTAL LIABILITIES & EQUITY | 855,764.44 | 862,643.30 |

World Missions Designated Savings - Schedule 51

| | 2018 | 2017 |
|------------------------------------|-------------------|---------------|
| DESIGNATED FUNDS | | |
| BRAZIL PROJECTS | 4,529.80 | 0.00 |
| MISSIONARY SUPPORT | 364,218.09 | 20,892.55 |
| AFRICA PROJECTS | 20,000.00 | 0.00 |
| WORLD RELIEF SAVINGS | 0.00 | 121.99 |
| INDIA PROJECTS | 528.26 | 75.74 |
| INDIA-RELIEF/FOOD | 3,228.52 | (897.00) |
| INDIA CHILDREN | 16,596.18 | (1,274.95) |
| RAY J LEGACY-NEW MISSIONARIES * | 5,807.74 | 0.00 |
| LEGACIES | 29,987.70 | 0.00 |
| GRANTS * | 32,842.63 | (6,814.37) |
| A.I. - ADJUSTED EOY | (5,283.11) | 0.00 |
| A.I. - SPECIAL PROJECTS | 870.68 | 0.00 |
| JOURNEY MISSIONS | 7,916.44 | 2,646.26 |
| AFLBS SCHOLARSHIP FUND - MK | 0.00 | (4,000.00) |
| INTERNATIONAL STUDENT SCHOLARSHIPS | 28,000.00 | 0.00 |
| INTEREST EARNED SAVINGS | 5,725.85 | (7.27) |
| CASH IN SAVINGS* | 78,510.97 | (13,958.54) |
| MISSION VAN FUND | 32,833.54 | 3,208.32 |
| WIRE TRANSFER SAVINGS | 5,180.92 | 840.14 |
| DESIGNATED FUNDS TOTAL | 631,494.21 | 832.87 |

* Denotes Funds With Board Restrictions Already In Place

Note: The current balance in the World Missions Project and Outreach Accounts as of 12/31/2018 is \$90,039.25

World Missions Budgeted Income Statement
Twelve Months Ending, December 31, 2018

| | <u>2018</u> | <u>2017</u> |
|--|--------------------|--------------------|
| BUDGETED RECEIPTS | | |
| CONGREGATIONS GIFTS | \$264,099.88 | \$278,585.11 |
| INDIVIDUALS GIFTS | 54,465.98 | 33,619.54 |
| CONFERENCE OFFERINGS | 934.24 | 1,120.06 |
| ADMIN REIMB WM - PA | 8,178.33 | 8,205.72 |
| ADMIN REIMB WM - JL | 7,073.84 | 2,499.88 |
| ADMIN REIMB WM - JS | 5,941.36 | 5,360.56 |
| ADMIN REIMB WM - JA | 8,060.07 | 9,930.70 |
| ADMIN REIMB WM - BR | 8,094.93 | 9,072.91 |
| ADMIN REIMB WM - TS | 8,695.23 | 7,743.68 |
| ADMIN REIMB WM - NJ | 8,484.46 | 7,660.55 |
| ADMIN REIMB WM - JP | 4,229.82 | 7,360.30 |
| ADMIN REIMB WM - MB | 3,886.24 | 5,007.28 |
| ADMIN REIMB WM - MA | 10,258.79 | 5,045.62 |
| ADMIN. REIMB. WM-MR | 1,869.22 | 261.76 |
| ADMIN REIMB - JOURNEY MISSIONS | 884.53 | 1,698.82 |
| BRAZIL OUTREACH | 610.00 | 186.00 |
| MIRIAM INFANT HM-CHILDREN | 29,785.49 | 25,662.96 |
| MEXICO OUTREACH | 100.00 | 100.00 |
| INDIA OUTREACH | 5,070.00 | 3,720.00 |
| UGANDA OUTREACH | 250.00 | 0.00 |
| STEER SUPPORT | 2,513.71 | 2,490.36 |
| AMBASSADOR INSTITUTE | 16,799.32 | 97,425.64 |
| MISCELLANEOUS - AMB INST | 39.62 | 2,208.38 |
| JOURNEY MISSIONS | 21,469.51 | 20,554.22 |
| MISCELLANEOUS - JM | 26,103.52 | 12,576.58 |
| MISCELLANEOUS - WM | 3,687.49 | 0.00 |
| MISSION VAN INC FROM PS | 23,572.16 | 26,501.52 |
| TOTAL BUDGETED RECEIPTS | 525,157.74 | 574,598.15 |
| DISBURSEMENTS | | |
| BRAZIL OUTREACH DISBURSEMENTS | | |
| NATIONAL CHURCH ASSISTANCE | | |
| TRAVEL ASSISTANCE | 3,600.00 | 3,600.00 |
| TOTAL CHURCH ASSISTANCE | 3,600.00 | 3,600.00 |
| SEMINARY & BIBLE SCHOOL | | |
| OPERATION | | |
| VEHICLE OPERATION | 1,306.80 | 1,306.80 |
| FOOD | 5,346.00 | 5,346.00 |
| UPKEEP/MAINTENANCE | 1,458.00 | 1,458.00 |
| OFFICE | 2,364.60 | 2,364.60 |
| TELEPHONE | 653.00 | 653.00 |
| UTILITIES | 4,158.00 | 4,158.00 |
| FACULTY | 21,211.20 | 21,211.20 |
| TEACHER/SECRETARY | 2,932.20 | 2,932.20 |
| COOK | 1,682.16 | 1,682.16 |
| COOK/CLEANING | 837.00 | 837.00 |
| TOTAL SEMINARY & BIBLE SCHOOL | 41,948.96 | 41,948.96 |
| MIRIAM INFANT HOME | | |
| CHILDREN | 26,400.00 | 26,400.00 |
| STAFF | 18,800.00 | 14,400.00 |
| MIRIAM INFANT HOME TOTAL | 45,200.00 | 40,800.00 |
| TOTAL BRAZIL DISBURSEMENTS | 90,748.96 | 86,348.96 |
| BRAZIL NET INCOME (LOSS) | (60,353.47) | (60,500.00) |

| | 2018 | 2017 |
|--|--------------------|--------------------|
| MEXICO OUTREACH DISBURSEMENTS | | |
| EVANGELISM | 3,500.04 | 3,500.04 |
| TOTAL MEXICO DISBURSEMENTS | 3,500.04 | 3,500.04 |
| MEXICO NET INCOME OR (LOSS) | (3,400.04) | (3,400.04) |
| INDIA OUTREACH DISBURSEMENTS | | |
| WORKER SUBSIDY | 11,999.92 | 9,180.00 |
| INDIA NATIONAL CHURCH SUBSIDY | 3,600.00 | 3,600.00 |
| INDIA UNREACHED PEOPLE GROUPS | 2,160.00 | 900.00 |
| TOTL INDIA DISBURSEMENTS | 17,759.92 | 13,680.00 |
| INDIA NET INCOME OR (LOSS) | (12,689.92) | (9,960.00) |
| UGANDA OUTREACH DISBURSEMENTS | | |
| TOTAL UGANDA OUTREACH DISBURSEMENTS | - | - |
| UGANADA NET INCOME OR (LOSS) | 250.00 | 0.00 |
| AMBASSADOR INSTITUTE DISBURSEMENTS | | |
| DEPARTMENT EXPENSES | | |
| SALARIES | 13,448.40 | 81,113.77 |
| MINISTRY REIMBURSMENT, | 0.00 | 8,000.00 |
| 401(k) RETIERMENT | 672.44 | 3,834.48 |
| LIFE INSURANCE | 43.90 | 263.40 |
| DEPT HEAD INT'L TRAVEL | 3,671.56 | 5,242.63 |
| DEPT HEAD TRAVEL | 0.00 | 3,448.85 |
| BOARD EXPENSES | 0.00 | 185.11 |
| PROMOTION | 986.88 | 1,493.14 |
| MISCELLANEOUS | 0.00 | 12.66 |
| POSTAGE | 0.00 | 120.76 |
| OFFICE SUPPLIES | 0.00 | 1,149.34 |
| TELEPHONE | 0.00 | 1,176.01 |
| ON-SITE EXPENSES | 175.50 | 610.86 |
| NEW EQUIPMENT | 0.00 | 0.00 |
| INDIA | 2,080.00 | 660.00 |
| TOTAL DEPARTMENT EXPENSES | 21,078.68 | 107,311.01 |
| ADMINISTRATIVE EXPENSES | | |
| BLDG USAGE | 0.00 | 3,438.00 |
| AFLC OVERHEAD | 8,988.36 | 8,687.04 |
| AFLC DEVELOPMENT OH | 4,937.88 | 4,464.94 |
| TOTAL ADMINSTRATIVE EXPENSES | 13,926.24 | 16,589.98 |
| TOTAL AMBASSADOR INSTITUTE DISBURSEMENTS | 35,004.92 | 123,900.99 |
| AMBASSADOR INSTITUTE NET INCOME OR (LOSS) | (18,165.98) | (24,266.97) |

| | 2018 | 2017 |
|--|--------------------|--------------------|
| JOURNEY MISSIONS DISBURSEMENTS | | |
| DEPARTMENT EXPENSES | | |
| SALARIES | 55,705.86 | 50,680.94 |
| PAYROLL TAX | 4,272.61 | 3,887.20 |
| 401(k) RETIEMENT | 2,771.52 | 2,521.44 |
| LIFE INS | 408.60 | 395.52 |
| DEPT HEAD INT'L TRAVEL | 10,213.43 | 5,626.95 |
| DEPT HEAD TRAVEL | 4,162.08 | 2,827.49 |
| CONTINUING ED | 0.00 | 17.74 |
| PROMOTION | 743.16 | 2,250.93 |
| INSURANCE | 0.00 | 0.00 |
| MISCELLANEOUS | 343.86 | 134.96 |
| POSTAGE | 0.00 | 322.00 |
| OFFICE SUPPLIES | 988.24 | 634.70 |
| TELEPHONE | 1,468.45 | 1,505.49 |
| ON-SITE EXPENSES | 494.72 | 64.41 |
| NEW EQUIPMENT | 228.84 | 71.75 |
| TOTAL DEPARTMENT EXPENSES | 81,801.37 | 70,941.52 |
| ADMINISTRATIVE EXPENSES | | |
| BUILDING USAGE | 3,586.32 | 2,865.00 |
| AFLC OVERHEAD | 6,291.84 | 6,081.00 |
| AFLC DEVELOPMENT OVERHEAD | 3,291.96 | 3,348.70 |
| TOTAL ADMINISTRATIVE EXPENSES | 13,170.12 | 12,294.70 |
| TOTAL JOURNEY MISSIONS DISBURSEMENTS | 94,971.49 | 83,236.22 |
| JOURNEY MISSIONS NET INCOME OR (LOSS) | (46,513.93) | (48,406.60) |

| | | |
|--------------------------------------|-------------------|-------------------|
| HOME OFFICE DISBURSEMENTS | | |
| ADMINISTRATION EXPENSES | | |
| BUILDING USAGE | 7,498.68 | 6,588.96 |
| AFLC OVERHEAD | 29,661.72 | 28,667.04 |
| AFLC DEVELOPMENT OVERHEAD | 15,284.04 | 14,510.94 |
| LUTHERAN AMBASSADOR SUBSIDY | 14,100.00 | 12,381.96 |
| TOTAL ADMINISTRATIVE EXPENSES | 66,544.44 | 62,148.90 |
| DEPARTMENT EXPENSES | | |
| LEGAL | 12.50 | 12.50 |
| PROMOTION | 1,806.97 | 1,720.50 |
| VEHICLE OPER/MAINT | 25,693.06 | 6,043.31 |
| INSURANCE/BONDS | 6,987.02 | 8,117.49 |
| VEHICLE REGISTRATION | 227.00 | 256.00 |
| MISC. / CONTINGENCY | 5,053.28 | 6,498.43 |
| POSTAGE | 2,961.16 | 2,558.43 |
| REPAIR/MAINT | 0.00 | 0.00 |
| SUPPLIES / OFFICE | 3,257.92 | 4,292.17 |
| SUPPLIES / COMPUTER | 0.00 | 274.21 |
| TAXES / PAYROLL | 4,621.81 | 4,501.48 |
| TELEPHONE | 2,240.72 | 1,860.37 |
| EXPENSES / DEPUTATION | 11,692.65 | 5,801.79 |
| DIRECTOR TRAVEL - FOREIGN | 2,379.69 | 8,824.85 |
| EXPENSES / DIRECTOR | 2,062.41 | 1,683.15 |
| EXPENSES / COMMITTEE | 6,067.23 | 5,745.50 |
| DIRECTOR SALARY | 81,504.23 | 73,781.44 |
| MINISTRY REIMBURSEMENT - DIRECTOR, | 12,000.00 | 14,000.00 |
| SALARY-WM OFFICE MANAGER | 58,877.88 | 56,875.92 |
| PART TIME STAFF | 2,116.70 | 2,625.00 |
| STEER | 1,536.00 | 1,442.93 |
| CONTINUING EDUCATION | 0.00 | 81.85 |
| 401(k) RETIEMENT & FEES | 8,272.20 | 6,909.72 |
| LIFE INSURANCE-NEW | 497.40 | 497.40 |
| LTD INSURANCE | 390.46 | 559.20 |
| NEW EQUIPMENT | 0.00 | 177.94 |
| COMP. SUPP. SALARY/EXPENSE | 266.67 | 0.00 |
| MISSION HOME OPERATION | 4,246.02 | 5,399.02 |
| TOTAL DEPARTMENT EXPENSES | 244,770.98 | 220,540.60 |

| | <u>2018</u> | <u>2017</u> |
|---|-------------------|-------------------|
| TOTAL HOME OFFICE DISBURSEMENTS | 311,315.42 | 282,689.50 |
| HOME OFFICE NET INCOME OR (LOSS) | 112,730.33 | 127,776.05 |

**World Missions Budgeted Income Statement Summary
Twelve Months Ending, Decemebr 31, 2018**

SUMMARY BY MINISTRY

| | | |
|-------------------------------------|---------------------------|---------------------------|
| BRAZIL RECEIPTS | 30,395.49 | 25,848.96 |
| BRAZIL DISBURSEMENTS | 90,748.96 | 86,348.96 |
| NET INCOME OR (LOSS) | <u>(60,353.47)</u> | <u>(60,500.00)</u> |
| | | |
| MEXICO RECEIPTS | 100.00 | 100.00 |
| MEXICO DISBURSEMENTS | 3,500.04 | 3,500.04 |
| NET INCOME OR (LOSS) | <u>(3,400.04)</u> | <u>(3,400.04)</u> |
| | | |
| INDIA RECEIPTS | 5,070.00 | 3,720.00 |
| INDIA DISBURSEMENTS | 17,759.92 | 13,680.00 |
| NET INCOME OR (LOSS) | <u>(12,689.92)</u> | <u>(9,960.00)</u> |
| | | |
| AMBASSADOR INSTITUTE RECEIPTS | 16,838.94 | 99,634.02 |
| AMBASSADOR INSTITUTE DISBURSEMENTS | 35,004.92 | 123,900.99 |
| NET INCOME OR (LOSS) | <u>(18,165.98)</u> | <u>(24,266.97)</u> |
| | | |
| JOURNEY MISSIONS RECEIPTS | 48,457.56 | 34,829.62 |
| JOURNEY MISSIONS DISBURSEMENTS | 94,971.49 | 83,236.22 |
| NET INCOME OR (LOSS) | <u>(46,513.93)</u> | <u>(48,406.60)</u> |
| | | |
| UGANDA RECEIPTS | 250.00 | 0.00 |
| UGANDA DISBURSEMENTS | - | - |
| NET INCOME OR (LOSS) | <u>250.00</u> | <u>0.00</u> |
| | | |
| ALL OTHER INCOME | 424,045.75 | 410,465.55 |
| HOME EXPENSES | 311,315.42 | 282,689.50 |
| NET INCOME OR (LOSS) | <u>112,730.33</u> | <u>127,776.05</u> |
| | | |
| TOTAL BUDGETED RECEIPTS | 525,157.74 | 574,598.15 |
| TOTAL BUDGETED DISBURSEMENTS | 553,300.75 | 593,355.71 |
| TOTAL NET INCOME (LOSS) | <u>(28,143.01)</u> | <u>(18,757.56)</u> |

World Missions Non-Budgeted Income Statement
Twelve Months Ending, December 31, 2018

| | 2018 | 2017 |
|--|-------------------|-------------------|
| NON-BUDGETED RECEIPTS | | |
| MISCELLANEOUS RECEIPTS | | |
| LEGACIES | \$22,520.25 | \$0.00 |
| INTEREST INCOME | 2,674.75 | 2,542.81 |
| IN & OUT | 30.00 | 12,545.75 |
| GRANTS - WM | 30,229.85 | 26,798.85 |
| WORLD RELIEF | 4,929.74 | 16,943.05 |
| WORLD RELIEF - WM | 492.98 | 1,694.33 |
| WYCLIFFE | 14,592.65 | 8,605.00 |
| LUTHERAN BIBLE TRANSLATORS | 27,358.05 | 12,035.50 |
| DISTANT SHORES MEDIA | 10,763.00 | 1,400.00 |
| WYCLIFFE ASSOCIATES | 0.00 | 5,548.00 |
| TOTAL MISCELLANEOUS RECEIPTS | 113,591.27 | 88,113.29 |
| AMBASSADOR INSTITUTE RECEIPTS | | |
| JOURNEY MISSIONS RECEIPTS | | |
| JM - INDIA | 0.00 | 11,808.71 |
| JM - BRAZIL | 44,069.25 | 1,655.21 |
| JM - UGANDA | 16,553.54 | 3,600.00 |
| SHORT-TERM ASSISTANTS | 17,806.49 | 35,175.14 |
| TOTAL JOURNEY MISSIONS RECEIPTS | 78,429.28 | 52,239.06 |
| BRAZIL PROJECTS RECEIPTS | | |
| SPECIAL PROJECTS - BRAZIL | 19,080.48 | 23,975.00 |
| STUDENT WORK FUND | 200.00 | 300.00 |
| STUDENT SCHOLARSHIP | 3,874.00 | 1,500.00 |
| ARCA | 18,060.00 | 15,958.00 |
| TOTAL BRAZIL PROJECTS RECEIPTS | 41,214.48 | 41,733.00 |
| MEXICO PROJECTS RECEIPTS | | |
| SPECIAL PROJECTS - MEXICO | 8,591.41 | 6,897.99 |
| TOTAL MEXICO PROJECTS RECEIPTS | 8,591.41 | 6,897.99 |
| INDIA PROJECTS RECEIPTS | | |
| SPECIAL PROJECTS - INDIA | 2,700.00 | 2,175.00 |
| INDIA CHILDREN | 7,043.81 | 5,856.84 |
| RELIEF / FOOD | 5,337.00 | 3,663.00 |
| BIBLES/LITERATURE | 1,362.00 | 1,838.00 |
| SP PAUL'S SCHOOL | 0.00 | 225.00 |
| TOTAL INDIA PROJECTS RECEIPTS | 16,442.81 | 13,757.84 |
| AFRICA PROJECTS RECEIPTS | | |
| SPECIAL PROJECTS - AFRICA | 20,330.00 | 9,286.67 |
| TOTAL AFRICA PROJECTS RECEIPTS | 20,330.00 | 9,286.67 |
| ECUADOR PROJECTS RECEIPTS | | |
| SPECIAL PROJECTS - ECUADOR | 0.00 | 840.00 |
| TOTAL ECUADOR PROJECTS RECEIPTS | 0.00 | 840.00 |
| TOTAL NON-BUDGETED RECEIPTS | 278,599.25 | 212,867.85 |

| | 2018 | 2017 |
|---|-------------------|--------------------|
| NON- BUDGETED DISBURSEMENTS | | |
| MISCELLANEOUS DISBURSEMENTS | | |
| LEGACIES | 1,249.09 | 18,347.72 |
| MISCELLANEOUS | 1,619.08 | 45.00 |
| IN & OUT | 30.00 | 12,695.75 |
| MISSIONARY FURLOUGH EXPENSE | 0.00 | 1,950.00 |
| GRANTS PAID | 9,056.37 | 31,786.76 |
| AFLBS SCHOLARSHIPS - MK | 6,000.00 | 6,000.00 |
| INTERNATIONAL STUDENT SCHOLARSHIPS | 0.00 | 10,000.00 |
| WORLD RELIEF | 4,929.74 | 16,943.06 |
| W.M. - WORLD RELIEF | 2,400.00 | 2,400.00 |
| WYCLIFFE | 14,592.65 | 8,605.00 |
| LUTHERAN BIBLE TRANSLATORS | 27,358.55 | 12,445.00 |
| DISTANT SHORES MEDIA | 10,763.00 | 1,400.00 |
| WYCLIFFE ASSOCIATES, | 0.00 | 5,548.00 |
| TOTAL MISCELLANEOUS DISBURSEMENTS | 77,998.48 | 128,166.29 |
| AMBASSADOR INSTITUTE DISBURSMENTS | | |
| AI - GRANTS PAID | 655.00 | 0.00 |
| TOTAL AMBASSADOR INSTITUTE DISBURSMI | 655.00 | 0.00 |
| JOURNEY MISSIONS DISBURSMENTS | | |
| JM - INDIA | 0.00 | 11,808.71 |
| JM - BRAZIL | 45,724.46 | 0.00 |
| JM - UGANDA | 18,753.54 | 0.00 |
| JM - ECUADOR | 0.00 | (410.00) |
| SHORT-TERM ASSISTANTS | 17,911.84 | 32,170.68 |
| TOTAL JOURNEY MISSIONS DISBURSMENTS | 82,389.84 | 43,569.39 |
| BRAZIL PROJECTS DISBURSEMENTS | | |
| SPECIAL PROJECTS - BRAZIL | 19,080.48 | 23,975.00 |
| STUDENT WORK FUND | 200.00 | 300.00 |
| STUDENT SCHOLARSHIP | 3,874.00 | 1,500.00 |
| ARCA | 18,060.00 | 15,958.00 |
| TOTAL BRAZIL PROJECTS DISBURSEMENTS | 41,214.48 | 41,733.00 |
| MEXICO PROJECTS DISBURSEMENTS | | |
| SPECIAL PROJECTS-MEXICO | 8,591.41 | 6,897.99 |
| TOTAL MEXICO PROJECTS DISBURSEMENTS | 8,591.41 | 6,897.99 |
| INDIA PROJECTS DISBURSEMENTS | | |
| SPECIAL PROJECTS-INDIA | 2,700.00 | 2,000.00 |
| INDIA CHILDREN | 15,786.28 | 10,462.77 |
| RELIEF / FOOD | 3,805.00 | 3,435.00 |
| BIBLES/LITERATURE-INDIA | 1,574.00 | 1,904.26 |
| ST PAULS' SCHOOL | 0.00 | 225.00 |
| UNREACHED PEOPLE GROUPS | 0.00 | 1,260.00 |
| TOTAL INDIA PROJECTS DISBURSEMENTS | 23,865.28 | 19,287.03 |
| AFRICA PROJECTS DISBURSEMENTS | | |
| SPECIAL PROJECTS-AFRICA | 330.00 | 9,286.67 |
| TOTAL AFRICA PROJECTS DISBURSEMENTS | 330.00 | 9,286.67 |
| ECUADOR PROJECTS DISBURSEMENTS | | |
| SPECIAL PROJECTS - ECUADOR | 0.00 | 840.00 |
| TOTAL ECUADOR PROJECTS DISBURSEMEN | 0.00 | 840.00 |
| TOTAL NON-BUDGETARY DISBURSEMENTS | 235,044.49 | 249,780.37 |
| TOTAL NON-BUDGET NET INCOME | 43,554.76 | (36,912.52) |

World Missions Personal Support
Twelve Months Ending, December 31, 2018

| | <u>2018</u> | <u>2017</u> |
|--|--------------------|---------------------|
| PAUL ABEL | | |
| TOTAL SUPPORT | 73,605.13 | 73,851.49 |
| TOTAL EXPENSES | 77,245.45 | 76,822.07 |
| NET SUPPORT | (3,640.32) | (2,970.58) |
| MATTHEW ABEL | | |
| TOTAL SUPPORT | 92,328.87 | 45,410.54 |
| TOTAL EXPENSES | 76,546.44 | 60,871.33 |
| NET SUPPORT | 15,782.43 | (15,460.79) |
| CONNELY DYRUD | | |
| TOTAL SUPPORT | 0.00 | 0.00 |
| TOTAL EXPENSES | 1,080.21 | 0.00 |
| NET SUPPORT | (1,080.21) | 0.00 |
| JOHN LEE | | |
| TOTAL SUPPORT | 63,664.46 | 22,498.74 |
| TOTAL EXPENSES | 89,369.22 | 56,457.66 |
| NET SUPPORT | (25,704.76) | (33,958.92) |
| BRENT RAAN | | |
| TOTAL SUPPORT | 72,854.39 | 81,556.10 |
| TOTAL EXPENSES | 64,560.74 | 104,147.78 |
| NET SUPPORT | 8,293.65 | (22,591.68) |
| TODD SCHIERKOLK | | |
| TOTAL SUPPORT | 78,257.09 | 69,693.21 |
| TOTAL EXPENSES | 81,402.07 | 71,000.03 |
| NET SUPPORT | (3,144.98) | (1,306.82) |
| JONATHAN ABEL | | |
| TOTAL SUPPORT | 72,540.54 | 89,376.10 |
| TOTAL EXPENSES | 82,249.32 | 96,901.71 |
| NET SUPPORT | (9,708.78) | (7,525.61) |
| NATE JORE | | |
| TOTAL SUPPORT | 76,359.97 | 68,944.98 |
| TOTAL EXPENSES | 107,328.77 | 90,368.85 |
| NET SUPPORT | (30,968.80) | (21,423.87) |
| JONNI SLIVER | | |
| TOTAL SUPPORT | 53,472.29 | 48,244.95 |
| TOTAL EXPENSES | 42,369.32 | 42,154.91 |
| NET SUPPORT | 11,102.97 | 6,090.04 |
| JUSTO PILLMAN | | |
| TOTAL SUPPORT | 38,068.32 | 66,342.68 |
| TOTAL EXPENSES | 40,286.57 | 83,540.06 |
| NET SUPPORT | (2,218.25) | (17,197.38) |
| MICAH BERGER | | |
| TOTAL SUPPORT | 34,976.23 | 45,065.48 |
| TOTAL EXPENSES | 28,084.66 | 52,449.37 |
| NET SUPPORT | 6,891.57 | (7,383.89) |
| MICHAEL ROKENBRODT | | |
| TOTAL SUPPORT | 16,823.00 | 2,355.49 |
| TOTAL EXPENSES | 3,678.13 | 507.00 |
| NET SUPPORT | 13,144.87 | 1,848.49 |
| NEW MISSIONARY | | |
| TOTAL SUPPORT | 0.00 | 500.00 |
| TOTAL EXPENSES | 200.00 | 2,322.66 |
| NET SUPPORT | (200.00) | (1,822.66) |
| UNDESIGNATED MISSIONARY | | |
| TOTAL SUPPORT | 0.00 | 0.00 |
| TOTAL EXPENSES | 0.00 | 950.00 |
| NET SUPPORT | 0.00 | (950.00) |
| TOTAL PERSONAL SUPPORT RECEIPTS | 672,950.29 | 613,839.76 |
| TOTAL PERSONAL SUPPORT DISBURSEMENTS | 694,400.90 | 736,593.43 |
| PERSONAL SUPPORT NET INCOME OR (LOSS) | (21,450.61) | (122,753.67) |

**ASSOCIATION OF FREE
LUTHERAN SCHOOLS FINANCIALS**

Association Free Lutheran Theological Seminary

Balance Sheet

For the Twelve Months Ending Thursday, July 31, 2018

| ASSETS | 2017 | 2018 |
|-------------------------------|-----------------------|-----------------------|
| Cash & Equivalents | \$12,790.11 | (\$329,763.91) |
| Accounts Receivable | 45,361.76 | 60,009.58 |
| Total Current Assets | 58,151.87 | (269,754.33) |
| Investments | 725,743.02 | 775,731.64 |
| Total Long-Term Assets | 725,743.02 | 775,731.64 |
| FIXED ASSETS | | |
| Fixed Assets | 2,331,699.94 | 2,331,699.94 |
| Net Fixed Assets | 2,331,699.94 | 2,331,699.94 |
| Total Assets | \$3,115,594.83 | \$2,837,677.25 |

LIABILITIES AND EQUITY

| | | |
|-------------------------------------|-----------------------|-----------------------|
| Accrued Expenses | \$1,428.85 | \$1,208.19 |
| Due To & Accruals | (9,118.10) | 486.97 |
| Notes Payable | 294,033.17 | 0.00 |
| Total Current Liabilities | 286,343.92 | 1,695.16 |
| Total Liabilities | 286,343.92 | 1,695.16 |
| Equity | 2,908,670.27 | 2,814,098.71 |
| Current Year Net Income | (79,419.36) | 21,883.38 |
| Total Equity | 2,829,250.91 | 2,835,982.09 |
| Total Liabilities and Equity | \$3,115,594.83 | \$2,837,677.25 |

Association Free Lutheran Theological Seminary
All Funds
For the Twelve Months Ending Thursday, July 31, 2018

| | <u>2017</u> | <u>2018</u> |
|-----------------------------------|-------------------|-------------------|
| INCOME | | |
| Revenue | | |
| Program Fees | \$405,092.46 | \$333,696.13 |
| Maintenance & Facility Revenue | 13,551.20 | 25,635.50 |
| Total Revenue | 418,643.66 | 359,331.63 |
| Contributions | | |
| General Gifts | 270,506.97 | 295,971.80 |
| Matching Funds | 3,599.00 | 0.00 |
| Other | 1,155.25 | 30,597.66 |
| Total Contributions | 275,261.22 | 326,569.46 |
| Non-Budgeted Income | | |
| Legacy Gifts | (287.72) | (25,564.72) |
| Special Appeal Gifts | 0.00 | 23,500.00 |
| Other | 31,191.17 | 26,562.05 |
| Total Non-Budgeted Income | 30,903.45 | 24,497.33 |
| Other Income | | |
| Other | 5,305.96 | 8,219.77 |
| Scholarship Contributions | (43,381.98) | 27,576.83 |
| Interest & Change In Investments | (5,998.60) | 50,149.97 |
| Restricted Funds Released | 40,357.12 | 95,912.80 |
| Total Other Income | (3,717.50) | 181,859.37 |
| TOTAL INCOME | 721,090.83 | 892,257.79 |
| EXPENSES | | |
| Salaries & Wages | | |
| Teachers | 212,192.39 | 229,713.82 |
| Maintenance | 15,493.17 | 17,966.01 |
| Library | 20,053.92 | 20,198.96 |
| Office | 182,693.05 | 262,762.46 |
| Honorariums | 2,355.82 | 1,807.70 |
| AFLTS/AFLBS Staff Share | 5,029.08 | 5,029.08 |
| Total Salaries & Wages | 437,817.43 | 537,478.03 |
| Benefits | | |
| Insurance Premiums | 20,119.21 | 25,278.44 |
| Other Premiums/Fees | 2,090.68 | 2,356.86 |
| Employee Education | 9,757.31 | 8,123.54 |
| Staff Appreciation | 1,508.20 | 643.19 |
| Total Benefits | 33,475.40 | 36,402.03 |
| Program Expenses | | |
| Food Service | 226.72 | 497.77 |
| Student Activities | 3,414.93 | 9,246.62 |
| Music Education | 125.00 | 0.00 |
| Library | 3,207.06 | 3,965.61 |
| Mission Conference/J-Term | 1,418.50 | 375.00 |
| Educational Materials/Supplies | 34,962.35 | 24,421.43 |
| Total Program Expenses | 43,354.56 | 38,506.43 |
| Utilities | | |
| Gas, Electric, Water | 24,684.90 | 23,811.74 |

Association Free Lutheran Theological Seminary

All Funds

For the Twelve Months Ending Thursday, July 31, 2018

| | | |
|------------------------|------------------|------------------|
| Phones & Internet | 4,719.59 | 4,201.29 |
| Total Utilities | 29,404.49 | 28,013.03 |

Insurance

| | | |
|------------------------|-----------------|------------------|
| Commerical/Umbrella | 6,904.88 | 8,248.12 |
| Worker's Compensation | 2,838.51 | 1,872.63 |
| Total Insurance | 9,743.39 | 10,120.75 |

