



2022
Annual Report
and Offering Circular

 **Lutheran Church Extension Fund**
› where investments build ministry



Rev. Bart Day
LCEF President and CEO



Rev. Max Phillips
LCEF Board of Directors Chair

LETTER FROM OUR CEO AND BOARD CHAIR

Dear Friend in Christ,

Pandemic. Inflation. Wars. In the past fiscal year, we've seen it all. Lord, have mercy on those who've suffered. Despite the rough weather, God has blessed Lutheran Church Extension Fund (LCEF) with a year where we celebrated many successes. But, no surprise, we've faced challenges as well.

We finished the fiscal year with a \$40 million dollar loss, which was tied to a \$59 million dollar loss on investments driven by the wild market volatility. Fortunately, that loss is unrealized, meaning it's what we would lose if we sold those positions, which we didn't do, and we won't do, while the markets are under pressure.

Now, the good news. Our operating income landed at a surplus of \$6.9 million. Because of that substantial surplus, we could share earnings with The Lutheran Church—Missouri Synod (LCMS) and our 31 member districts. Overall, we gifted \$2.5 million. The districts will use these funds to extend their mission efforts beyond their regular budgets.

Overall, LCEF is in exceptional financial health. A strong balance sheet and cash to loan. We remain steadfast in stewarding the dollars invested for our future growth and success strategy.

LCEF had another successful year in achieving our organizational goals. Our goals are designed to help us adjust to the ever-evolving needs of our customers and partners. Much of the success in achieving these goals can be attributed to our employees. Read more about our organizational goals in our Ministry and Business Plan, available at lcef.org/resources.

These goals are above and beyond daily routine work, challenging employees to contribute more to our overall success. They delivered once again. By God's grace, we are poised to make the best of future challenges and changes and become more vital than ever. We are in good hands and will be ready for whatever the church needs from us.

In peace,

Rev. Bart Day
President and CEO
Lutheran Church Extension Fund

Rev. Max Phillips
Board of Directors Chair
Lutheran Church Extension Fund



LOVING OUR MINISTRY PARTNERS

Your investments make it possible for LCEF to develop, sustain and grow relationships with Lutheran Church—Missouri Synod (LCMS) ministries. This means we can provide the resources congregations, schools, Recognized Service Organizations and Rostered Church Workers need to continue to spread the Good News of Jesus Christ.

Protecting your funds is LCEF's highest priority, which is why we maintain strong levels of liquidity and capital. Our staff honors your trust by providing prudent management of funds and keeps Jesus at the heart of all we do. Your investments make it possible for LCEF to make loans available to support ministry projects throughout the world.

We are committed to working with congregations and other ministries through support services, including ministry planning, congregational stewardship training, leadership coaching and building campaigns. In this annual report, you'll read about how we are creating partnerships that keep the church strong.



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GIVING BACK

just as God has given to him.

Ben Skelton grew up in Jackson, Mo. surrounded by a family of educators. While a student at Saxony Lutheran High School and Concordia University-Nebraska, Ben realized the blessings God had bestowed upon him.

During that faith development, Ben decided to follow in his family footsteps and “give back just as God had given to me,” he said.

Today, Ben is a fourth-grade teacher at St. Luke’s Lutheran Church and School in Oviedo, Fla.

“I genuinely love teaching,” Ben said. “I love spending time with children and watching not only that light bulb turn on but watching that seed that was planted to grow and mature into the fruits of the spirit.”

Ben and his wife moved to Florida in 2012 to become full-time church workers at St. Luke’s. A few years later, they became investors with Lutheran Church Extension Fund (LCEF). Now, their two young children have Young Investor Club accounts.

“I believe LCEF is an important organization that helps small churches and large churches alike go through financial problem or financial strengths and use that to glorify God’s plan for them,” Ben said.



BEN SKELTON
Teacher
St. Luke’s Lutheran School
Oviedo, Fla.



What Happens When a Congregation **RESPONDS IN A BIG WAY**

Ministry can sometimes feel like a roller coaster ride. In 2005, Immanuel Lutheran Church and School in Loveland, Colo., was riding on a high when the school was busting at the seams on their former campus,

In 2008, Immanuel relocated their congregation and school to a 25-acre piece of undeveloped property and built a large facility for both congregation and school,

A few years later, things changed.

The ministry started competing with newly opened charter schools and a new non-denominational church that started a Christian elementary school and followed that with a Christian high school.

