

2016 Report to the Southeastern Synod

Mission: "Providing places set apart to inspire and empower all in Christ's love"

Vision: "That all who come experience God's love in community and creation then go to love and serve"

2016 was another historic year of ministry for NovusWay as we lived out the mission and vision for each camper and guest. Summer camp attendance increased at all sites, the innovative 50 Forward program was launched at Lutheridge, and construction began on the Schmertmann Wing at Luther Springs and the long awaited McKanna-Sandrock Retreat Center with completion scheduled for early June 2017, in time to host two weeks of summer camp.

Four Ministry Sites

Lutheridge. Pastors Tim and Mary Canniff-Kuhn completed 23 years of exemplary service as program directors and led "Living Well" the first ever 50 Forward Retreat at Lutheridge. Already a second retreat is planned for October 6-8, 2017 with the theme "Laughing Matters". Summer camp attendance was up with four very full programs of family and grandparents camp. All but four cabins in Pioneer A and Pioneer B have been remodeled.

Lutherock. Kara and Jacob Ridenhour completed four years of outstanding service as directors and authored curriculum for the Living Waters Outdoor School that has five Lutheran and three public schools scheduled for 2017. Summer camp attendance was up significantly and Ski Retreats were filled to capacity. The board approved winterizing Founders Lodge to provide three-season dining and Lutherock was re-accredited by the American Camp Association.

Luther Springs. Sue Mendenhall, ELCA Deacon, completed her second year of excellent service as program director, a joint position with the Florida/Bahamas Synod. Summer camp attendance also increased and the kitchen annex, known as Alberta's Kitchen, was completed. Mission Builders are on site to assist with construction of the Pauline Schmertmann Wing, which will provide increase adult housing capacity to 60 people.

Lutheranch. Shane Dathe joined the staff as Site Host and Maintenance Assistant and the St. Timothy Outdoor Chapel and Stender Campus were dedicated in March 2016. Ground was broken for the new McKanna-Sandrock Retreat Center, with construction to be completed in early June 2017. Two weeks of summer camp 2017 are planned and the new retreat center will be dedicated on August 5, 2017. Site directors will begin at the end of August 2017.

Strategic Plan 2020

Strategic Plan 2020 was developed by the Board of Trustees, committees and staff in August 2014 and included new mission and vision statements, along with core values, business imperatives and four strategic goals:

- Goal One – Increase total participation by 50% by 2020. Summer camp attendance is on target to reach the goal, adult program guest attendance is stable but hosted ministry participation has declined.
- Goal Two – Relieve NovusWay of the burden of the balloon payment for Lutheranch land acquisition by 2020. The mortgage holder delayed principal payments to 2022 and postponed the loan balloon to 2027. These postponements enabled programs and operations to be developed. A revised repayment plan will be incorporated into Strategic Plan 2025.
- Goal Three – Increase annual fund donor base by 500 (50%) and \$150,000 in revenue by 2018. Gift income reached \$545,341 in 2016 and significantly exceeded the goal, but the number of donors has yet to grow as desired.
- Goal Four – To achieve 90% guest satisfaction by 2020. A mechanism has been developed to measure camper and guest satisfaction but gathering and tracking data has proved more difficult than expected. Efforts to improve are underway.

Staff Support and Financial Management

Executive Staff. The biggest impact to staff in 2016 was the retirement of Susan Troutman after nearly 16 years of service on Executive Staff. Most recently she served as both CFO and COO. Susan's long-time assistant, Becky Maxwell, assumed the VP of Finance and Support Services role and Craig Rieger continues as VP of Sites and Facilities. Pastor Rick Malivuk, Lutz, Florida, was named VP of Program for an 18 month term; he is leading the search for a Lutheranch Site Director.

Development Staff. We are blessed by an outstanding development staff who travel tens of thousands of miles across the southeast to represent NovusWay. Keith Trout serves as Development Director, with support from several long-serving Associates who are deployed including Pastor Jan Setzler, Greenwood, South Carolina; Libby Bedenbaugh, Newberry, South Carolina; and Pastor David Hart, Athens, Georgia. Pastor Dave Kruger, Tampa, Florida, completed his service after six years of service. Bedenbaugh and Hart

are working with congregations to help "Complete the Dream" for Lutheranch. Kara Beck Dye was promoted to Public Relations and Marketing Coordinator with responsibility for promoting programs, coordinating social media and conferences.

