

TAIT, WELLER & BAKER LLP

Certified Public Accountants

**METROPOLITAN NEW YORK SYNOD
OF THE
EVANGELICAL LUTHERAN CHURCH
IN AMERICA**

***FINANCIAL STATEMENTS
AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS***

JANUARY 31, 2007 AND 2006

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

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TAIT, WELLER & BAKER LLP

Certified Public Accountants

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

**Metropolitan New York Synod
of the Evangelical Lutheran Church in America
New York, New York**

We have audited the accompanying statement of financial position of Metropolitan New York Synod of the Evangelical Lutheran Church in America as of January 31, 2007 and 2006, and the related statements of revenues, expenses and other changes in unrestricted net assets, changes in net assets, and of cash flows for the years then ended. These financial statements are the responsibility of the Synod's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Metropolitan New York Synod of the Evangelical Lutheran Church in America as of January 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Tait, Weller & Baker LLP

**New York, New York
April 13, 2007**

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

STATEMENT OF FINANCIAL POSITION

January 31, 2007 and 2006

	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>
ASSETS		
Cash	\$ 382,135	\$ 394,175
Investments, at value <i>(Note 2)</i>	3,542,030	6,847,367
Accounts receivable	61,553	119,285
Advances and other assets (net of \$300,000 allowance in 2006 and 2005)	77,878	95,797
Property, equipment and leasehold improvements <i>(Note 4)</i>	351,321	423,786
Property held by Synod <i>(Note 3)</i>	<u>9,885,000</u>	<u>6,540,000</u>
Total assets	<u>\$14,299,917</u>	<u>\$14,420,410</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 330,159	\$ 302,758
Deferred revenue	-	16,000
Notes payable <i>(Note 7)</i>	<u>5,732</u>	<u>26,925</u>
Total liabilities	<u>335,891</u>	<u>345,683</u>
NET ASSETS		
Unrestricted		
Undesignated	(128,176)	(194,288)
Designated	12,343,014	12,560,906
Net investment in property, equipment and leasehold improvements	<u>345,589</u>	<u>396,861</u>
Total unrestricted net assets	12,560,427	12,763,479
Temporarily restricted <i>(Note 5)</i>	542,589	620,687
Permanently restricted <i>(Note 5)</i>	<u>861,010</u>	<u>690,561</u>
Total net assets	<u>13,964,026</u>	<u>14,074,727</u>
Total liabilities and net assets	<u>\$14,299,917</u>	<u>\$14,420,410</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

**STATEMENT OF UNRESTRICTED REVENUE, EXPENSES AND
CHANGES IN UNRESTRICTED NET ASSETS**

Fiscal years ended January 31, 2007 and 2006

	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>
Revenue		
Contributions from congregations		
Congregational mission support	\$ 1,386,638	\$ 1,450,845
Designated mission support		
World Hunger	68,912	76,905
United Lutheran Appeal	6,549	8,631
Other designated gifts	<u>83,397</u>	<u>114,372</u>
Total from congregations	1,545,496	1,650,753
Other revenue		
Contributions from individuals and others	471,120	873,139
Investment income		
(including gain on sale of investments of \$419,243 in 2006 and \$809,448 in 2005)	594,744	977,308
Miscellaneous	<u>141,095</u>	<u>122,201</u>
Total contributions and other revenue	<u>2,752,455</u>	<u>3,623,401</u>
Net assets released from restrictions (Note 5)	<u>224,071</u>	<u>110,553</u>
Total revenue	<u>2,976,526</u>	<u>3,733,954</u>
Expenses		
Synod Services		
Synod Outreach		
(including \$602,853 in 2006 and \$625,135 in 2005 in Mission Support to ELCA)	1,347,938	1,351,247
Synod Life	230,682	518,934
Congregational Life	606,689	470,435
Development	285,171	368,767
Bishop's Office	398,206	359,560
Synod Governance	130,950	50,288
Communications & PR	68,990	71,635
Office services	<u>647,581</u>	<u>744,741</u>
Total expenses	<u>3,716,207</u>	<u>3,935,607</u>
Excess (deficit) of revenue over expenses	(739,681)	(201,653)
Other Changes		
Net unrealized losses on long-term investments	(244,313)	(338,863)
Loss in disposal of property, plant and equipment	-	(35,955)
Mission Projects (New Starts)	(1,762,814)	(381,719)
Net proceeds from sale of churches (Note 9)	-	2,472,596
Congregations under synodical administration/agreement (Note 3)	<u>2,543,756</u>	<u>(579,760)</u>
Increase (decrease) in unrestricted net assets	<u>\$ (203,052)</u>	<u>\$ 934,646</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