Overhead

| | | |
|-----------------------|-------------------|-------------------|
| AFLC | 26,094.74 | 35,830.92 |
| Office Expense | 8,065.25 | 4,834.32 |
| Travel | 54,165.22 | 62,545.04 |
| Computer Support | 10,554.01 | 17,460.62 |
| Accounting/Legal | 7,503.85 | 4,875.00 |
| Promotional | 6,594.34 | 300.00 |
| Refunds & Write-Offs | 2,144.17 | 4,828.46 |
| Total Overhead | 115,121.58 | 130,674.36 |

Repairs & Maintenance

| | | |
|--|-------------------|------------------|
| Buildings | 79,730.50 | 42,254.56 |
| Supplies | 20,085.00 | 20,085.00 |
| Equipment Purchases & Repairs | 1,683.86 | 0.00 |
| Contract Services | 9,543.94 | 15,076.75 |
| Total Repairs & Maintenance | 111,043.30 | 77,416.31 |

Interest Expense

| | | |
|-----------------------|-----------------|-------------|
| Interest on Loans | 3,427.38 | 0.00 |
| Total Interest | 3,427.38 | 0.00 |

Scholarship Disbursements

| | | |
|----------------------------|-----------------|-------------|
| General | | |
| Other | 5,730.00 | 0.00 |
| Total Disbursements | 5,730.00 | 0.00 |

Taxes

| | | |
|------------------------|------------------|------------------|
| Payroll | 11,786.16 | 10,428.61 |
| Total Insurance | 11,786.16 | 10,428.61 |

Non-Budgeted Misc.

| | | |
|----------------------------|-----------------|-----------------|
| General | (393.50) | 1,334.86 |
| Total Miscellaneous | (393.50) | 1,334.86 |

| | | |
|----------------|--------------------|-------------------|
| TOTAL EXPENSES | 800,510.19 | 870,374.41 |
| NET CHANGE | (79,419.36) | 21,883.38 |

Association Free Lutheran Bible School

Balance Sheet

For the Twelve Months Ending Thursday, July 31, 2018

| | 2017 | 2018 |
|-------------------------------------|-----------------------|-----------------------|
| ASSETS | | |
| Cash & Equivalents | \$93,715.08 | (\$136,808.52) |
| Accounts Receivable | 104,010.23 | 123,344.64 |
| Total Current Assets | 197,725.31 | (13,463.88) |
| Investments | 582,471.14 | 1,445,440.28 |
| Total Long-Term Assets | 582,471.14 | 1,445,440.28 |
| FIXED ASSETS | | |
| Fixed Assets | 5,885,662.08 | 6,145,593.87 |
| Less Accumulated Depreciation | 2,949,292.91 | 3,128,555.61 |
| Net Fixed Assets | 2,936,369.17 | 3,017,038.26 |
| Total Assets | \$3,716,565.62 | \$4,449,014.66 |
| LIABILITIES AND EQUITY | | |
| Accrued Expenses | \$12,315.87 | \$13,498.17 |
| Due To & Accruals | 38,284.74 | 57,473.70 |
| Accounts Payable | 3,664.76 | 4,318.01 |
| Notes Payable | | |
| Total Current Liabilities | 54,265.37 | 75,289.88 |
| Total Liabilities | 54,265.37 | 75,289.88 |
| Equity | 3,628,928.91 | 3,726,992.98 |
| Current Year Net Income | 33,371.34 | 646,731.80 |
| Total Equity | 3,662,300.25 | 4,373,724.78 |
| Total Liabilities and Equity | \$3,716,565.62 | \$4,449,014.66 |

Association Free Lutheran Bible School
All Funds
For the Twelve Months Ending Thursday, July 31, 2018

| | 2017 | 2018 |
|-----------------------------------|---------------------|---------------------|
| INCOME | | |
| Revenue | | |
| Program Fees | \$1,154,792.01 | \$1,388,897.38 |
| Maintenance & Facility Revenue | 86,256.72 | 64,879.33 |
| Total Revenue | 1,241,048.73 | 1,453,776.71 |
| Contributions | | |
| General Gifts | 419,928.54 | 449,617.43 |
| Ministry Team Related | 176,311.06 | 172,459.51 |
| Matching Funds | 1,398.00 | 0.00 |
| Other | 1,660.83 | 236,877.14 |
| Total Contributions | 599,298.43 | 858,954.08 |
| Non-Budgeted Income | | |
| Legacy Gifts | 130,872.97 | (35,692.73) |
| Special Appeal Gifts | 114,892.52 | 35,821.63 |
| Other | 34,191.19 | 26,562.05 |
| Total Non-Budgeted Income | 279,956.68 | 26,690.95 |
| Other Income | | |
| Other | 106,035.60 | 115,462.71 |
| Scholarship Contributions | 95,384.04 | (194,691.55) |
| Interest & Change In Investments | 22,461.27 | 863,043.44 |
| Restricted Funds Released | 247,720.61 | 216,879.75 |
| Total Other Income | 471,601.52 | 1,000,694.35 |
| TOTAL INCOME | 2,591,905.36 | 3,340,116.09 |
| EXPENSES | | |
| Salaries & Wages | | |
| Teachers | 288,515.19 | 341,082.20 |
| Maintenance | 226,029.59 | 181,699.98 |
| Food Service | 119,275.92 | 134,388.00 |
| Library | 27,475.42 | 20,199.20 |
| Office | 512,956.40 | 521,460.31 |
| Athletics | 16,600.02 | 16,600.02 |
| Honorariums | 1,110.00 | 907.71 |
| Residence Staff | 37,755.80 | 53,677.16 |
| AFLTS/AFLBS Staff Share | (5,029.08) | (5,029.08) |
| Total Salaries & Wages | 1,224,689.26 | 1,264,985.50 |
| Benefits | | |
| Insurance Premiums | 40,293.77 | 45,103.63 |
| Other Premiums/Fees | 6,014.84 | 7,143.62 |
| Employee Education | 24,545.81 | 21,482.62 |
| Total Benefits | 70,854.42 | 73,729.87 |
| Program Expenses | | |
| Food Service | 175,581.02 | 157,351.61 |
| Student Activities | 36,064.35 | 80,293.00 |
| Ministry Teams | 144,624.05 | 293,275.89 |
| Music Education | 19,481.72 | 18,647.50 |
| Library | 12,475.76 | 10,995.16 |
| Mission Conference/J-Term | 9,323.73 | 12,922.50 |
| Educational Materials/Supplies | 3,723.62 | 3,205.83 |

Association Free Lutheran Bible School

All Funds

For the Twelve Months Ending Thursday, July 31, 2018

| | | |
|--|---------------------|---------------------|
| Athletics | 31,547.36 | 23,857.38 |
| Total Program Expenses | 432,821.61 | 600,548.87 |
| | | |
| Utilities | | |
| Student Center | | |
| Gas, Electric, Water | 95,944.13 | 111,063.27 |
| Phones & Internet | 15,287.79 | 19,091.24 |
| Total Utilities | 111,231.92 | 130,154.51 |
| | | |
| Insurance | | |
| Commerical/Umbrella | 27,391.31 | 35,495.11 |
| Automobiles | 230.77 | 0 |
| Worker's Compensation | 9,519.98 | 8,600.77 |
| Total Insurance | 37,142.06 | 44,095.88 |
| | | |
| Overhead | | |
| AFLC | 62,812.97 | 49,494.46 |
| Office Expense | 32,113.21 | 49,785.90 |
| Travel | 49,090.26 | 45,664.93 |
| Computer Support | 31,295.78 | 32,993.66 |
| Accounting | 14,402.68 | 11,464.25 |
| Legal | 1,923.71 | 5,662.93 |
| Miscellaneous | 3,274.11 | 928.55 |
| Promotional | 36,631.61 | 55,098.52 |
| Refunds & Write-Offs | 0.00 | 0.00 |
| Total Overhead | 231,544.33 | 251,093.20 |
| | | |
| Repairs & Maintenance | | |
| Buildings | 117,761.59 | 66,504.83 |
| Supplies | 16,764.55 | 13,836.25 |
| Grounds | 37,986.40 | 14,095.67 |
| Equipment Purchases & Repairs | 74,481.49 | 61,259.75 |
| Contract Services | 12,409.36 | 12,785.27 |
| Total Repairs & Maintenance | 259,403.39 | 168,481.77 |
| | | |
| Interest Expense | | |
| Interest on Loans | 367.94 | 0 |
| Total Interest | 367.94 | 0.00 |
| | | |
| Scholarship Disbursements | | |
| General | 1,300.00 | 0.00 |
| Other | 94,653.00 | 0.00 |
| Total Disbursements | 95,953.00 | 0.00 |
| | | |
| Taxes | | |
| Payroll | 67,875.58 | 72,261.92 |
| Total Insurance | 67,875.58 | 72,261.92 |
| | | |
| Non-Budgeted Misc. | | |
| General | 36,042.32 | 92,039.05 |
| Total Miscellaneous | 36,042.32 | 92,039.05 |
| | | |
| TOTAL EXPENSES | 2,567,925.83 | 2,697,390.57 |
| NET CHANGE | 23,979.53 | 642,725.52 |

Vision

Balance Sheet For the Twelve Months Ending Thursday, July 31, 2018

| | 2017 | 2018 |
|-------------------------------------|---------------------|-----------------------|
| ASSETS | | |
| Cash & Equivalents | \$136,397.64 | \$1,809,622.36 |
| Accounts Receivable | 0.00 | 0.00 |
| Total Current Assets | 136,397.64 | 1,809,622.36 |
| FIXED ASSETS | | |
| Total Assets | \$136,397.64 | \$1,809,622.36 |
| LIABILITIES AND EQUITY | | |
| Due To & Accruals | 872.08 | 0.00 |
| Total Current Liabilities | 872.08 | 0.00 |
| Total Liabilities | 872.08 | 0.00 |
| Equity | 124,848.41 | 136,397.64 |
| Current Year Net Income | 10,677.15 | 1,673,224.72 |
| Total Equity | 135,525.56 | 1,809,622.36 |
| Total Liabilities and Equity | \$136,397.64 | \$1,809,622.36 |

FLTSC Vision Program
All Funds Statement of Activities
For the Twelve Months Ending Thursday, July 31, 2018

| | 2017 | 2018 |
|--------------------------------|------------------|---------------------|
| INCOME | | |
| Contributions | | |
| General Gifts | \$11,111.26 | \$1,738,268.42 |
| Total Contributions | 11,111.26 | 1,738,268.42 |
| TOTAL INCOME | 11,111.26 | 1,738,268.42 |
| EXPENSES | | |
| Overhead | | |
| Office Expense | | 50957.41 |
| Promotional | 434.11 | 6,086.29 |
| Total Overhead | 434.11 | 57,043.70 |
| Campus Improvements | | |
| Design | | 8000 |
| Permits/Fees | | |
| Construction | 0.00 | 0.00 |
| Total Improvements | 0.00 | 8,000.00 |
| TOTAL EXPENSES | 434.11 | 65,043.70 |
| NET CHANGE | 10,677.15 | 1,673,224.72 |

AFLC CAMP REPORTS

Lake Bronson Family Camp, Lake Bronson, MN
Wilderness Bible Camp, Lake Park, MN
Bethany Bible Camp, Bemidji, MN

AFLC LAKE BRONSON FAMILY CAMP 2018

Balance \$ 2,858.88

Income

| | | |
|----------------|-------------|---------------------------|
| Registration | \$ 4,350.00 | |
| Coffee & Meals | \$ 209.00 | |
| Offering | \$ 1,785.52 | |
| Canteen | \$ 160.00 | |
| | | <u>\$ 6,504.52</u> |
| | | <u><u>\$ 9,363.40</u></u> |

Expenses

| | | |
|-------------|---------------|----------------------|
| Salaries | \$ (2,600.00) | |
| Food | \$ (1,791.31) | |
| Camp Rental | \$ (2,300.00) | |
| | | <u>\$ (6,691.31)</u> |

Balance on hand \$ 2,672.09

Respectfully Submitted,
Sonia Balmer, Treasurer

AFLC WILDERNESS BIBLE CAMP

LAKE PARK, MN

Balance Sheet - Year Ending 2018

| | |
|---------------------------|---------------------|
| Beginning Balance | 19774.23 |
| Income: | |
| Gifts/Camp Offering | 17767.55 |
| Total Income | 17767.55 |
| Plus Beginning Balance | 19774.23 |
| Grand Total | 37541.78 |
| Disbursements: | |
| Wild Rice Electric | 1139.33 |
| Camp Speakers | 910 |
| Licenses | 1366 |
| Camp Improvements | 1442.58 |
| Misc. (camp supplies) | 56.67 |
| Solo Drywall | 11950 |
| Legacy Plumbing | 2186.25 |
| Jerry's Electric | 5000 |
| Ballard Sanitation | 602.8 |
| Mosquito Joe's | 483.19 |
| Total Disbursements | 25136.82 |
| Grand Total (Income) | 37541.78 |
| Less Total Disbursements | 25136.82 |
| Ending Balance | 12404.96 |
| Less Total Disbursements | 25136.82 |
| Ending Balance | 12404.96 |

Respectfully Submitted,
Tom Gillen, Treasurer

Camp Dates: July 16-21
(Morning Session, Evening Session, Lake Fun, Recreation & Fellowship)
Camp Info - Contact Matt Olson - mattolson7810@msn.com

BETHANY BIBLE CAMP BEMIDJI, MN

Bethany Bible Camp is owned by 15 churches in the North Central Minnesota District of the AFLC. Bethany Bible Camp was established in 1939 and our mission statement is “To provide an atmosphere and facility where people are established, nurtured, and equipped to be disciples of Jesus Christ.” We are located at 51497 Tanager Drive, Bemidji MN, 56601 approximately 12 miles west of Bemidji on beautiful Grace Lake.

Our District events for 2019:

June 11

10:30am – 3:30pm Day Camp • Finished 1st – 4th grade

June 18 – 22

Jr. Camp • Pastor Tom Olson speaking • Cost \$130

June 22 – 27

Sr. Camp • Pastor Dan Antal speaking • Cost \$150

July 11

WMF Summer Rally

August 16 – 18

Men’s Retreat • Pastor James L. Johnson speaking

Bethany Bible Camp is also rented out for family reunions and other church groups to hold camps. Call us for availability, at 218-751-6094.

Our new bath house project is continuing along. We have plans finalized and are waiting on approval from Hubbard County to begin the building process. We look forward to the day that you come visit Bethany Bible Camp and are encouraged by the progress happening at camp! All for the Glory of the Lord. 1 Chronicles 16:29.

Respectfully Submitted,
Angie Berg

AFLC BUDGET ANALYSIS COMMITTEE

To the Fifty-Seventh Annual Conference of the Association of Free Lutheran Congregations assembled at the Spruce Lake Retreat Center at Canadensis, PA. Hosted by the Eastern Churches of the AFLC June 11-14, 2019.

The Budget Analysis Committee (BAC) met at the AFLC Headquarters on March 21-22 to review the proposed budgets and financial conditions of the various AFLC ministries. We met with representatives of World Missions, Home Missions, AFLBS, AFLTS, Youth, Parish Education, Evangelism and the Coordinating Committee. BAC members present were Mr. Phil Peterson, Mr. Ken Penn, Mr. Roger Benson, and Mr. Steve Jankord.

Purpose

The BAC is elected by and reports to the Annual Conference. The purpose of the BAC is to review the finances and budget proposals of each department requesting a subsidy from the Annual Conference and to report our findings to the Conference.

The goals of the BAC are:

1. Consistent and accurate review of each ministry's budget projections
2. Fairness to all ministries in the budgetary process
3. Clear and concise reporting of ministry finances to the Annual Conference
4. Promotion of stewardship and financial efficiency
5. Systematic improvement of the budgetary process

Under the budgeting system the various ministries develop and present their budget subsidy requests without any external constraint, balancing anticipated giving with their perceived ministry needs. The proposed subsidy amounts are not developed by the BAC. The job of projecting consistent and accurate budgets is primarily the task of the ministries themselves with final oversight ultimately resting with you, the Annual Conference.

Looking back at the finances from 2018, we are very grateful for God's generous provision for the works of the AFLC. Gifts from congregations and individuals for the works of the AFLC decreased by 11.6% (\$421,178) from 2017 actual receipts. 2018 subsidy requests exceeded 2018 subsidy receipts by \$544,426 or were missed by 14.5%. This is the first year in at least 5 years that we did not experience year to year giving increases in subsidy receipts that we monitor on behalf of the conference. But still this is an increase from 2015 receipts.

The BAC provides the Annual Conference with an overall financial picture of each ministry so that you can provide guidance to these ministries. We remind the Conference that your approval of the subsidy requests for each ministry represent the approval of the stated budget and

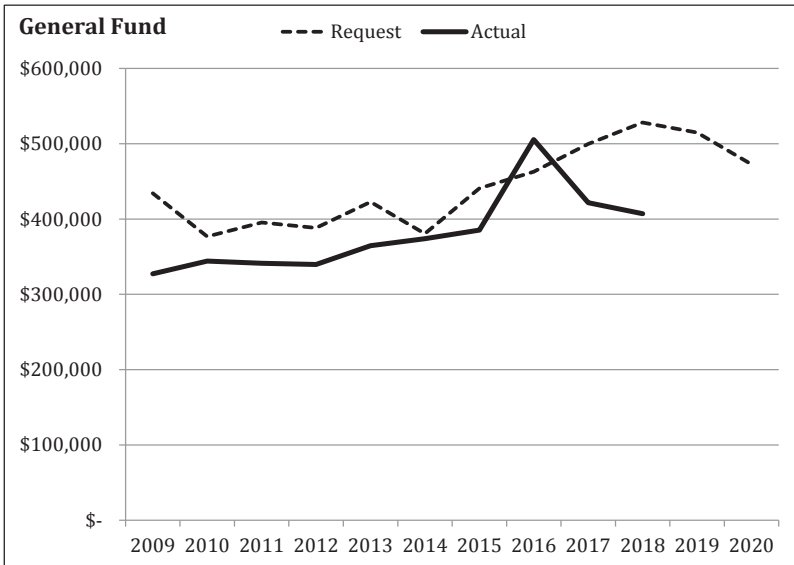
direction of that ministry and the pledge of the larger church body to support each ministry to that level. We strongly encourage the Annual Conference to give prayerful consideration before approving these requests. We also would encourage you to take this information back to your local congregation and promote the needs of these ministries.

We are grateful to the Lord for the provision He continues to make for His people. We rejoice to see the generous gifts and faithful servants He continues to raise up to carry His work forward. We are grateful to all who met with our board and shared their vision and insights into the on-going work. We are grateful to Katie Johnson in assisting our committee.

| Corporation | Department | 2016 Actual Subsidy Receipts | 2017 Actual Subsidy Receipts | 2018 Actual Subsidy Receipts | 2019 Subsidy Request | 2020 Subsidy Request | 2020 Subsidy %/ % increase over 2018 Actual | |
|-------------------------------|-----------------------|------------------------------|------------------------------|------------------------------|----------------------|----------------------|---|-----|
| Coordinating Committee | Gen Fund | \$505,450 | \$421,542 | \$407,161 | \$514,885 | \$472,500 | \$65,339 | 16% |
| | Evangelism | \$141,036 | \$135,682 | \$135,765 | \$156,403 | \$150,395 | \$14,630 | 11% |
| | Parish Ed. | \$150,231 | \$169,292 | \$167,251 | \$174,000 | \$184,000 | \$16,749 | 10% |
| | Youth | \$104,385 | \$165,187 | \$141,803 | \$145,200 | \$147,000 | \$5,197 | 4% |
| | CC Total | \$901,102 | \$891,703 | \$851,980 | \$990,488 | \$953,895 | \$101,915 | 12% |
| Schools | AFLTS | \$265,144 | \$276,140 | \$292,963 | \$352,307 | \$363,871 | \$70,908 | 24% |
| | AFLBS | \$699,572 | \$640,028 | \$522,722 | \$659,229 | \$674,394 | \$151,672 | 29% |
| | Schools Total | \$964,716 | \$916,168 | \$815,684 | \$1,011,536 | \$1,038,265 | \$222,581 | 27% |
| Missions | Home | \$535,944 | \$711,365 | \$474,235 | \$545,481 | \$521,285 | \$47,050 | 10% |
| | World | \$531,045 | \$462,344 | \$394,914 | \$512,000 | \$434,000 | \$39,086 | 10% |
| | Personal Support | \$612,725 | \$650,731 | \$674,320 | \$839,582 | \$762,000 | \$87,680 | 13% |
| | Missions Total | \$1,679,714 | \$1,824,440 | \$1,543,469 | \$1,897,063 | \$1,717,285 | \$173,816 | 11% |
| AFLC Totals | | \$3,545,531 | \$3,632,311 | \$3,211,133 | \$3,899,087 | \$3,709,445 | \$498,312 | 16% |

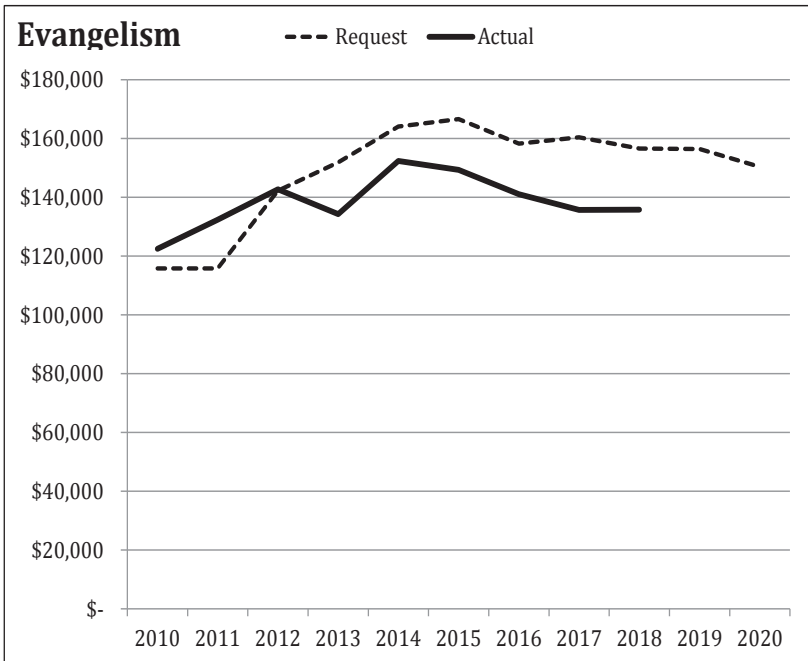
General Fund

1. The Coordinating Committee is requesting a subsidy increase of \$65,000, 16%, over 2018 actual receipts.
2. The General Fund received \$199,000 less in budget subsidy receipts compared to requests for the previous 2 years (2017 and 2018). This means for that 2017 and 2018 combined the General Fund received about 81% of its subsidy requests.
3. The only year in the past 5 years that the General Fund subsidy receipts exceeded subsidy requests was in 2016. That was the year that the Coordinating Committee sent a special request letter identifying serious Cash Flow issues and the Capital Investments Fund dwindling for the previous several years.
4. We encourage the conference to become more informed of the status of the General Fund at the Conference prior to approving the General Fund budget subsidy request for 2020.



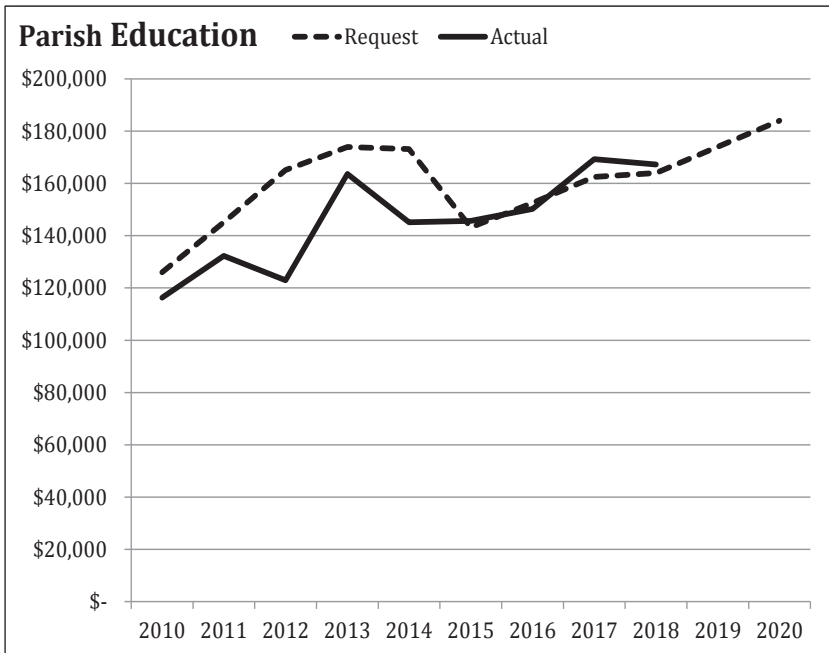
Evangelism

1. Evangelism is requesting a subsidy increase of \$15,000, 11%, over 2018 actual receipts.
2. Evangelism received about \$45,555 less in subsidy receipts than requested for the previous 2 years (2017 and 2018). This means that for 2017 and 2018 combined Evangelism received about 87% of its subsidy requests.
3. Evangelism has never reached their subsidy requests for each of the last 5 years.
4. Evangelism has changed its name to A.E.D.
5. We recommend the conference learn more from Evangelism on this change and any other changes prior to approving the budget subsidy request for 2020.



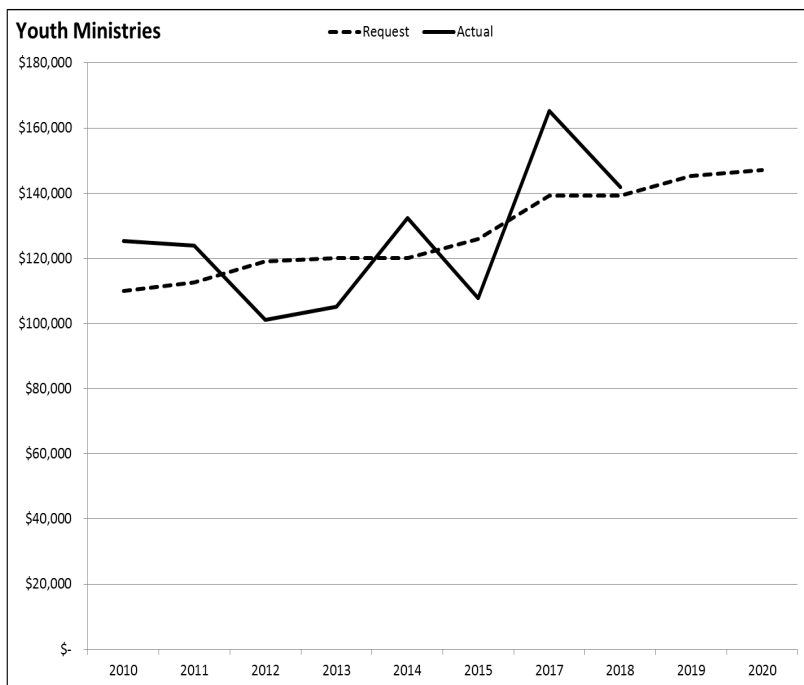
Parish Education

1. Parish Education is requesting a subsidy increase of \$17,000, 10%, over 2018 actual receipts.
2. Parish Education has received about \$10,042 more in subsidy receipts than requested the previous 2 years (2017 and 2018).
3. Parish Education has consistently received budget subsidy receipts consistent with requests each of the last 4 years.
4. Parish Education Board decided about 5 years ago to plan their budget subsidy requests in line with historical receipts and make their overall budgets in line with that. That is consistent with the historical recommendations in the past.



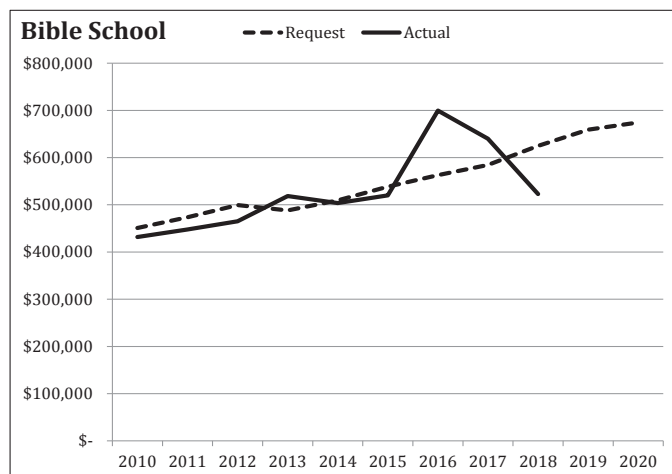
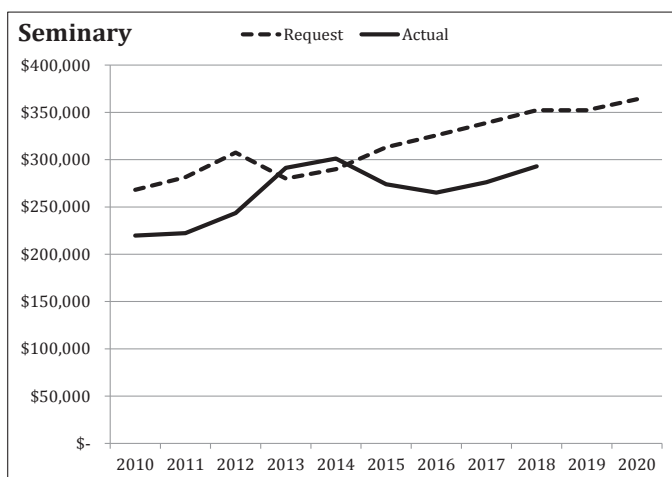
Youth

1. The Youth Board is requesting a subsidy increase of \$5,000, 4%, over 2018 actual receipts.
2. Youth has received about \$22,591 more in subsidy receipts than requested the past 2 years (2017 and 2018)
3. Youth has some swings from year to year – but for the past 10 years they show a surplus of budget subsidy receipts to requests of about \$24,658.



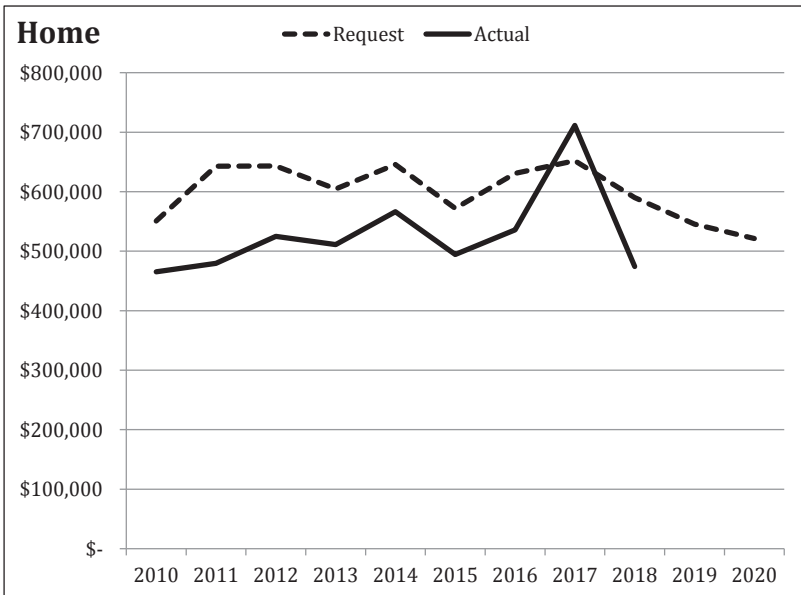
Schools

1. AFLTS is requesting a subsidy increase of \$71,000, 24%, and AFLBS an increase of \$152,000, 29%, compared with 2018 actual receipts.
2. The Schools have the additional oversight of annual audits, TRACs Accreditation and ECFA, in addition to the oversight provided by the Schools Corporation.
3. The Schools indicate that as staff/faculty retire/resign, they have taken that opportunity to re-adjust staff, delay re-hiring, and reduce total expenditures in these times of smaller numbers than normal at AFLBS and also not receiving their full budget subsidy requests.
4. The Schools maintain a very strong balance sheet and continue to grow the scholarships available for AFLTS and AFLBS outside the budget subsidy.
5. The Schools have been doing 5-year plans ever since they started on the accreditation process years ago.



