

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

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

JANUARY 31, 2011 AND 2010

**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, 2011 and 2010, 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, 2011 and 2010, 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 20, 2011**

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

STATEMENTS OF FINANCIAL POSITION

January 31, 2011 and 2010

| | End Of Fiscal Year 2010 | End Of Fiscal Year 2009 |
|--|--|--|
| ASSETS | | |
| Cash | \$ 227,609 | \$ 505,761 |
| Investments, at value <i>(Note 2)</i> | 6,065,271 | 3,034,215 |
| Accounts receivable <i>(Notes 3 and 9)</i> | 1,344,378 | 1,202,913 |
| Advances and other assets (net of allowance of \$91,000 in 2010 and \$91,000 in 2009) | 55,814 | 109,949 |
| Property, equipment and leasehold improvements <i>(Note 4)</i> | 86,873 | 118,256 |
| Property held by Synod <i>(Note 3)</i> | <u>12,350,000</u> | <u>14,850,000</u> |
| Total assets | <u>\$20,129,945</u> | <u>\$19,821,094</u> |
| LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 219,404 | \$ 194,959 |
| Deferred revenue | 1,893 | 6,748 |
| Notes payable <i>(Note 7)</i> | <u>29,664</u> | <u>45,271</u> |
| Total liabilities | <u>250,961</u> | <u>246,978</u> |
| NET ASSETS | | |
| Unrestricted | | |
| Undesignated | 307,390 | 550,518 |
| Designated | 17,765,968 | 17,217,396 |
| Net investment in property, equipment and leasehold improvements | <u>57,209</u> | <u>72,985</u> |
| Total unrestricted net assets | 18,130,567 | 17,840,899 |
| Temporarily restricted <i>(Note 5)</i> | 350,477 | 365,543 |
| Permanently restricted <i>(Note 5)</i> | <u>1,397,940</u> | <u>1,367,674</u> |
| Total net assets | <u>19,878,984</u> | <u>19,574,116</u> |
| Total liabilities and net assets | <u>\$20,129,945</u> | <u>\$19,821,094</u> |

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

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

Fiscal years ended January 31, 2011 and 2010

| | Fiscal Year 2010 | Fiscal Year 2009 |
|---|-----------------------------|-----------------------------|
| Revenue | | |
| Contributions from congregations | | |
| Congregational mission support | \$ 1,137,879 | \$ 1,287,710 |
| Designated mission support | | |
| World Hunger | 66,379 | 65,173 |
| Other designated gifts | 74,121 | 67,001 |
| Total from congregations | 1,278,379 | 1,419,884 |
| Other revenue | | |
| Contributions from individuals and others | 102,665 | 179,283 |
| Investment income (loss) | | |
| (including gain (loss) on sale of investments of \$(104,250) in 2010 and \$(1,039,475) in 2009) | 21,945 | (823,946) |
| Reimbursement from Mission Projects | 118,940 | 157,513 |
| Miscellaneous | 119,558 | 176,904 |
| Total contributions and other revenue | 1,641,487 | 1,109,638 |
| Net assets released from restrictions (Note 5) | 59,328 | 56,139 |
| Total revenue | 1,700,815 | 1,165,777 |
| Expenses | | |
| Synod Services | | |
| Evangelical Outreach | | |
| (including \$546,182 and \$611,662 in 2010 and 2009 in Mission Support to ELCA) | 939,117 | 959,845 |
| Global and Multicultural Mission | 390,267 | 338,930 |
| Congregations | 150,642 | 130,402 |
| Formation | 323,170 | 268,028 |
| Mission Projects | 328,925 | 380,360 |
| Bishop's Office | 541,256 | 358,665 |
| Synod Governance | 137,053 | 119,168 |
| Communications & PR | 130,244 | 126,244 |
| Finance and Administration | 614,312 | 785,853 |
| Christ Yonkers Construction Settlement | - | 299,725 |
| Total expenses | 3,554,986 | 3,767,220 |
| Deficit of revenue over expenses | (1,854,171) | (2,601,443) |
| Other Changes | | |
| Net unrealized gain on long-term investments | 690,969 | 1,791,901 |
| Congregations under synodical administration/agreement (net of expenses of \$1,178,856 and \$1,668,235 in 2010 and 2009) (Note 3) | 1,452,870 | 4,142,027 |
| Increase in unrestricted net assets | \$ 289,668 | \$ 3,332,485 |

See notes to financial statements.