STATEMENT OF CHANGES IN NET ASSETS

Fiscal years ended January 31, 2007 and 2006

	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>
Unrestricted net assets		
Total unrestricted revenue	\$ 2,752,455	\$ 3,623,401
Net assets released from restrictions <i>(Note 5)</i>	224,071	110,553
Total unrestricted expenses	(3,716,207)	(3,935,607)
Other changes	<u>536,629</u>	<u>1,136,299</u>
Increase (decrease) in unrestricted net assets	<u>(203,052)</u>	<u>934,646</u>
Temporarily restricted net assets		
Contributions	103,602	62,973
Investment income	39,495	41,459
Other income	2,876	-
Net assets released from restrictions <i>(Note 5)</i>	<u>(224,071)</u>	<u>(110,553)</u>
Decrease in temporarily restricted net assets	<u>(78,098)</u>	<u>(6,121)</u>
Permanently restricted net assets		
Contributions	147,937	204,785
Investment income	<u>22,512</u>	<u>13,042</u>
Increase in permanently restricted net assets	<u>170,449</u>	<u>217,827</u>
Increase (decrease) in net assets	(110,701)	1,146,352
Net assets		
Beginning of year	<u>14,074,727</u>	<u>12,928,375</u>
End of year	<u>\$13,964,026</u>	<u>\$14,074,727</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

STATEMENT OF CASH FLOWS

Fiscal years ended January 31, 2007 and 2006

	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>
INCREASE (DECREASE) IN CASH		
<i>Net change in net assets</i>	\$ (110,701)	\$ 1,146,352
<i>Adjustments to reconcile the net change in net assets to net cash provided by (used for) operating activities</i>		
Depreciation	115,000	136,942
Gain on sale of investments	(419,243)	(809,448)
Net unrealized losses on long-term investments	244,313	338,863
Loss on sale of equipment and leasehold improvements	-	35,955
Net proceeds from sale of churches	-	(2,472,596)
Mission Projects (New Starts)	1,762,814	381,719
Congregations under synodical administration/agreement	(2,543,756)	579,760
(Increase) decrease in		
Advances and other assets	17,919	(47,671)
Accounts receivable	57,732	(119,285)
Increase (decrease) in		
Accounts payable and accrued expenses	27,401	188,774
Deferred revenue	<u>(16,000)</u>	<u>(33,102)</u>
Net cash used for operating activities	<u>(864,521)</u>	<u>(673,737)</u>
<i>Cash flows from investing activities</i>		
Purchase of equipment and leasehold improvements	(42,535)	(24,633)
Purchase of investments	(358,057)	(6,354,756)
Proceeds from sale of investments	3,838,324	2,628,159
Property held by Synod	(3,345,000)	-
Net proceeds from sale of churches	-	2,472,596
Mission Projects (New Starts)	(1,762,814)	(381,719)
Congregations under synodical administration/agreement	<u>2,543,756</u>	<u>(579,760)</u>
Net cash provided by (used for) investing activities	<u>873,674</u>	<u>(2,240,113)</u>
<i>Cash flows from financing activities</i>		
Repayments of notes payable	<u>(21,193)</u>	<u>(89,636)</u>
Net cash used for financing activities	<u>(21,193)</u>	<u>(89,636)</u>
Net decrease in cash	(12,040)	(3,003,486)
<i>Cash</i>		
Beginning of year	<u>394,175</u>	<u>3,397,661</u>
End of year	<u>\$ 382,135</u>	<u>\$ 394,175</u>

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

Fiscal Years 2006 and 2005

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The Metropolitan New York Synod of the Evangelical Lutheran Church in America ("*Synod*") is one of sixty-five geographical synodical units of the Evangelical Lutheran Church in America ("*ELCA*"). The Synod lies within Region 7 of the ELCA.

ACCOUNTING ESTIMATES

In preparing financial statements in conformity with generally accepted accounting principles management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

CONCENTRATION OF CREDIT RISK

The Synod occasionally maintains deposits in excess of federally insured limits. Statement of Financial Accounting Standards No. 105 identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions.

PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Property, equipment and leasehold improvements are recorded at cost. Depreciation is provided for equipment and leasehold improvements on the straight-line method over the estimated useful lives, which are 2 to 10 years.