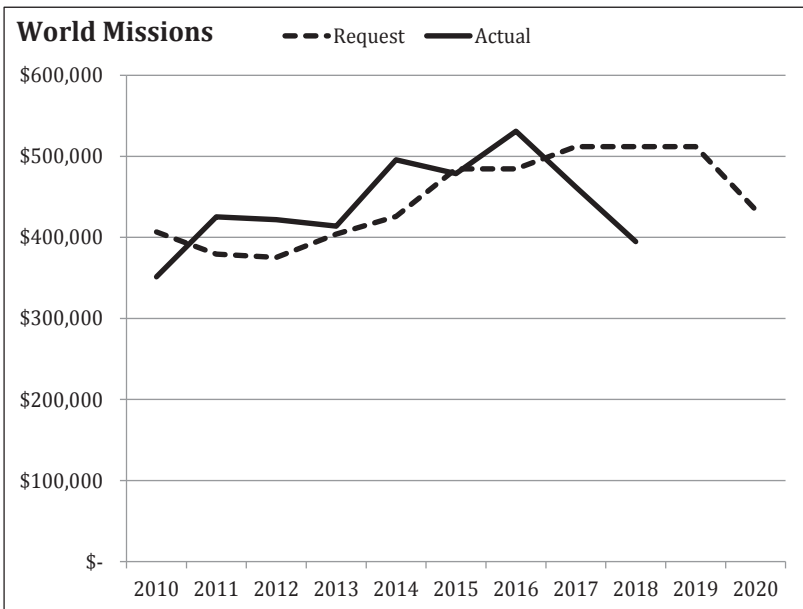
Home Missions

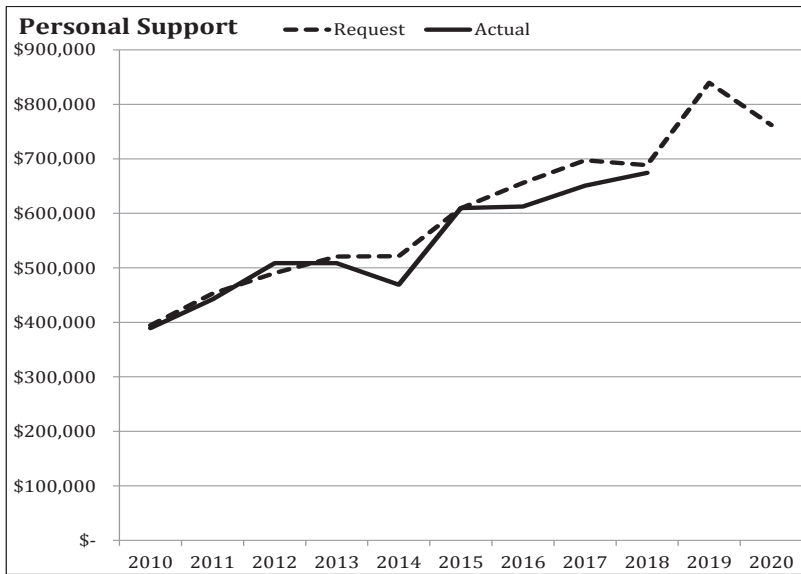
1. Home Missions is requesting a subsidy increase of \$47,000, 10%, over 2018 actual receipts. A significant gift received in 2017 is not expected to occur annually.
2. Home Missions Committee has worked extremely hard putting together their 5-year plans, budgets, and priorities and we appreciate their focus and willingness to work towards keeping things in line with the historical requests from BAC reports.
3. The Conference passed a resolution on Alaska in 2018 and we know the Home Missions Committee is working on a response to that in the near future.



World Missions

1. World Missions is requesting a subsidy increase of \$39,000, 10%, over 2018 actual receipts. But the subsidy request is less than in 2019.
2. The Personal Support request is an increase of \$88,000, 13%, over 2018 actual receipts. Personal Support comes from “raising of funds” for that purpose only and do not come out of general gifts. But the subsidy request for that line item is less than 2019.
3. World Missions met with the BAC during all Boards last year. They are on track on working with the BAC historical reports and plan to review their 5-year plans with the Missions Corporation prior to presenting them to annual conference.





Closing

Balancing ministry goals with financial resources presents an ongoing challenge. Overall, the 2020 total subsidy request is \$3,709,445 a 16%, or \$498,312, increase over the 2018 giving. It is a reduction from 2019 subsidy requests overall.

The BAC is continuing with our 3 year goal of “Systematic Improvement of the Budgetary Process” on behalf of the Conference. We published lots of information in last years report on this. Progress, though slow at times, is being made. Some ministries and Corporations are further along than others. We encourage the Conference to listen carefully and ask appropriate questions as each Corporation and ministry shares their plans, goals, priorities, and overall budgets that include the budget subsidy requests. Again, the Conference approves only budget subsidy requests and not the budgets.

The BAC plans to present the 5 point budgeting philosophy that was shared last year for Conference consideration of approval. We have received some good feedback. Even though the intentions are still the same, still based 100% on previous BAC reports, we think changing the wording from what we shared last year will be helpful. One big change is using the word “Guidelines” vs. “Philosophy”. More discussion on that when the resolution is presented for further Conference input and action if the Conference so chooses.. But we have included the updated “Guidelines” in our report to conference this year for your review.

The BAC still strongly agree with the 1994 BAC Report to Annual Conference: “The thoughts of this committee currently run along the lines of a more focused involvement by the legal corporations of the AFLC in the entire budgeting process.”

There are some challenges to this process and some Corporations are more easily adapting to this “more focused involvement by the legal corporations of the AFLC” than others.

We believe there are “systemic problems” in some of this structure. By definition, “A **systemic problem** is a **problem** due to **issues** inherent in the overall system, rather than due to a specific, individual, isolated factor. Contrast with pilot error, user error, or mistake. A change to the structure, organization or policies in that system could alleviate the **systemic problem.**” These systemic problems, organization structure, policies, processes etc. are quite easily resolvable. You do not have to drastically change everything to make this work, you do not have to stop the essential work of the AFLC, and you can still keep the AFLC distinctives and not act like a synod.

Since this is the year the Coordinating Committee Corporation was, according to the BAC plan, to be the first Corporation to present their 5 year plans, priorities, and 5 year budgets, and they do not appear ready to do that this year – we want to help the conference understand that and allow grace to the Coordinating Committee more time to do that. We are not saying the Coordinating Committee Corporation does not want to fulfill that goal – we just believe they will need more time. To that end, we are also including some additional information on the Coordinating Committee Corporation in a separate section of our report for your review. But to achieve long-term improvement to the budgetary process -- the BAC would like to see the Coordinating Committee Corporation have a more focused involvement in the budgetary process. By having a number of the ministry leaders under the Corporate covering of the Coordinating Committee Corporation working and collaborating together - intentionally with the goal of systematic improvement of the budgetary process, under the oversight of the Coordinating Committee Corporation - we believe progress can occur with minimal disruption and in a timely manner. But the 7 members of the Coordinating Committee Corporation are the only ones with the legal and fiduciary responsibility to make those decisions and not the BAC and not the Conference.

The past 10 years of the AFLC have been really quite strong financially. Subsidy requests and receipts have really increased significantly year to year and thus from 10 years ago. This year, with subsidy receipts lagging behind previous years requests is something to be aware of. Is it an exception? - or is it a trend? Lots of projects going on: Charles Property, Schools Gym campaign, many World Missionaries seeking personal support. The special giving has increased a

lot and special requests look like they will continue to be met in a reasonable time frame. The BAC still feels that long-term, with the challenges of declining number of congregations, aging of our pastors, and number of congregations without AFLC pastors, it is hard to say whether budget subsidy requests can realistically be increased and met as they have in the past 10 years. Plus some ministry areas, over that same time frame, have consistently had less receipts than requests year after year. So clearly this one year is not an exception for some ministry areas - but has become the rule already. We do not know what God will provide in the future. But at this time, the BAC believes it will serve the Conference well to be more careful in their review and approval of subsidy requests in line with the BAC historical recommendations.

Respectfully submitted,
The Budget Analysis Committee
Roger Benson, Cory Buck, Steve Jankord, Ken Penn, Phil Peterson

2019 AFLC Annual Conference Budget Analysis Committee Addendum

AFLC Budgeting Guidelines #1

AFLC Governance Structure #2

Coordinating Committee Articles of Incorporation #3

BAC – From 2007 and 2008 Annual Conference Report #4

Coordinating Committee Appeal Letter from 2016 #5

AFLC Budgeting Guideline

(BAC Addendum #1)

After reviewing previous Budget Analysis Committee (BAC) reports to the Annual Conference, we found five themes that consistently appeared that would help the Conference effectively evaluate ministry subsidy requests. In addition, we believe it would be helpful if the 3 major Corporations and ministries that receive budget subsidies could agree on this set of guidelines from BAC historical reports to form a budgeting 'guideline' to which we can all be accountable. Corporations are solely responsible for setting their budgets, but we ask for your support to use these statements to guide you in your budgeting and planning process.

- 1. As each Corporation develops priorities, plans, and budgets; based on long-term planning; we recommend they share those overall plans when they share the budget subsidy requests to Annual Conference. The Conference can take into consideration those overall Corporate plans as they approve the annual budget subsidy requests for each ministry.**
- 2. In consideration of the first point, annual budget subsidy requests by each ministry/Corporation should be evaluated to ensure that the needs of essential work of that ministry/Corporation continues to be met. The unintended consequence of failing to do so is that 'new' opportunities could take priority over the funding of traditional essential AFLC work.**
- 3. The historical record of the BAC specifically and consistently emphasizes the need for restraint in arbitrarily increasing a subsidy for a ministry without clearly establishing the funding source for the increase. Thus, these guidelines recommend that the most prudent manner for significant increases in ministry funding is to secure a funding source outside of the Conference subsidy and to allow these funds to systematically impact subsequent budget planning. As the impact of this new funding is experienced, budgets will begin to 'normalize' at the desired level.**
- 4. From the BAC report of 2004, "We noticed a disturbing trend has developed in using legacy funds as "life jackets" to deal with problems and shortfalls and not as they have been historically used for special projects. This practice has depleted nearly all reserve funds in the AFLC." This guideline affirms that concern and recommends that the priority for legacy/estate gifts should be a source of funding for new ministry/projects, major capital needs, or as a means of funding significant portions of the annual budget over longer periods of time (e.g. quasi- endowments). Reliance on these legacy/estate gifts to cover accumulated deficits or to meet significant gaps in the annual operating budget is not a sound financial plan.**
- 5. Cooperation, working together, thinking of the Congregation, and the whole work of the AFLC should be a key consideration in each department's budget planning.**

Respectfully submitted by the BAC to the ALL Boards meeting – September,2017

Respectfully submitted by the BAC to the 2018 Annual Conference for future consideration.

Presented in updated form by the BAC to the 2019 Annual Conference for consideration and approval.

2 Corinthians 8:13-15; 20-21

¹³ Our desire is not that others might be relieved while you are hard pressed, but that there might be equality. ¹⁴ At the present time your plenty will supply what they need, so that in turn their plenty will supply what you need. The goal is equality, ¹⁵ as it is written: "The one who gathered much did not have too much, and the one who gathered little did not have too little."¹⁶

²⁰ We want to avoid any criticism of the way we administer this liberal gift. ²¹ For we are taking pains to do what is right, not only in the eyes of the Lord but also in the eyes of man."

- The BAC believes if the Conference floor approves the 5 budgeting guidelines it will help the Conference in making informed decisions on approving budget subsidy requests. The Conference does not approve budgets – the committees, boards, and the Corporations they serve under have the legal fiduciary responsibility for overseeing the ministries and the overall finances of those ministries. But the Conference, when approving budget subsidy requests, is affirming the direction of that ministry, agreeing to support that ministry financially accordingly, and willing to share with their congregation the need to also support that ministry's budget subsidy requests financially.

**Statements from BAC History for 1994-1995 and Observations from current BAC:
"The thoughts of this committee currently run along the lines of a more focused involvement by the legal corporations of the AFLC in the entire budgeting process."**

- These 5 budgeting guidelines, if properly understood and utilized, gives the conference and the committees, boards, and corporations, the framework to make informed decisions, that will protect your AFLC core values, and allow you to take responsible and timely action that will allow the work of the AFLC to continue by the grace of God within the resources the AFLC Congregations and friends provide. This allows for one set of guidelines that is consistent across the board for all ministries and Corporations receiving budget subsidies from the Conference. But there is also flexibility to the ministries and Corporations how they apply this from time to time and can explain those exceptions to the Conference at the time of annual budget subsidy requests for approval from the Conference.
- From 2008 BAC report - Reminder a budget subsidy does not mean budget. It does not mean the total need of a Department. "Subsidy" refers narrowly to the amount that each department can expect to receive from individual and congregational gifts. The subsidy amount requested by each ministry should be based primarily on the gifts which the ministry has received in the past two years – with a reasonable small increase based on inflation.
- **Guideline:** A general rule, principle, or piece of advice.

AFLC Governance Structure from the BAC – 2019 AFLC Annual Conference

(BAC Addendum #2)

Statement from BAC History for 1994-1995

“The thoughts of this committee currently run along the lines of a more focused involvement by the legal corporations of the AFLC in the entire budgeting process.”

The current BAC affirms that and believes in order to make progress in one of the BAC goals which is “systematic improvement of the budgetary process”, the Corporations need to be at least annually working together with the ministries, committees, boards under their Corporate covering, developing cohesive plans by collaborating together to develop and then annually approve their 5 year ministry plans, priorities and budgets. Of course, since the Conference is responsible for approving budget subsidy requests, the Conference needs to understand the governance structure of the 3 Corporations (Schools, Missions, and Coordinating Committee) receiving subsidy requests and sharing in the undesignated gifts. Since this is the year the Coordinating Committee Corporation was being asked to share those 5 year plans with conference, but that is not expected to happen this year. We want to allow the Coordinating Committee grace and time to explain their governance structure to Annual Conference and answer questions the Conference may have.

1. Attachment of Articles of Incorporation Coordinating Committee Corporation – see separate attachment on that:
 - a. The Corporation’s Articles are attached for your understanding. The AFLC is not a synod and has 3 Corporations that are involved with receiving budget subsidies and sharing in the undesignated gifts from the Conference. These Corporations are separate and unique legal identities – it is important everyone realizes the clear separation of these 3 Corporations (Schools, Missions, and Coordinating Committee Corporation). Each of these have different and unique Articles of Incorporation that they must abide by.
 - b. The Coordinating Committee Corporation, from what we can tell, does not have By-Laws like the other 2 major Corporations in the AFLC.
 - c. The Coordinating Committee has the AFLC Rules for Work which summarizes much of the work they are called to do. The booklet Standing Fast in Freedom has a good overview of their role, the Corporations that make up the AFLC, and the Rules for Work. It is a great booklet to keep you informed of the basics of AFLC structure and summary of how things work.
 - d. In addition to this information each of these 3 Corporations have Articles of Incorporation. These are the legal documents that also guide them.
 - e. The Articles of Incorporation of Coordinating Committee Corporation clearly say they must have a minimum of 5 and maximum of 9 Board of Directors
 - f. The members of the Corporation are to be members of the AFLC and nominated by the Annual Conference.
 - g. The articles do not say how many members you can have in the Coordinating Committee Corporation – but tradition has it that the 7 member Committee/Board Members are also the whole Corporation.
 - h. The Schools Corporation which has a 50 member Corporation and from that is elected 7 Board of Trustee Members. There are separate officers for the Corporation from the Board of Trustees to ensure clear lines of authority and another level of oversight for the

Board of Trustees. The Board of Trustees have regular meetings (usually monthly) with minutes published to the full Corporation after reviewed and approved by the Board of Trustees. The Corporation has an annual meeting with its 50 member Corporation during Annual Conference. The report of the annual Corporation meeting is published in the Annual Conference Report.

- i. Missions Corporation has a 100 Member Corporation and from that they elect the Home Missions Committee and World Missions Committee and their board. The Missions Corporation oversight over the Home Missions and World Missions Committee is less clear than Schools and the Missions Corporation has a separate committee currently working on updating the By-Laws and addressing some of these issues. World Missions Corporation has an annual meeting of its 100 members during annual conference and the report of that annual meeting is published in the Annual Conference Report. We encourage the World Missions Corporation to communicate to the Annual Conference information about changes to their Governing Documents at the 2020 Annual Conference and how that will affect the overall governance for that Corporation.
- j. Within the Coordinating Committee Corporation there are no separate Corporation Members outside of the 7 members on the Committee (Board of Directors) as another level of oversight and support for the Coordinating Committee. The 7 members alone make all the decisions for the Committee and the Coordinating Committee Corporation. We are not sure if minutes are maintained of the regular meetings (usually monthly) or if there is a report to the Annual Conference of their annual meetings? I think it would help with transparency to the Conference if the Coordinating Committee Corporation would explain that further at this years Conference. Some have asked that since this Corporation meets almost monthly and for lots more time than Schools and Missions Corporation – why does it seem it takes them so much longer to make decisions?
- k. Based on the chart on page 10 of “AFLC Standing Fast in Freedom” booklet and also based on the most recent auditors report: We find the following statement helpful: “The Coordinating Committee Corporation financial statements include the General Fund, Lutheran Ambassador, Parish Education, Benefits Board, Youth Ministries, Evangelism, and Capital Investment. The ministries all fall under the corporate covering of the Coordinating Committee.”
- l. So it appears the major challenge the Coordinating Committee faces is how do they have a more focused involvement by their “Corporation” and work and collaborate together on their overall ministry goals, plans, priorities, and budgets? This is a question since they are not sure how they can do that. But it is key to systematic improvement to the budgetary process within their corporate “covering”.
- m. Some have suggested the Coordinating Committee does not have a “Director” to help make this happen. That is true to a sense. But they do have several Directors – or several that function as directors – or could be functioning in a director role - under the “Corporate Covering of the Coordinating Committee Corporation”. Let me list those here:
 - i. Evangelism Director - Committee/Board
 - ii. Youth Director – Committee/Board
 - iii. Parish Ed Director – Committee/Board
 - iv. Director of Business Management – Reports directly to CC Corp.
 - v. Development Director – Reports Directly to CC Corp
 - vi. Managing Editor of Lutheran Ambassador (part time) - Committee/Board
 - vii. Full-time Assistant to the President – Reports directly to CC Corporation

- n. All are very good people represented on the list above. Several have boards and committees as well besides the CC Corporation to guide them and report to. But there is very little intentional conversations that is directed specifically to developing overall goals, plans, priorities and budgets. Several of these separately do a good job of that with their ministries/boards – they have their own budget subsidy requests to the Conference. They get allocated overhead and subsidies by the Coordinating Committee Corporation to pay to the General Fund. And some get a small % of the 1/3 of the undesignated regular giving that primarily goes to the General Fund.
- o. The BAC has communicated some thoughts and ideas to the Coordinating Committee Corporation thru their representatives at our BAC meetings to help address the lack of coordinated planning for the Corporation in line with our goals for systematic improvement to the budgetary process. We see some opportunities to make some changes that could allow the work of the ministries continue and save some costs. The BAC has not been asked by the C.C. Corporation to work with them in more fully developing these plans. These “ideas” are probably not the best ideas, or the only ideas, but they are ideas and feel if the Corporation and their directors had a means to come together and collaborate on this to develop the plans with the goal of systematic improvement of the budgetary process – it looks very feasible without having to change the core of the Corporate Governance. But the 7 member Coordinating Committee Corporation is the only legal source for deciding if they want to do this, what they want to accomplish, and how they want to accomplish it. The BAC’s role is not to change how the Corporation works – so we have not pushed those basic ideas – instead allowing the C.C. Corporation the freedom to consider what they feel is most effective in serving the Congregations. But there are lots of good people, a number at the “director level” that we feel – if given the proper direction could accomplish what the BAC is asking of the Coordinating Committee Corporation – under the guidance of that 7 member Corporation’s Board. Final authority and decisions are solely in the hands of those 7 people.
- p. We have also attached some information from 2007 and 2008 Annual Conference reports about Lutheran Ambassador subsidies. Comments from then President Pastor Lee’s report on our responsibilities of the ministries of the AFLC, how to deal with financial shortfalls, and suggestions on changes to the Budget Analysis Committee. Then it also shows the actual changes in 2008 made to the Budget Analysis Committee process.
- q. We have also attached the 2016 appeal letter sent out on behalf of the General Fund by the Coordinating Committee Corporation. This letter communicated extremely well the systemic challenges built into their budget and the difficulty it is to manage that. It shows the 7 member Coordinating Committee Corporation has been monitoring this for years. They do know the problems it creates in cash flow and reducing the amount in Capital Investments (money from Legacies primarily). I think it appropriate to have the Coordinating Committee Corporation to explain that to the Conference and if they have found any ways, ideas, or suggestions to reduce operating budget costs to bring them more in line with subsidy receipts. The BAC discussed with the 2 C.C. Corporation representatives that attended our meeting that giving patterns of subsidy receipts to the General Fund significantly dropping the last 2 years since that letter. It appears their budget subsidy requests are getting too far ahead of the normal budget subsidy giving for the General Fund. If some changes on the expense side do not occur in the very near future, it is possible to have the same issues happen and an emergency appeal could be necessary again. The opinion of the BAC is that changes, if looked at with the help of all

of the “directors” under the Coordinating Committee Corporation covering working together, it is very possible to maintain all of the essential work of the AFLC Coordinating Committee Corporation. And over a short period of time – get budget subsidy requests more in line with actual historical receipts. Change would need to be carefully considered and implemented, but change can be done if planned properly with minimal impact on serving the Congregations. Change is difficult – but the risks of not making minor changes now – in the opinion of the BAC – puts some essential work of the AFLC at risk at some point in the future.

- r. In addition to asking the Conference to consider approving the AFLC 5 Point Budgeting Guidelines this year, we will also ask the Conference to approve a change to subsidies paid to Lutheran Ambassador by Missions and Schools Corporation. We will have resolutions for the Conference to consider and explain the reasoning for this on the Conference floor. We feel these types of resolutions are good for the whole AFLC for the Conference to consider these, give input, ask questions, and then vote what you would like to do.
- s. Reminder – the folks at headquarters are here to serve the Congregations. The Congregation is the right form of the Kingdom of God on earth.
- t. From the Coordinating Committees Articles of Incorporation:
- u. ARTICLE XVIII

“This corporation shall at all times exercise diligence in seeking all possible information pertinent to *the most effective methods of advancing the work of the Lord* as may be adopted by the associating congregations from time to time, and shall at all times promptly impart such information to the associating congregations.”

This would be good for all that serve at headquarters to consider this. If we can be more effective and more efficient – we would be MOST EFFECTIVE with our use of dollars and the results given. Our motto should be let’s do more with less – so the Congregations can do more. Let’s serve the Congregations not just well – but MOST EFFECTIVELY from Headquarters so the Congregations can be MOST EFFECTIVE in their work in their areas they live. Let’s work SMARTER and not harder. Let’s make a difference here so the Congregations can be focusing on the difference making in their own communities. Let’s do our work in such a way the Congregations can be encouraged by us and not constantly challenged to give more and more every time they see us coming. Let’s educate our congregations well on the essential support the AFLC headquarters needs every year – provide our service very well and they will look forward to partnering with us – because we are helping them in being MOST EFFECTIVE serving the LORD as Free and Living Congregations.

THE CO-ORDINATING COMMITTEE
Of
THE ASSOCIATION OF FREE LUTHERAN CONGREGATIONS

Minneapolis, Minnesota

(BAC Addendum #3)

We, the undersigned, being of legal age, for the purpose of forming a corporation under and pursuant to the provisions of Chapter #317, Minnesota Statutes of 1953, and laws amendatory thereof and supplemental thereto, do hereby associate ourselves as a body corporate and adopt the following Articles of Incorporation:

ARTICLE I.

The name of this corporation is "THE CO-ORDINATING COMMITTEE of THE ASSOCIATION OF FREE LUTHERAN CONGREGATIONS."

ARTICLE II.

The corporate existence of this corporation shall be perpetual.

ARTICLE III.

The purposes of this corporation are:

(a) To serve as an agency of free and independent congregations who subscribe to the Fundamental Principles of the Association of Free Lutheran Congregations as part of their doctrine.

(b) To assist congregations in conducting their activities, both local and as parts of the Association.

(c) To endeavor to bring about interchange of fuller spiritual activities among the congregations.

(d) To be of assistance to congregations and pastors through counsel and guidance, where such may be requested.

(e) To gather and report to the congregations as much information as possible concerning the work of the Association and the congregations including home and foreign missions; Christian education; Women's, Men's and Youth organization; Theological Seminaries and other consistent activities.

ARTICLE IV.

The registered office of this corporation shall be: 3110 East Medicine Lake Boulevard, City of Minneapolis, County of Hennepin and State of Minnesota, Zone 27.

ARTICLE V.

The names and addresses of the incorporators are:

Rev. Julius Hermunslie, Spicer, Minnesota.

Harvey Dyrud, Newfolden, Minnesota.

Russell Duncan, 1534-3rd Street North, Fargo, North Dakota.

Rev. Jay G. Erickson, Radcliffe, Iowa.

Rev. Harry Molstre, Dalton, Minnesota.

ARTICLE VI.

The names and addresses of the first Board of Directors are:

- Rev. Julius Hermunslie, Spicer, Minnesota 4 year term
- Harvey Dyrud, Newfolden, Minnesota 3 year term
- Russell Duncan, 1534-3rd Street North, Fargo, North Dakota 1 year term
- Rev. Jay G. Erickson, Radcliffe, Iowa 2 year term
- Rev. Harry Molstre, Dalton, Minnesota 5 year term

ARTICLE VII.

The names and addresses of the first officers are:

- Rev. Julius Hermunslie, Spicer, Minnesota President
- Harvey Dyrud, Newfolden, Minnesota Vice President
- Rev. Jay G. Erickson, Radcliffe, Iowa Secretary
- Rev. Harry C. Molstre, Dalton, Minnesota Treasurer

ARTICLE VIII.

In order to be eligible for membership in this corporation, one must be a member of the Association of Free Lutheran Congregations, and be recommended for membership by a majority vote at any special or annual meeting of same. In the event a vacancy should occur between annual or special meetings of the Association, the Board of Directors of this corporation shall have the power to fill such vacancy for the unexpired term of any such retiring or expiring member.

ARTICLE IX

This corporation shall have no capital stock or other form of stock or shares.

ARTICLE X.

No profit or personal gain from any transaction of this corporation shall accrue to or be paid any officer, director or member of this corporation.

ARTICLE XI.

There shall be no personal liability on the part of the corporate members as such.

ARTICLE XII.

The government of this corporation shall be vested in a Board of Directors, consisting of not less than five (5) nor more than nine (9) members. The present Board of Directors shall be five (5); the term of office of the Directors shall be five (5) years, and the election of Directors shall be approximately one-third thereof each year, beginning in 1967. No Director shall be re-elected more than once, after serving one full term.

ARTICLE XIII.

The annual meeting of this corporation shall be held between June 10th and August 1st of each year; the exact date and place of such meetings to be determined by the Board of Directors from year to year.

ARTICLE XV.

This corporation shall have the right to acquire by purchase, gift, grant, devise or otherwise, real and/or personal property of every kind and nature, useful and consistent with the purposes of this corporation, and to lease, mortgage, pledge or otherwise hypothecate any thereof in such manner as may in the discretion of the Board of Directors be in the best interests of this corporation or its associates.

ARTICLE XVI.

This corporation shall at all times serve as a co-ordinating agency for, and on behalf of the said Association of Congregations, including the maintaining of a treasury in which to place all funds which may be paid to or deposited with it for the general benefit of this corporation or otherwise, and as may be directed by any of such associated congregations; that funds which may be contributed by the Associated Congregations for the general operation of the larger church association, including this corporation, and shall be kept under a special treasury for the purpose of acting in concert with the other associated congregations in the general promotion of the joint work of this corporation and such associated congregations; that this corporation shall have the right to withdraw from such deposits the necessary funds for defraying the salaries of the president, secretaries and treasurers and for the general maintenance of this corporation, for services in keeping in contact with its associated congregations and for rendering the necessary services as such co-ordinating agency.

ARTICLE XVII.

This corporation shall at all times keep accurate records of its receipts and disbursements in its operation as a co-ordinating agency of the Associated Congregations, and shall keep each of such congregations fully informed as to its financial needs, and such congregations will be expected to carry their reasonable portion thereof, so as not to hinder or retard the work of the general association.

ARTICLE XVIII.

This corporation shall at all times exercise diligence in seeking all possible information pertinent to *the most effective methods of advancing the work of the Lord* as may be adopted by the associating congregations from time to time, and shall at all times promptly impart such information to the associating congregations.

ARTICLE XIX

In the event of termination of the activities of this corporation for any reason, and dissolution as a corporate body, and any assets which may be owned by the corporation at such time shall become the property of and be conveyed to another corporation organized under Chapter 317 of Minnesota Statutes of 1953. The last remaining member or members of this corporation, or of the Board of Directors shall have the power and

authority to make such selection and to effect a valid transfer and conveyance of any such assets without other powers or court action.

ARTICLE XX.

The annual meeting of this corporation shall be held each year beginning in 1967, the day and date to be determined by the Board of Directors, in the principal office of the corporation, or any other place as may be determined by the Board of Directors of the corporation; special Page 4. meetings of this corporation may be held at any time or place upon ten(10) days written notice directed to each member, or upon a Waiver and Consent signed by all of the members.

ARTICLE XXI.

These Articles of Incorporation may be amended or modified by submitting the proposed amendment or modification in writing at any annual meeting, and if adopted at such meeting, then same must be ratified by a two-thirds majority vote of the members present and voting at the next annual meeting of the corporation.

IN TESTIMONY WHEREOF, We have hereunto subscribed our names and affixed our seals on this 30 day of June, 1965.

STATE OF MINNESOTA

COUNTY OF HENNEPIN

On this 30 day of June, 1965, before me a Notary Public within and for said County, personally appeared REV. JULIUS HERMUNSLIE, HARVEY DYRUD, RUSSELL DUNCAN, REV. JAY G. ERICKSON, AND REV. HARRY MOLSTRE, to me known to be the persons who subscribed their names to the foregoing instrument, and each acknowledged that he executed same as his free act and deed for the purposes therein stated.

Page 6
Filed for record on the 21 day of Jul AD 1965

From 2007 AFLC Annual Conference Report

(BAC Addendum #4)

From page 167: Resolutions

17. WHEREAS, The Lutheran Ambassador contains many encouraging and uplifting articles as well as much helpful information, and WHEREAS, increased subscription income would provide financial benefits for the AFLC as a whole by the decrease of the amount of subsidy needed for publication, BE IT RESOLVED, that congregational leaders and pastors encourage church members and other like-minded people to subscribe to the Lutheran Ambassador. MSC to adopt.

From page 8: President Bob Lee's report to conference – his last year as President

Our common endeavors exist to serve the congregations of the AFLC, not to be served by them. They have been formed in response to the needs of our congregations, who are associated together because we can accomplish more together for the kingdom of God than a congregation can accomplish alone. The proper response to financial shortfalls is prayer, informing our fellowship of the need, and cutting back on the work if necessary, rather than resorting to any high-powered stewardship campaigns. Deficit spending, even when disguised as examples of faith, should never be an option.

From page 9: President Bob Lee's report to conference:

Last year's conference, in response to concerns mentioned in my report, approved a resolution to have a committee study possibilities of lessening the confusion that exists among our people between the subsidy goal approved by the Budget Analysis Committee and submitted to conference, and the budget goal which is the actual operating expenses of the ministry.

....

Clarity is a worthwhile goal. I am convinced that the people of the AFLC will generously support our common endeavors when they are an informed people. We do not want to return to the era of expanding our budgets beyond the ability of our congregations to reach them. Our AFLC family needs to be reminded each year that the financial goals can and should be exceeded, as the Lord provides through His people, making it possible for our ministries to continue and expand the precious gospel-centered work that has been entrusted to us.

From 2008 AFLC Annual Conference Report

From pages 148 and 154 – after receiving the recommendations of the Budget Analysis Review Committee:

16. In order to communicate clearly and consistently the needs of each ministry, the Budget Analysis Review Committee recommends that the subsidy recommendations made to the conference be established by related board. **MSC to adopt.**

17. In order to eliminate direct correlation between the gift receipts and how undesignated funds are distributed, the Budget Analysis Review Committee recommend that undesignated gifts be distributed equally to each of the three corporations and that no limit is placed on such amounts. **MSC to adopt.**

18. In order to maintain accountability to the Annual Conference, the Budget Analysis Review committee recommends that the BAC continue to:

- A. Track projected income for each ministry/corporation and compare with ministry requests.
- B. Provide objective feedback to each ministry during annual budget meetings.

MSC to adopt.