“It was very painful to see many wonderful families leave the school,” said Rev. Glen Schlecht, pastor at Immanuel. “We believed and trusted that God had a plan for us, however that might look for the future of our ministry.”

After talking with their (now retired) LCEF district vice president, Kevin Grein, the church and school were convinced that a debt reduction campaign was their best option.

“The campaign has put us in a position of strength financially,” explained Schlecht. “We had set a goal of \$1.3 million, which seemed to be far beyond our reach, and yet, by the grace of God, His people at Immanuel saw the need, recognized the benefits and stepped up to the challenge.”

To everyone’s surprise, they reached their goal.

The campaign had another unexpected benefit: It put the church in a position of strength as COVID-19 came on the scene in 2020. Through an online giving platform they had set up years prior, Immanuel was able to direct people to it as part of the campaign and encourage the use of it while they were unable to meet in person.

“To have this foundation laid was another unexpected blessing,” Schlecht said. “We were able to encourage people to give through these tools.”

It was a blessing, after all, that Immanuel was able to reduce its debt and weather the storm, because God was about to use the church and school to serve many more families in the community in the wake of the pandemic.

When the local public schools were unavailable for in-person learning, Immanuel was able to welcome new students.

“We’ve moved from thriving to struggling and now growing again,” noted Schlecht. “Without a doubt, it has been a roller coaster ride, but the people here at Immanuel have invested much in prayer, time and resources to bring us to where we are today.”

Schlecht is not sure where else God will lead Immanuel, but they keep praying, talking and striving toward creative ways to carry out His mission.





A Church for THE NEIGHBORHOOD

Homeless men and women die from freezing temperatures every year, but in the Soulard neighborhood of St. Louis, this shook the close-knit faith community. Members at Trinity help alleviate hunger at the daily soup kitchen and were devastated that one of their own passed away from something so basic as a lack of warm shelter.

“What began as something our volunteers could do (serve food) in order to be disciplined to follow in the way of Christ, became a lot more urgent at that point.”

JOSH HATCHER, SENIOR PASTOR OF TRINITY

Trinity partnered with other local churches, including St. Vincent de Paul Catholic Church (VPCC) and Sts. Peter and Paul Catholic Church (PPCC) to launch a shelter and social services in the basement of Sts. Peter and Paul. “They handle the logistics of helping the homeless beyond what we can do,” said Hatcher.

Yet Trinity continues to expand their services. In addition to the daily food service, the church holds seasonal drives for items the homeless need to survive the elements: blankets, coats, underwear and hygiene kits. They also hand out groceries once a week, provide utility subsidies to keep people safe in their homes and help former convicts through their transition back into the community. But all these do not fully express the impact of the ministry—they also share God’s love and the message of the Gospel.

Ministering to the poor and homeless in the community is part of Trinity’s legacy. During the Great Depression, the hungry and displaced in their neighborhood tapped on the kitchen window in the back of the church and were offered whatever food they had on hand, mostly soup. The tapping of the window quickly turned into a bell—and now the locals know to come to Soup Alley every weekday from 9:30–10:30 a.m. to receive a brown bag with a sandwich, chips and fruit.

“We believe we are serving God by serving those around us,” said Bob Kurtz, overseer of the Community Care Ministry at Trinity.

Their next wave of ministry includes reworking building space into a community center. Hatcher called upon Lutheran Church Extension Fund (LCEF) for help.

LCEF consolidated a few loans for them to make the ministry more manageable from a fiscal point of view and are partnering with them to make the community center a viable opportunity.

“LCEF takes away the financial pressure you would normally feel moving forward in ministry,” Hatcher said. “They [LCEF] see the value of not just holding the debt of churches, but in partnering with them for the vision going forward.”

The vision ahead for Trinity will expand their ability to serve the cold and hungry in their neighborhood. Scripture reminds us that God is in the business of making beauty from ashes (Isaiah 61:3). People should never die from the cold or lack of food. Yet the homeless man’s death years ago sprung forth compassion, vision and a God-ward calling for Trinity. Hope is expanding in Soulard.



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Lutheran Church Extension Fund (LCEF) wants to help you focus on your mission by making it easy and worthwhile to put a little money away each month. More importantly, your investment allows LCEF to provide funds and resources to help start, support and sustain Lutheran Church—Missouri Synod (LCMS) church workers and ministries—today and far into the future.

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Are you eligible? If you work for an LCMS church, school or organization in any capacity—the answer is yes.

VISIT [LCEF.ORG/CWSA](https://lcef.org/cwsa) OR CALL 800-843-5233.



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