CONGREGATIONS UNDER SYNODICAL ADMINISTRATION/AGREEMENT

Congregations under synodical administration include property which has been transferred from a congregation generally due to a disbanded congregation or financial difficulties. In cases where the Synod intends to sell the property, the Synod records the property at the estimated fair value when the property is received. The Synod expenses costs incurred in connection with carrying the property until the property is sold. Also included are congregation expenses for those congregations operating under a support agreement with the Synod.

INVESTMENTS

The Synod applies SFAS No. 124, "*Accounting For Certain Investments Held By Not-For-Profit Organizations.*" SFAS No. 124 established standards for accounting for certain investments held by not-for-profit organizations and requires that investments in securities be recorded at fair value with the resulting gains and losses reported in the statement of activity.

The fair value of investments traded on a securities exchange is determined based on quoted market prices for those investments.

CONTRIBUTIONS

Contributions and grants that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2006 and 2005

(2) INVESTMENTS

Investments are composed of the following at January 31:

<u>Fiscal Year 2006</u>	<u>Cost</u>	<u>Market</u>
Mission Certificates – ELCA Loan Fund	\$ 250,000	\$ 250,000
ELCA Endowment Fund	2,334,092	2,630,876
ELCA – Fund A CELC	<u>574,719</u>	<u>661,154</u>
	<u>\$3,158,811</u>	<u>\$3,542,030</u>

At January 31, 2007, the portfolio of investments had gross of unrealized gains of \$383,219.

<u>Fiscal Year 2005</u>	<u>Cost</u>	<u>Market</u>
Corporate stocks (UPS)	\$ 24,328	\$ 200,759
Mission Certificates – ELCA Loan Fund	250,000	250,000
ELCA Endowment Fund	5,371,661	5,771,972
ELCA – Fund A CELC	<u>573,846</u>	<u>624,636</u>
	<u>\$6,219,835</u>	<u>\$6,847,367</u>

At January 31, 2006, the portfolio of investments had gross unrealized gains of \$627,532.

Total investment return on the investments for fiscal years 2006 and 2005 was as follows:

	<u>2006</u>	<u>2005</u>
Interest and Dividends	\$ 237,508	\$ 222,361
Realized Gains	419,243	809,448
Unrealized losses	<u>(244,313)</u>	<u>(338,863)</u>
	<u>\$ 412,438</u>	<u>\$ 692,946</u>

The Synod has pooled its investments, including designated net assets and permanently restricted net assets. The Synod uses the total return concept in accounting for its pooled investment funds. Under the total return method, investments are recorded at market value and the Board of Directors annually determines a spending percentage (presently 5% for unrestricted current operations) based on a three-year average of the total market value of the pooled investment funds by which the Synod can expend not only income but a prudent portion of the appreciation of the principal. If the total return amount exceeds the actual earnings of the pooled investment funds in any one year, then the amount needed to fund such excess will first be taken from the accumulated excess earnings, including net capital gains from prior years, then from principal of the investments. Conversely, any undistributed income after the allocation of the total return distribution is added back to the unrestricted net assets or the temporarily restricted net assets as appropriate. Total distributable earnings for current operations was approximately \$273,800 and \$207,100 for the fiscal years 2006 and 2005, respectively.

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2006 and 2005

(3) PROPERTY HELD BY SYNOD

Property held by the Synod and under synodical administration consist of the following:

	<u>Fiscal Year 2006</u>	<u>Fiscal Year 2005</u>
Hope Lutheran Church, Scarsdale, New York (1)	\$1,900,000	\$2,280,000
Evangelical Lutheran Church of the Holy Trinity, Hollis, Queens (2)	2,200,000	2,200,000
Christ Lutheran Church, Yonkers, New York (3)	-	60,000
Atonement Lutheran Church, Staten Island (4)	2,000,000	2,000,000
St. Paul's Lutheran Church, Richmond Hill, Queens (5)	2,035,000	-
Good Shepherd Lutheran Church, Bayside, Queens (6)	<u>1,750,000</u>	<u>-</u>
	<u>\$9,885,000</u>	<u>\$6,540,000</u>

The Synod has taken title to property from the above congregations. The future of these congregations, including sales of property, is still under consideration.