(BAC ADDENDUM #5)



*"...where the Spirit
of the Lord is,
there is freedom."
II Corinthians 3:17*

THE CO-ORDINATING COMMITTEE

THE ASSOCIATION OF FREE LUTHERAN CONGREGATIONS
3110 EAST MEDICINE LAKE BOULEVARD
MINNEAPOLIS, MN 55441-3008
(763) 545-5631 (763) 545-0079 (FAX)

September 6, 2016

Dear Members and Congregations of the AFLC;

The AFLC General Fund is incredibly grateful for the continued support and encouragement from both our congregations and individual members.

For the last few years the General Fund has been finding it difficult to navigate cash flow issues. This difficulty is primarily the result of not meeting our budget for several years in a row now. From 2011 to 2014 we have come in about \$172,000 below the approved subsidy requests. Last year, 2015, the General Fund came in a little over \$100,000 below the approved subsidy. This year in 2016, as of July 31st, we are \$5,528 behind where we were this same time in 2015. Currently we have a cash deficit of about \$100,000 that is being covered by funds in Capital Investments.

Several times the General Fund has had to rely on the Capital Investments Fund to make up for these shortages. There are several projects needing to be completed here at headquarters that will be requiring the use of funds from the Capital Investments Fund. One coming up here in early October is the replacement of one of the HVAC rooftop units. The second unit will also need to be replaced in the near future as both of these are original to the building, built in 1991.

The large increase in the subsidy request in 2015 was primarily due to the need we had to move the Assistant to the President position from part time to full time. Doing so has been a tremendous blessing to our President, Lyndon Korhonen, and many of our congregations. The Assistant to the President is able to assist the president with ordinations, installations, and church anniversaries. He also works with the SIT program and applicants to the fellowship roster for clergy, along with many other duties.

With the cash flow issues the General Fund is experiencing, coupled with the Capital Investments Fund dwindling, we have found ourselves in a state of dependence. We are prayerfully considering how we can bring our budget in line with the gifts the Lord has provided to us. We would ask that you as a congregation prayerfully consider giving a gift to bolster the General Fund and help rebuild the Capital Investments Fund. If our AFLC congregations could each give a gift of \$1,000 to the General Fund, it would go a long way in aiding the Lord's work here at headquarters.

Thank you so much for whatever the Lord guides you to do. We are partners together in His Kingdom. Philippians 1:5

In His Service,

A handwritten signature in blue ink that reads "Daniel J. Mundfrom". The signature is fluid and cursive.

Daniel Mundfrom
Chairman - AFLC Coordinating Committee

A handwritten signature in blue ink that reads "Emily Goff". The signature is fluid and cursive.

Emily Goff
AFLC Director of Business Management

THE AFLC SCHOOLS BOARD OF TRUSTEES

To the 57th Annual Conference of the Association of Free Lutheran Congregations assembled at the Spruce Lake Retreat Center, Canadensis, Pennsylvania, June 11-14, 2019

The Conference Theme from Joshua 24 – *“Choose you this day who you will serve as for me and my house, we will serve the Lord,”* brings me back almost 32 years to a wedding that took place on the AFLC Schools campus of a seminarian and a former women’s dorm resident head. Those were theme verses at that wedding, and by God’s grace that couple has been richly blessed as they have made it their goal that their house would serve the Lord. For both of them and several of their children the years that have been spent studying God’s Word and serving on the AFLC Schools campus have been rich indeed.

It is a joy to serve on the Board of Trustees of AFLC Schools, and to regularly get glimpses into what the Lord is doing in the lives of Bible School and Seminary students! On days of our monthly meetings we often eat meals in the school’s cafeteria, where we have opportunities to visit with students and staff and to taste the excellent meals prepared by our kitchen staff. We also occasionally get in on chapel services and special events at the schools. A highlight each year for many of our board members is the personal interviews we have with seminary applicants, seniors and interns. We rejoice in how the Lord continues to call men into pastoral ministry, and to prepare them for service at AFLC Schools.

Following the resignation of former AFLBS Dean, Pastor Joel Rolf, last February, the AFLC Schools Board of Trustees began the process of calling a new Dean for AFLBS. In the months that followed we took steps to pray about and carefully consider several related things. Wanting to work through those related issues, we determined to not be in a rush to call a new Dean, and so appointed AFLC Schools President, Wade Mobley, as Interim Dean for the 2018-2019 school year. In this dual role, Pastor Mobley has carried a very heavy load this past school year, and we are grateful for his dedicated service.

According to the current guidelines of the AFLC Schools Corporation, the procedure for calling Deans of AFLC Schools is now much the same as that of calling other full-time faculty. Areas that were addressed by the Board of Trustees before extending a call to a candidate included: updating the job description for the AFLBS Dean to reflect approximately half time administration and half time teaching, and also more clearly defining the role we have now titled “Director of Student Life.” Along with this we determined that the DSL would live in the campus house formerly occupied by the AFLBS Dean.

The Board of Trustees, as well as Faculty and Administration, prayerfully met separately and prayed about possible AFLBS Dean candidates to

consider. From those lists then were prayerfully selected candidates to interview, and at our January BOT Mtg. we voted unanimously to extend a call to Pastor Adam Osier. We are delighted that Pastor Osier has answered that call and we look forward to him beginning his work on the campus in July.

During this transition year at AFLBS we have been very thankful for the many capable office and campus staff that have served under Pastor Mobley. Brad and Sarah Bierle especially need to be recognized, as they have served in more roles than I dare try to list. Brad's primary role is "the Director of Student Life." He and Sarah have lived in the campus house this last year where they have been quite accessible to students. They and many other staff have nurtured a very positive spiritual life atmosphere among students on the campus.

Another very significant item the Board has been involved in is the process of accreditation. Many years of background stand behind our reaching the milestone of full accreditation status this last year. Several previous board members along with former Deans of both schools devoted significant time and energy in preparing our founding documents, developing our mission statement, working through goals and objectives, and exploring accrediting agencies. Our VP of Academic Affairs, Dr. Mark Olson, has been an absolutely essential part of the process and our communicator with TRACS, and we are thankful to God for his aptitude in this area.

In early April the AFLC Schools Corporation held a special meeting to review the status of the long planned for Gymnasium/Student Life Center. After a presentation of the project plans and the progress of the Building Committee in connection with architects and Grady/Kinghorn Construction, and after an update on fundraising efforts, the Corporation members voted strongly in favor of moving ahead with the estimated \$8.6 million project. Permission was granted to the Board of Trustees to break ground this spring while continuing to invite participation in giving to the capital campaign. The Board of Trustees is grateful to the Lord for some large gifts that have been seed money for this project. With gifts and pledges now at about \$3.2 million, and intentions expressed of additional generous gifts, we are excited to move ahead. We also invite your participation as individuals and congregations as the Lord provides and lays it on your hearts to give. Board member, Phil Johnson, serves as chairman of the Building Committee, and we wish to thank him and all of the members of the Building Committee for their thoroughness in thinking through the many details of this project.

Besides those already mentioned, two other individuals serve as VP level administrators at AFLC Schools, and report regularly to the Board. We are thankful for Dr. James Molstre's excellent oversight of our Seminary students and program, as we continue to equip future AFLC Pastors. Mr. Larry Myhrer continues to manage the financial affairs and facilities,

and with some excellent staff we continue to see improvements to our existing buildings and grounds.

The Lord has entrusted to us an awesome mission: *To establish students in the eternal and inerrant Word of God for a life of faith in Jesus Christ and faithful service in His kingdom.* We press on by God's grace!

Current members of the Board of Trustees are: Pastor Alan Arneson, Mr. Donald Balmer, Mr. Gary Erickson, Pastor Todd Erickson, Mr. Phil Johnson, Pastor Lloyd Quanbeck, and Mr. Dean Nelson. Pastor Alan Arneson has been our Secretary, and Don Balmer is our Vice Chairman. Don's first term on the Board expires this year, but he is eligible for re-election.

Respectfully submitted,
Pastor Lloyd Quanbeck,
AFLC Schools Board of Trustees Chairman

PRESIDENT OF THE FREE LUTHERAN SCHOOLS

To the 57th annual conference of the Association Free Lutheran Congregations assembled at the Spruce Lake Retreat Center in Canadensis, Pennsylvania, June 11-14, 2019.

Now therefore fear the LORD and serve him in sincerity and in faithfulness. Put away the gods that your fathers served beyond the River and in Egypt, and serve the LORD. And if it is evil in your eyes to serve the LORD, choose this day whom you will serve, whether the gods your fathers served in the region beyond the River, or the gods of the Amorites in whose land you dwell. But as for me and my house, we will serve the LORD. Joshua 24:14-15 (ESV)

Everyone who is involved with the Free Lutheran Schools in any way has made a counter-cultural choice to invest in a small, distinctively Christian educational institution that teaches the Bible to future congregational members, leaders, and pastors. There are other educational choices Christians can make enthusiastically and in good conscience, but the choice you have made is determined, not default; it is a choice to prepare for a life that serves, by God's grace, the God of our fathers, our Lord Jesus Christ.

We study not to gain information or certification, but to be established in the Word of God for life in Jesus Christ. Our students are taught, trained, and transformed by our Living God for current and future life and ministry. In both our classroom instruction and community discipleship we teach the Bible as the Word of God, true in all of its teachings, and able to create and sustain faith within the human heart. We teach spiritual maturity as a law/gospel enterprise, wherein the Holy Spirit of God works through the Word of God to convict of sin and deliver grace. We teach each student to be part of the Great Commission work of making disciples of all the nations, and to do so primarily through the work of the local congregation, which is the right form of the kingdom of God on earth. What I have just stated is the core of our educational philosophy at the Free Lutheran Schools. Everything we pursue on campus is built on this foundation.

Our two-year Bible College and four-year pastoral training programs received accreditation last October. I can't find a way to write that sentence that adequately conveys its importance. First envisioned by past boards and administrations, our current leadership worked tirelessly for years to achieve accreditation. Many deserve credit, but (the late) Dr. Fran Monseth and Dr. Joel Rolf invested sacrificially when the outcome was yet unclear and the end was far from view. We, like they, stand on the shoulders of others.

I affirm before you that accreditation, and the process that went into it, has been thoroughly and exclusively beneficial, something that I did not

fully understand until returning to campus several years ago. Accreditation accomplishes far more than credit transfer, recognition of our peers, and the granting of a .edu domain name. Accreditation holds us accountable for keeping the promises that we make to our students, employees, and supporters. Thanks to accreditation we now have a five-year budget, a long-range strategic plan, regular and documented staff meetings, external financial safeguards, regular review of performance and compensation, and a means for continual evaluation of institutional effectiveness.

One aspect of the Free Lutheran Schools that sets us apart from our peers is our emphasis on student life and discipleship in both of our programs. Online and distance education programs cannot accomplish what we accomplish by ministering to students while they live together for extended periods of time. You cannot abide where you do not reside. Our seminarians spend time with each other, our faculty, and Dean James Molstre. Our seminary wives receive training from Michele Mobley and Kristin Molstre, who volunteer their time and energy to prepare the spouses of future pastors for the expectations of ministry that lies ahead. Director of Student Life Brad Bierle leads a team of student development workers that make the dorms a place of discipleship, where iron sharpens iron and students bear one another's burdens. We provide students in both programs with access to Christian counseling both on and off-campus, a service that we have begun to provide thanks to a generous gift from a congregation desiring to help us minister to students with more diverse needs.

The building committee, chaired by School Board member and structural engineer Phil Johnson, has designed the Student Life Center to facilitate campus life and community. The SLC will provide a place for varsity athletics, intramurals, and events open to both our campus and the public. It will provide space for future classroom and office needs, while giving students a place to exercise and gather outside of their dormitories. Prayerfully, this facility will enhance the ministry of the Free Lutheran Schools while also drawing interest in our campus from community members who don't even know we exist. We anticipate this building will become a center of student life on campus. It is the culmination of a vision that is over 50 years old with initial designs dating back to 1997.

We thank God that giving to the Schools has reached record levels even while we solicit gifts for the Student Life Center. The Free Lutheran Schools is valuable and affordable, but it is not free. Generous donors like you allow us to bill students for far less than the actual program costs. Students in seminary pay half of what their housing would cost and one-third of what their education actually costs. Bible School students benefit from subsidies that reduce their actual costs by one-third. A student at AFLBS can attend a year of college for less than it would cost for them to share a two-bedroom apartment in Minneapolis and feed themselves. The Free Lutheran Schools is a great value.

This year we were able to give out record amounts of scholarships. These scholarships come from donors who give directly for the purpose of scholarships, along with proceeds from our scholarship endowment. Over the course of the next three years we are praying and working toward offering an average AFLBS scholarship of \$2,000, which amounts to one-third of tuition, and exceeds by 300% what we were awarding just two years ago. Eventually that amount will be endowed for a full campus of 150, with additional gifts funding scholarships for students as our student body expands.

Our current AFLBS student body is quite large, especially for an association our size. A large class will leave the campus for internship in June, but we see average class sizes stabilizing at 5-6 full time students every year, with occasional larger classes addressing our long-term pastoral shortage in the AFLC.

The second-year class at AFLBS was quite small this year, but the first-year class was slightly larger, with a large percentage of students planning to return next fall. As of this writing we have 65 students accepted for fall of 2019, a large group for this time of year, and we anticipate 70-80 students for each of the next two incoming classes. A dedicated group of student recruiters has been working to increase our AFLBS enrollment for the last four years, and these efforts are starting to bear fruit. Recruiting is a pipeline process that is both bathed in prayer and given the highest level of our effort and commitment. We plan to expose the greater Minneapolis/St. Paul area to AFLBS in these coming years, as most in our community do not know we exist. We see no reason that our relatively small campus can't be full in the near future, but we know the recruiting road will not be easy. Please pray with us and encourage those in your sphere of influence to invest a year or two of their lives in laying a Biblical foundation for their future. Start here, go anywhere, grounded in God's Word.

Along with accreditation, the biggest news of the year was the call of our new AFLBS Dean Pastor Adam Osier. Pastor Osier and his wife Courtney bring long-term, varied experience to our campus. They will serve faithfully and capably, as Pastor Osier focuses on teaching in and administering the AFLBS program. We are excited for his June 1 beginning, and will be introducing him to the Annual Conference.

Thank you for your support of the Free Lutheran Schools. We don't exist to help the AFLC survive; we exist to help Christians thrive. As long as there remain souls to be saved, as long as Christ carries, we who are created, redeemed, and called by the Word of God must not settle for survival. We establish students for life in Jesus Christ so that no matter where our students go (inside or outside the AFLC, inside or outside a congregation) they can thrive, building on that foundation for whatever vocation or circumstances lay ahead. Hell's gates are defensive. We need not fear them. Christ builds His church on His word, and the gates of hell

shall not prevail against Christ, His Word, and His church, even when steeples are falling.

In Christ's Service,
Pastor Wade Mobley
President, Free Lutheran Schools

We highly appreciate each one of our teachers, staff members, and board members that lovingly and sacrificially served during the 2018/2019 academic year in the ministry of the AFLC Schools. Together these employees and board members enhance the student experience through support, dedication, and commitment to the mission of the schools.

Board of Trustees:

Rev. Alan Arneson
Donald Balmer
Gary Erickson
Rev. Todd Erickson
Philip Johnson
Dean Nelson
Rev. Lloyd Quanbeck

Full and Part-time Faculty:

Andrew Abel
Dr. Brad Bierle
Dr. Oliver Blosser
Rev. Brett Boe
Andrew Hanson
Dr. Phil Haugen
Rev. Jason Holt
Rev. Phillip Hooper
Rev. Robert Lee
Rev. Jerry Moan
Rebecca Moan
Rev. Wade Mobley
Dr. James Molstre
Rev. Stephen Mundfrom
Rev. Brent Olson
Dr. Mark Olson
Dr. Nathan Olson

Full and Part-time Staff:

Andrew Abel
Aaron Arneson
Brad Bierle
Sarah Bierle
Andrea Christenson
Caitlin Curtice
Chester Dyrud
Jean Erickson
Wayne Floan
Andrew Franz
Michelle Franz
Ruth Gunderson
Cody Halverson
Caleb Holt
Emily Johnson
Josh Johnson
Marilee Johnson
Alisha Kneeland
Andrew Kneeland
Emily Kregel
Joseph Larson
Rebecca Moan
Seth Moan
Rachel Molstre
Sherry Mork
Larry Myhrer
Laurie Nash
Heather Olson
Michael Onstad
Rachel Papillon
Matt Petschl
Scott Pierson
Shawn Rodrigo
Rachel Ryerson
Patrick VandenBos
Brian Westerbur

DEAN OF THE SEMINARY

To the 57th Annual Conference of the Association of Free Lutheran Congregations assembled at Canadensis, PA, June 11-14, 2019.

The conference theme, “As for me and my house”, is taken from the text in Joshua 24:15, “And if it is evil in your eyes to serve the Lord, choose this day whom you will serve, whether the gods your fathers served in the region beyond the River, or the gods of the Amorites in whose land you dwell. But as for me and my house, we will serve the Lord.” Just prior to this verse, Joshua, inspired by God, gave a history lesson to the people of God’s great work among them. He recounted that God had been faithful to Abraham, Isaac, Jacob, and Moses. God is faithful. As we consider the past 57 years of AFLC history, we also acknowledge that God is faithful and has promised He will be faithful.

This year, AFLTS instructed 27 students, eight were graduated in May, nine are currently on internship, six will be Seniors in the fall, four will be Middlers, and we look forward to God’s provision for our incoming Junior class. It has been a privilege to be the Seminary Dean and to invest in the lives of these 27 men. God has been doing a great work in our seminary. I am especially pleased that, between this year and next year, we will have 16 men prepared to go into parish ministry in the AFLC with one other likely serving in China.

Among the many responsibilities of the Seminary Dean are program development and review, classroom instruction, soul care, and connecting with future seminarians.

Program review is an ongoing task. Last year, the Sverdrup Society asked me to analyze and compare the Augsburg model of Sverdrup’s program of Seminary study to the Free Lutheran Seminary program. This was a very helpful assignment, and I appreciate that the Sverdrup Society asked me to take on that task. Sverdrup desired that Pastors be trained in God’s Word, and that the heart of the student be controlled by the Spirit. “Therefore is he best trained for the ministry whose heart is most thoroughly permeated by the love of God and whose spirit is most completely illumined by the light of the Spirit of God.” (Georg Sverdrup at the 25th anniversary of Augsburg).

This is also the goal of the Free Lutheran Seminary. Our emphasis is on the in-depth study of God’s Word, Old and New Testaments. Our desire is also that our students have a personal relationship with Jesus Christ, and that their hearts are controlled by the Spirit. The best Pastor is the one who loves his congregation and is concerned about the condition of their soul.

The AFLC Dean is considered a faculty position, and I teach about six credits each semester. I have had the privilege of teaching hermeneu-

tics, expository preaching, pastoral theology, pastoral counseling, and preaching/public speaking in the Bible School. It has been a joy to interact with the students in the Seminary and the Bible School. I have seen in our students a hunger to learn and to grow as future Pastors in the AFLC.

I have especially enjoyed times of mentorship, and fellowship with our seminary students. And I am excited for you, the congregations of our AFLC, because you will have the pleasure of ministering with these men. They are curious, they are passionate, they are hungry for knowledge and experience. They are eager to put into practice what they have learned in the classroom. The men sharpen and hone one another in the faith. There are not polemical disputes, but rather inquisitive back and forth discussions. They remind me of the passage in Proverbs 27:17, “As iron sharpens iron, so one man sharpens another.” The time I spend with each seminarian is also important as we continue to assess our seminary goals and outcomes. The seminarians have a vital perspective that is considered and often implemented.

God is the one who calls men into the ministry. Would you pray with us for more men? There is a shortage of pastors in the AFLC. Because of the aging of our clergy, we are in need of 6 to 8 men every year to simply maintain the status quo. I would love to meet with anyone who is interested and feels the call of God to prepare for ministry. If you know of anyone who may be struggling with God’s call on their life, have them give me a call.

Israel trip

One year ago, some men from Emmaus Lutheran Church in Bloomington Minnesota approached the seminary with the prospect of taking all of our seminarians to Israel. It seemed almost too good to be true, and the seminarians at first thought I must be joking. It was no joke, with the financial assistance of several from Emmaus, 21 seminarians and 5 faculty made the trip, guided by Mike Anenson. We are so thankful for this extremely generous gift. The men have experienced a once in a lifetime trip to walk where Jesus walked. It has been exciting to listen to the men tell us their Israel stories. They will never be the same. Thank you Mike Anenson, and thank you Emmaus Lutheran Church.

Chapel update

I have made it a priority to update the seminary facility currently housed in the campus chapel. There is much to be done, but we have started. Last year a new Middler/Senior classroom was built out of the existing basement cafeteria. This year a new kitchen and seminary coffee house which I like to call the SverDrip Coffee house has been constructed out of the former Bible School kitchen. The chapel hallways, entry ways and windows all need to be replaced or remodeled. We also need an elevator to make the seminary classrooms and the chapel handicapped accessible. This is only a start; it is our prayer that, over the course of 5 to 10 years, the entire chapel will be updated.

Our Faculty and Staff

Our full-time faculty includes Dr. Phil Haugen, Pastor Jerry Moan, Pastor Steve Mundfrom, and Pastor Brent Olson. Pastor Robert Lee is half-time. It has been a pleasure serving with these men. They are Godly, dedicated, and determined that our seminarians appreciate the nature of the calling to which they have been called. These men teach the inerrant Word of God and apply it to the pastoral calling in each of their classes. They are able to do so because they themselves have been parish Pastors. I am also thankful for our adjunct professors this past year: Dr. Blosser, and Dr. Nathan Olson, and our gifted Music director and teacher, Andrew Hanson.

In addition to their regular teaching schedule on campus, Pastor Jerry Moan, Pastor Steve Mundfrom, and Pastor Brent Olson are pursuing doctoral degrees. Jerry Moan and Steve Mundfrom: Doctor of Ministry degrees; and Brent Olson: a Ph.D.

Dr. Haugen has announced his retirement this year. Those of us who had the privilege of sitting under his instruction are grateful for him and his faithful service to God's kingdom in the Bible School and Seminary. God has used Dr. Haugen, his teaching, and, perhaps even more, his example of Christian humility and awe of God's word. Thank you, Dr. Haugen.

I am also thankful for Pastor Wade Mobley and Dr. Mark Olson. Pastor Mobley has been a steady leader, an encouragement, and a good friend and confidant to me. He has a vision for our schools, a passion, and a God-given ability to lead. We are blessed to have him as we pursue a new gymnasium and student center. We are also blessed to have Dr. Mark Olson in leadership as we can now count ourselves among the accredited schools. Dr. Olson has been a great help to me in program review and has worked tirelessly on the accreditation of our school.

Marilee Johnson has been a great blessing to me. She has a heart for ministry, which she shows in a variety of ways, including hosting the many events we have at the Seminary, taking seminary wives for coffee, and lending a sympathetic ear. She is also a great help to me as she keeps me organized. Thank you, Marilee!

Thankful for you!

I am so thankful for you the people of our AFLC. It is through your generous gifts that we are able to provide scholarships that greatly help our men afford the costs of tuition and housing. Thank you to the Women's Missionary Federation and their commitment to pray and support financially our seminary.

Thank you to the generous churches willing to take an intern and to the supervising pastors. You are doing an essential part of seminary training. This year we needed nine churches for our nine interns. God supplied

once again by raising up pastors and churches willing to share with the seminary in the training of men for ministry.

I also want to thank the Board of Trustees for the many hours of faithful service and dedication to the schools. They have provided leadership, wisdom, and Godly counsel this past year, we are blessed to have such servants of God.

Please pray for our recent graduates:

Kevin Czymbor, Chris Kumpula, Justin Nelson, David Niemela, Ryan Patenaude, Matthew Pillman, and Israel Flores;

Pray for our Interns:

Kevin Hall, David Handsaker, Micah Klemme, Andrew Kneeland, Brian Lunn, Bryce McMinn, Seth Moan, Erin Tormanen, Brian Westerbur, and Maio Zhao;

Pray for our Seniors:

Joe Dombrowski, Ganzorig Enkhjargal, Lance Morrison, Michael Onstad, Kyle Smith, and Patrick Vandenbos;

Pray for our Middlers:

Scott Erickson, Joshua Johnson, Scott Pierson, and Sam Willard;

And pray for our incoming class, that God would prepare them to study for this important work of ministry.

Respectfully submitted,
Dr. James Molstre
Dean of the Seminary

DEAN OF THE BIBLE SCHOOL

To the 57th annual conference of the Association Free Lutheran Congregations assembled at the Spruce Lake Retreat Center in Canadensis, Pennsylvania, June 11-14, 2019.

Now therefore fear the LORD and serve him in sincerity and in faithfulness. Put away the gods that your fathers served beyond the River and in Egypt, and serve the LORD. And if it is evil in your eyes to serve the LORD, choose this day whom you will serve, whether the gods your fathers served in the region beyond the River, or the gods of the Amorites in whose land you dwell. But as for me and my house, we will serve the LORD. - Joshua 24:14-15 (ESV)

Like all texts, Joshua 24 benefits from context. The text is more than a nicety for a housewarming plaque. It is not a bumper sticker declaration of allegiance to a set of ethical standards or a political party. This text is a call to repentance, an acknowledgement of corporate idolatry. To turn from our idolatry, we must turn back to the Living God, and to do so we must know Him as He has revealed Himself to us in His Word. Even more, what follows this call to repentance (“you are witnesses... you cannot follow...”) points to the power of God to move us to repentance through this word of kindness, creating and sustaining faith in the human heart.

This year at AFLBS just over 90 students studied this life-giving word of God at AFLBS. These students participated in eleven core Bible courses each semester, ranging from Pentateuch to Revelation, while also including foundational courses in Apologetics and Worship and Music of the Church. Additionally, they are able to choose elective credits which can delve them further into specific books of the bible or help them focus on ministry areas of interest, like Intro to Cross-Cultural Ministry or Growing a Healthy Youth Ministry. In addition to their classroom studies, these students lived together in a discipleship learning community that enforced what they learned in their studies. Over 70% of our students served in official AFLBS ministries, ministries through local congregations, and vocationally in their places of work and families. Our academic program is strong, with highly-qualified instructors and a program honed every year for maximal effectiveness, but what makes AFLBS unique is the equal emphasis of academics with student life and discipleship. We work hard to make the most of the transition between high school student and adult learner, providing guided accountability and responsible freedom in equal measure.

Those familiar with AFLBS may well recognize that our enrollment numbers this year were small. Our senior class is the smallest we have had since my graduating year of 1997. The junior class was bigger, and the vast majority plan to continue their studies this fall. Additionally, enrollment is increasing somewhat dramatically. As of this March writing we have 65 completed applications, a vast increase over recent years. We are budgeting for 100 total students, anticipating 110, and praying for 120. Our dedicated team of recruiters contacts over 1000 potential students regularly. We have been recruiting intentionally for about five years now, and the “pipeline” that has been filled is now producing results.

While God brings every student to our campus, we recognize that most students need to consider AFLBS as an option early in their high school careers if they are likely to choose AFLBS. Students face strong pressures to pursue a career or enrollment at an institution offering greater brand visibility or

prestige. One of the most daunting narratives to overcome in recruiting Bible School students is from parents and guidance counselors: “I’m sure there is some value to going to Bible School, but you’re a good kid, and you’ll be okay in college, so it’s important to get on with your career.” There are a few faulty ideas buried in this narrative. First, AFLBS graduates finish their four-year degree, on average, before their peers, as the vast majority of students change majors or encounter delays in their education. Second, Bible School isn’t something you do instead of college; it is one way to pursue college. Third, people tend to think their students are readier to face a sometimes-hostile secular college environment than they actually are. While it is certainly possible to thrive as a Christian on a secular college campus, to do so takes a level of Christian maturity that high school graduates are unlikely to possess.

When I talk to parents about helping their child select a college, “survival” is a common conversation: “Is my child ready to survive as a Christian in college?” While I understand the sentiment, I submit that this is the wrong question. Survival is a decent fallback position, but it is a substandard goal. Nobody holds their newborn in their arms and says, “God, I hope she survives college.”

What if we started our college search with better questions? Where will my child learn to approach the mission field with confidence? Where is the best place for my child to become established in the Word of God for wherever God takes them in life? Where will my child learn how the forgiveness of sins applies to every aspect of their lives? Where will my child be equipped to serve in a thriving local congregation that makes disciples of precious, eternal human souls around them?

AFLBS teaches much more of the Bible to a deeper level than any Christian college I know, but an impressive handful of other schools teach students a Christian worldview well. However, most students who choose to not attend AFLBS don’t go to those colleges, either. Some go to elite colleges where prestige takes precedence over Christian teaching, but most go to whatever public university offers the lowest-priced route to a college degree.

Cost is only one part of a value equation. Most people view education primarily as certification that enables someone to get a job to make money. That is an insufficient goal for education. Education is more transformation than certification, a fact that is all the more important when you consider education through the eyes of the Christian life. Students need instructors, not just information.

AFLBS establishes students in the eternal and inerrant Word of God for a life of faith in Jesus Christ and faithful service in His kingdom. We teach students congregational life and discipleship, and nurture them in a discipleship learning community as they grow in spiritual maturity. We do all this at a great price. Most of our students pay less than half of what it actually costs to train, house, and feed them. As a fully-accredited two-year college, AFLBS is a great value, with a growing number of four-year colleges accepting most (or all) of our credits.

This great value comes as a blessing from God through generous donors. Every student actually costs \$18,000 per year, all inclusive. We bill about \$12,000, and this year we were able to give a median scholarship of \$1,200 on top of that, and this in addition to scholarships provided by home congregations and civic groups. We charge less than it would cost for someone to live in the Twin Cities and feed themselves, and students benefit from a great program all at the same time.

AFLBS is in a strong financial position thanks to generous donors like you. We couldn't do what God has called us to do without you doing what God has called you to do. We all do our part, and we are thankful for your participation in this ministry. It will be my joy to introduce you to Pastor Adam Osier at Annual Conference. Pastor Osier leaves Ruthfred Lutheran Church in Bethel Park, PA, to serve as the Dean of AFLBS beginning July 1. We thank God for Pastor Osier and his family, and we look forward to serving alongside him in the years to come.

One last thought: Parents, pastors, and encouragers can't really choose where their students go to college. That is part of growing up. But your students need (and usually want) your input. Yes, you'll support and love them no matter what. But maybe they need to hear from you, "I'd really like to see you begin your college career studying God's Word at AFLBS. You'll never regret it."

In Christ's Service,
Pastor Wade Mobley
Interim Dean of AFLBS

VICE PRESIDENT OF OPERATIONS AFLC SCHOOLS

To the Fifty-eighth Annual Conference of the Association of Free Lutheran Congregations gathered in Canadensis, PA. Proverbs 16:3: states, *“Commit to the Lord whatever you do, and he will establish your plans.”* We are so grateful to the congregations, individuals, parents, and students who generously contribute to the AFLC Schools. We could not exist without all the prayers and support we receive every day.

The proposed AFLTS budget for the 2019-2020 fiscal years is \$739,069. This includes a tuition increase of \$200 per year. The proposed AFLBS budget for the same period is \$2,239,635. This includes a \$70 increase in tuition, a \$50 increase in room charges, and a \$50 increase in board charges per year. Based on these projected budgets, the Board of Trustees request the Annual Conference to approve a subsidy for the 2018 calendar year of \$363,871 for the Seminary and \$673,394 for the Bible School.

The audited financial statements of the Free Lutheran Theological Seminary Corp. shows we finished the 2017-2018 Fiscal Year with a positive Net Change in Unrestricted Net Assets (net income) of \$30,050.00 prior to depreciation. This marks a positive net change in net assets in seven of the previous eight fiscal years. As of December 31, 2017, the AFLC Schools have approximately \$1.3 million in scholarship and endowment Funds that are used to provide financial assistance to Seminary and Bible School students. During the '18-'19 school year, \$103,325 was disbursed for AFLBS Scholarships and \$104,220 was disbursed for AFLTS Scholarships.

Once again, we would like to extend a special thank you to the WMF. Through their generous donations, approximately 30 rooms in the women's dorm and 10 rooms in the men's dormitory now have new furniture. Their gifts have allowed us to purchase new desks, chairs, dressers, bookcases, and bunk beds for our students to enjoy.

As we look towards 2019, the AFLC Schools are committed to continue using our financial resources to train servant leaders, increase enrollment at both Schools, and pursuing programmatic goals such as full accreditation. More information about the Schools financials is available in the 2019 Annual Report and also by request. More information on the Century Fund and our endowments are available online and at our Conference booth.