The Mission Possible Campaign, to ensure the future of Luther Springs and Lutherock reached \$1.6 million in commitments by year-end toward the \$2.365 goal and \$3 million challenge goal. By year-end the Complete the Dream Campaign exceeded the 50% mark of \$1 million needed to fully fund the new retreat center at Lutheranch.

2016 was another strong year financially for NovusWay as income significantly surpassed expenses. A summary financial report is listed below.

<u>Assets:</u>		<u>Liabilities and Fund Balances:</u>	
Current Assets	\$ 8,494,593	Current Liabilities	\$ 693,350
Net Prop, Plnt & Equip	<u>21,121,136</u>	Long-Term Debt	3,020,351
Total	<u>\$29,615,729</u>	Fund Balances	<u>25,902,028</u>
		Total	<u>\$29,615,729</u>
<u>Sources of Revenue:</u>		<u>Areas of Expenditures:</u>	
Registrations	\$2,401,257	Program Costs including Salaries	\$2,378,454
Store and other Sales	82,295	Store/Sales Costs including Salaries	67,260
Contributions		Admin/Developmnt Costs w/ Salaries	506,131
Unrestricted	687,926	Maint/Physical Plant Costs w/ Salaries	830,199 *
Restricted	1,467,229 *	Capital Campaign Costs w/ Salaries	252,311
Endowment	16,993	New Site acquisition Costs	29,032
Synod Support	131,366	Debt Service	<u>19,195</u>
Unrealized Gain on Invst	163,017		\$4,082,582
Other Sources	<u>493,683</u>		
	\$5,443,766		
* Total campaigns	\$1,333,892	Net Income 12/31/16	<u>\$ 1,361,184</u>

A Look Ahead to 2017

Marketing and program staff will be vigorous in their efforts to continue to increase summer camp attendance. To achieve that end, summer staff teams are traveling to promote camp in local congregations. Efforts to grow participation in both the Living Lab (Luther Springs) and Living Waters (Lutherock) Outdoor Schools are showing good success. A Sales Associate to promote Retreat Rentals is being added to the staff in 2017, to counter the decline in rental groups participation. Lutheranch will receive special attention. The contract with Retreat Central fell short of expectations so it was terminated at year end 2016.

As capital campaigns wind down, development staff is shifting focus to grow gift income to the Annual Fund by raising awareness of the need for gifts for scholarships, to improve facilities and to strengthen the entire ministry. Visits to congregation councils are planned in the Southeastern Synod to encourage increased support. These visits are important since support through synod budgets has declined over 50% in the last eight years. Please encourage your congregation to financially support NovusWay .

We are grateful for the faithful efforts of dedicated volunteers and generous donors who are the lifeline of NovusWay. We are especially appreciative to Bishop H. Julian Gordy who serves on the Board of Trustees, along with Larry Moeller, Knoxville, TN, Preisdent; Paul Schabacker, Birmingham, AL, Chair of Planning and Review Committee; Mary Peterson, Chair Governance Committee; Dr. Everett Flanigan, Atlanta and Pastor Dale Sillik, Lilburn. We are also thankful for many who serve on committees including Charles Bridgers, Atlanta; John Didicher, Marietta; Frank Ditore, Suwanee; Thomas Gordy, Newnan; Caleb Hopkins, Birmingham; Gene Lewis, Stone Mountain; John Lucht, Decatur; Laura Mallette, Maryville; Mike Mynhier, Marietta, and Jerry Pantelakis, Marietta. Many others volunteer their time and talents at Lutheranch, including Ed Buehler, Hiram, who serves as the volunteer Volunteer Coordinator

2017 will be a historic year as the McKanna-Sandrock Retreat Center officially opens and Lutheranch more fully serves guests and campers. Thank you for all you have done to bring the ministry to this point. God bless you! We continue to covet your prayers, your willingness to share your time and talents, and your generosity with your financial resources. We remain confident thatt God is using our mutual efforts to touch and change lives in Christ's name. It is a joy and privilege to serve with you.