- (1) For the fiscal year ended January 31, 2007, the Synod has recorded expenses in the amount of \$394,760 reflecting the write-down of the carrying value of the property by \$380,000 plus expenses incurred of \$14,760.
- (2) For the year ended January 31, 2007, the Synod has recorded net expenses in the amount of \$259,210 related to the church and school.
- (3) For the year ended January 31, 2007, the Synod has recorded net expenses in the amount of \$58,387 including the sale of the Church organ.
- (4) For the year ended January 31, 2007, the Synod has recorded net expenses of \$67,726.
- (5) For the year ended January 31, 2007, the Synod has recorded net income in the amount of \$1,944,220 reflecting the carrying value of the property of \$2,035,000 less expenses incurred of \$90,780.
- (6) For the year ended January 31, 2007, the Synod has recorded net income in the amount of \$1,735,995 reflecting the carrying value of the property of \$1,750,000 less expenses incurred of \$14,005.

In addition, there are several other congregations under synodical administration or with a support agreement which the Synod has not taken title to the property. The Synod has recorded \$356,376 of expenses related to these congregations for the year ended January 31, 2007.

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2006 and 2005

(4) PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

The costs of such assets were as follows:

	Fiscal Year 2006	Fiscal Year 2005
Equipment and furniture	\$ 399,907	\$357,372
Leasehold improvements	<u>639,384</u>	<u>639,384</u>
	1,039,291	996,756
Less accumulated depreciation	<u>687,970</u>	<u>572,970</u>
Net value	<u>\$ 351,321</u>	<u>\$423,786</u>

(5) NET ASSETS

TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes as of January 31:

	2007	2006
Funds for Grants to Congregations and Ministries	\$ 51,612	\$ 49,355
Funds for Ministerial Student Aid	2,613	1,542
Women Leaders Fund	6,890	6,890
Women And Children In Poverty	15,463	15,463
Urban Empowerment Fund	455,125	519,893
Other	<u>10,886</u>	<u>27,544</u>
	<u>\$542,589</u>	<u>\$620,687</u>

Net assets released by satisfying the donor restrictions were as follows:

	Fiscal Year 2006	Fiscal Year 2005
Funds for Grants to Congregations and Ministries	\$ 12,386	\$ 5,349
Funds for Ministerial Student Aid	-	3,876
Urban Empowerment Fund	88,550	41,500
Other	<u>123,135</u>	<u>59,828</u>
	<u>\$224,071</u>	<u>\$110,553</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2006 and 2005

PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets consist of the principal amounts of gifts and bequests accepted with the donor stipulation that the principal be retained intact. Income from such funds is available for spending or distribution as the terms of the individual fund provide and is classified as temporarily restricted net assets. When the restriction on income for spending or distribution expires, temporarily restricted net assets are reclassified to unrestricted net assets. Income on the Tanzania Teacher Endowment Fund is reinvested until the fund reaches a goal of \$1 million.

Permanently restricted net assets are available for the following purposes as of January 31:

	<u>2007</u>	<u>2006</u>
Funds for Grants to Congregations and Missions	\$292,868	\$292,868
Funds for Ministerial Student Aid	21,422	21,422
Tanzania Teacher Endowment Fund	<u>546,720</u>	<u>376,271</u>
	<u>\$861,010</u>	<u>\$690,561</u>

In connection with the sale of churches, the Synod records the net proceeds as follows: 80% to the Mission Redevelopment Fund; 10% to the Support for the Wider Church Fund; and 10% to the Metropolitan New York Synod Fund.

(6) PENSION PLAN

Substantially all employees of the Synod are enrolled in the contributory pension plans made available and administered by the Board of Pensions of the ELCA. The full current employer cost provided for under the plans was approximately \$113,900 and \$88,300 for fiscal years 2006 and 2005, respectively. No actuarial valuation is needed to determine the required reserves for future pension benefits because the contributions made on behalf of employees are carried on an accumulation basis. Upon retirement, pension benefits are provided by the money-purchase method. Consequently, such accumulations constitute the reserves from which benefits will be provided.

(7) COMMITMENTS

The Synod leases office equipment under various capital leases expiring in 2007. The related property is included at a cost of \$61,163 at January 31, 2007. Total accumulated depreciation at January 31, 2007 was \$52,668. The minimum lease payments as of January 31, 2007 under these leases, together with the present value of the net minimum lease payments, are as follows:

<u>Fiscal Year</u>	
2007	\$7,443
Less amount representing interest	<u>1,711</u>
Present value of minimum lease payments	<u>\$5,732</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2006 and 2005

The Synod leases approximately 10,000 square feet of office space in the Interchurch Center in New York City under a five-year lease expiring June 30, 2010 with monthly rent of \$14,785, exclusive of escalations. Total rent expense for fiscal years 2006 and 2005 was approximately \$187,200 and \$177,400, respectively. Total minimum lease commitments are as follows:

<u>Fiscal Year</u>	
2007	\$177,425
2008	177,425
2009	<u>73,927</u>
	<u>\$428,777</u>

(9) REAL ESTATE SALES

During the year ended January 31, 2007, the Synod signed an agreement to sell Hope Lutheran Church in Scarsdale for a sales price of \$1,900,000 with the expected settlement to occur in March 2007. As a result, the Synod adjusted the carrying value of the property down by \$380,000 to agree with the sales price.