Respectfully Submitted,
Larry S. Myhrer
Vice President of Operations - AFLC Schools

WORLD MISSIONS COMMITTEE CHAIRMAN

To the 57th Annual Conference of the Association of Free Lutheran Congregations, assembled at the Spruce Lake Retreat Center, Canadensis, Penn., June 11-14, 2018.

Our first Fundamental Principle states, “According to the Word of God, the congregation is the right form of the kingdom of God on earth.” Georg Sverdrup and Sven Oftedal wrote these words about the importance of the local congregation while serving on a mission field. They came to the United States with a passion for missions. They believed planting and building up free and living Lutheran congregations was the best way to do missions.

We still believe missions is about congregations. Sverdrup’s teaching about the freedom of local congregations is not just applicable in Western culture. In every culture, the best way for people to be reached for Christ and to grow in Christ is for them to be a part of a free and living congregation.

Local congregations will and should look different in different parts of the world. Some may meet under a mango tree. The music some sing may not have four-part harmony. The main worship time of some may be on Sunday evening rather than Sunday morning. That is part of the beauty of the freedom of the local congregation. There is freedom in the areas where Scripture is silent to do what is best for spreading the gospel and serving the Lord and people in that community.

We long to see free and living Lutheran congregations planted and built up all over the world. In each of our mission fields our emphasis is on local congregations.

The work of Ambassador Institute continues on under the direction of missionaries and national workers, in particular in Uganda and India. The material can be a useful tool to use in the planting of new congregations and training people in local congregations.

The work of Journey Missions continues on under the direction of Jon Nelson. Short-term missionary assistants are trained and sent out to serve local congregations in various parts of the world. Mission trips are organized to serve congregations on the mission fields. The trips also serve the congregations which are sending people as they return to their congregations with a greater passion for missions.

After 17 years of service, Rev. Del Palmer has retired as AFLC World Missions Director. We give thanks for Rev. Palmer’s faithful service. He has worked hard at supporting our missionaries, visiting our mission fields, keeping our missions department organized and communicating with local congregations. Thank you too to his wife Karen for her faithful service.

She has often traveled with Del and been a source of encouragement to many. We ask you to pray for the Palmers as they transition into new areas of service.

After much prayerful consideration our committee called Rev. Earl Korhonen to be our new World Missions Director. We are very thankful for Rev. Korhonen's acceptance of the call. We look forward to how he will be used by God to provide pastoral care and encouragement to our missionaries and communicate with local congregations about the work God is doing in world missions. We appreciate your prayers for Earl and his wife, Joan, as they begin in this new area of service.

We ask you to pray with thanksgiving for our missionaries and national workers as they serve local congregations around the world. We appreciate greatly the work of our office manager, Wanda Jacobson, and ask you to pray for her. We appreciate Jon Nelson and the important work he does in Journey Missions and the many ways he serves World Missions. Please pray for him and his family.

We are requesting a budget subsidy of \$434,000.00 for World Missions and \$762,000.00 for Personal Support.

The terms on the committee of Glen Espe and Rev. Kent Sperry are expiring. They are both eligible for re-election.

We give thanks to the congregations and individuals who pray for the work of AFLC World Missions, give of their time and resources to support the work, send notes of encouragement to missionaries, go on trips with Journey Missions and support the work in all kinds of different ways. Thank you for your service, your desire to see the good news of Jesus spread and your interest in seeing people throughout the world get to be a part of free and living Lutheran congregations.

Respectfully submitted,
Rev. Craig Johnson
World Missions Committee chairman

THE WORLD MISSIONS DIRECTOR

To the Fifty-Seventh Annual Conference of the Association of Free Lutheran Congregations, assembled at the Spruce Lake Retreat Center, Canadensis, PA, June 11-14, 2019.

As I write my first report as AFLC World Missions Director, it is a joy to be visiting one of our long-time missionary families in Brazil, Paul & Becky Abel. Our 2019 Conference theme, “As for me and my house, we will serve the LORD” is expressed in the Portuguese language on a plaque in their dining area. Earlier in the day, I visited our missionaries John and Hannah Lee and family--they too have a wall hanging of our conference theme verse. I wonder where I will see the verse tomorrow!

This verse is more than a decoration for Christian homes; it is a verse that gives us hope because of the grace of God in our lives. In the preceding verses, Joshua gives example after example of God’s love toward Israel. We recognize this as God’s grace upon His people. Joshua reminds the people that God called Abraham out of the land beyond the Euphrates where his father served other gods. And it was God who gave Abraham heirs of the promise. Then God sent Moses and Aaron to deliver Israel from Egypt. The entire chapter leading up to our theme verse is the history of God’s faithfulness to his people. It is all the evidence of God’s grace that inspires Joshua to boldly proclaim, “As for me and my house we will serve the LORD!”

It is God’s grace that must motivate our ministry today. Like Joshua, we need to recognize that we too live in cultures that are like rushing rivers carrying everything in their path downstream to destruction. Our cultures and our people need God’s grace. They need Jesus. We must continually be reminded that without being reconciled to the Lord God through faith in Jesus, people remain under condemnation (John 3:17).

We ought to evaluate our lives and ministries at events such as our annual conference to consider our place in God’s plan to reach others. We must look back and give God the glory for his work in our lives. And because of Jesus’ transforming work in our own lives, we will continue to serve the Lord with gratefulness for God’s grace upon us. We must recognize the darkness of spiritual blindness around us, but be renewed in the hope that God wants all to be saved and to come to the knowledge of the truth (I Timothy 2:4). It may be tempting to throw up our hands and surrender to discouragement at the overwhelming task of impacting our culture, but we have hope in ministry because we have the message of the Gospel. And this is the hope other people are looking for. If you know Jesus, you can appeal for strength from God himself to press on in life and ministry serving the Lord. This is my prayer for our dear missionaries and it is my prayer for our entire AFLC.

Brazil

In Brazil, there are 18 Congregations and two preaching points with *missionaries and nationals who are seeking to serve the Lord*. Our AFLC missions presence is through the ministry of three families and one single woman.

Paul & Becky Abel have planted four congregations and continue to serve two of them. They participate in some of the programming at the ARCA retreat center adjacent to their home in the country, and work faithfully with the compassion needs of their community.

Jonathan & Tamba Abel divide their time between serving the congregation in Maringá and teaching at the seminary an hour away in Campo Mourão.

Jonni Sliver faithfully ministers in the Miriam Children's home on the Campo Mourão Bible school and seminary campus. At times the home cares for up to 24 children.

John & Hannah Lee are in Campo Largo focusing on language learning and ministry with Paul & Becky Abel. They arrived in Brazil in June of 2018, and are in discussion within the Brazil Field Conference and the World Missions Committee to determine their future placement in Brazil.

India

In India, *we seek to serve the Lord through national workers.* At our 2018 Annual Conference, the World Missions Committee launched the new sponsorship program for the boys and girls staying in the Horeb home in India, enabling us to be good stewards of the resources God provides. The number of children staying at the home ranges from 72-86. When Brent & Emily Raan were denied visas by the Indian government, we had concerns that there would be no way to ensure oversight of the sponsorship program. But the Lord answered prayer through the generous gift of an AFLC donor in the US which, Lord willing, will provide funding for a couple in India to oversee the program for many years. Our missions department is now able to track the attendance and welfare of each of our sponsored children at the Horeb Home on a daily basis. The World Missions Committee has approved a goal of 40 sponsorships. The need for 20 more sponsors remains.

We seek to serve the Lord by planting congregations and fostering growth.

The AFLC-India now includes 53 congregations, 38 pastors, and 11 Bible women. As our faithful India nationals share God's Word, we continue to see new congregations planted and some of the established ones growing to the extent that they have need for expansion. The Lakshmipuram congregation had such a need this past year. After years of saving funds for a new building, the congregation applied for, and was given a gift from the World Missions Committee to enable the congregation to complete their new building. Between the writing of this report and our annual conference, I expect to have the joy of representing our AFLC at the building dedication on May 5, 2019.

Ambassador Institute continues *to serve the Lord by training nationals.* Ambassador institute India is still going strong under the national leadership and Brent Raan's yearly visits. More details are included below.

Mexico

We continue to maintain a strong relationship as *we serve the Lord together* with the Central Mexican Lutheran Church (CMLC). It was a joy for myself, and two former AFLC World Missions directors, Del

Palmer, and Eugene Enderlein, to be present for the 40th anniversary service of the denomination on Easter Sunday. Eugene was blessed by being asked to bring the Easter Sunday message.

Israel Vazquez-Flores, nephew of Milton Flores, has finished his internship in Salinas, CA and graduated from AFLTS. He is looking forward to ordination and *servicing the Lord*.

The Lord continues to use Todd & Barb Schierkolk to build the congregation they serve through ministry to children and teens. An example is two sisters, Brenda and Wendy, who were reached through the congregation's kids club and have now grown, finished their nursing degrees, and are *faithfully servicing the Lord* in the ministry of the congregation.

Uganda

Our three missionary families and one single man in Uganda *continue to serve the Lord* by bringing the Gospel to people.

Nate and Rhoda Jore are ministering in the countryside about 45 minutes north of Jinja. They are overseeing the Ambassador Institute and establishing relationships in the community with the goal of establishing a congregation.

Micah & Famke Berger were making plans to relocate to Karenga, in the far north of Uganda, but are reevaluating that plan due to the hardships of moving into that area. They are ministering to the people in Jinja through Ambassador Institute and are continuing to work on their documentation. Brent and Emily Raan have been evaluating areas to plant churches. Brent, Del Palmer, and I are planning to investigate Gulu, a village several hours northwest of Jinja, to determine the feasibility of planting a congregation in that village.

Michael Rokenbrodt was commissioned last year at the Annual Conference. He ministers annually in Uganda (January to May) and the rest of the year he teaches the scriptures through drama at Luther Island Bible camp near Wadena, MN.

Ambassador institute India is still going strong under the supervision of Nate Jore. More details are included below.

Ecuador

Justo and Patricia Pillman and their family returned from Ecuador in August of 2018. Justo continues to *serve the Lord* by working in Minnesota and assisting World Missions in the design of our new website. They are waiting on the Lord for his will concerning a possible future assignment in AFLC World Missions.

Switzerland

In 2018, the official working agreement was signed between AFLC World Missions, the Brazil AFLC (AILLB) and the El Shaddai congregation of Geneva, Switzerland. The AFLC congregation in Geneva is served on a part-time basis by Augusto Furi, who was formerly a lay pastor in the

AILLB. The congregation understands their responsibility of *servicing the Lord* through evangelism, outreach, and missions. One of their mission projects is the support of AFLC pastors in India.

Paraguay

Paraguay is once again an active mission field for the AFLC. Matthew & Ednay Abel moved to Luque, Paraguay in January 2019 to begin their language training in the Guaraní language. During this time of language training, we are seeking ways for them to *serve the Lord* long-term in Paraguay.

Mongolia

In September, 2018 the AFLC World Missions chairman, Craig Johnson, and AFLC president, Lyndon Korhonen, accepted the invitation to visit the Evangelical Lutheran Church in Mongolia. The result of that visit is a desire for AFLC schools, World Missions and the Evangelical Lutheran Church in Mongolia to work together *to serve the Lord*. Three goals have been established: 1) Send AFLC pastors and AFLTS seminary faculty to teach short-term courses. 2) Participate in English language camps. 3) Encourage scholarships for Mongolian students to study at AFLTS. We look forward to how the Lord will bless this fellowship.

Ambassador Institute

The work of Ambassador Institute continues *to serve the Lord* in India and Uganda by training pastors and lay people in God's Word.

Since international missionaries have not been permitted to enter India on a long-term basis, Brent Raan is serving the Lord as the Ambassador Institute department head in India. He makes annual trips there from Uganda to oversee and encourage the work. Ambassador Institute in India is focusing on working within the AFLC congregations. Additional oversight is provided by the annual World Missions Director visits.

Ambassador Institute Uganda is headed by Nate Jore. He works with the Ambassador Institute Leadership Team. Our missionaries in Uganda are using our Ambassador Institute curriculum to win souls, disciple people, and are attempting to gather them together into free and living Lutheran congregations.

Journey Missions

The work of Journey Missions continues to *serve the Lord* in three areas: short-term assistants, student mission trips, and inter-generational mission trips. Jon Nelson serves as department head planning and overseeing all the details for the student mission trips, the inter-generational mission trips, and recruiting, training, and supporting our short-term assistants. A list of short-term assistants can be seen below.

Inter-generational Mission Trips are for all ages. We have three upcoming trips planned:

Uganda - July 31 - August 16, 2019

Brazil - July 31 - August 16, 2019 (Led by Steve Deysher)

Israel - November 4 to November 15, 2019

STATISTICS - MISSIONARIES

Called

| | |
|--------------------------|----------|
| Paul and Becky Abel | Brazil |
| Jonathan and Tamba Abel | Brazil |
| John and Hannah Lee | Brazil |
| Jonni Sliver | Brazil |
| Matthew and Ednay Abel | Paraguay |
| Micah and Famke Berger | Uganda |
| Nate and Rhoda Jore | Uganda |
| Brent and Emily Raan | Uganda |
| Michael Rokenbrodt | Uganda |
| Todd and Barb Schierkolk | Mexico |

On Loan

| | |
|-------------------------|--|
| Ben and Adela Jore | Distant Shores Media, USA |
| Steve and Glenda Kvale | Wycliffe, USA |
| Andrew and Alexis Olson | Lutheran Bible Translators, Tanzania |
| Joshua and Ruth Wagner | Lutheran Bible Translators, Sierra Leone |

Candidates

Missionary Candidates are those whose applications have been accepted and are working toward becoming AFLC Missionaries. They are listed below with their current locations while in the process of becoming missionaries.

| | |
|------------------------------|----------------|
| Jon and Hannah Langness | Deshler, NE |
| Brandon and Ashley Marschner | Culbertson, MT |

Short-Term Assistants

These are our volunteers serving full-time for a short period of time.

- Emily Olson, Celaya, Mexico working with Pastor Milton Flores.
- Seth Skogerboe, Multiple countries.
- Kirstie Schierkolk, Multiple countries.
- Derick Perry, Jinja, Uganda (Summer 2019), with Brent & Emily Raan.

National Leaders

| | |
|--|--------|
| Iran Goes - President of AILLB | Brazil |
| D. Luther Sastry - President of AFLC-I | India |
| Milton Flores - President of CMLC | Mexico |

Thanks

These first three months have been a whirlwind of activity and blessing as I have been meeting our faithful servants on the mission field and learning the administrative tasks of the World Missions office. I give my sincere thanks to our World Missions Committee for their fellowship and the vision they have for reaching souls with the Gospel and establishing congregations around the world.

Thanks be to God for His grace. The homes of our AFLC that are serving the Lord are a testimony to God's saving grace. We do have hope. Our hope is Jesus!

Thanks to my wife, Joan, whose love for missions and desire to see people grow in their faith is a constant joy to me.

Thanks to Jon Nelson as he oversees the work of Journey Missions.

Thanks to our office staff: Wanda Jacobson, World Missions Office Manager; Carol Knapp, Social Media Director; and AJ Watland, Administrative Assistant.

Thanks to our World Missions Committee. Thank you for your commitment to AFLC World Missions in prayer, support, accountability, and planning. The fellowship we have in Jesus makes our meetings a joy. You are all an encouragement to me!

Thank you Del & Karen Palmer for investing your lives into AFLC missions over these last 17 years. Thank you for your fellowship, travel advice, and international experiences that you have passed on to Joan and I as you introduced us to our AFLC mission partners on the various fields. You both have the heart of a teacher, and we are blessed to have been with you these past three months. It has been a joy to see your love for Jesus and your desire to see people come to know Him around the world. We pray God's richest blessings upon your health and the ministry God has for you in the future.

Respectfully Submitted,
Rev. Earl Korhonen, Director
AFLC World Missions

THE HOME MISSIONS CHAIRMAN

To the 57th Annual Conference of the Association of Free Lutheran Congregations gathered at Spruce Lake Retreat Center, Canadensis, PA.

Near the end of Joshua's life, he declared, "As for me and my house, we will serve the Lord." (Joshua 24:15). By the end of the chapter, the 110 year-old Joshua dies and the tribes must adjust and transition to new leaders. Over the past 16 months, Home Missions has been preparing and adjusting to a transition of leaders. In February 2018, Pastor Paul Nash shared with the Committee that he sensed that it was time for him to transition away from director.

Just prior to last year's Annual Conference, Pastor James L. Johnson, Camarillo, CA accepted the call as Home Missions Director. Jim served half-time September 1 - October 31 and became full-time on November 1. Former Director, Pastor Paul Nash continued to provide training through the month of November. Paul has been kept on retainer for consultation as needed through June of 2019.

Jim has jumped into his new position with enthusiasm. As he has begun to process Home Missions, Jim has identified four church categories: Church Starts, Church Plants, New Churches, and Established Churches. And four kinds of Home Missions works: Village, Rural, Metro and Revitalization. He has also made it his goal to visit with each of the members of the Missions Corporation and to build bridges throughout the Association. We welcome Pastor Jim and Linda to Home Missions in this new role.

In addition, Administrative Assistant, Julia Pritchard submitted her resignation in the fall of 2018. Kristen Barka, who has had former experience with Home Missions accepted the position. We are so thankful for her acceptance of this position. It has been a smooth transition in the office.

Loren Tungseth has accepted the half-time position as Coordinator of the Alaska Mission. Rod Scheel, as Alaska Project Coordinator continues to specialize in the expansion of the KAKN Christian radio signal. And three missionary pastors serve on the Alaska mission: Jeff Swanson (Naknek, S. Naknek), Bob Lee (radio pastor), and Jeremy Crowell (pastor/pilot/mechanic).

In addition to the transition in Minneapolis, in God's providence, He released me of my call of nearly 32 years in Oklahoma City and transplanted me to Faith Lutheran in Durant, OK. Prior to the official organization of the church, I had the privilege to conduct services and Bible studies for this new mission start in 1998-99. Not only has this change in call and location had a significant impact on me but on the Home Missions Committee as well. Since the end of October, I have been making regular trips between Oklahoma City and Durant. Not knowing if I'm coming or going, I have leaned on the rest of the committee to carry more of the load. God's grace has been sufficient! In my weakness, He is strong! And the members of the Home Missions Committee have graciously filled the gaps.

Members of the Committee are:

Mr. Tom Couette, Pastor Dale Finstrom, Mr. Kenn Graham, Mr. Ron Jorgenson, Mr. Glenn Mork, Pastor Joe Ocker, and Pastor Jerry Peterson.

Two members will be going off the Committee:

Kenn Graham who over the years served 3 five-year terms and Pastor Joe Ocker who served 14 years.

Thank you for your years of service! At this conference, the Mission Corporation will elect two new members to the Home Missions Committee: one Clergy and one Layman.

So, a little over a year has passed with a new Director, Administrative Assistant, half-time Alaska Coordinator and 4/7's of the Committee Members. It is a time of transition.

It has been a privilege to serve on the Home Missions Committee. Thank you to the faithful service of former Director Pastor Paul & Laurie Nash; former Administrative Assistant Julia Prichard; of committee members past & present; Director Pastor James L. & Linda Johnson, Administrative Assistant Kristen Barka, FLAPS Director Dr. Kevin Lee, Alaska Coordinator Loren Tungseth, Alaska Project Manager Rod Scheel, Net Manager, Bobbie Overgaard, Parish Builder Recruiters Stephen & Stephanie Quanbeck, Oasis managers Pastor Rich & Kay Ramsbacher, Pastoral support Dr. Steve & Angie Lombardo, and the Home Missions pastors and families and churches.

Please keep each one in prayer. We are thankful for the prayers and financial support to the on-going work of Home Missions.

We recommend for approval by the conference the Budget Analysis Committee's figure of \$521,285.39. The actual total expenditure amount which the committee is anticipating for 2020 is \$913,377.19.

Respectfully submitted,
Pastor Jerry Peterson
Chairman, Home Missions Committee

THE HOME MISSIONS DIRECTOR

To the Annual Conference of the Association of Free Lutheran Congregations gathered at Spruce Lake Retreat Center, Canadensis, PA, June 11-14, 2019.

A lot to learn.

That's how I feel as the new Director of AFLC Home Missions. I have served as a pastor and teacher for 27 years. But church planting is different. True, Jesus is the same, says Hebrews 13:8 – “yesterday, today and forever.” But the way He builds His church looks different in every place. And starting last September, I have seen a lot of new places.

Last year at this time, I stood before you in Dickinson, North Dakota, with a long memory and a short list of experiences in new starts. My parents helped begin a Free Lutheran church in 1950. My sister and husband were church planters for three decades, and I studied their lives up close. I came to living faith in Christ at age 14 while living with them for the summer in Washington state. My first job as a youth director was in their new church plant in Wisconsin.

Since we said yes to this call one year ago, Linda and I have been making a full-time study of how Jesus builds congregations. After moving to California in 2006, we learned all we could about re-planting a little church on the West Coast. But as the newly named director of church planting in our church family, we have traveled to study at least 15 new congregations and I have a few more to visit. I've preached in new churches in the Dakotas, seen fresh starts in Hawaii, spent time in village outposts in Alaska, had preaching points in British Columbia, and flown to Missouri, Arizona, northern Minnesota and California. The Lord is doing something new among us.

A year has passed, and we still think of this as a big adventure. The Home Missions Committee has a fresh set of plans and dreams. We have come to a peace as we hope to help start three new churches every year for the next five years. But we have to learn to walk before we run. After long prayer times, ten face-to-face meetings, several phone conferences and deep conversations, this is our call: to help free churches plant free churches. Did you know that 6,000 churches close in America every year? Christians are currently planting 4,500 new congregations and house churches in America on average to replace them. We want to be a part of God's new process of building His Church. Our country needs the gospel. The ancient ruins need rebuilding. As a movement, the AFLC has always focused on spreading the gospel, reaching people in the new frontiers, and holding to the basics. We are called to rebuild foundations, to repair broken walls, to restore the streets but never neglect the country. We point people back to Jesus.

We hold fast to that call.

THE TRANSITION

Our friends, Paul and Laurie Nash, did so much to prepare us.

Paul worked hard here for 23 years and left Home Missions in a strong financial position. He rallied a wide network of friends who care about church planting. He and Laurie were very kind to us. We trained together for five weeks in the fall. After starting full-time on November 1, I spent the next seven months visiting AFLC church plants, pastors, leaders and families. Linda and I often travel together, but because we are still raising the two high school boys at home, I plan to limit travel to one week per month. We have now personally visited almost all 15 of the new congregations we served in the past. God is doing a fresh work in them. We have also met with at least six churches that want to consider starting new plants. I have contacted, called, visited with, and emailed almost all 100 of the members of the AFLC Missions Corporation. I have had visits with more than 150 alumni. Your input is valuable to us.

HOME MISSIONS COMMITTEE

I have spent many sweet hours of prayer and conversation with the seven godly men on the AFLC Home Mission Committee.

It's a mix of visionaries, analysts, preachers and detail people. The eight of us, and our new Alaska Coordinator, Loren Tungseth, work together well. Pastor Jerry Peterson is a sensible leader. Ron Jorgenson is the Vice Chair with a past in church planting. Pastor Joe Ocker is a veteran pastor and a great Secretary. Tom Caouette handles many of the budget issues for us. Pastor Dale Finstrom is a caring and passionate pastor who cares about revival and keeps us focused. Kenn Graham has a discerning eye and an evangelist's heart. Glenn Mork thinks like a missionary. Loren is a strong administrator with a gift for making friends. The nine of us meet together every other month in person, and almost monthly by telephone conference. My job is to work under them, to work hard to serve you, and to listen to the Lord.

We're finding an unusual peace from God as a team. The Lord is causing us to look ahead. Our job is to find missionary-minded pastors, and to rally churches and districts to plant churches. We have learned that we cannot do the work ourselves. I remember one prayer meeting in a cabin up in northern Minnesota when the Lord brought us an initial peace. The nine of us were discussing how we could invite AFLC churches to partner with us. We talked about what it would look like if we stopped using the designation of "Home Mission churches" and opened up the process. "What would we call the new churches?" one of our committee members asked. "And when would we have them 'graduate?'" Starting that day, we began to connect. The Spirit's presence was obvious. We're looking forward.

SUPPORT AND SUBSIDIES

The Home Missions Committee meets with new church planters twice a year and prays over them, receiving reports and rallying AFLC friends to get behind them. We support three congregations financially, helping Good Shepherd Free Lutheran of Madison, SD, with \$20,000 toward their annual budget, Hope Free Lutheran in Enderlin, ND, (\$12,000), and Lutheran Church of Hope in Loveland, CO, (\$20,000 toward their

ministry). Last year we helped support Pastors Joel Walde and Ryan Tonneson, providing full salary sponsorship for their respective ministries in Butte, MT, and Mesa, AZ, but both planters stepped down during the past year. Two other churches are applying for support this year – The Source in Mesa, AZ, and The Waikiki Beach Gathering in Honolulu, HI. Churches receiving financial support report to us monthly. We call on the others by phone, email and personal visits, speaking with many on a weekly basis.

It is the current plan of the Home Missions Committee to move away from the practice of giving direct subsidies to congregations and to begin working more closely with AFLC churches and districts who apply for grants. A detailed proposal is being reviewed by the Committee. It will soon be available to you. In an effort to learn to walk before we run, the Committee will be receiving applications for \$12,000 seed grants, with priority given to congregations and districts who match funds with donations of their own. We hope to consider larger grants in the future.

At the request of the resolutions from the Annual Conference the past two years, we are also attempting to correct a perceived imbalance between the efforts we have made in Alaska and the new works we as a family plan to begin in the rest of the country. Our common mission in Alaska is not yet self-supporting. We are aiming to make it so. Last year we invested \$169,760 in Alaska. We received \$141,170 in donations for that year, also. So our operating deficit was \$28,590. In the past four years our deficits in Alaska have been trending downward from \$102,000 in 2015 to \$87,126 in 2016, and down to \$52,553 in 2017. Our major expenses are supporting our two pastoral families up there. Pastor Bob Lee runs the radio ministry in service for the mission and Jeremy Crowell manages the aviation ministry required. The Home Missions Committee aims to help that specific ministry become fully self-supporting in the next five years.

We are also making changes to improve our church planting ministry in the rest of the country. We want to help make new churches less dependent on our direct oversight and help and move new congregations more quickly from church plant status to established congregations. Instead of doing the work of planting ourselves, we want to be a resource: to help our AFLC churches start new churches.

CHURCH DESIGNATIONS

We are also trying to avoid use of the term “Home Mission congregations.” We want to serve all AFLC churches. Instead of having 15 Home Mission churches, and trying to serve all of their various needs ourselves, we began designating congregations in four ways:

1. **Church starts:** New gatherings of believers where a Biblical fellowship grows.
2. **Church plants:** When a new fellowship establishes itself in the gospel, teaches the Word, rightly administers the sacraments, meets regularly, agrees on a legal constitution, calls a pastor, and applies to join the AFLC family. These churches typically have a small leadership team and are eligible for financial help and our ministry encouragement.

3. **New churches:** When a free church grows and becomes self-supporting, sees spiritual gifts flourish, watches new ministries sprout, and the leadership team multiplies, they move into this new category.

4. **Established churches:** All of the above plus 10 years of history.

We have recently seen God add three new promising plants in our church family: they are growing in St. Paul, MN (called Resurrection), Killdeer, ND (called Killdeer Free Lutheran), and in Honolulu, HI (Waikiki Church Gathering). There are definitely more to come. Already plants from other AFLC congregations have started in San Antonio, Texas, as well as the AFLC Canada's new Home Missions work in British Columbia, under the ministry of Pastor Doug Lutz and the oversight of AFLC Canada president Kelly Henning.

PRIORITIES IN MINISTRY

During the past year, we have given ourselves to five priorities:

1. To simplify.

Our focus is to encourage metro starts and rural congregations where there are few gospel-centered churches. Hiring a part-time coordinator to encourage our work in Alaska will help our committee focus on new starts in the other 49 states.

2. To focus on new starts.

We have not been able to see many new congregations start and flourish in the last few years. We're not sure why. Maybe God was taking us through a time of preparation. But it seems our AFLC family is hungry to break ground and plant new churches on the metro fringes and in small towns and rural areas that lack a healthy evangelistic presence. We desire to foster gospel-centered congregations, to get busy with the work of Matthew 28:18-20, and to ask you to help us. We are looking specifically at finding gifted planters who can help us reach the new frontier -- where our children and grandchildren are moving across America. We want to plant new churches where the next generation is building houses.

3. To build partnerships with churches.

We also believe God has been telling us to build bridges and take down fences. Instead of marking off 15 of our 250 congregations and calling them Home Missions congregations, we are looking for partners and trying to work together. We constantly remind ourselves: we are not a synod; we are an association of free churches. Will you join us in that work?

4. To help the Alaska Mission become self-sustaining.

The Alaska Mission is an exciting project in village missions. It's centered in a village church of 40 attenders in Naknek and 10 preaching points in fishing villages in the Bristol Bay Borough. Because we care about rural ministry, and because we have a long history of village missions and spiritual work in small towns, it seems that we are especially suited to help the mission work there. The ministry is close to our hearts. Though supporters give generously toward the work, Home Missions usually has to supplement the budget. With that in mind, the Home Missions

Committee believed it appropriate to bring a half-time Coordinator to the team. Loren Tungseth, a strong Christian layman in Fergus Falls, is an able administrator. With his oversight, I can help the committee focus on the work of helping new starts in the other states. Tungseth started on January 1. He is easy to work with and has been long involved in the work of Alaskan village ministry. He has become a good friend of the three AFLC pastor couples who work there. It is his goal to help the mission become fully self-sustaining. A resolution passed last year at annual conference asking us to review our work in Alaska and to consider the best path for the future.

5. To establish clear ministry goals.

Over the past few months, the Home Missions Committee has come to a peace about clear one-year, three-year, and five-year goals. Primary among these goals is to help churches plant three new churches every year and also contact all 100 members of the Mission Corporation for advice and encouragement every year. A complete copy of the Committee's goals can be procured from the Home Missions office. We also have laid out a plan to reach these goals, with detailed objectives. We are inviting the Missions Corporation to review these goals first. Our primary new objective is to work with you, our AFLC family, to help churches plant churches. We desire to be a resource and encouragement to them instead of trying to manage 10 to 15 new works ourselves.

CHURCH PLANTING GRANTS

As a part of that new partnership with you, we will be offering matching grants this year of \$12,000 each. We have at least two applications to recommend for your consideration this year, and likely four or five more to consider in the fall. It's a dream of mine to offer five or six every year for the next five years.

PASTORAL FAMILIES AND STAFF

God has gifted our AFLC movement with pastoral couples and church leaders who have faithfully followed the Lord's calling in planting new churches.

These pastoral families include:

- Paula and Kris Nyman (Hagerstown, MD),
- Judy and James Lindgren (Jamestown, MD),
- Kay and Rich Ramsbacher (Springfield, MO),
- Susan and Christian Andrews (Enderlin, ND),
- Brady Arneson (Honolulu, HI),
- Megan and Eric Johnson (Mesa, AZ),
- Debbie and Dan Giles (Mesa, AZ),
- Vicki and David Johnson (Boyertown, PA),
- Kim and Greg Schram (Loveland, CO),
- Mary and Steve Berntson (Jamestown, ND),
- Jane and Jeff Swanson (Naknek, AK),
- Margaret and Bob Lee (Naknek, AK),
- Lacey and Jeremy Crowell (Naknek, AK),
- Christie and Chad Friestad (Camarillo, CA),
- Penny and Joel Walde (who recently completed their ministry in

- Butte, MT),
- Monica and Andy Coyle have done a great job planting a new church in partnership with Abiding Savior Free Lutheran of Sioux Falls, SD. The new congregation, Shiloh, is in Summerset, SD, near Rapid City.
 - Another AFLC planting couple, Natalie and Matthew Ballmann, have begun a new church start in San Antonio, TX, in partnership with Abiding Savior.
 - Among ministry staff workers in newer churches are Barb and Mark Gustafson (Mesa, AZ)
 - Erin and Alex Monseth (Camarillo, CA),
 - Stephen and Stephanie Quanbeck (Crystal, MN), have recently completed their service on our part-time staff as Parish Builder Coordinators. Working to recruit and support young adults who volunteer in new churches, they have served with enthusiasm and effectiveness. With a second baby in the Quanbeck family, they stepped down in May. A new Parish Builder Coordinator is expected to be named shortly to succeed them.

