

May I begin by acknowledging the work of the Synod's Finance Committee: Susanne Blume, Sue Clark, Mike Gutzler, and Gene Kern. Special appreciation goes to Wendell Anderson, Finance Committee Chair, who has provided both wise counsel and invaluable expertise all year. My sincere thanks for their assistance.

The Synod draws on two sources of funding to accomplish its ministry goals:

Current income – new revenue received each year, consisting primarily of mission support from congregations; and

Designated funds – money received from congregations and donors that is designated for specific purposes and may be spent only for those purposes.

The 2026 spending plan is presented in two parts to show activity in each of these categories.

This was a particularly difficult budget to prepare given the significant changes that will be made this year in Synod staffing. Given the number of unknown factors, the budget was prepared based on current staffing levels.

Current Activity

The primary source of revenue is church members through their congregations' commitment to mission support, which is budgeted at \$1.235 million in 2026. Assembly registration fees and interest income make up the other primary sources of new income.

Two categories of expenses – ELCA support and staff salaries and benefits – make up 82% of the expenses for current operations of the Synod. The balance includes office operations, activities relating to candidacy efforts, support for Synod tables, and expenses for Synod-wide events.

This budget includes \$60,000 for rent for a synod office. There is no current specific commitment for an office but the Synod Council wanted to indicate their support of reestablishing a central office.

As detailed below, current operations for 2026 are projected to incur a significant deficit of about \$127,000, \$60,000 of which is the office rent. Any deficit realized will be paid for using the Synod's unrestricted reserves.

	<u>2026 Budget</u>
40000 · Revenue	
41000 · Congregational Support	
41010 · Mission Support	1,235,000.00
Total 41000 · Congregational Support	<u>1,235,000.00</u>
41100 · Other Receipts	
41120 · Synod Assembly Reg & Fees	32,000.00
41130 · Candidacy Receipts	2,000.00
41160 · Interest Income	<u>28,000.00</u>
Total 41100 · Other Receipts	<u>62,000.00</u>
Total 40000 · Revenue	1,297,000.00
60000 · Expenses	
60050 · ELCA Churchwide Support	432,250.00
60300 · Stewardship	
60320 · Lutheran Development Alliance	<u>10,250.00</u>
Total 60300 · Stewardship	10,250.00
60400 · Synodical Ministry	
60410 · Ecumenical Affairs Office	7,500.00
60415 · Candidacy/Mobility	9,000.00
60420 · United Lutheran Seminary	20,000.00

60430 · First Call / Region 8	3,000.00
60437 · Middle East Peace Team	1,300.00
60455 · Other Synod Events	8,000.00
Total 60400 · Synodical Ministry	48,800.00
65000 · Administration and Operations	
65100 · Ordained Staff	581,422.00
65200 · Office Staff	159,964.00
65300 · Synod Operations	191,250.00
Total 65000 · Administration and Operations	932,636.00
Total 60000 · Expenses	1,423,936.00
Net Current Activity	(126,936.00)

Designated Funds

As noted above, over the years the Synod has received funds designated by the donors for specific purposes. Under the terms of these gifts, the Synod Council has responsibility for disbursing these monies and this budget is provided as information to the Synod Assembly. In addition to these disbursements, the Council may authorize additional disbursements during the year as needs arise. This list constitutes commitments made by the Council for spending during 2026 to support these important initiatives.

80000 · Designated Fund Expenses	
80123 · N&R - La Sagrada Familia	30,000.00
80199 · N&R - Ministry Support	30,000.00
80315 · Stewardship Table	10,000.00
80425 · Seminary Student Financial Aid	10,000.00
80440 · Racial Equity Team	4,000.00
80441 · RIC Team	8,000.00
80445 · Youth Ministry	15,000.00
80615 · Mar Lu Ridge (Synod)	6,000.00
80620 · Caroline Furnace (Synod)	6,000.00
80654 · University of Maryland	48,500.00
Total 80000 · Designated Fund Expenses	167,500.00

As of January 31, 2025, the following designated funds were available:

31000 · Unrestricted Net Assets	471,402.13
31100 · Board-Designated Funds	
31120 · Capital Replacement Reserve	3,746.70
31200 · Congregational Mission Fund	589,165.91
32000 · Donor-Restricted	
32050 · Faith Fund	348,894.74
32100 · Ministry Funds	5,172.72
32200 · Global Missions	18,536.56
32304 · Bethany Fund	281,103.51
32310 · Youth Ministry	190,956.19
32312 · Bishop's Appeal	31,257.26
32400 · Stewardship	2,689.59
32507 · Bishop's Discretionary Fund	22,342.94
32509 · Building Puentes	21,610.68
32525 · Disaster Accompaniment Fund	127,003.21

Respectfully submitted,
Julie Hamre, Synod Treasurer