During the year ended January 31, 2006, the Synod sold St. Paul's Lutheran Church in Valley Stream for a net sales price, after closing and administrative costs, of \$1,966,988. Of the net proceeds, \$1,573,590 was recorded in the Mission Redevelopment Fund, \$196,699 was recorded in the Support for the Wider Church Fund and \$196,699 was recorded in the Metropolitan New York Synod Fund. In addition, during the year ended January 31, 2006, the Synod sold the house adjacent to the Holy Trinity Lutheran Ministry in Hollis for a net sales price of \$309,527. Of the net proceeds, \$247,622 was recorded in the Mission Redevelopment Fund, \$30,953 was recorded in the Support for the Wider Church Fund and \$30,952 was recorded in the Metropolitan New York Synod Fund. Lastly, the Synod sold the parsonage at Zion Evangelical Lutheran Church in the Bronx for a total price of \$211,020. The Synod had incurred closing and related costs of \$14,918. The net proceeds of \$196,082 was recorded in the Mission Zion Fund.

SUPPLEMENTAL INFORMATION

TAIT, WELLER & BAKER LLP

Certified Public Accountants

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON SUPPLEMENTAL INFORMATION

**Metropolitan New York Synod
of the Evangelical Lutheran Church in America
New York, New York**

Our audits were conducted for the purpose of forming an opinion on the basic financial statements, taken as a whole, of Metropolitan New York Synod of the Evangelical Lutheran Church in America as of and for the fiscal years ended January 31, 2007 and 2006, which are presented in the preceding section of this report. The accompanying supplemental information for program expenses, budgeted operation, changes in net assets, changes in temporarily and permanently restricted net assets and contributions from congregations, pages 13 to 20, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Tait, Weller & Baker LLP

**New York, New York
April 13, 2007**

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

PROGRAM EXPENSES

Fiscal year ended January 31, 2007 and 2006

	Budget Provision	Actual Expenses Fiscal Year	
		2006	2005
SYNOD OUTREACH			
ELCA and Other Distributions			
ELCA Mission Support	\$ 609,000	\$ 602,853	\$ 625,135
ELCA Designated Projects	150,000	88,102	191,277
MNYS Designated Projects	50,000	73,341	85,953
Region 7 Coordinating Council	7,435	7,435	7,435
Flow Through Grants	-	306,101	28,196
Staff and Operating Costs	-	-	263
Total ELCA and Other Distribution	816,435	1,077,832	938,259
All Other Programs			
Lutheran Statewide Advocacy	3,500	3,500	3,500
Lutheran Services NY Alliance	-	-	161
Global Mission Event Scholarship	1,000	-	-
NYS Council of Churches	400	-	-
Council of Churches of the City of New York	500	-	-
LI Council of Churches	200	-	-
Companion Synod	39,700	42,942	43,554
Lutheran Identity/Ecumenical Initiative	-	-	100
TZ Pilgrimage	-	-	38,536
Community of Hope (GZ)	-	5,321	20,060
Staff and Operating Costs	158,567	218,343	307,077
Total All Other Programs	203,867	270,106	412,988
Total Synod Outreach	\$1,020,302	\$1,347,938	\$1,351,247
SYNOD LIFE			
Education			
Lutheran Ministries in Higher Education Grant	\$ 42,515	\$ 42,554	\$ 42,515
Lutheran Schools Association Grant	8,750	8,750	8,750
Student Christian Center at SUNY New Paltz Grant	13,225	13,225	13,175
Philadelphia Seminary Grant	54,000	54,000	54,000
Flow Through Grants	-	14,300	287,000
Total Education	118,490	132,829	405,440

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

PROGRAM EXPENSES – (Continued)