Kristen (Agrimson) Barka began serving as our full-time office leader in November. She is a gifted manager and a skilled administrator. A former staff worker, an AFLBS graduate, a Barnabas Team veteran and a three-year Parish Builder, Kristen knows her way around the church planting ministry. She succeeds a gifted administrator, Julia Prichard, who served extremely well in the office for five years.

VOLUNTEERS AND PRAYER TEAM

Our church family has been served and supported by a host of volunteers that care about church planting and the cause of missions in the United States. Our email prayer team includes a list of 900 donors and friends who pray weekly and faithfully for our common ministry. We have also added a new publication, The Church Planter, to inform friends, prayer supporters, and donors of church planting of the work God is doing in our common work. We hope to publish this 16-page newsletter three times a year: in March, July and October. To get on our subscription list, or get on our “Knee-mail” prayer list to receive our Wednesday prayer updates and weekly video talks, please contact Kristen Barka at homemis@afic.org. You can call our office at 763-412-2018 or me personally at 805-807-8336.

We also owe a debt of gratitude to friends like:

- Rod Scheel (Fergus Falls, MN) who is helping with our radio ministry in Alaska,
- Dr. Kevin Lee (Beulah, ND) who is leading our pilot ministry, FLAPS,
- Stan and Shelley Overgaard (Dalton, MN) as they served as hosts for Barnabas Team training this year,
- Rich and Kay Ramsbacher (Springfield, MO) as they volunteer as hosts for the Oasis hospitality ministry.

The following college-age students have served the past year as Parish Builders, helping in new churches wherever they can: Erin Anderson and Hannah White (Loveland, CO), Eli and Elizabeth Neufeld (Mesa, AZ), Jessica Nikunen and Moriah Graham (Hagerstown, MD), Abby Dahl and Rachel Hoiland (Springfield, MO), Bryce Timmerman and Josiah

Fagerstrom (Jamestown, ND), as well as Parish Builders who completed volunteer service last year, Philip Mundfrom (Loveland, CO) and Kaelyn Anderson (Mesa, AZ).

Thanks for your prayers. Linda and I are grateful for your friendship. We are making a myriad of transitions as we begin this new journey. We now have five adult children, married off and on their own, a son and daughter in college, and two high school boys at home. We moved into a house 24 miles from the AFLC campus in Otsego, MN. We want it to be a place for family and friends, for planters and re-builders. People and partners like you. On our refrigerator is a Bible verse on a recipe card: Isaiah 58:9,11 giving this promise: "The Lord will always lead you, satisfy you in a parched land, and strengthen your bones. You will be like a watered garden and like a spring whose water never runs dry. Some of you will rebuild the ancient ruins; you will restore the foundations long ago." That's our calling. We want to restore the foundations.

With that in mind, we are proposing a budget for 2020 in the amount of \$913,377.19. The Home Missions Committee is making a subsidy request from the annual conference in the amount of \$521,285.39.

Respectfully submitted,
James L. Johnson
Director of AFLC Home Missions.

FREE LUTHERAN ASSOCIATION OF PILOT SUPPORTERS, INC.

To The 57th Annual Conference of the Association of Free Lutheran Congregations gathered at the Spruce Lake Retreat Center in Canadensis, Pennsylvania June 11th to 14th, 2019.

“As for me and my house, we will serve the Lord.” Joshua 24:15

I love the theme verse for this conference, and it is always good to listen to each of the ministries give their reports and describe what it means for each of them to “serve the Lord.”

FLAPS strives to serve by carrying those who will share the message. Romans 10:15 says it well.

“And how are they to preach unless they are sent? How beautiful are the feet of those who preach the good news!”

You could consider FLAPS to be God’s “feet,” or means of transportation, especially in Alaska where there is no other way to bring the messengers of salvation to the various remote villages.

FLAPS has been serving the AFLC for 20 years. We are thankful for the foresight of Godly men such as Pastor Paul Nash and Lavon Bohling. They felt led to begin this important ministry that they continue to serve and volunteer with today. The initial focus was to fly Pastors and other AFLC personnel to Worship services and other gatherings mostly within 500 miles of Minneapolis. The ministry opportunities expanded greatly when the AFLC was given the radio station and outlying village ministry in Naknek, Alaska in 2007.

FLAPS currently has a six seat, and two four seat airplanes serving in Alaska. We also have a four seat Cessna 182 serving in the Minneapolis area. With Pastor Nash retiring from the Home Mission’s Director position, there has been less use of the Minneapolis airplane the past six months. The FLAPS board will be seeking the Lord’s direction for the best use of this Cessna 182 as we meet at the conference this week. The 182 is in next to new condition, with a recent factory rebuilt engine, and radio upgrades that will be completed this summer. One consideration would be to move it to Alaska, where the needs are great, and to sell the older Cessna 175 that has been serving faithfully up there for years.

We continue to be blessed by God and His provision of Pastor Jeremy Crowell, his wife Lacy, and son Malachi. Jeremy serves as Pilot, Pastor, and Mechanic for the ministry in Alaska. He and his family are a blessing to all they come into contact with, and are a big part of the growing ministry around Naknek. Jeremy also has several highly skilled pilots who volunteer to help with the flying duties during the busiest times.

Pastor Jeremy is looking forward to a busy flying season this summer. He has plans to fly the AFLC Vacation Bible School team to eight different remote villages. The team will spend five days in each village. For some of these villages, this is the only contact with the Gospel the children receive. Another vital task is to fly students to and from the excellent Tanalian Bible Camp 140 miles to the North East of Naknek, at Port Alsworth. Weekly flights to the villages of Ekwok and South Naknek for worship services and Bible study occur throughout the year, as weather allows.

FLAPS also has an increasing number of flights related to our KAKN Christian radio station. KAKN is working on adding a number of remote village radio station sites, and this requires flights to plan for, and then to place the needed equipment.

It is truly a blessing to be a part of God's gift of an expanding village ministry in Alaska. Please pray for continued safety for the flights and receptiveness to the Gospel message that is shared.

In closing, I would like to thank the FLAPS Board of Managers, the Home Missions Committee, Pastor Paul Nash, and now Pastor Jim Johnson for their guidance and support in this work that the Lord has given us. Thank you to the many others who faithfully support this ministry through your prayers and gifts. May God be honored in all that we do.

"...but, they who wait for the Lord shall mount up with wings like eagles; they shall run and not be weary; they shall walk and not faint." Isaiah 40:31

In Christ,
Dr. Kevin Lee
FLAPS Director

PRESIDENT WOMENS MISSIONARY FEDERATION

To the 57th Annual Conference of the AFLC, meeting in Eastern Pennsylvania on Tuesday, June 11th, 2019 at Spruce Lake Retreat Center. “Faithful is he who called you; who also will do it.” I Thessalonians 5:24.

Our WMF theme is from Psalms 145:4 “One generation will commend your works to another; they will tell of your mighty acts.” Our God is indeed – **Faithful to all Generations.**

The Bible Study for 2019 is entitled: God’s Servants Teach Us Life Lessons. (Our 1972 version God Speaks to me Through Personalities has been updated). Countless hours are devoted to making sure we present a Biblically sound and accurate Bible study. Thanks to everyone who helped to edit and especially Beverly Enderlein, our writer. Beverly and Eugene Enderlein have served our AFLC in many ways through the years. We are grateful that they are here with us for conference. She was one of my instructors at AFLBS. I still think of her every time we get those puppets out.

The WMF has a page in The Lutheran Ambassador. This is an opportunity to read about the various ministries the WMF supports. The WMF website has a new look – Thank you to Karen Floan. Special thanks to Dawn Johnson for keeping this updated. Our WMF blog is used rarely and the Heartline blog has been dormant for a while. Our Helping Hand publication - formerly published four times a year was cut to two to save money this year. We ask the local and district presidents to pass them on to their groups either by email or paper copies. We have a Facebook page with around 400 friends and have launched Instagram – thanks to JoyAnn Dahl and Tami Demo. We pray these publications are helpful on a practical level; but most of all, pray that they always point you to our Lord and Savior Jesus Christ.

We work diligently to update the Resource Manual. Do you know where your church copy is? Information in the WMF Resource Manual is not copyrighted so copies can be made as needed. We also hope you have seen our Promotional DVD. If not, you can view this at www.aflc.org/women.

My heart is full as I picture the women across the AFLC in their WMF meetings. Fifty six years of women meeting to pray, give and “go ye into all the world.” With gifts given to the various ministries we bless the workers in the harvest fields. This year your contributions will be disbursed for the following areas.

Christian Education

Ambassador Publications; Second grade Sunday school curriculum on the 10 commandments. Pray for this project as well as Marian Christopherson and the Parish Ed Board.

AFLBS: Men's dorm refurbishing. Pray for AFLBS students and instructors as well as our new dean, Rev. Adam Osier. Rev. Wade Mobley and the AFLBS school board.

AFLTS: Supporting each full-time seminarian and intern with \$100 each semester for books, a Lutheran Ambassador subscription, and \$2,000 in AFLBS scholarships for seminarian's wives. Pray for our seminary and instructors and Dean Dr. James Molstre and the AFLTS school board.

At this point we also want to remind you that we have a resource for you to use for parents of new babies. Our Cradle Roll packets contain biblically-sound brochures with encouragement to raise a child in the Word of God. Packets can be ordered through WMF Executive Secretary, Dawn Johnson. Contact her at ctk@wwt.net.

World Missions

Contributions will be distributed toward missionaries' monthly support at the discretion of the members of the World Missions Board. Your specific designation will be honored.

Pray for our missionaries and Pastor Earl Korhonen and the World Missions Board. We give thanks for Rev. Del and Karen Palmer and his faithful service as World Missions Director.

Home Missions

A total of \$4,000 toward the Pastors and Wives Retreat in Mesa, AZ. The remainder to support Parish Builders.

Pray for our home mission churches and their pastors. Also keep Rev. Jim Johnson and the Home Missions Board in your prayers.

WMF General Fund

The general operating fund also needs your offerings of support, this helps the National Board to continue the work of the WMF.

Operating expenses include:

Printing Bible studies; newsletters (Helping Hand), resource manual updates; welcome packets; salary of executive secretary; stipends for the president and treasurer; convention expenses; GoToMeeting expenses; office equipment and supplies as well as WOC (women's outreach coordinator) travel.

At this time our board members are meeting this need and there is some money still available from a grant designated towards this. Every effort is made to keep these expenses as reasonable as possible. This year we are grateful for a technology grant that will help the costs incurred for our WMF conference registration to be combined online with the AFLC registration. One stop shopping! A laptop computer was also purchased and can be passed on to future presidents! Our monthly meetings are conducted via GoToMeeting – technology can be a blessing!

Pray for your WMF board. Contact me at low2667@gmail.com or give me a call on my cell (406)249-1605 or (406)892-2667 at home in Montana.

The offices of 1st vice president and recording secretary are up for election today. Both Esther and JoyAnn have been a blessing in their six years of serving. We are grateful for all those who have been willing to run for the board. If you are contacted about running for a WMF board whether local, district, or National, please prayerfully consider whether God is calling you. We all have busy schedules, but it is amazing to see how God provides for us when we are willing to be available for tasks in His Kingdom's Work.

Thank you to our Eastern District churches for all your work in hosting this year's conference! We appreciate your hard work in planning and coordinating this WMF day event!

Thank you to my dream team – Deb, Esther, JoyAnn, Tami, Deanna, and Dawn. You all gave this rookie president some stability. I'm still shaking in my boots but grateful for the Rock on which we stand!

Ladies – God is indeed faithful to all generations. That word generations, plural is used 118 times in scripture and generation, singular is used 95 times according to my Strong's concordance.

Baby boomers, Millennials, GenX... between 60-90 percent of young adults raised in evangelical churches are leaving the faith by the age of 20. Only 30 percent of those who walk away from the church ever return. We need to pray fervently for our young people. There is a sea of grey hair in our meetings and rallies these days. Let's look for ways to include our "younger women" to attend. Let's continue to use those teachable moments with our kids and grandkids and great grandkids. Let's commend His works to one another! Let's tell of His mighty acts! Psalm 145:4.

Thank you for your prayers! I'm praying for you, too!

Respectfully submitted,
Lavonne West

CHAIRMAN, BOARD OF PUBLICATIONS AND PARISH EDUCATION

To the Annual Conference of the Association of Free Lutheran Congregations gathered together in Canadensis, PA, June 11-14, 2019:

Joshua 24:13 reminds us how God graciously and abundantly provides for His people. There it is written: "I gave you a land on which you had not labored and cities that you had not built, and you dwell in them. You eat the fruit of vineyards and olive orchards that you did not plant." These words remind us that all that we have and enjoy is a gift from our Lord's merciful and generous hand. How can we not rejoice in the salvation provided to us through faith in Christ? How can we not continue to trumpet and repeat the news of Christ's work and sacrifice? Joshua, just a couple of verses later says, "as for me and my house, we will serve the LORD."

This is our privilege in Publications and Parish Education: We get to serve by spreading the Good News of salvation by grace through faith to young and old.

Having been a part of the board for a time now, I have grown in my appreciation for all the labors that have happened in the past. Many wonderful resources have been available to us because of the faithful service of others who cherish the Gospel and want everyone to have clear and understandable resources for passing on the faith.

The Board of Publications and Parish Education has two sources of income to supply its financial needs. The first is gifts which come from congregations, individuals, and groups such as the Women's Missionary Federation. We also receive some funds from the sale of materials such as Sunday School Curriculum, Bible study materials, and other materials which faithfully present God's Word. In this ministry, as in most (if not all), financial situations compel us to arrange and prioritize tasks and projects. This is certainly the case as we recognize the great need we have for staff in our Parish Education Office. We are so thankful for Marian Christopherson, Diane Brubakken, and Cynthia Lohse for all their work in the office. To continue to staff this office we depend on our generous God to provide for the financial needs. Without continued support and even growth in support we will have a difficult time keeping our current staff and finishing projects that we are currently working on. We are always grateful for those who give to certain projects but we, like many ministries need strong support for the everyday running of the ministry. In connection with this, we would ask that you and your congregations take time to consider carefully the materials you use for Bible studies and Sunday School classes. Ambassador Publications has produced wonderful materials that would be a great blessing in your congregations.

We also discuss on a regular basis our desire to serve all the congregations of the AFLC. If you are looking for a certain resource or tool for teaching that you have been unable to find. Please let us know. Perhaps we have such a resource, or we may be working to put something like you are requesting into publication in the near future.

In the past year, we began a partnership with the schools in the Book Nook in Heritage hall. This has been a great way for us to get our Bible School and Seminary students more familiar with all that we have to offer. We are thankful to the Schools for this opportunity to work together.

We are also looking forward to the publication of a book containing a selection of Dr. Monseth's writings. We are grateful for the warm reception of the Acts curriculum and would commend it to you for youth and adult Bible Studies. We are excited about the use of the new confirmation material, Foundations of the Faith, and pray that it might be something that is used in many places. We continue to look for feedback on the confirmation material as it is used in various congregational settings.

We are presenting a budget for 2020 in the amount of \$353,300 with a budget subsidy request of \$184,000.

We are so thankful for those who have helped in all the various projects that we have been working on during these last months and years. Many, many hours of prayer and preparation go into all the items that we are publishing, and we thank God for those who have spent time doing so whether as volunteers or paid staff. Additionally, I would like to specifically thank Marian Christopherson for her faithful service. She has had a busier than normal schedule as she furthers her education. This has been and certainly will be of great benefit to the department for years to come.

Currently serving on the Board of Publications and Parish Education are:

- Rev. Dennis Norby - Chair;
- Mrs. Solveig Hjermsstad - Vice-Chair;
- Mrs. Maren Sletten - Secretary;
- Rev. Les Johnson, Mrs. Suzanne Tietjen.

One pastor will need to be elected at this conference to a five-year term on the Board of Publications.

May God's precious Word continue to be proclaimed and cherished in our homes and congregations.

Respectfully submitted,
Rev. Dennis Norby
Chair, Board of Publications and Parish Education

THE DIRECTOR OF PUBLICATIONS AND PARISH EDUCATION

To the Annual Conference of the Association of Free Lutheran Congregations assembled in Canadensis, Pennsylvania, June 11-14, 2018:

We gather as a conference under the theme, “As for me and my house, we will serve the LORD” (Joshua 24:15). The biblical context of this theme is the faithfulness of God throughout generations. Towards the end of his earthly life, God’s servant Joshua gives strong admonition to the people of God to serve the true God, the LORD, and to renounce the false gods or idols their fathers served in Egypt (vv.14-15). Joshua reminds God’s people of His faithfulness through all generations. Even though they were undeserving of it, God delivered His people again and again. The chapter is filled with gospel. In essence, God is saying, “Again and again, I gave you what you did not deserve.”

God is still the same, and so are we. He still gives what we do not deserve, and it is impossible for us to merit what He gives. Yet we are tempted to disobey the first commandment: Thou shalt have no other gods before Me. Our idols may not be constructed of wood or stone like the gods of the Old Testament, but every idol is an idol of the heart—something we set our affections on or delight in more than God. The people of Israel had served the one true God throughout the lifetime of Joshua. Here Joshua exhorts them to affirm their confidence in the LORD and their commitment to serving Him. As the people of God, we too have enjoyed God’s faithfulness. He has delivered us from sin, death, and the power of the devil. May we turn away from the false gods or idols, and affirm our confidence in the LORD and our commitment to serving the one true God.

Ambassador Publications provides resources to help congregations teach about the one true God and His faithfulness to His people. Producing curriculum and other Bible teaching materials that will serve our congregations well is a strong focus of our time and efforts. Significant progress was made this past year at three levels:

High School Curriculum. The final quarter (12 lessons) of the new curriculum, *Acts of the Apostles*, was printed in the spring of 2018. Though intended specifically for youth, congregations have been enjoying its versatility, using it as a Bible study for adults too. Each colorful and attractive weekly leaflet provides background and cultural context, a central “Into the Word” biblical study, engaging discussion questions, and daily devotion Scripture readings. Downloadable teacher notes are available on our website.

Confirmation Curriculum. After receiving positive feedback from pastors and teachers who were classroom testing preliminary lessons for new confirmation curriculum during the 2017-2018 school year, the Board of Publications decided to industriously forge ahead in order to have the new curriculum available to download in advance of fall 2018 classes. We are indebted to Pastor Christian Andrews for his careful thought and dedicated work in writing *Foundations of the Faith* curriculum and for his disciplined writing schedule that helped to ensure its swift completion. The response from pastors and teachers using *Foundations* continues to be

enthusiastic. We gratefully receive their comments and recommendations for ongoing improvements to the curriculum.

Based on Luther's Small Catechism for its structure and using Scripture as the primary text, *Foundations of the Faith: This Is Most Certainly True* introduces confirmation-age students to faith and theology in the Lutheran tradition. *Foundations 1* is 30 lessons on the authority of Scripture, the Ten Commandments, and the Apostles' Creed, with a focus on Law and Gospel. *Foundations 2* continues the Law and Gospel emphasis with 30 lessons on prayer and the Lord's Prayer, the Sacraments, and an introduction to Lutheran confessional writings. The curriculum is fully downloadable and reproducible. Though designed specifically for two years of confirmation study, it is also being used successfully as a basic refresher course for adults.

Elementary Curriculum. During the past year, the Board of Publications has been developing new elementary Sunday school curriculum on the Ten Commandments. This curriculum will replace our existing series on the Ten Commandments published in the late 1980s for Grade 2. We are grateful to several volunteers who have been writing Bible lessons, creating learning activities and illustrations, and designing teacher lesson plans. We are also grateful to Ruth Gunderson for her quality layout and design work. We are preparing the new curriculum as quickly and efficiently as possible, while also desiring to be uncompromising in quality of content and presentation.

Preparing curriculum is somewhat like a jigsaw puzzle. All the pieces need to come together into final form, but we can't always determine exactly how or in what order that will happen. We set publication goals and establish plans, but it is rare that all the pieces come together as expected. Sometimes our priorities need to shift according to God's provision. We trust God's hand to guide the process and provide according to His will, bringing it all to completion in a way that honors Him and will serve our congregations.

Though each curriculum level and development process presents its own unique challenges, we remain confident of the overall structure and intentionality of our curriculum. For example, our Ambassador Sunday School Series has been thoughtfully designed and specifically mapped to lead students through the Scriptures as they move from one level to the next. By the time they finish the elementary curriculum, students will have been given a strong foundation in Old and New Testament history, Bible doctrine, and catechetical teaching to prepare them for confirmation classes. When I present Christian education workshops or share about the ministry of Ambassador Publications in our AFLC congregations, it is not unusual for someone to approach me, expressing surprise that the AFLC has a publishing ministry. They seem to be especially surprised that we produce Sunday school curriculum. Please share with your congregations the curriculum and valuable resources we have to serve them.

One of the most common frustrations I hear from pastors and teachers is how illiterate people are in basic Bible knowledge, yet the educational resources a congregation chooses to use, particularly at an elementary level, may be neglecting to provide biblical foundations. Biblical illiter-

acy is a widespread challenge in congregational ministry. Even though there is greater accessibility to the Scriptures and biblical resources than ever before, sifting through the abundance of material available on the worldwide web can be overwhelming. How do you know what's "good" and what's not? Though there may never be a perfect resource, AFLC Parish Education provides carefully designed and selected materials to help you and your congregation grow in knowledge and understanding of the Scriptures. Using good resources will help to ensure a quality education and a solid foundation.

Another opportunity we have to provide good resources is through the new Ambassador Book Nook. In the spring of 2018, Pastor Wade Mobley, President of AFLC Schools, invited Ambassador Publications to consider cooperating together with the Schools to operate the Book Nook in Heritage Hall and provide better service to our students. After prayerful consideration, the Board of Publications agreed to a one-year commitment on a trial basis to manage the Book Nook.

People's first impression might be that the campus Book Nook only benefits students and others who come to campus. But in reality, it is an extension of the ministry of Parish Education serving our congregations. The most obvious way might be in providing textbooks and resources for Bible School and Seminary students to help equip them to go back to AFLC congregations and serve in various roles: pastor, Sunday school teacher, youth and family ministry leader, or worship and music leader. Realistically, not everyone can attend Bible School or Seminary, but everyone can have access to the same resources through the Ambassador Publications online bookstore. You can read and study the same books that are being used for classes at our AFLC Schools (click on the "Textbooks" tab to view options by course name). Do you want to learn how to study the Bible? Does the Old Testament seem hard to understand? What's the big deal about Law and Gospel? What do Lutherans believe? What's the history of the AFLC and what makes it unique? How are apologetics, evangelism, discipleship, missions, and vocation related? What is the role of worship and music in the church? Reading and studying books related to the classes offered on campus can help enrich your understanding. In turn, when you purchase books through Ambassador Publications for yourself, for your church library, or to give away as gifts, you are supporting the AFLC ministry of publishing Sunday school curriculum and Bible studies that serve our congregations in their educational ministries. The Ambassador Book Nook in Heritage Hall is open during regular office hours, and our bookstore in the AFLC Administration Building on campus is also still open to serve you.

Our commitment to the Ambassador Book Nook and several curriculum projects in 2018 necessitated that we delay some of our work on the AFLC Heritage Series. We are pleased to be moving forward with Heritage Series Volume V, a collection of writings by Francis W. Monseth who served at our Bible School and Seminary for more than 40 years. With input from the Monseth family, the title selected for the upcoming book is "*One Thing I Seek*." This title is based on Psalm 27:4, which was Dr. Monseth's confirmation verse and a verse that guided him throughout his life. We look forward to the completion of this project and are grateful for many gifts that have been given to support it.

We are thankful for the opportunity to participate in the Summer Institute of Theology sponsored by the Free Lutheran Schools in August 2018. Under the theme “Teaching and Teachers,” the focus on Christian education in congregational ministry fit well with the ministry of AFLC Parish Education. Invited to teach sessions on “Simple Excellence in Children’s Christian Education,” I chose the following topics:

1. Biblical Christian Education Par Excellence
2. Excellence, in Paradox: Less Is More, More Is Less
3. Excellence in “Problem”-Solving: Sin and Grace, Law and Gospel
4. Excellence, Not Perfection: Preparing and Teaching a Bible Lesson

Later in August, I presented some of these same topics at the Parish Education Expo in Thief River Falls, Minnesota, at Our Saviour’s Lutheran Church. This annual district event is hosted by a different church in northern Minnesota each year. Intended to encourage and equip all who have teaching roles in the local congregation, this district’s Parish Education Expo provides a worthy model for other districts to consider.

We are thankful for other opportunities throughout the year to present Christian education workshops and to share about the ministry of Ambassador Publications at events such as district WMF rallies. Visiting with the people at these events helps us to learn about the educational challenges and needs in their congregations and determine how we can serve them better.

More opportunities and projects at various levels of development are beyond the scope of this report. We invite you to pray for the ministry of Ambassador Publications. Encourage others to visit our website and online bookstore regularly, follow us on Facebook, and subscribe to our e-news to keep informed.

Thank you to numerous volunteers who assist regularly with projects and curriculum development. Thanks to our office staff for their dedication to serving our congregations well: full-time Administrative Assistant Diane Brubakken and part-time Office Assistant Cynthia Lohse. Thank you to members of the Board of Publications for their diligent and prayerful work, guiding the ministry of AFLC Parish Education: Maren Dyrud, Solveig Hjermsstad, Suzanne Tietgen, Rev. Les Johnson, and Rev. Dennis Norby.

Respectfully submitted,
Mrs. Marian J. Christopherson
Director of Publications and Parish Education

YOUTH BOARD CHAIRMAN

To the 57th Annual Conference of the Association of Free Lutheran Congregations, assembled at the Spruce Lake Retreat Center in Canadensis, PA, June 11-14, 2019.

AFLC Youth Ministries exists to encourage local congregations to WIN teens to Christ, to BUILD teen believers in God's truth and love, to EQUIP teen workers to live and share their faith, and to MULTIPLY maturing disciples in Jesus Christ.

To accomplish these purposes, the AFLC Youth Board oversees three main events. The FLY Convention, FLY Beyond, and our Youth Worker Weekends are long-standing events offered through our department. The FLY Convention meets every other year. This summer's convention will mark the fifteenth time that the convention will be held in Estes Park, Colorado at the YMCA of the Rockies. We are thankful for such a wonderful facility, but we are even more thankful for the work the Lord has done in our teens and adults in that place over the years. This year's Convention will meet July 1-6 under the theme, "I AM." We are expecting approximately 2000 people again this summer and are excited to see how the Lord will work that week.

FLY Beyond is an under-utilized treasure in our AFLC. We invite you to explore the possibility of joining us at the ARC in Wisconsin on July 12-16, 2020 for this event. What FLY Beyond lacks in the scenery of the mountains and the glamorous location of the FLY Convention, it makes up for in programming. FLY Beyond essentially takes the FLY Convention to another level by training and preparing youth in a deep and faith-affirming way. The students who attend FLY Beyond come away with a growing confidence in their faith and growing leadership skills.

AFLC Youth Ministries would also love to see more people attend our Youth Worker Weekends. This past January, we had nationally known youth ministry expert Duffy Robbins open up the culture that our youth live in every day. We are thankful for the 60 people who attended, but we know that this teaching would have been valuable to so many more. Beyond the target audience, school teachers, Sunday School teachers, parents and anyone who wants to make a difference in the life of a teen should consider this event next January 17-19.

AFLC Youth Ministries also offers training and mentoring for those involved in formal youth ministry. Our Apprenticeship Program offers training and education in the setting of the local congregation. New and perspective youth leaders would learn by regularly meeting with veteran youth leaders and by working in the church setting. We are excited to explore a new phase of this program this coming year when the AFLTS interns will participate in a modified Apprenticeship Program.

To this end, AFLC Youth Ministries has hired veteran youth leader Jordan Langness as a part-time training coordinator.

We are also excited about a newer mentoring opportunity for existing youth leaders. We are working with an organization called LEAD222 to offer youth ministry coaching to interested youth leaders and volunteers. Several AFLC youth leaders have been trained as coaches in LEAD222 and have been training other AFLC leaders. LEAD222 seeks to promote healthy lives, families and ministries for all its participants. If you would like more information on what youth ministry coaching is about, you can contact the Youth Ministries department.

We are thankful for our youth ministry staff. Liz McCarlson serves as administrative assistant, Chris Rasmussen serves as Administrative Coordinator, Daniel Keinanen serves as the FLY Convention Coordinator, Jordan Langness serves as Training Coordinator, and Pastor Jason Holt is our director. We praise the Lord for each of our staff members and for the gifts they bring to our area of ministry.

At the writing of this report, our board consists of Pastor Eric Rasmussen, Dr. Nathan Olson, and Mrs. Sharon Rykhus. The other two positions are currently open. We would like to thank Mr. Jordan Langness and Mr. Andrew Benson for their recent service on the board. Jordan Langness served a few months shy of two full terms and would not have been eligible for re-election. He resigned from the Youth Board to accept the previously mentioned part-time role with Youth Ministries. This conference will elect his successor on the Youth Board. Andrew Benson served one full term plus one year before he discerned that he would need to respectfully resign. At the time of this report, the Youth Board has been in contact with the Coordinating Committee about finding someone to fill the four years remaining on that term.

AFLC Youth Ministries, like many other ministries of our AFLC, has struggled in recent years to fully fund our budget. This past year, we had to decrease our director's pay for several months to make ends meet. We are thankful that God has provided for the work of AFLC Youth Ministries and ask your prayerful consideration to help our department reach its reasonable goals. For 2020, we submit a budget subsidy request of \$147,000.

Respectfully submitted,
Pastor Eric Rasmussen
AFLC Youth Board Chairman

FREE LUTHERAN YOUTH (FLY) PRESIDENT

To the 57th Annual Conference of the Association of Free Lutheran Congregations, assembled at the Spruce Lake Retreat Center in Canadensis, PA, June 11-14, 2019.

The purpose of the Free Lutheran Youth Convention is to provide congregations with a tool to: WIN the lost, BUILD the believer, and ENCOURAGE student discipleship in the local congregation. It is our hope, goal, and prayer that the 2019 FLY Convention will be a useful and encouraging tool for every congregation, youth group, and ministry leader that attends.

The 2019 FLY Convention will be held at the YMCA of the Rockies July 1st-6th, under the theme: I AM, taken from Isaiah 45:5-6 “I am the Lord, and there is no other, besides me there is no God; I equip you, though you do not know me, that people may know, from the rising of the sun and from the west, that there is none besides me; I am the Lord, and there is no other.” During this week we pray that all attendees will see God as the great I AM throughout all Scripture; that they know He is and gives everything they need; and that He speaks into every area of life.

Our evening speakers include: Jordan Langness, Pastor Andrew Coyle, Tim Herset, Pastor Steve Jensen, and Pastor Jason Holt. Daily Bible studies will be led by youth ministry veterans, Dave & Rennie Garda, and dozens of electives will be held each morning across the YMCA Campus spanning a variety of topics relevant to today’s teens. Alongside these topics, the 2019 FLY Committee has prayerfully identified four areas of special concern for today’s teenagers and have carefully selected people to address them with biblical truth and sensitivity. Dr. Walt Mueller from the Center for Parent and Youth Understanding will address the growing pandemic of pornography. Mr. Ben Monseth will speak on teen suicide, Rev. Wade Mobley on gender identity, and Rev. Jonathan Unverzagt on gospel-centered living. The 2019 FLY Committee is pleased to welcome three national artists who will share their love for Christ through different creative means. Tuesday will feature Ben Glenn, The Chalk Guy; Wednesday Jared Hall, a Christian Illusionist; and Friday night will end with a concert by Christian recording artist Micah Tyler.

If you are unable to join us at the FLY Convention® this July, we will be broadcasting our evening sessions live on Facebook and our website, flyconvention.org. Due to limited seating capacity in the Longhouse, those registered as adults and/or children will be expected to attend evening sessions in Assembly Hall. A high quality livestream feed direct from the Longhouse, lighting and sound levels tailored for adults and children, and room for kids to move around freely will be provided. Students, Dorm Room Leaders, and Youth Workers are required to attend evening sessions in the Longhouse.

The 2019 FLY Committee is made up of six voting members: President: Rev. Eric Christenson; 1st Vice President: Rev. Aaron Olson; 2nd Vice President: Mr. Andrew Kneeland; Devotional Life Secretary: Mr. Caleb Holt; Secretary: Mrs. Julia Pillman; Treasurer: Mrs. Emily Goff; and three advisors: AFLC Youth Board Representative: Mrs. Sharon Rykhus; AFLC Youth Ministries Administrative Coordinator: Mrs. Chris Rasmussen; and FLY Convention Coordinator: Mr. Daniel Keinanen.

