

Western Iowa Synod ELCA 2010 Treasurer's Report

Report of Fiscal Year 2009

Income

The primary source of receipts for the Western Iowa Synod is mission support from its congregations. During fiscal year 2009, congregations of the Western Iowa Synod gave \$1,112,643 in mission support: which is \$124,141 or 10.0% **less** than was received from congregations in the prior fiscal year. Event registrations, administrative reimbursements, interest income and other miscellaneous income totaled \$219,106 of additional operating funds.

In addition, congregations and individuals contributed \$234,513 toward mission-partners projects of the synod and ELCA. \$14,077 of this amount was received in special offerings at the synod assembly. Those funds were designated for After Care and the Center for Agricultural Development.

Expenses

The Western Iowa Synod used the congregational mission support income received in 2009 to support the wider mission of the church by sending 43.5% of mission support to churchwide (\$484,440), to Iowa Lutheran Campus Ministries (\$56,550), and to provide programs and events (\$195,802), staff (\$458,548) and office resources (\$127,994) to the Western Iowa Synod.

Due to significant reduction in mission support income from the congregations of the WIS during 2009, the Synod Council authorized several expenditure adjustments: beginning September 1, 2009, a 3% across the board reduction in all synod employee salaries; a reduction of mission support sent to churchwide from 49.5% to 43.5% and an additional emphasis of carefully monitoring and reviewing all other expenditures.

Summary

- Mission support from WIS congregations was \$124,141 less than previous fiscal year: which represents a 10% reduction.
- Of the mission support income received from congregations, as authorized by the synod council, 43.5%, or \$484,440, was distributed to ELCA Churchwide.
- The Western Iowa Synod operating expenses, prior to transfers to equity accounts, totaled \$14,902 less than budgeted projections.
- \$56,550 distributed to the Iowa Lutheran Campus Ministries.
- A 3% across the board salary reduction was instituted for all synod employees starting September 1, 2009.

Spending Plan for Fiscal Year 2010

The Western Iowa Synod Council has reviewed the proposed budget approved at the 2009 Synod Assembly for the fiscal year beginning February 1, 2010, and, with recommendations from the

synod finance committee and executive committee has developed a revised budget and recommends its adoption by the 2010 Synod Assembly.

As part of the 2010 revised budget, mission support income from congregations is estimated to be \$1,000,000 which is an anticipated 10% reduction from the actual mission support income received during the 2009 fiscal year. Of the mission support income, 35.1% will be distributed to ELCA Churchwide. However, it is recommended that any additional mission support (above the \$1,000,000 level) be distributed to ELCA Churchwide until the total amount distributed would reach a level of 49.75% of total mission support income received from WIS congregations. At that point, if there would be any additional mission support, it would be shared between ELCA Churchwide and other agencies and institutions.

As reported earlier, the WIS staff took an across the board salary reduction starting September 1, 2009. That reduced level of compensation will be continued throughout the 2010 fiscal year. In addition, the finance committee thoroughly reviewed all budget requests from boards and committees to insure that expenditure requests were as reasonable as possible.

Proposed Budget for Fiscal Year 2011

The proposed budget for the fiscal year beginning February 1, 2011 projects an estimated \$1,050,000 in mission support. Of that amount, 37.6% (\$385,537) is recommended to be distributed to ELCA Churchwide. Again, the expenses of the WIS are part of and are based on the mission support level of \$1,050,000. Thus, any additional mission support income above that amount will be distributed to ELCA Churchwide.

Independent Auditor's Report

The certified public accounting firm of Hunzelman, Putzier & Co., PLC, Storm Lake, Iowa audited the Synod's statements of assets, liabilities and net assets – cash basis, and the related statements of receipts, disbursements, and changes in net assets –cash basis and cash flows – cash basis for the years ended January 31, 2010 and 2009. The audit was conducted in accordance with generally accepted auditing standards and, in the opinion of the firm, the financial reports present fairly, in all material respects, the assets, liabilities and net assets of the Western Iowa Synod as of January 31, 2010 and 2009, and its receipts, disbursements, and changes in net assets and cash flows for the years ended on a modified cash basis of accounting. The audit report is available in the synod office.

Finance Committee

Synod finance committee members during the past year were Karen Post, Pr. Meggan Manlove, Dick Anderson, Jeff Levine, Treasurer Jim Mohn, Cherokee; Administrator for the Bishop's Office Cynthia Johnson and Bishop Michael Last. The committee oversees the financial soundness of the synod and invests a great deal of time and energy in the budget planning process. A very sincere and heartfelt thank you is extended to all of the members for their time, wisdom and insight. In addition, a special thank you is extended to synod board members Pr. Wayne Pfannkuch, Pr. Luther Thoresen, and Pr. Greg Gabriel who offered counsel to the finance committee in the budget planning process.

James R. Mohn, Treasurer