Fiscal year ended January 31, 2007 and 2006

	Budget Provision	Actual Expenses Fiscal Year	
		2006	2005
Other Programs			
Commission for Gay & Lesbian Ministries	\$ 5,000	\$ 4,655	\$ 5,007
Worship Events & Ordinations	3,000	4,301	291
Youth Ministries	14,000	12,604	20,406
Outdoor Ministries	5,000	-	-
Bishop's Retreat Fund	-	-	290
Hunger Committee	1,500	1,027	991
Women/Children in Poverty	2,000	-	-
Domestic Violence Awareness Task Force	-	-	157
Staff and Operating Costs	93,554	90,503	86,352
Other Expense	-	(15,237)	-
Total Other Programs	<u>124,054</u>	<u>97,853</u>	<u>113,494</u>
Total Synod Life	<u>\$ 242,554</u>	<u>\$ 230,682</u>	<u>\$ 518,934</u>
CONGREGATIONAL LIFE			
Shared Expenses			
Staff and Operating Costs	<u>137,571</u>	<u>156,141</u>	<u>101,026</u>
Total Shared Expenses	<u>137,571</u>	<u>156,141</u>	<u>101,026</u>
Programs & Services to Leaders			
Background Checks - Seminary Candidates	-	-	3,473
Psych Evaluations	10,000	8,000	8,051
Hispanic Psych Evaluations	6,000	489	-
Committee Expense (Candidacy)	3,000	1,236	1,057
Students Retreat	5,000	207	3,640
Ministerium Fund	500	-	1,522
Diakonia	250	361	740
Latino Diakonia	6,500	6,791	50
Latino Laity	5,000	8,135	11,150
Black Pastors	750	83	-
Urban Leaders Institute	30,000	25,941	26,480
Commission for Women	1,000	-	729
Group Term Life Insurance	-	-	6,589
Lutheran Theological Center	-	-	2,100
Orientation of New Pastors	500	-	-
Trexler Grants	6,000	4,250	4,800
Dean's Retreat Fund	-	-	2,585
Renewal & Boundary Workshops	-	-	2,602
Bishop's Mission Fund	-	-	25,000
Ministerial Education Fund	-	-	3,876
Staff and Operating Costs	6,000	6,648	7,227
Special Non-Recurring Grants	-	1,255	-
Total Programs & Services to Leaders	<u>80,500</u>	<u>63,396</u>	<u>111,671</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

PROGRAM EXPENSES – (Continued)

Fiscal year ended January 31, 2007 and 2006

	Budget Provision	Actual Expenses Fiscal Year	
		2006	2005
Programs & Services to Congregations			
Evaluations	\$ 2,000	\$ -	\$ -
Communications/mailings	2,000	-	152
Counseling Services/Research	500	-	-
CEO Coordinators	4,500	5,676	4,500
Bishop's Retreat Fund	-	-	7,566
Church Days Fund	-	-	185
Congregational Resources	6,000	2,000	38
HIV Task Force	200	-	-
Horizon Internships	25,320	12,000	18,941
Theo. Ed. For Emerging Ministries	-	-	10,000
Urban Empowerment Fund Grants	25,000	13,550	16,500
GEM Introduction Grant Fund	-	-	900
Partnership Grants	371,135	345,367	192,747
ELCA Evangelism Grant	3,750	-	-
Staff and Operating Costs	8,000	8,559	6,209
Total Programs & Services to Congregations	448,405	387,152	257,738
Total Congregational Life	\$ 666,476	\$ 606,689	\$ 470,435
DEVELOPMENT			
Special Fundraising Projects	\$ 3,000	\$ 350	\$ 4,144
St. Olaf Concert	-	-	5,731
Capital Fund Feasibility Study	-	373	138,381
SMO Agency Events	9,000	3,550	1,950
Stewardship	5,500	2,950	2,174
Expanded Partnership in Ministry	47,524	39	-
Staff and Operating Costs	285,867	277,909	216,387
Total Development	\$ 350,891	\$ 285,171	\$ 368,767
BISHOP'S OFFICE			
Staff and Operating Costs	\$ 362,081	\$ 398,206	\$ 359,560
Total Bishop's Office	\$ 362,081	\$ 398,206	\$ 359,560
SYNOD GOVERNANCE			
Synod Assembly	\$ 57,000	\$ 125,083	\$ 45,022
Synod Council	5,000	4,044	4,960
Synod Council Committees (FMC and Audit Committee)	8,200	92	306
Committee Expense (Archives and Historian)	1,200	-	-
Committee Expense (Worship Committee)	450	1,702	-
	-	29	-
Total Synod Governance	\$ 71,850	\$ 130,950	\$ 50,288

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

PROGRAM EXPENSES – (Continued)