Alongside our committee stands a dedicated team of volunteer leaders who pray, plan, and manage over 40 different areas vital to the convention. Each leader assembles and leads a group of volunteer staff, many who pay their own way to be present at the convention, to serve our students throughout the week. Additionally, over 200 adults will serve as Dorm Room Leaders (DRL) during the Convention. These men and women are the first line of care for our students as they lead devotions, manage dorm rooms, and interact with the teenagers throughout the week. Without the hundreds of adult volunteers who serve, the FLY Convention® would not be possible. My deepest appreciation and heartfelt thanks are extended to each of you. Thank you for loving and serving Jesus and the teens of our church body.

Check our website flyconvention.org often for further information regarding the convention, resources for your church, inspirational posts, registration information, and important convention policies. For latest news and up to date information follow us on Facebook, Instagram, and Snapchat.

Please be praying for the following: (1) The FLY Convention and YMCA Staff. (2) The Spiritual Care Team (Dorm Room Leaders, Altar Call, and Intervention Resources). (3) Evening Speakers, Workshop Leaders, Bible Study Leaders, Electives Leaders and National Artists. (4) The students and adults who are attending. (Pray for their salvation, growing, and equipping in faith, their travel, and for the funds needed.)

Respectfully submitted,
Rev. Eric Christenson
FLY President

THE DIRECTOR OF YOUTH MINISTRIES

To the Fifty-seventh Annual Conference of the Association of Free Lutheran Congregations, assembled at the Spruce Lake Retreat Center in Canadensis, Pennsylvania, on June 11-14, 2019.

Joshua 24:15 tends to come up in conversations working with youth leaders, teenagers, and families. Walking alongside youth leaders, this verse is a reminder to the caring, Kingdom servant to walk by faith and to keep one's first ministry focus in the home. For teenagers, it is growing expression of maturity, which recognizes one's own relationship with the Lord and one's place in a household. For families, it is the pursuit and the purpose for keeping the spiritual lives of one another top priority.

“As for me and my house, we will serve the Lord” is much more than a statement, because it functions as a declaration. It is a declaration of trust in the Living Lord. It is a declaration of discipleship in following God Almighty and His Holy Word. It is a declaration for those around us in the God-designed institutions of family and the local congregation.

Our youth department engages and encourages teens, families, and congregations to follow the Lord in a way that reflects Joshua 24. AFLC Youth Ministries exists to win teenagers to Jesus, to build them up in God's Word and God's love, to equip them to live out their faith and to share their faith with others so that others may know the Lord, with the goal of multiplying maturing teen disciples of Jesus Christ.

WINNING – AS FOR ME...A PERSONAL FAITH

Our national youth gathering, FLY Convention®, has as its first priority to be a winning event to serve the local congregations of the AFLC. The 2019 FLY President Eric Christenson will report on the preparations for this summer's event. Please pray that each teen that attends may know Jesus by the end of that week!

In addition to our biennial convention, we continue to make the most of each opportunity to join congregational and district events that present the Gospel of Jesus with an invitation for teens to respond by the grace of God. As we reported in previous years, we stand ready as a youth department to participate in and to pray for your evangelistic efforts with adolescents.

BUILDING – AS FOR ME...A GROWING FAITH

Knowing Jesus is the start and growing in the Lord is the next layer for spiritual life. AFLC Youth Ministries is available to assist your congregation's efforts to see teens grow in Christ.

For a number of years, we have partnered with the Association Retreat Center (ARC) on their two annual winter retreats: SIDExSIDE (for 8th through 12th grade students) and Sno Daze (for 4th through 8th grade students). Reviewing our ministry scope and availability, we respectfully

declined the ARC's interest for us to be involved in Sno Daze (younger group) and gladly reaffirmed our guidance for the program of SIDExSIDE. Four advanced youth ministry students spent months praying, planning, recruiting, and leading the effort of SIDExSIDE. The ARC planned well for Sno Daze. We are grateful for this environment building up teens and children to serve the Lord.

EQUIPPING – AS FOR ME...A VIBRANT FAITH

FLY Beyond is our national youth equipping conference. The next one will be held July 12-16, 2020 at the ARC. Past attendees will note that we have shifted to begin on Sunday night through Thursday afternoon in order to keep the week from impacting two weekends and to assist the ARC in their planning. Our goal of training teens is accomplished through the efforts of veteran pastors, youth leaders, and guest presenters. FLY Beyond prioritizes placing people in teams of six to eight. These teams meet regularly through the week to establish community through discussion of the truths presented and in prayer for personal application. Gathering around the theme of "Mysterious Hope" from Colossians 1:27-29, next summer's week will effectively equip today's teen.

Our department's focus includes both equipping teens and the adults that work with them. Youth Workers Weekends (YWW) is our annual gathering for volunteer and vocational youth leaders. We were blessed by national youth ministry expert Duffy Robbins offering training pieces in January. We saw 60 leaders from across the country gather to be sharpened for effective ministry. Our planning team has already begun its prayer and preparations for January 17-19, 2020. Is your volunteer or vocational youth leader aware of this great opportunity?

In addition, we remain very thankful for the partnership with AFLC Schools in training. During the current academic year of 2018-2019, I was asked to teach four classes at AFLBS (Introduction to Youth Ministry, Introduction to Family Ministry, Youth Ministry Methods of Jesus, and Growing a Healthy Youth Ministry). This involvement continues to bear fruit in the lives of graduates in roles as parents, youth leaders, congregational members, and pastors.

MULTIPLYING – AS FOR ME...A SERVING FAITH

Our Apprenticeship Program offers a 12-month congregational setting for a growing youth worker to observe and serve under a veteran leader. An updated informational packet is available on our website, which outlines the responsibilities for the apprentice and for the congregation. Potential apprentices are encouraged to apply with their local congregation. For 2018-2019, the two apprentices were Seth Larson (Prince of Peace Lutheran, Beulah ND) and Bryce McMinn (Living Word Lutheran, Eagan MN). At the time of this report, the 2019-2020 application process is open. Youth Board Chairman Pastor Eric Rasmussen will report that we have entered a partnership with the AFLTS to offer a modified version to

seminarians during their congregational internship. Please pray for this expanding area of ministry to multiply a new generation of leaders.

As we continue to be aware of our need to engage teens and youth leaders, we have been pleased to work alongside of Christ-centered ministries like the following:

- “See You At The Pole” (www.syatp.com) for the national day of student prayer
- Campus Alliance (www.everyschool.com) for local prayer support and school outreach
- Cadre Ministries (www.cadreministries.com) for Christ-centered ministry models
- Dare 2 Share (www.dare2share.org) for Gospel-advancing training with teenagers
- LEAD222 (www.lead222.org) for youth leader coaching and multiplication

As we reported last year, each one above has sharpened us and we seek to be a resource to them. We are confident in Christ for future connections that enhance effective ministry to win, build, equip, and multiply disciples across the United States.

THANK YOU

During the time of Annual Conference, I will once again miss greeting each of you as I continue my studies in the Doctor of Ministry program at Gordon-Conwell Theological Seminary. The AFLC Youth Board’s encouragement in this arena has been wonderful. If the Lord wills, I will complete my doctoral work by spring of 2020. It will be wonderful to be back with the AFLC family again for next year’s Annual Conference.

Thank you to the AFLC Youth Board for your leadership and for your burden for teens to know Jesus. Thanks to each AFLC Youth Ministries’ employee: Chris Rasmussen (Administrative Coordinator), Daniel Keinanen (FLY Covention Coordinator), Liz McCarlson (AdminAssistant), and Jordan Langness (Training Coordinator). You are terrific to work with in this department. Thank you to the 2019 FLY Committee and to the 2021 FLY Nominating Committee. Thank you to each of the planning teams for FLY Beyond, Youth Workers Weekends, the ARC Winter Retreats, and the Apprenticeship Program for your active service of our AFLC family within these ministry initiatives.

Thank you to my family – Jennifer, Caleb, Susanna, Phoebe, Magdalena, and Micah. I am grateful for how you have echoed Joshua 24 to me. Thank you to my AFLC family. Your commitment to seeing each generation echo Joshua 24 spurs me on. I praise the Lord for what He is doing in the AFLC!

If our AFLC fellowship is to continue echoing the refrain of Joshua 24:15, then our congregations will prioritize ministry with teenagers and their families. We cannot presume that the refrain will be picked up by those that come behind us. It is an active and consistent work to share the story of the Savior. Thank you for the rich heritage of that priority and may our Savior King continue to lead us on in His service!

Respectfully Submitted,
Rev. Jason Holt
Director of Youth Ministries

CHAIRMAN EVANGELISM & DISCIPLESHIP COMMITTEE

To the brethren of the 57th Annual Conference of the Association of Free Lutheran Congregations assembling at the Spruce Lake Retreat Center in Canadensis, PA, June 11-14, 2019.

This will be our 3rd year of promoting Intentional “Disciple-Making”. New believers (or even current members that have not been very active) deserve more than a handshake when they join a Bible believing church. They need a Christ-centered friendship! This requires having believers who are prepared to walk with them while investing in their lives. Through such spiritual friendships, your church’s new members (or current members) will learn how to grow, use their spiritual gifts and feel welcome in the church.

Many churches have no “intentional” process for personal training designed to successfully assimilate new members. Consequently pastors are merely left to “hope” their church’s new members will find dedicated Christians to disciple them. That is why our Lord clearly stated in (John 21:15) “Tend my Lambs”. Our Good Shepherd made it perfectly clear that investing in new believers’ lives unmistakably demonstrates our Love for God.

Pastors’ and laymen: we “need” to be intentional about investing our time prayer and His word into men and women attending our churches. We need to be mentoring, coming along side individuals with prayer and Bible Study to show them how to become Godly leaders in local churches. Billy Graham always emphasized the importance of “Follow Up” in his ministry. Our true example is Jesus who intentionally invested 3-years of His ministry in training His Disciples in how to pray, teach, heal and love people into the Kingdom.

There appears to be a renewed interest in the vision of evangelistic efforts in our churches. Praise God! Many are asking for Evangelistic Pastor speakers who would come into their congregation for church revival meetings.

Jim Rasmussen has been intentional about visiting churches in the Midwest this past year. He visited 45+ churches sharing with them what the AFLC Evangelism and Discipleship (AED) has to offer to their congregation You may be asking yourself what is (AED). The Commission on Evangelism has gone through a name change in recent months. With our emphasis on “Discipleship”, the board felt it important to update our title. The board shared this with the Coordinating committee

(C.C) and they gave us their blessing on our name change.

With a change in title of this department, we needed to update letterhead, brochures, prayer cards, pledge cards, etc. The board was blessed with a generous donation to cover the costs of updating all these materials. We also updated our banner for our booth that will showcase our updated new name at the Annual Conference and the FLY Convention.

Our board continues to meet “face to face” on a quarterly basis and beginning in January of this year we implemented conference calls on a monthly basis to keep the board focused on the tasks before us.

Along with our name change, we have updated the job description for the Director of the AED, so any future individuals looking into or being asked to serve into this capacity can look at a brief summary of what this job (ministry) entails. The board also created a job description for the board members themselves. So as we ask individuals to serve on the board we can give this short summary to them.

The AED board has experienced many changes in the past year. The chairmanship was passed from Michael Lynnes who has served as chairman for many years and has done an outstanding job, to Kevin Hoops who previously was Vice Chairman. Pastor Earl Korhonen asked to be released of his position on the board, so as to move onto a greater role as World Missions Director of the AFLC. Thank you Pastor Earl Korhonen for your wisdom and support of the C.O.E. Board. It was great to have you aboard, all be it too short. We are truly blessed to have received Pastor Matt Quanbeck as a replacement for Pastor Earl Korhonen on the AED board. Pastor Matt brings to the board a wealth of knowledge and experience in the area of media.

We continue to receive special financial gifts from individuals and congregations to help this board do the ministry for which God has called us to do. A special gift was given to cover the cost for the (R.T.F) Rekindle the Fire event, which is held each year the evening prior to the Annual Conference. This gift will also cover the expenses incurred during the FLY Convention for the year 2019. The R.T.F. continues to be an evening of blessings for Pastors and their wives to experience a time of great food, fellowship, entertainment and being blessed by special speakers giving a message of encouragement to all in attendance.

We continue to be grateful for God’s Blessings on this ministry. For without His hand of blessing we can do nothing. We are ever so grateful to Pastor Jim Rasmussen for his leadership, expertise, wisdom, caring spirit and encouragement to each of us on the AED board. I want to

thank Michael Lynnes for his many years of service to the C.O.E as Chairman and as he continues on as a board member of the A.E.D. Michael is dedicated to making disciples in his area of influence and continues to be a great influence on the board. I also want to thank each board member for their prayers of support and encouragement to this ministry. What a blessing it is to serve with such Godly men.

I want to thank those brethren and churches who have come on board as “soul mates” pledging their financial support to the A.E.D. Ministry. AED could not accomplish the Ministry for which God has called it to do without your prayerful support. The AED continues to pursue financial donors, “soul mates” to give on a monthly basis towards this ministry. Please consider (AED) in the coming year as part of your sharing of what God has blessed you and your business with. Please continue to pray for this ministry for which God has called us.

We are so very grateful for the financial gifts that allow us to function and provide ministry. We have proposed a reduction in our 2020 budget from \$156,403 to \$149,047. We had a budget short fall of \$8844 in 2018. We trust that God will supply what is needed to encourage individuals to be passionate about evangelism and discipleship.

In His Service,

Mr. Kevin Hoops, Chairman
Mr. Michael Lynnes, Vice Chairman
Mr. Micah Johnson, Secretary
Pastor Richard Ramsbacher
Pastor Matt Quanbeck

DIRECTOR OF EVANGELISM & DISCIPLESHIP

“If it is disagreeable in your sight to serve the LORD, choose for yourselves today whom you will serve: whether the gods which your fathers served which were beyond the River; or the gods of the Amorites in whose land you are living; but as for me and my house, we will serve the LORD.” Joshua 24:15 (NASB)

To the 57th Annual Conference of the Association of Free Lutheran Congregations assembles at the Spruce Lake Retreat Center in Canadensis, PA, June 11-14, 2019.

This year’s Conference theme is “As for me and my house, we will serve the Lord.” Joshua 24:15. This is a theme verse that really lays out the purpose of families being 100 percent sold out to serving Jesus. Joshua, in the beginning of chapter 24, is reviewing the history of Israel. It is good to review one’s own Christian heritage as well as the AFLC’s heritage. There seems to always be trials and testings as we live a life yielded to Jesus. Let us look again at the AFLC’s heritage of lay people who are the backbone of our church body. Let us covenant to serve Jesus together with every moment of our life on earth.

Food for thought:

The past year, a questions keeps coming to mind: “Is the AFLC functioning the way it was intended to function?” We say we are “lay-centered”, but is that really how we function? I believe that in reality the average AFLC congregation is more “pastor-led” than “lay-led”. I think the AFLC needs to take a prayerful evaluation of who we are!

The paid staff cannot accomplish the task of the Great Commission on their own—every believer is to be involved in evangelizing and disciple-making! The Christian Church is at a critical crossroads: if we are not obedient disciples of Jesus, we will become less and less significant in the world for Jesus. God has not called us to batten down the hatch and hang on. He has called us to be the Church Militant!

A note of clarity: One’s salvation does not depend on one being active in evangelism or disciple-making, but it may be that others will not spend eternity in heaven because of one’s inactiveness of not opening one’s mouth for Jesus!

We must continue to be vigilant in our preaching, teaching, and training so that we do not become simply academic, but continue to preach for souls to be saved and assured of their salvation! In an e-mail communication I shared with AFLC Pastors this spring, I included the following quote from Martin Luther that I believe is a picture of where we as an AFLC need to be:

“It is not enough nor is it Christian, to preach the works, life, and words of Christ as historical facts, as if the knowledge of these would suffice for the conduct of life, although this is the fashion of those who must today be regarded as our best preachers.... Rather ought Christ to be preached to the end that faith in him may be established,

that he may not only be Christ, but be Christ for you and me, and that what his name denotes may be effectual in us. Such faith is produced and preserved in us by preaching why Christ came, what he brought and bestowed, what benefit it is to us to accept him.” (Luther, Tractatus de libertate christiana, as quoted in Schubert Ogden, Point, xiii.)

There are many individuals who attend our congregations regularly that are not saved! They need to hear the Law and the Gospel. They need to hear the truth of what Jesus accomplished on the cross. They also need to see what it looks like to be in the body of believers. It is not pastor OR laity, it is pastor AND laity working as a team through the power of the Word and Holy Spirit that will accomplish the work of the Church to bring the lost sheep into the flock.

Mark 8:38 is a warning about not being vocal for Jesus:

“For whoever is ashamed of Me and My words in this adulterous and sinful generation, the Son of Man will also be ashamed of him when He comes in the glory of His Father with the holy angels.” (NASB)

There is a group of individuals who pray regularly that the AFLC, from young to old, will come to a place in their walk with Jesus that the Holy Spirit gives them the joy of sharing Jesus and helping a new believer grow in their faith so that he or she finds joy in sharing Jesus and helping a new believer grow in their faith, etc. This is the essence of the Great Commission. You can call it multiplication or disciple-making—both terms have the same result. Friends, we need a Holy Spirit-wrought revival followed by an awakening!

Name Change:

The Evangelism Board has been in the process of refocusing on who they are and what the Scripture is pointing to for our responsibility to the body of Christ. The Board believes that as we focus on the Great Commission, we need to not only focus on evangelism and tools that help AFLC congregations to win souls (Proverbs 11:30b), but also on follow-up. We call the follow-up disciple-making.

We have received the blessing of the Coordinating Committee to officially change our name from The Commission on Evangelism (COE) to AFLC Evangelism & Discipleship (AED). We believe that neither evangelism nor discipleship can stand alone biblically. We believe it is essential that when congregations are doing any kind of outreach they are prepared to help new believers grow toward a deeper walk with Jesus.

We received a financial gift that has allowed us to print new brochures, envelopes, pledge/prayer cards, etc. without having to take funds out of our operating budget. The new materials helped the name transition to be less confusing. Thank you for your support!

Events:

This past year the AED has focused on the Midwest. We have been to about 45 congregations and a couple of retreats. We are thankful for the excitement for reaching the lost. There was a congregation that had not

had evangelistic meetings for 50 years. They prayed for the salvation of souls and they trained disciples. They found an evangelist that God was calling them to ask. They prepared and God brought forth fruit.

We had a number of congregations train people to be disciple-makers. It is so encouraging to see souls excited about being used by God to fulfill the Great Commission (Matthew 28:19-20). When we yield to Jesus, He can use us in His Kingdom's work!

There has also been an increase in the number of congregations asking for names of AFLC speakers who are gifted in evangelism. We are living in exciting times. These congregations also realize the need for prayer as they plan for the event and prepare for the discipling of the new believers God gives through the obedience of these evangelistic events!

Acknowledgments:

I want to thank both of my very talented, part-time Administrative Assistants: Chris Rasmussen and Liz McCarlson. They are both blessings from God and are gifted in producing great finished products, no matter what I ask them to do! These two godly women are a blessing to the AFLC Evangelism & Discipleship and the entire AFLC!

I want to thank Michael Lynnes for his eight years of service on the AED Board, many of them as chairman. He is eligible to be re-elected by the Conference. Michael is a hard-working, dedicated AED Board member, but more than that, he is a godly husband and dad.

God continues to cover me with a great group of Prayer Warriors who have covenanted with AED to pray for two minutes each day for AFLC Evangelism! I have been blessed to be protected through prayer both physically and spiritually—Praise the Lord!

I want to thank those of you who have become Soul Mates. Your pledge of monthly financial support as well as your faithful prayers are key for AED to get a broader base of support which will ensure that resources for evangelism and discipleship can continue to be available for AFLC individuals and congregations, hopefully until the Lord returns. If you haven't already, would you consider becoming a Soul Mate and financially supporting AFLC Evangelism & Discipleship?

I want to thank Jesus for the sure hope I have for heaven. I praise Him for Jane, my wife of almost 47 years—what a beautiful woman of God she is, as well as being my strongest prayer supporter!

I also want to thank each of our children for their support and prayers. Thank you, Eric, Rachel, Anna, Sam, Micah, & Aiden, Luke, Liz, Jack, Will, & Adeline, Joel, Chris, & Ezra, and Caleb, for being great examples of Jesus to me.

Respectfully submitted,
Jim Rasmussen
Director of AFLC Evangelism & Discipleship

THE BENEFITS BOARD

To the 57th Annual Conference of the Association of Free Lutheran Congregations assembled in Pennsylvania June 11-14, 2019.

The Benefits Board approved \$10,000 of the HIS Funds to be used as seed money to establish and train a Care Team of 3 AFLC pastors and wives (PAACT) Pastoral and Congregational Care Team. This was recommended by the Coordinating Committee of the AFLC.

The purpose of the Care Teams is to mentor Pastors and Wives. The ongoing implementation of the Care Team will be separately funded.

The Benefits Board continues to encourage participation by Congregations and Pastors in the AFLC 401K Retirement Plan. The plan allows for immediate participation and nondiscretionary contributions. One of the benefits of this plan is tax free withdrawals during retirements if you can claim distributions as housing. The number of Pastors and Employees participating are 215. Those in the 401K Plan should see the AFLC website and log into the Health Benefits portal for benefit information and to designate beneficiaries.

During this last year Help In Service (HIS) was able to assist Pastors and their families in financial needs in two situations.

The Benefits Board Members with terms are:

| | |
|-------------------------------------|------|
| Mr. Phillip Peterson, Beresford, SD | 2019 |
| Rev. Kenneth Moland, NC | 2020 |
| Rev. Brad Putnam, Cloquet, MN | 2021 |
| Mr. Tony Onnen, Cokato, MN | 2022 |
| Mr. James Rolf, Moorhead, MN | 2023 |

Health Benefits Agent is Mr. Tom Johnston, Victoria, MN.

Respectfully submitted,
Tony Onnen for the Benefits Board

REPORT OF THE COLLOQUY COMMITTEE

To the Fifty-Seventh Annual Conference of the Association of Free Lutheran Congregations.

The 2018 Annual Conference elected the following to the Colloquy Committee for this year: Rev. Karl Anderson, Rev. Dan Antal, Rev. Kirk Flaa, Rev. George Lautner Pastor, and Rev. David Tilney.

On September 17, 2018 The Colloquy Committee met at AFLC Headquarters. Members present were: Pastor George Lautner, Pastor Dan Antal, Pastor David Tilney, Pastor Karl Anderson. Pastor Kirk Flaa was unable to attend.

Pastor Karl Anderson was elected as Chairman and Secretary.

We interviewed two candidates for ordination, Ryan Patenaude and Christopher Kumpula. Both were recommended for ordination upon accepting a congregational call.

On January 21, 2019 The Colloquy Committee met at AFLC Headquarters. Members present were.

We interviewed five candidates for ordination:

Kevin Czymbor
Justin Nelson
David Niemela
Matthew Pillman,
Israel Vazquez-Flores

All were recommended for ordination upon accepting a congregational call.

Respectfully Submitted,
Pastor Karl Anderson for the Colloquy Committee

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MEMBERS**

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ARC Corporation

AFLC MISSIONS CORPORATION

**H Home Missions committee; *W World Missions Committee; *F Flaps Board;
B Bay Broadcast

TERM EXPIRES 2019

Rev. Matthew Ballmann , Sioux Falls, SD
Rev. Ray Ballmann, Kopperl, TX
Pastor William Buck, Sinai, SD
Mrs. Gloria Flaa, Sioux Falls, SD
Mrs. Linda Fugleberg, Moorhead, MN
*W Mr. Paul Handsaker, Radcliffe, IA
Mr. Philip Johnson, Esko, MN
Mr. Rodney Kjersten, Roseau, MN
Mrs. Karen Knudsvig, Buxton, ND
Rev. Richard Long, Arlington, WA
Rev. Jerome Nikunen, Richfield MN
Rev. Mark Olson, Farmington, MN
Rev. Mark Richardson, Faith, SD
Rev. Greg Schram, Loveland, CO
Mr. Kenneth Sletten, Duluth, MN
Rev. Scott Stroud, Salinas, CA
Mr. Roger Tollefson, Crookston, MN
Rev. Jonathan Unverzagt, Sparta, WI
Rev. Craig Wentzel, Edmore, ND
Dr. Lyle Westrom, Crookston, MN

TERM EXPIRES 2020

Mr. Darryl Askvig, Kalispell, MT
Mrs. Vonne Coyle, Nicollet, MN
Dr. Peter Dyrud, Plymouth, MN
Mr. Gene Finstrom, Buxton, ND
Rev. Michael J. Flechsig, Blackduck, MN
Rev. Micah W. Hjermstad, Fargo, ND
*H Mr. Ronald Jorgenson, Lidgerwood, ND
Mr. Glen Larson, Fosston, MN
Mr. Vince Larson, Buffalo, ND
*W Dr. Lyle M. Mattson, Greenbush, MN
Rev. Kenneth Moland, Kirkland, WA
*W Rev. David A. Nelson, Badger, MN
Mrs. Phyllis D. Nikunen, Richfield, MN
Rev. Kris A. Nyman, Hagerstown, MD
*H Rev. Joe Ocker, Frost, MN
Mr. Kevin P. Olson, Fargo, ND
Mr. Mark Olson, Winsted, MN
Mr. Ralph Peterson, Portland, ND
Mrs. Wanita Sletten, Duluth, MN
Mrs. Bonnie Upton, Kalispell, MT

TERM EXPIRES IN 2021

Mr. Don Berge, Fargo, ND
Mr. Carl Busse, Humboldt, TN
*B Mr. Paul Christenson, Fergus Falls, MN
Mr. Robert Alan Christian, Newark, IL
Rev. Andy Coyle, Summerset, SD
*B Mr. Benjamin S. Dahl, Camarillo, CA
Mr. Stephen Deysher, Fleetwood, PA
*W Mr. Scott Erickson, Badger, MN
*W Mr. Glenn Espe, TRF, MN

- *H Rev. Dale Finstrom, Fertile, MN
- Rev. James Fugleberg, Moorhead, MN
- Mrs. Lois Grothe, Astoria, OR
- Rev. Gary Haug, Brooklyn Park, MN
- Rev. Wayne Hjermstad, Elk River, MN
- Rev. Lynn Kinneberg, McVie, ND
- *H Mr. Glenn Mork, Buffalo, MN
- *H Rev. Gerald R. Peterson, OK City, OK
- Mr. Eldwyn VanBruggen, Valley City, ND
- *F Mr. Shane Voxland, McIntosh, MN
- Mr. Jeremy Zeltinger, Valley City, ND

TERM EXPIRES IN 2022

- Mr. Brady A. Arneson, Honolulu, HI
- *F Mr. Lavon Bohling, Inman, KS
- *H Mr. Tom Caouette, Nisswa, MN
- *F Mr. Joel Forness, Wahpeton, ND
- *H Mr. Kenneth L. Graham, Camarillo, CA
- Mr. Michael Grahm, Roseau, MN
- Rev. Richard Gunderson, Alexandria, MN
- Mrs. Barbara Gustafson, Apache Junction, AZ
- Mr. David Handsaker, Plymouth, MN
- Mr. Kevin Hoops, Byron, NE
- *W Rev. Craig Johnson, Astoria, OR
- Rev. Jon Langness, Deshler, NE
- Rev. Richard P. Larson, Ortonville, MN
- *F Mr. David Mattson, Centerville, SD
- Pastor Henry Mohagen, Reva, SD
- Mr. Marlow Nash, Colfax, ND
- Mr. Tim Rolf, McIntosh, MN
- Mr. Greg Schmitke, Moorhead, MN
- Rev. Tony Stockman, Bloomington, MN
- Mr. Richard A. West, Mankato, MN

TERM EXPIRES 2023

- Rev. John Abel, Hitterdal, MN
- *F Rev. Mark Antal, Park River, ND
- Mr. Duane Burchill, Valley City, ND
- *B Rev. Brian L. Davidson, Dickinson, ND
- Rev. Connely Dyrud, Maple Grove, MN
- Rev. Eugene W. Enderlein, Plymouth, MN
- Mr. Dean Feistner, Madison, SD
- Mrs. Christie R. Friestad, Crystal, MN
- Mr. Tom Fugleberg, Badger, MN
- Rev. Jarrod Hylden, Beresford, SD
- Rev. Leslie Johnson, Wilson, WI
- Rev. George Lautner, Larimore, ND
- Rev. Jerry A. Nelson, La Crosse, WI
- *F Rev. Thomas C. Olson, Farmington, MN
- Mr. Rodney Scheel, Fergus Falls, MN
- Mrs. Cheryl Skordahl, Rogers, MN
- *W Rev. Kent Sperry, Beulah, ND
- Mr. David Strand, Kindred, ND
- Mrs. Kristin Tanner, Sioux Falls, SD
- *F Rev. Thomas R. Tuura, Stover, MO

AFLC SCHOOLS CORPORATION

(*T designates member Board of Trustees)

TERM EXPIRES 2019

Mrs. Becky Berge, Fargo, ND
Mr. Joel D. Erickson, Oslo, MN
Mrs. Bonnie Handsaker, Radcliffe, IA
Mrs. Robin R. Johnson, Esko, MN
Rev. Gideon Russell Johnson, Kenyon, MN
Mr. Ralph Peterson, Portland, ND
Rev. Craig Scavo, Kalispell, MT
Rev. Kirk Thorson, Sioux Falls, SD
Rev. Peter Ward, Pelican Rapids, MN
Rev. Jon Wellumson, Williston, ND

TERM EXPIRES 2020

*T Rev. Alan Arneson, Fosston, MN
Rev. Brett A. Boe, Shakopee, MN
Mr. Cory J. Buck, Sioux Falls, SD
Mr. Loiell Dyrud, Thief River Falls, MN
*T Mr. Gary Erickson, Dalton, MN
Rev. Kirk Flaa, Sioux Falls, SD
Mr. David B. Haugen, Pelican Rapids, MN
Rev. James R. Johnson, Fergus Falls, MN
Pastor Michael McCarlson, Webster, SD
Mr. Brent Peterson, Valley City, ND

TERM EXPIRES 2021

Mr. John Amdahl, Sioux Falls, SD
Mr. Lyle Forde, Arlington, WA
Mr. David Fugleberg, Lakeville, MN
Mr. Tom Fugleberg, Badger, MN
Rev. Earl Korhonen, Minneapolis, MN
Mrs. Karen Pederson, Tioga, ND
Rev. Stephen Snipstead, Kalispell, MT
Mr. Doug Swanson, Swanville, MN
Mr. John Talley, Newark, IL
Rev. George R. Winston, Newark, OH

TERM EXPIRES 2022

Rev. Daniel Antal, Grand Forks, ND
Rev. Martin Horn, Crystal, MN
Miss Wanda Jacobson, Brooklyn Park, MN
*T Mr. Philip Johnson, Esko, MN
Mr. Erling Langness, Ishpeming, MI
Dr. Daniel Mundfrom, Richmond, KY
Mr. Samuel Nash, Menasha, WI
*T Mr. Dean S. Nelson, Vergas, MN
Rev. Eric Rasmussen, Fergus Falls, MN
Mr. James Rolf, Moorhead, MN

TERM EXPIRES 2023

*T Mr. Donald Balmer, Thief River Falls, MN
Mr. Arne Berge, Binford, ND
Pastor William Buck, Sioux Falls, SD
*T Rev. Todd Erickson, Roseau, MN
Rev. Jason Gudim, Golden Valley, MN
Mr. Steve Jankord, Fort Mill, SC
Rev. Paul Kneeland, Dayton, MN
Dr. Nathan Olson, Savage, MN
*T Rev. Lloyd Quanbeck, Moorhead, MN
Rev. Calvin Willard, Everett, WA

AFLC ARC CORPORATION
(*A designates member ARC Board)

TERM EXPIRES 2019

- *A Mr. Thomas Asfeldt, Sioux Falls, SD
- Mr. Dan C. Ballmann, Hico, TX
- *A Rev. Richard Carr, Tioga, ND
- Mr. Paul Danielson, Lake Preston, SD
- Rev. Leroy Flickinger, Thief River Falls, MN
- Rev. Rodney Johnson, Stanley, ND
- Mrs. Lori Lyon, Kenyon, MN
- Mrs. Faylin Myhre, Abercrombie, ND
- Mrs. Penny Nash, Lidgerwood, ND
- Mr. Curtis Twedt, Oxbow, ND