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

STATEMENTS OF CHANGES IN NET ASSETS

Fiscal years ended January 31, 2011 and 2010

| | Fiscal Year 2010 | Fiscal Year 2009 |
|---|-----------------------------|-----------------------------|
| Unrestricted net assets | | |
| Total unrestricted revenue | \$ 1,641,487 | \$ 1,109,638 |
| Net assets released from restrictions <i>(Note 5)</i> | 59,328 | 56,139 |
| Total unrestricted expenses | (3,554,986) | (3,767,220) |
| Other changes | <u>2,143,839</u> | <u>5,933,928</u> |
| Increase in unrestricted net assets | <u>289,668</u> | <u>3,332,485</u> |
| Temporarily restricted net assets | | |
| Contributions | 918 | 600 |
| Investment income (loss) | 43,344 | (8,956) |
| Net assets released from restrictions <i>(Note 5)</i> | <u>(59,328)</u> | <u>(56,139)</u> |
| Decrease in temporarily restricted net assets | <u>(15,066)</u> | <u>(64,495)</u> |
| Permanently restricted net assets | | |
| Contributions | <u>30,266</u> | <u>21,211</u> |
| Increase in permanently restricted net assets | <u>30,266</u> | <u>21,211</u> |
| Increase in net assets | 304,868 | 3,289,201 |
| Net assets | | |
| Beginning of year | <u>19,574,116</u> | <u>16,284,915</u> |
| End of year | <u>\$19,878,984</u> | <u>\$19,574,116</u> |

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

STATEMENTS OF CASH FLOWS

Fiscal years ended January 31, 2011 and 2010

| | Fiscal Year 2010 | Fiscal Year 2009 |
|--|-----------------------------|-----------------------------|
| INCREASE (DECREASE) IN CASH | | |
| <i>Net change in net assets</i> | \$ 304,868 | \$ 3,289,201 |
| <i>Adjustments to reconcile the net change in net assets to net cash provided by (used for) operating activities</i> | | |
| Depreciation | 82,751 | 130,257 |
| Loss on sale of investments | 104,250 | 1,039,475 |
| Net unrealized gains on long-term investments | (690,969) | (1,791,901) |
| Mission Projects, net | (209,985) | (222,847) |
| Congregations under synodical administration/agreement | (1,452,870) | (4,142,027) |
| (Increase) decrease in | | |
| Advances and other assets | 54,135 | 15,038 |
| Accounts receivable | (141,465) | (147,888) |
| Increase (decrease) in | | |
| Accounts payable and accrued expenses | 24,445 | (414,139) |
| Deferred revenue | (4,855) | 6,562 |
| Net cash used for operating activities | <u>(1,929,695)</u> | <u>(2,238,269)</u> |
| <i>Cash flows from investing activities</i> | | |
| Purchase of equipment and leasehold improvements | (51,368) | (52,731) |
| Purchase of investments | (3,994,610) | (981,230) |
| Proceeds from sale of investments | 1,550,273 | 3,150,000 |
| Property held by Synod | 2,500,000 | (4,231,360) |
| Mission Projects, net | 209,985 | 222,847 |
| Congregations under synodical administration/agreement | 1,452,870 | 4,142,027 |
| Net cash provided by investing activities | <u>1,667,150</u> | <u>2,249,553</u> |
| <i>Cash flows from financing activities</i> | | |
| Proceeds from issuance of notes payable | - | 52,731 |
| Repayments of notes payable | (15,607) | (23,314) |
| Net cash provided by (used for) financing activities | <u>(15,607)</u> | <u>29,417</u> |
| Net increase (decrease) in cash | (278,152) | 40,701 |
| <i>Cash</i> | | |
| Beginning of year | <u>505,761</u> | <u>465,060</u> |
| End of year | <u>\$ 227,609</u> | <u>\$ 505,761</u> |

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

Fiscal Years 2010 and 2009

(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 U.S. 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.

SUBSEQUENT EVENTS

Subsequent events after the statement of financial position date through the date that the financial statements were available for issuance, April 20, 2011, have been evaluated in the preparation of the financial statements.