Fiscal year ended January 31, 2007 and 2006

	Budget Provision	Actual Expenses Fiscal Year	
		2006	2005
COMMUNICATIONS AND PR			
Prof. Services (Web)	\$ 6,200	\$ 6,569	\$ 7,309
Prof. Services (Public Relations)	42,000	36,000	39,000
Lutheran New Yorker	23,925	22,474	24,747
Fees & PR	500	650	-
Staff and Operating Costs	<u>9,000</u>	<u>3,297</u>	<u>579</u>
Total Communications and PR	<u>\$ 81,625</u>	<u>\$ 68,990</u>	<u>\$ 71,635</u>
OFFICE SERVICES			
Christ Yonkers Construction Reserve Payments	\$ -	\$ 26,132	\$ 43,260
Staff and Operating Costs	592,724	506,449	564,539
Depreciation Expense	<u>115,000</u>	<u>115,000</u>	<u>136,942</u>
Total Office Services	<u>\$ 707,724</u>	<u>\$ 647,581</u>	<u>\$ 744,741</u>
Total Expenses	<u>\$3,503,493</u>	<u>\$3,716,207</u>	<u>\$3,935,607</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

BUDGETED OPERATIONS

Fiscal years ended January 31, 2007 and 2006

	Budget Provision	Actual Fiscal Year	
		2006	2005
Income			
Congregational mission support	\$1,400,000	\$1,386,638	\$1,450,845
Designated ELCA Projects	150,000	88,102	191,277
Designated MNYS Projects	50,000	70,757	77,501
Grants – ELCA	139,143	178,373	196,997
Grants – LDRNY	96,000	96,333	222,010
Investment income	170,000	273,812	207,061
Contributions from individuals and others	27,000	148,441	57,587
Other income	204,000	145,477	168,775
Released from designations			
Metropolitan New York Synod Fund	440,000	440,000	200,000
Bishop's Mission Fund	269,700	224,700	368,082
Mission Redevelopment Fund	384,650	384,650	203,123
Urban Empowerment Fund	50,000	88,550	25,000
Other Funds	<u>103,000</u>	<u>61,219</u>	<u>140,783</u>
Total income	<u>3,483,493</u>	<u>3,587,052</u>	<u>3,509,041</u>
Expenses			
Synod Outreach	1,020,302	1,145,118	1,352,734
Synod Life	242,544	259,824	231,934
Congregational Life	666,476	636,371	439,707
Development	350,891	285,171	368,768
Bishop's Office	362,081	398,206	359,560
Synod Governance	71,850	130,950	50,288
Communications and PR	81,625	68,990	71,635
Office Services	<u>707,724</u>	<u>647,579</u>	<u>691,934</u>
Total expenses	<u>3,503,493</u>	<u>3,572,209</u>	<u>3,566,560</u>
Excess (deficit) of income over expenses	<u>\$ (20,000)</u>	<u>\$ 14,843</u>	<u>\$ (57,519)</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

SUMMARY OF CHANGES IN NET ASSETS

Fiscal year ended January 31, 2007

	<u>Balance, January 31, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, January 31, 2007</u>
UNRESTRICTED				
Undesignated				
General operating	\$ (194,288)	\$3,095,603	\$3,029,491	\$ (128,176)
Designated				
Metropolitan New York Synod Fund --				
General	1,546,754	118,435	440,000	1,225,189
Funds functioning as endowment				
William and Helen Heinemann Memorial Fund	<u>364,969</u>	<u>-</u>	<u>-</u>	<u>364,969</u>
	1,911,723	118,435	440,000	1,590,158
Congregations Under Synodical Administration				
Property Value	6,540,000	3,785,000	440,000	9,885,000
Expenses	(1,607,063)	2,300,322	3,379,868	(2,686,609)
Youth Ministry Fund	53,970	6,450	12,804	47,616
Bishop's Mission Fund	155,077	51,022	224,700	(18,601)
Bishop Rudolph P. F. Ressmeyer	49,601	2,993	-	52,594
Winston Bone Scholarship Fund	28,313	1,487	1,255	28,545
Christ Yonkers Construction Reserve	521,990	47,926	26,132	543,784
Christ Yonkers Area Ministries	952,917	-	64,997	887,920
Mission Redevelopment Fund	3,725,602	-	1,741,167	1,984,435
Support for the Wider Church	228,436	-	210,000	18,436
Other	<u>340</u>	<u>16,337</u>	<u>6,941</u>	<u>9,736</u>
Total designated	<u>12,560,906</u>	<u>6,329,972</u>	<u>6,547,864</u>	<u>12,343,014</u>
Property and equipment fund	<u>396,861</u>	<u>63,728</u>	<u>115,000</u>	<u>345,589</u>
Total unrestricted	<u>12,763,479</u>	<u>9,489,303</u>	<u>9,692,355</u>	<u>12,560,427</u>
TEMPORARILY RESTRICTED				
Endowment income	50,897	15,714	12,386	54,225
Women Leaders Fund	6,890	-	-	6,890
Women And Children In Poverty	15,463	-	-	15,463
Urban Empowerment	519,893	23,782	88,550	455,125
Other	<u>27,544</u>	<u>106,477</u>	<u>123,135</u>	<u>10,886</u>
Total temporarily restricted	<u>620,687</u>	<u>145,973</u>	<u>224,071</u>	<u>542,589</u>
PERMANENTLY RESTRICTED				
	<u>690,561</u>	<u>170,449</u>	<u>-</u>	<u>861,010</u>
Total net assets	<u>\$14,074,727</u>	<u>\$9,805,725</u>	<u>\$9,916,426</u>	<u>\$13,964,026</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

SUMMARY OF CHANGES IN TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS (ENDOWMENT)

Fiscal year ended January 31, 2007

	PERMANENTLY RESTRICTED			TEMPORARILY RESTRICTED			
	PRINCIPAL			INCOME			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Beginning Balance</u>	<u>Allocated Income</u>	<u>Expenses And Transfers</u>	<u>Ending Balance</u>
Funds for Grants to Congregations and Ministries							
Samuel Trexler Fellowship Fund	\$ 124,272	\$ -	\$ -	\$ 7,679	\$ 6,213	\$ 4,250	\$ 9,642
Kling/Kreider/Weiskotten Mission Support Fund	44,041	-	-	4,404	2,202	-	6,606
Bishop James Graefe Fund	59,458	-	-	30,007	2,973	8,136	24,844
Magda Bratland Fund	65,097	-	-	7,265	3,255	-	10,520
Funds for Ministerial Student Aid							
Stechman/Berwager Ministerial Education	21,422	-	-	1,542	1,071	-	2,613
Fund for Support of Companion Synod							
Tanzania Teacher Endowment Fund	<u>376,271</u>	<u>170,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$690,561</u>	<u>\$170,449</u>	<u>\$ -</u>	<u>\$50,897</u>	<u>\$15,714</u>	<u>\$12,386</u>	<u>\$54,225</u>

**METROPOLITAN NEW YORK SYNOD
OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA**

CONTRIBUTIONS FROM CONGREGATIONS SUMMARIZED BY CONFERENCE

Fiscal year ended January 31, 2007

Conference	Total Contributions	MISSION SUPPORT						Other Designated Gifts
		Commitment	Received	Over (Under) Commitment	World Hunger	United Lutheran Appeal		
Brooklyn	\$ 23,395	\$ 18,750	\$ 22,391	\$ 3,641	\$ 150	\$ 104	\$ 750	
Brooklyn Bridges	33,741	18,694	31,206	12,512	1,523	232	780	
South Shore	86,251	71,335	78,585	7,250	3,400	594	3,672	
Nassau								
Eastern	172,177	134,054	136,045	1,991	16,703	-	19,429	
Western	100,779	100,560	93,491	(7,069)	2,210	1,804	3,274	
Southwest	68,755	64,580	66,234	1,654	1,343	250	928	
Queens								
Northeast	22,705	13,000	20,024	7,024	2,479	67	135	
Northwest	44,411	31,896	40,500	8,604	1,454	734	1,723	
Southeast	41,383	52,693	41,383	(11,310)	-	-	-	
Southwest	36,701	30,121	29,271	(850)	5,212	1,171	1,047	
Suffolk								
Peconic	105,708	76,740	91,825	15,085	5,718	870	7,295	
Western	160,563	152,205	155,540	3,335	4,211	-	812	
Bronx	42,518	23,800	33,781	9,981	1,812	30	6,895	
Delaware Hudson	97,243	95,165	88,384	(6,781)	4,802	500	3,557	
Hudson	118,892	47,520	112,350	64,830	5,774	41	727	
Manhattan	147,636	124,908	127,027	2,119	3,802	-	16,807	
Staten Island	56,883	48,775	49,142	367	2,960	106	4,675	
Tappan Zee	185,755	155,176	169,459	14,283	5,359	46	10,891	
	<u>\$1,545,496</u>	<u>\$1,259,972</u>	<u>\$1,386,638</u>	<u>\$126,666</u>	<u>\$68,912</u>	<u>\$6,549</u>	<u>\$83,397</u>	