TERM EXPIRES 2020

- Mr. Alan Behm, Lowry, MN
- Mr. Roger Benson, Brooklyn Center, MN
- Mr. Stanley Christenson, Osceola, WI
- Mr. Michael Coyle, Nicollet, MN
- Mr. Ernie Hilbert, Wheatland, IA
- Mrs. Nancy Langness, Ishpeming, MI
- Ms. Jackie Manninen, Annandale, MN
- Mr. Denis Parsley, Pipestone, MN
- Mr. Harold Pedersen, Fargo, ND
- Mr. Roger Quanbeck, Hallock, MN

TERM EXPIRES 2021

- Mr. Shawn Adrian, Binford, ND
- Mr. Ivar Berge, Fargo, ND
- Mr. Kermit Berge, Larimore, ND
- Mr. Kevin Hooper, Ishpeming, MI
- Mrs. Susan Parsley, Pipestone, MN
- Mr. John Rieschl, Minneapolis, MN
- Mr. Bruce Rokala, Kimball, MN
- Mr. Roger Seldal, DeKalb, IL
- Rev. Jeremy Vance, Coon Rapids, MN
- Mr. Daniel R. Wilhelm, Kalispell, MT

TERM EXPIRES 2022

- Mr. Andrew P. Benson, Janesville, WI
- Rev. Ron Brubakken, Argyle, WI
- Mr. Albert Engevik, Eden, SD
- Mr. Harold Erickson, Wadena, MN
- Rev. Jesse T. Kneeland, Saint Michael, MN
- Mr. Steven C. Lehmann, Milford, IL
- Rev. Jerry A. Nelson, La Crosse, WI
- Rev. Aaron R. Olson, Arlington, SD
- *A Mr. Kevin O'Neil, Beresford, SD
- Rev. Calvin Willard, Everett, WA

TERM EXPIRES 2023

- Rev. Karl Anderson, McIntosh, MN
- Mr. Caleb Benson, Janesville, WI
- Mrs. Tami Demo, Saint Michael, MN
- Rev. David A. Johnson, Boyertown, PA
- *A Dr. Steven Johnson, Upsala, MN
- Mr. Tim Jordan, Valley City, ND
- Rev. Shane McLoughlin, Minot, ND
- *A Mr. Chad Rieschl, Brooklyn Park, MN
- Mr. Bruce Sellent, Almena, WI
- Mr. Roger VanSomeren, Amery, WI

AFLC CONGREGATIONS BY DISTRICTS

(does not include inactive)

CENTRAL TRI-STATE

| | | |
|--------------|----|-------------------------------------|
| Boscobel | WI | Trinity Lutheran Church |
| Cannon Falls | MN | Our Saviour's Ev. Lutheran Church |
| Dexter | MN | Zion Lutheran Church |
| Eagle Grove | IA | Holmes Ev Lutheran Church |
| Ellendale | MN | First Lutheran Church |
| Fairbank | IA | Lord Of The Harvest Lutheran Church |
| Frost | MN | Dell Lutheran Church |
| Garden City | IA | Stavanger Free Lutheran Church |
| Jewell | IA | St. Paul's Lutheran Church |
| Kasson | MN | Mt. Zion Lutheran Church |
| Kenyon | MN | Emmanuel Lutheran Church |
| Kenyon | MN | Hauge Lutheran Church |
| Mankato | MN | Word Of Life Free Lutheran Church |
| Onalaska | WI | Christ Is Lord Lutheran Church |
| Radcliffe | IA | Salem Lutheran Church |
| Saint James | MN | Hosanna Free Lutheran Church |
| Zumbrota | MN | Our Saviour's Lutheran Church |

EASTERN

| | | |
|--------------------|----|--|
| Bethel Park | PA | Ruthfred Lutheran Church |
| Boyertown | PA | Living Faith Lutheran Church |
| Canal Winchester | OH | Peace Free Lutheran Church |
| Canfield | OH | Paradise Lutheran Church |
| Cranberry Township | PA | St. John's of Loyi Evangelical Lutheran Church |
| Hagerstown | MD | Christ Community Church |
| Hagerstown | MD | St. Paul's Evangelical Free Lutheran Church |
| Landisburg | PA | Mt. Zion Lutheran Church |
| Loysville | PA | Tressler Memorial Free Lutheran Church |
| Millerstown | PA | St. Matthew Lutheran Church |
| Newark | OH | St. John's Lutheran Church |
| North Royalton | OH | Abiding Savior Lutheran Church |
| Reading | PA | Alsace Lutheran Church |
| Trenton | MI | Stronghold Lutheran Church |

EASTERN NORTH DAKOTA

| | | |
|---------------|----|------------------------------------|
| Abercrombie | ND | Bethany Free Lutheran Church |
| Binford | ND | Bethany Lutheran Church |
| Buxton | ND | Ny Stavanger Free Lutheran Church |
| Churchs Ferry | ND | North Prairie Free Lutheran Church |
| Devils Lake | ND | Christ Free Lutheran Church |
| Edinburg | ND | Grace Free Lutheran Church |
| Edmore | ND | Living Word Lutheran Church |
| Egeland | ND | Lakeview Lutheran Church |
| Enderlin | ND | Hope AFLC Church of Enderlin |
| Fargo | ND | St. Paul's Free Lutheran Church |
| Grafton | ND | Bethel Free Lutheran Church |
| Grand Forks | ND | Trinity Free Lutheran Church |
| Hampden | ND | Zoar Lutheran Church |
| Jamestown | ND | New Hope Free Lutheran Church |
| Larimore | ND | Living Faith Free Lutheran Church |
| Leonard | ND | West Prairie Free Lutheran Church |
| Manvel | ND | Middle Grove Lutheran Church |
| McVille | ND | New Luther Valley Lutheran Church |
| Minnewaukan | ND | Trinity Free Lutheran Church |
| Northwood | ND | Ebenezer Lutheran Church |
| Park River | ND | Victory Free Lutheran Church |
| Portland | ND | Valley Free Lutheran Church |
| Starkweather | ND | Trinity Bergen Lutheran Church |
| Valley City | ND | Grace Free Lutheran Church |
| Valley City | ND | Zion Lutheran Church Green Tsp |

ILLINOIS

| | | |
|---------------|----|--|
| Argyle | WI | Cornerstone Lutheran Church |
| Ashkum | IL | Zion Lutheran Church |
| Bensenville | IL | Grace Lutheran Church |
| Brodhead | WI | Bethany Lutheran Church |
| Dekalb | IL | Grace Free Lutheran Church |
| Gifford | IL | St. Paul's Evangelical Lutheran Church |
| Indianapolis | IN | St. Mark's Free Lutheran Church |
| Janesville | WI | Trinity Free Lutheran Church |
| Leland | IL | St. Petrie Lutheran Church |
| Lincoln | IL | Good Shepherd Lutheran Church |
| Melvin | IL | St. Peter's Lutheran Church |
| Metropolis | IL | Faith Lutheran Church |
| Metropolis | IL | St. Stephen's Lutheran Church |
| Milford | IL | St. John's Lutheran Of Schwer |
| Mineral Point | WI | Faith Lutheran of Mineral Point |
| Montgomery | IL | St. Olaf Lutheran Church |
| Morris | IL | Bethlehem Lutheran Church |
| Morris | IL | Grace Evangelical Lutheran Church |
| Newark | IL | Helmar Lutheran Church |
| Newark | IL | Lisbon Bethlehem Ev Lutheran Church |
| Newark | IL | Newark Lutheran Church |
| Ottawa | IL | Freedom Lutheran Church |
| Sheridan | IL | Fox River Lutheran Church |
| Wheatland | IA | Christian Free Lutheran Church |
| Whitestown | IN | St. Mark's Lutheran Church |

LAKE SUPERIOR

| | | |
|-----------|----|-------------------------------------|
| Cloquet | MN | St. Paul's Lutheran Church |
| Duluth | MN | Augustana Lutheran Church |
| Duluth | MN | St. John's Free Lutheran Church |
| Finlayson | MN | St. John's Lutheran Church |
| Mason | WI | Our Savior's Free Lutheran Church |
| Superior | WI | Our Redeemer's Free Lutheran Church |
| Tamarack | MN | Tamarack Lutheran Church |
| Virginia | MN | Good Shepherd Lutheran Church |

MINNEAPOLIS

| | | |
|-------------|----|---|
| Amery | WI | Amery Free Lutheran Church |
| Anoka | MN | Solid Rock Free Lutheran Church |
| Barronett | WI | Timberland Ringebu Free Lutheran Church |
| Bloomington | MN | Emmaus Lutheran Church |
| Cokato | MN | Good Shepherd Free Lutheran Church |
| Colfax | WI | Faith Lutheran Church of Running Valley |
| Eagan | MN | Living Word Lutheran Church |
| Lakeville | MN | Minnesota Valley Free Lutheran Church |
| Maple Grove | MN | Grace Free Lutheran Church |
| Minneapolis | MN | Faith Free Lutheran Church |
| Minneapolis | MN | Hope Lutheran Church |
| Mora | MN | True Vine Lutheran Church |
| Plymouth | MN | Vision Of Glory Lutheran Church |
| Rogers | MN | Living Hope Church |
| Shakopee | MN | Faith Lutheran Church |
| Shakopee | MN | King Of Glory Lutheran Church |
| Stacy | MN | Sunnyside Free Lutheran Church |
| Wilson | WI | Christ the King Lutheran Church |

NEBRASKA KANSAS COLORADO

| | | |
|---------------|----|---------------------------------------|
| Deshler | NE | Abiding Word Lutheran Church |
| Elkhorn | NE | Community Of Grace Ev Lutheran Church |
| Fairbury | NE | Faith Lutheran Church |
| Laurel | NE | United Lutheran Church |
| Loveland | CO | Lutheran Church Of Hope |
| Saint Francis | KS | Peace Lutheran Church |
| Swink | CO | Mission Lutheran Church |

NORTH CENTRAL MINNESOTA

| | | |
|-----------|----|-----------------------------------|
| Bagley | MN | Alida Lutheran Church |
| Bagley | MN | Grace Free Lutheran Church |
| Bagley | MN | Rice Lutheran Church |
| Beltrami | MN | Resurrection Free Lutheran Church |
| Bemidji | MN | Bethany Free Lutheran Church |
| Bemidji | MN | Trinity Free Lutheran Church |
| Blackduck | MN | Faith Lutheran Church |
| Fosston | MN | Calvary Free Lutheran Church |
| McIntosh | MN | Mt. Carmel Free Lutheran Church |
| McIntosh | MN | Trinity Lutheran Church |
| Mentor | MN | Maple Bay Free Lutheran Church |
| Mizpah | MN | Bethesda Lutheran Church |
| Northome | MN | Hope Lutheran Church |
| Shevlin | MN | Landstad Lutheran Church |
| Winger | MN | Dovre Free Lutheran Church |

NORTHERN MICHIGAN

| | | |
|---------------|----|---------------------------------------|
| Chassell | MI | Maranatha Free Lutheran Church |
| Eben Junction | MI | Calvary Free Lutheran Church |
| Escanaba | MI | Escanaba Free Lutheran Church |
| Felch | MI | Abiding Word Lutheran Church |
| Hawks | MI | St. Peter Lutheran Church |
| Ishpeming | MI | Hope Free Evangelical Lutheran Church |
| Ontonagon | MI | Redeemer Free Lutheran Church |
| Pelkie | MI | Grace Free Lutheran Church |
| Shingleton | MI | Christ Lutheran Church |

NORTHWESTERN MINNESOTA

| | | |
|-------------------|----|--------------------------------------|
| Argyle | MN | Alma Lutheran Church |
| Argyle | MN | Our Savior's Lutheran Church |
| Badger | MN | Badger Creek Lutheran Church |
| Badger | MN | Oiland Lutheran Church |
| East Grand Forks | MN | Christ The King Free Lutheran Church |
| Goodridge | MN | Reiner Lutheran Free Church |
| Greenbush | MN | United Free Lutheran Church |
| Newfolden | MN | Westaker Free Lutheran Church |
| Roseau | MN | Free Lutheran Church of Roseau |
| Roseau | MN | Rose Free Lutheran Church |
| Salol | MN | Norland Free Lutheran Church |
| Salol | MN | Spruce Free Lutheran Church |
| Strandquist | MN | Hegland Free Lutheran Church |
| Thief River Falls | MN | Abundant Life Church |
| Thief River Falls | MN | Our Saviour's Lutheran Church |

PACIFIC NORTHWEST

Arlington WA
 Astoria OR
 Brookings OR
 Dillon MT
 Eugene OR
 Everett WA
 Ferndale WA
 Kalispell MT
 Kalispell MT
 Kirkland WA
 Lake Stevens WA
 Mount Vernon WA

Atonement Free Lutheran Church
 Bethany Lutheran Church
 Trinity Lutheran Church
 Our Savior's Lutheran Church
 Spencer Creek Lutheran Church
 Calvary Lutheran Church
 Triumph Lutheran Church
 Faith Free Lutheran Church
 Stillwater Free Lutheran Church
 Our Redeemer Lutheran Church
 Elim Lutheran Church
 Lord of Life Lutheran Church

SOUTH CENTRAL

Brownsville TX
 Durant OK
 El Campo TX
 Humboldt TN
 Kopperl TX
 Marksville LA
 Oklahoma City OK
 Paige TX
 Pleasanton TX
 Saint Louis MO
 Silverhill AL
 Springfield MO
 Stover MO
 Tomball TX
 Weslaco TX

Free Lutheran Fellowship Church
 Faith Lutheran Church
 Faith Lutheran Church
 Ebenezer Free Lutheran Church
 Word Of Truth Lutheran Church
 St. Paul's Lutheran Church
 First Lutheran Church
 Trinity Lutheran Church
 Good Shepherd Lutheran Church
 Gloria Dei Lutheran Church
 Zion Lutheran Church
 Immanuel Lutheran Church
 Christ Lutheran Church
 Crown Of Life Lutheran Church
 Faith Lutheran Church

SOUTH DAKOTA

Arlington SD
 Armour SD
 Beresford SD
 Black Hawk SD
 Bruce SD
 Canton SD
 Centerville SD
 Chamberlain SD
 Delmont SD
 Eagle Butte SD
 Faith SD
 Freeman SD
 Hendricks MN
 Madison SD
 Mitchell SD
 Ortle SD
 Pipestone MN
 Pukwana SD
 Reva SD
 Sioux Falls SD
 Sioux Falls SD
 Sisseton SD
 Sisseton SD
 Tripp SD
 Viborg SD
 Volin SD
 Wallace SD
 Waubay SD
 Webster SD

Calvary Free Lutheran Church
 St. Peter Lutheran Church
 Skrefsrud Lutheran Church
 Shiloh Free Lutheran Church
 Grace Lutheran Church
 Redeemer Free Lutheran Church
 Immanuel Free Lutheran Church
 St. Olaf Lutheran Church
 Hope Lutheran Church
 Emmanuel Free Lutheran Church
 Bethel Lutheran Church
 Salem Free Lutheran Church
 Singsaas Free Lutheran Church
 Good Shepherd Free Lutheran Church
 Amazing Grace Free Lutheran
 Ortle Free Lutheran Church
 Christ The King Lutheran Church
 Pukwana Free Lutheran Church
 Slim Buttes Lutheran Church
 Abiding Savior Free Lutheran Church
 Living Word Free Lutheran Church
 Buffalo Lake Lutheran Church
 New Hope Free Lutheran
 First American Lutheran Church
 Bethany Lutheran Church
 Trondhjem Lutheran Church
 Calvary Lutheran Church
 Egeland Lutheran Church
 Tabor Lutheran Church

SOUTHWESTERN

| | | |
|----------------|----|-------------------------------------|
| Camarillo | CA | Good Shepherd Lutheran Church |
| El Cajon | CA | Reformation Lutheran Church |
| Fountain Hills | AZ | Joy Christian Community Church |
| Manteca | CA | United Lutheran Church |
| Mesa | AZ | Calvary Free Lutheran Church |
| Montebello | CA | Cross and Crown Lutheran Church |
| Nogales | AZ | Triumph Evangelical Lutheran Church |
| Oceanside | CA | Community Lutheran Church |
| Patterson | CA | Our Saviour's Lutheran Church |
| Salinas | CA | St. Ansgar's Lutheran Church |

WEST NO/DAKOTA EAST MONTANA

| | | |
|---------------|----|------------------------------------|
| Beulah | ND | Prince Of Peace Lutheran Church |
| Bismarck | ND | Calvary Free Lutheran Church |
| Brockton | MT | Faith Free Lutheran Church |
| Culbertson | MT | Bethel Community Church |
| Dickinson | ND | Our Saviour's Lutheran Church |
| Dodge | ND | St. Paul Lutheran Church of Dodge |
| Golden Valley | ND | Golgotha Lutheran Church |
| Harvey | ND | Trinity Bethany Lutheran Church |
| Minot | ND | Bethel Free Lutheran Church |
| Mott | ND | Trinity Lutheran Church |
| New Leipzig | ND | Immanuel Lutheran Church |
| Stanley | ND | First English Lutheran Of Lostwood |
| Stanley | ND | Our Savior's Free Lutheran Church |
| Taylor | ND | Taylor Lutheran Church |
| Tioga | ND | Beaver Creek Lutheran Church |
| Tioga | ND | Zion Lutheran Church |
| Williston | ND | Emmanuel Free Lutheran Church |

WEST CENTRAL MINNESOTA (formerly SW Central MN)

| | | |
|--------------|----|--|
| Brainerd | MN | Good Shepherd Free Lutheran Church |
| Brandon | MN | Chippewa Lutheran Church |
| Clinton | MN | Elim Lutheran Church |
| Dalton | MN | Kvam Free Lutheran Church |
| Dalton | MN | Zion/Sarpsborg Lutheran Church |
| Fergus Falls | MN | Calvary Free Lutheran Church |
| Glenwood | MN | Scandia Lutheran Church |
| Glyndon | MN | Maranatha Free Lutheran Church |
| Ortonville | MN | Abiding Faith Free Lutheran Church |
| Sebeka | MN | Bethany Free Lutheran Blue Grass |
| Spicer | MN | Green Lake Lutheran Church |
| Starbuck | MN | Minnewaska Lutheran Church |
| Sunburg | MN | Sunburg Free Lutheran Church |
| Ulen | MN | Maranatha Free Lutheran Church of Ulen |
| Underwood | MN | Tordenskjold Free Lutheran Church |
| Upsala | MN | Word Of Life Free Lutheran Church |
| Wadena | MN | Zion Free Lutheran Church |

CANADA

| | | |
|---------------|----|-----------------------------------|
| Black Diamond | AB | Foothills Bible Fellowship |
| Chaplin | SK | Chaplin Lutheran Church |
| Cranbrook | BC | Mount Zion |
| Elbow | SK | Bethel Lutheran Church |
| Elkford | BC | Immanuel |
| Enderby | BC | Emmanuel Lutheran Church |
| Fernie | BC | Trinity Lutheran |
| Frontier | SK | Bethel Lutheran Church |
| Hawarden | SK | Bethlehem Lutheran Church |
| Invermere | BC | St. Peter's Lutheran of Invermere |
| Kimberly | BC | Holy Cross |
| Lake Alma | SK | Faith Free Lutheran Church |
| Mortlach | SK | Bethany Lutheran Church |
| Vernon | BC | Living Word Lutheran Church |

CONFERENCE ELECTION PROCEDURES THE ECCLESIASTICAL BALLOT:

For the election of AFLC Officers

1. The first ballot is the nominating ballot. Each voting member at the conference may place in nomination the person of his choosing.
2. Only persons whose names appear on the first ballot are eligible for consideration on further ballots.
3. Any person receiving 75 percent or more of total votes cast on the first ballot is automatically elected. On subsequent ballots, only a simple majority of the total votes cast is required for election.
4. Incumbents who have served three or more terms must receive 75 percent of the total votes cast to be elected. Such an incumbent may continue in the balloting until two names remain. At this point the incumbent's name would be dropped unless elected by 75 percent of the votes cast, and a new nominating ballot would be cast.
5. All persons receiving 10 percent or less of the total votes cast on the second ballot shall be dropped from consideration on the next ballot, except in those cases where only one nominee receives more than 10 percent of the votes cast; in such cases only the nominee receiving the fewest votes shall be dropped from further consideration. The person receiving the least number of votes on the third and subsequent ballots shall be dropped from further consideration.
6. For all other elections, nominations shall be presented by the Nominations Committee and may also be offered from the floor. A simple majority of votes cast is required for election. On the second and subsequent ballots, the person receiving the least number of votes shall be dropped from further consideration.

The conference election procedures were approved by the 1990 Annual Conference and clarified by the Coordinating Committee in May, 2001, adding to #4 the words "and a new nominating ballot would be cast."

AFLC RESOLUTIONS FOR LIFE AND MARRIAGE

SANCTITY OF LIFE RESOLUTIONS

Adopted by the 1986 Annual Conference:

WHEREAS, the 1977 Annual Conference of the Association of Free Lutheran Congregations resolved to oppose therapeutic abortions as a means of birth control and to encourage each congregation and individual to protest in writing to their respective legislative officials; and

WHEREAS, the 1978 Annual Conference resolved to continue to oppose the sin of abortion; and

WHEREAS, the 1980 Annual Conference reaffirmed the “conservative stand taken by the AFLC based on the Word of God and His Laws concerning the moral issues of our day;” and

WHEREAS, the destruction of millions of lives by means of abortion which began with the 1973 Supreme Court decision still continues; therefore

BE IT RESOLVED, that the Annual Conference of the Association of Free Lutheran Congregations affirms that,
a. the unborn children are persons in the sight of God from the time of conception (Job 10:9-10; Psalm 51:5; 139:13-17; Jeremiah 1:5; Luke 1:41-44);
b. the unborn children stand under the protection of God’s command against murder (Genesis 9:6; Exodus 20:13; Numbers 35:33; Acts 7:19; I John 3:15);
and

BE IT FURTHER RESOLVED, that we encourage a clear witness on behalf of the sanctity of unborn life, including the support of responsible pro-life groups in our communities, such as “Lutherans for Life,” and

BE IT FURTHER RESOLVED, that we encourage prayerful support for the development of alternatives to abortion programs, providing compassionate help for those in need;

BE IT FURTHER RESOLVED, that we boldly proclaim Law and Gospel, which alone can change the sinful hearts of men and women and turn them from sin to salvation.

Adopted by the 1995 Annual Conference:

RESOLVED, that the 1995 Annual Conference of the Association of Free Lutheran Congregations reaffirms our biblical convictions that unborn children are persons in the sight of God from the time of conception and stand under the protection of God’s law against murder; and

BE IT FURTHER RESOLVED, that the employment of every peaceful and legal avenue to enact laws restoring protection to unborn children be encouraged, while relying on the spiritual resources available to God’s people for fighting the spiritual battle for the sanctity of human life; and

BE IT FURTHER RESOLVED, that the conference also expresses its opposition to the violent actions of some abortion opponents, convinced that the violence of abortion will not be overcome by further violence, and that Christians must not take the law into their own hands in opposing evil.

Adopted by the 2000 Annual Conference:

BE IT RESOLVED, that we affirm the sanctity of human life from conception to natural death;

BE IT FURTHER RESOLVED, that we denounce abortion, including partial birth abortion, infanticide, and euthanasia all as sin and that we pray that these practices would come to an end in our country by losing their personal support as well as any legal sanction;

BE IT FURTHER RESOLVED, that we encourage our congregations to support pro-life organizations like Lutherans For Life and local crisis pregnancy centers with our prayers and giving; and

BE IT FINALLY RESOLVED, that we extend a heart and voice of compassion and forgiveness in Christ to those who are experiencing crisis pregnancies or who have been involved in abortion.

MARRIAGE AND FAMILY RESOLUTIONS

Adopted by the 2000 Annual Conference:

WHEREAS, the attack against Biblical Christianity is so intense in society today, including a direct assault against the Bible's teaching on marriage and the family,

BE IT RESOLVED, that we as the Association of Free Lutheran Congregations reaffirm our uncompromising stand on God's Word that marriage is instituted by God to be between one man and one woman.

WHEREAS, we live in a culture in which homosexuality is being more aggressively promoted and more broadly accepted,

BE IT RESOLVED, that we the Association of Free Lutheran Congregations reaffirm our love in Christ for every person including those involved in the homosexual lifestyle while rejecting their lifestyle itself as sin,

BE IT FURTHER RESOLVED, that we encourage our congregations to pray for and support with their gifts those individuals and organizations seeking to reach and rescue those in a homosexual lifestyle by Biblical means and message.

Fundamental Principles

Guiding Principles of the Lutheran Free Church and Association of Free Lutheran Congregations since 1897.

1. According to the Word of God, the congregation is the right form of the Kingdom of God on earth.
2. The congregation consists of believers who, by using the means of grace and the spiritual gifts as directed by the Word of God, seek salvation and eternal blessedness for themselves and for their fellow men.
3. According to the New Testament, the congregation needs an external organization with membership roll, election of officers, stated times and places for its gatherings, and other similar provisions.
4. Members of the organized congregation are not, in every instance, believers, and such members often derive false hope from their external connection with the congregation. It is therefore the sacred obligation of the congregation to purify itself by the quickening preaching of the Word of God, by earnest admonition and exhortation, and by expelling the openly sinful and perverse.
5. The congregation directs its own affairs, subject to the authority of the Word and Spirit of God, and acknowledges no other ecclesiastical authority or government above itself.
6. A free congregation esteems and cherishes all the spiritual gifts which the Lord gives for its edification, and seeks to stimulate and encourage their use.
7. A free congregation gladly accepts the mutual assistance which congregations can give one another in the work for the advancement of the Kingdom of God.
8. Such assistance consists partly in the mutual sharings of spiritual gifts among the congregations through conferences, exchange visits, lay activities, etc., whereby congregations are mutually edified, and partly in the voluntary and Spirit-prompted cooperation of congregations for the accomplishing of such tasks as exceed the ability of the individual congregation.
9. Among such tasks may be mentioned specifically the training of pastors,

distribution of Bibles and other Christian literature, home missions, foreign missions, Jewish missions, deaconess homes, children's homes and other work of mercy.

10. Free congregations have no right to demand that other congregations shall submit to their opinion, will, judgment, or decision: therefore, domination by a majority of congregations over a minority is to be rejected.
11. Agencies found desirable for conducting the joint activities of congregations, such as conferences, committees, officers, etc., cannot in a Lutheran Free Church impose any obligations or restrictions, exert any compulsions, or lay any burden upon the individual congregation, but have the right only to make recommendations to, and requests of, congregations and individuals.
12. Every free congregation, as well as every individual believer, is constrained by the Spirit of God and by the privileges of Christian love to do good and to work for the salvation of souls and the quickening of the spiritual life, as far as its abilities and power permit. Such free spiritual activity is limited neither by parish nor by synodical boundaries.

Rules for Work

As adopted at the AFLC Annual Conference in 1967.

1. The name of this association shall be “The Association of Free Lutheran Congregations.”
2. Its aim shall be to work toward making Lutheran congregations free and living, so that, according to their calling and ability, they may work in spiritual freedom and autonomy for the cause of the Kingdom of God at home and abroad through such agencies and institutions as the congregations themselves may designate.
3. It endeavors to realize this aim in particular by training men and women for Christian work in and for the congregations, by conducting larger and smaller conferences, by distributing suitable literature, by sending out evangelists, and by any other means which from time to time will be found necessary or advisable.
4. The AFLC consists of congregations which, in their constitutions, unreservedly subscribe to the ancient ecumenical symbols, *Luther’s Small Catechism*, the *Unaltered Augsburg Confession*, *Fundamental Principles and Rules for Work of the AFLC*, and report the same to the secretary of the Coordinating Committee.
5. The AFLC shall hold an Annual Conference which usually opens the evening of the second Wednesday in June and which shall elect the necessary committees and officers and determine what church activities in particular it shall recommend to the congregations.
6. The right to vote in the Annual Conference of the AFLC shall be held by all ordained pastors and lay pastors in regular standing in the AFLC and by all voting members of congregations affiliated with the AFLC. Individual Lutherans who are not members of a Lutheran congregation, but who are interested in supporting the work of the AFLC, may be granted speaking and voting privileges by the Coordinating Committee after said committee has received and approved their credentials. Voting members of other Lutheran congregations may be granted the right to vote in the Annual Conference providing they have at least two (2) weeks previously signed and sent to the secretary of the Annual Conference the special blank provided for that purpose, signifying that they approve the *Fundamental Principles and Rules for Work of the AFLC* and will work for the aim set forth in paragraph 2 of the *Rules for Work*.

7. The officers of the AFLC shall be a president, a vice-president, and a secretary, who shall be chosen from the membership of the AFLC and elected by the Annual Conference. Voting shall be by ballot.
 - a. The president shall be elected for a term of three years and shall devote all of his time to the service of the AFLC. He shall preside at the Annual Conference and shall report to it on the work of the AFLC in general, on church dedications, installations, celebrations, etc. He shall be an advisory member of all boards and committees. He shall assist congregations and pastors by giving counsel and guidance when this is desired, and he shall also, as ordainer, assist the congregations in ordaining men with the proper and adequate training who have been duly called as pastors. His salary shall be determined by the Coordinating Committee and shall be paid out of the AFLC General Fund.
 - b. The vice-president shall be elected for a term of one year and performs the duties of the president in the latter's absence.
 - c. The secretary shall be elected for a term of one year. He shall keep the minutes of the Annual Conference and is the custodian of the archives.
 - d. The term of office of the officers of the AFLC shall begin October 1 and shall expire September 30.
 - e. The executive officers after having served three (3) consecutive terms can be elected for additional terms only by a three-fourths majority vote.
8. The Annual Conference shall nominate members of the Coordinating Committee. This committee shall consist of seven members: three (3) pastors and four (4) laymen chosen from the membership of the AFLC. The number of those whose terms expire shall determine the number to be nominated by the Annual Conference each year. No member can serve more than two (2) consecutive terms.
9. Duties of the Coordinating Committee.
 - a. The Coordinating Committee shall seek to make known the *Fundamental Principles and Rules for Work of the AFLC* and further the discussions of the same throughout the congregations, so that the task of the AFLC, in an ever increasing degree, may be more clearly understood and more generally put into practice.

- b. It shall seek to have the congregations as fully and as generally represented at the Annual Conference of the AFLC as possible.
 - c. When desired, it shall assist congregations and pastors by giving counsel and guidance.
 - d. It shall compile parochial statistics and report thereon to the Annual Conference. It shall maintain the clergy and congregational rosters of the AFLC.
 - e. It shall have charge of the AFLC General Fund, from which shall be paid the salaries of the president, secretary, transportation secretary, traveling expenses, and expenses incurred in connection with the Annual Conference.
 - f. It shall elect the editor of the church organ.
 - g. Any duty not assigned to any other committee shall be the responsibility of the Coordinating Committee.
10. The Annual Conference shall nominate members for the following boards and corporations of the AFLC: Coordinating Committee, Board of Trustees and Corporation of the Free Lutheran Theological Seminary, Board and Corporation of Missions, Board of Publications and Parish Education, Youth Board, Stewardship Board, and Benefits Board. The editor of the church organ shall be nominated by the Annual Conference.
- a. No board member can serve for more than two (2) consecutive terms.
11. Reports shall be given by the following at the Annual Conference of the AFLC: The President, the Coordinating Committee, Board of Missions, Schools, Benefits Board, Board of Publications and Parish Education, Youth Board, Free Lutheran Youth (FLY), special committees elected by the Annual Conference, and by such institutions and activities within the church as may be given permission to report to the Annual Conference.
12. The president and secretary shall constitute the Annual Conference Committee, whose duties shall be: To fix time and place of the Annual Conference in the event that the Annual Conference did not do so at least two years in advance, arrange the program for the Conference, prepare the calendar for the business sessions, and to make any other arrangements that are necessary for the conduct of the Conference. The Conference Committee shall announce the Annual Conference at least two (2) months previous to the date of the meeting. It shall publish an Annual Report of the AFLC.

13. The manuscript for the Annual Report shall be kept on file by the secretary at least two (2) years after the publication of the report. The president and secretary shall determine how much of the manuscript of the Annual Report shall be kept on permanent file.
14. The secretary shall send notices to all concerned as to resolutions passed by the Annual Conference, election of committees, etc., by September 1.
15. These Rules for Work may be amended in the following manner: A motion to make an amendment shall be presented in writing to the Annual Conference and shall be voted upon at the following Annual Conference. For the adoption of the motion, a two-thirds majority of the ballots cast is required. All amendments must be in agreement with the *Fundamental Principles*, especially 5 and 10.
16. The *Rules for Work* of the AFLC shall take precedence over all other orders and decisions in effect.