CONCENTRATION OF CREDIT RISK

The Synod occasionally maintains deposits in excess of federally insured limits. Accounting Standards Codification ("*ASC*") 825, "*Financial Instruments*" identifies these items as a concentration of credit risk requiring disclosure regardless of the degree of risk. The risk is managed by monitoring the financial institutions in which deposits are made.

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 *ASC 958, "Not-for-Profit-Entities,"* which established standards for accounting for certain investments held by not-for-profit organizations and required that investments in securities be recorded at fair market 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.

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

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

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.

(2) INVESTMENTS

Investments are composed of the following at January 31:

| <u>Fiscal Year 2010</u> | <u>Cost</u> | <u>Market</u> |
|-------------------------|--------------------|--------------------|
| ELCA Endowment Fund A | <u>\$5,750,916</u> | <u>\$6,065,271</u> |

At January 31, 2011, the portfolio of investments had gross unrealized gains of \$314,355.

| <u>Fiscal Year 2009</u> | <u>Cost</u> | <u>Market</u> |
|-------------------------|--------------------|--------------------|
| ELCA Endowment Fund A | \$3,054,789 | \$2,706,018 |
| ELCA – Fund A CELC | 331,040 | 303,197 |
| Mission Investment Fund | <u>25,000</u> | <u>25,000</u> |
| | <u>\$3,410,829</u> | <u>\$3,034,215</u> |

At January 31, 2010, the portfolio of investments had gross unrealized losses of \$376,614.

Total investment return on the investments for fiscal years 2010 and 2009 was as follows:

| | <u>2010</u> | <u>2009</u> |
|------------------------|-------------------|-------------------|
| Interest and dividends | \$ 169,539 | \$ 206,573 |
| Realized losses | (104,250) | (1,039,475) |
| Unrealized gains | <u>690,969</u> | <u>1,791,900</u> |
| | <u>\$ 756,258</u> | <u>\$ 958,998</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 Synod Council annually determines a spending percentage of the pooled investment funds by which the Synod can expend not only income but a prudent portion of the appreciation of the principal. During fiscal year 2007, the Synod implemented a new endowment spending policy. Under this policy, annual distributions would be no greater than the average of the total return of the previous five years. Spending from investments would not exceed the annual distribution ceiling without the approval of the Synod Council. Total distributable earnings for current operations was approximately \$199,800 for the fiscal year 2009. This endowment spending policy was discontinued in 2010 and a new policy will be implemented for fiscal year 2011. Under the new policy, annual distributions to the board designated and permanently restricted net assets will be four percent of the average of the market value of the investments for the previous five years.

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

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Synod utilized various methods to measure the fair value of its investments on a recurring basis. Generally accepted accounting principles establish a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Synod’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The inputs or methodology used for valuing securities and other assets are not necessarily an indication of the risk associated with investing in those securities and other assets.

| <u>Fiscal Year 2010</u> | <u>Total</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|--------------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Investments | | | | |
| ELCA Endowment Fund | <u>\$ 6,065,271</u> | <u>\$ -</u> | <u>\$ 6,065,271</u> | <u>\$ -</u> |
| Property | | | | |
| Property held by Synod | <u>\$12,350,000</u> | <u>\$ -</u> | <u>\$12,350,000</u> | <u>\$ -</u> |
| | | | | |
| <u>Fiscal Year 2009</u> | <u>Total</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Investments | | | | |
| ELCA Endowment Fund | \$ 2,706,018 | \$ - | \$ 2,706,018 | \$ - |
| ELCA – Fund A | 303,197 | - | 303,197 | - |
| Mission Investment Fund | <u>25,000</u> | <u>-</u> | <u>25,000</u> | <u>-</u> |
| Totals | <u>\$ 3,034,215</u> | <u>\$ -</u> | <u>\$ 3,034,215</u> | <u>\$ -</u> |
| Property | | | | |
| Property held by Synod | <u>\$14,850,000</u> | <u>\$ -</u> | <u>\$14,850,000</u> | <u>\$ -</u> |

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

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

(3) PROPERTY HELD BY SYNOD

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

| | <u>Fiscal Year 2010</u> | <u>Fiscal Year 2009</u> |
|---|-----------------------------|-----------------------------|
| Evangelical Lutheran Church of the Holy Trinity, