

FINANCIAL BLESSINGS

Report from the Synod Treasurer

Even after a year like the one just passed, our faith tells us that we need to remember the blessings as well as the challenges and the sorrows. It is surprising, perhaps, that as we look back to the work of the Synod in 2020 to find that our financial situation counts as a blessing indeed.

2020 Synod Operations

Faithful congregations have maintained their support for Synod activities and the safety protocols and changes to work lives have resulted in significant savings. The bottom line is that Synod operations ended the year with a surplus of \$50,000. Here is why:

Over 98% of revenue for the operating budget comes from congregational Mission Support and despite the challenges of the year, congregations largely met their obligations, giving 90% of the amount budgeted for support. In accordance with our agreement with the ELCA, 35% of this support was passed along as church-wide benevolence.

The Synod fulfilled its budgeted commitments to support La Sagrada, camps, campus ministries, the Gifts of Hope program, financial aid to seminarians, and of course compensation for our staff. It substantially fulfilled the commitment to United Lutheran Seminary and made grants to several congregations. However, there were significant savings in areas such as travel and office operations due to pandemic restrictions. In addition, for obvious reasons fewer congregations asked for financial support to begin new initiatives.

The surplus represents 3.65% of the budget and is a welcome change from past years. In fact, over the past seven years, operating budgets have realized a loss in excess of \$(200,000), so this surplus is a start at making up for those deficits.

2020 Designated Giving

It is important to remember that the operating budget represents only a portion of the financial activity of the Synod. There was additional significant giving for designated purposes beyond regular operations.

New Connections. The New Connections campaign officially ended in June 2020, but faithful congregations and individuals continue to fulfill pledges made during that campaign and funds were disbursed for those projects. In 2020, the Synod received over \$86,000 in contributions and spent more than \$165,000 on new ministry starts, renewing congregations, and ministerial coaching.

A new initiative, the *Disaster Accompaniment Fund*, received over \$55,000 in support (including \$10,000 from the Synod) and expended over \$10,000 in response to requests from congregations.

Building Puentes funded \$27,000 in support of pastors in Puerto Rico.

In sum, over \$175,000 was raised for various designated purposes and more than \$240,000 was distributed.

2021 Operating Budget

The pandemic meant that the 2021 budget, rather than being voted on by the Synod Assembly seven months before the start of the year, was adopted by the Synod Council this January. The Finance Committee and Council were therefore able to learn from the experience of 2020.

Mission Support is projected to be just under the amount actually received in 2020.

Ministry expenses are budgeted significantly above actual 2020 costs, with a new emphasis on youth ministry as announced by Bishop Ortiz earlier this year.

Administrative expenses, however, are set at a level below 2020, reflecting the significant savings in rent from the relocation of the Synod office and other economies realized from working remotely.

An important feature of the 2021 budget is the use of monies received from the Paycheck Protection Program. The Synod received \$104,000 from this program during 2020 that will be used to offset expenses in the 2021 budget.

The following chart summarizes all of this information:

	2020 Actual	2020 Budget	\$ Var.	2021 Budget
Income				
40000 · Revenue				
41010 · Mission Support	1,394,237.56	1,550,000.00	(155,762.44)	1,300,000.00
41040 · Other Support	1,995.36	2,000.00	(4.64)	2,000.00
41100 · Other Receipts	8,908.11	76,000.00	(67,091.89)	37,500.00
412000 · Release of Restricted Funds	16,315.65	21,000.00	(4,684.35)	0.00
Total 40000 · Revenue	1,421,456.68	1,649,000.00	(227,543.32)	1,339,500.00
Expense				
61020 · ELCA Church-wide Support	487,983.15	542,500.00	(54,516.85)	455,000.00
60100 · New & Renewing Missions	63,500.00	145,000.00	(81,500.00)	95,000.00
60300 · Stewardship & Mission Support	13,750.00	13,750.00	0.00	21,750.00
60400 · Synodical Ministry	52,407.35	148,500.00	(96,092.65)	139,000.00
60500 · Global Mission	0.00	2,000.00	(2,000.00)	1,000.00
60600 · Camps & Campus Ministries	47,000.00	52,000.00	(5,000.00)	52,000.00
65000 · Administration and Operations				
65100 · Ordained Staff	442,231.28	432,400.00	9,831.28	456,524.00
65200 · Office Staff	137,643.28	155,161.00	(17,517.72)	145,842.00
65300 · Synod Operations	63,695.23	82,950.00	(19,254.77)	62,500.00
65400 · Occupancy Expenses	63,190.00	73,300.00	(10,110.00)	12,000.00
65500 · Region 8	0.00	6,500.00	(6,500.00)	6,500.00
Total 65000 · Administration and Operations	706,759.79	750,311.00	(43,551.21)	683,366.00
Total 60000 · Expenses	1,371,400.29	1,654,061.00	(282,660.71)	1,447,116.00
Net Income	50,056.39	(5,061.00)	55,117.39	(107,616.00)
			Paycheck Grant	103,995.42
			Projected 2021 Deficit	(3,620.58)

Respectfully submitted,

Julie P. Hamre, Treasurer

Metropolitan Washington DC Synod, ELCA
Statement of Financial Position
As of January 31, 2021

ASSETS	
Current Assets	
Checking/Savings	
10010 · Operating Accounts	915,945.21
11000 · Restricted Distribution Accts	153,500.71
Total Checking/Savings	<u>1,069,445.92</u>
Accounts Receivable	
13000 · Accounts Rec. - General	89,777.44
13009 · Accounts Rec. - New Connections	10,311.00
13015 · Accounts Rec. - CELC Loan	80,000.00
Total Accounts Receivable	<u>180,088.44</u>
Other Current Assets	
11100 · Reserve Funds	1,161,275.42
11115 · Congregation Mission (ELCA Trs)	680,558.70
12010 · Advances	32.33
15000 · Prepaid Expenses	8,965.10
Total Other Current Assets	<u>1,850,831.55</u>
Total Current Assets	<u>3,100,365.91</u>
Fixed Assets	
18500 · Fixed Assets	9,946.99
Total Fixed Assets	<u>9,946.99</u>
Other Assets	
18600 · Security Deposits	6,500.00
Total Other Assets	<u>6,500.00</u>
TOTAL ASSETS	<u><u>3,116,812.90</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	108,474.44
Other Current Liabilities	
20500 · Deferred Revenue	500.00
25000 · Funds Held for Others	
25200 · Other Designated Funds	
25205 · Lutheran Campus Ministry	7,363.99
25230 · Misc. Designated Funds	8,745.00
Total 25200 · Other Designated Funds	<u>16,108.99</u>
25300 · Gifts of Hope	40,906.69
Total 25000 · Funds Held for Others	<u>57,015.68</u>
Total Other Current Liabilities	<u>57,515.68</u>
Total Current Liabilities	<u>165,990.12</u>
Total Liabilities	165,990.12
Equity	
30000 · Net Assets	
31000 · Unrestricted Net Assets	533,546.00
31100 · Board-Designated Net Assets	
31110 · Synod Assembly Reserve Fund	11,603.33
31120 · Capital Replacement Reserve	4,897.86
31130 · Youth Event Scholarships	7,690.09
31200 · Congregational Mission Fund	616,792.00
Total 31100 · Board-Designated Net Assets	<u>640,983.28</u>
32000 · Temporarily Restricted	
32020 · Campus Ministry	29,278.25
32050 · Faith Fund	364,597.56
32100 · Ministry Funds	1,631.00
32200 · Global Missions	29,846.74
32300 · Supporting Congregations	415,545.62

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32400 · Stewardship	2,751.91
32500 · Synod Office	
32503 · Bishop's Convo	2,836.53
32507 · Bishop's Emergency Fund	2,351.55
32509 · Building Puentes	55,970.66
32520 · Synod Leadership Academy	6,916.10
32525 · Disaster Accompaniment Fund	45,084.11
Total 32500 · Synod Office	<u>113,158.95</u>
32600 · New Connections	76,277.47
Total 32000 · Temporarily Restricted	<u>1,033,087.50</u>
33000 · Permanently Restricted	
33040 · Faith Church Endowment Corpus	743,206.00
Total 33000 · Permanently Restricted	<u>743,206.00</u>
Total 30000 · Net Assets	<u>2,950,822.78</u>
Total Equity	<u>2,950,822.78</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,116,812.90</u></u>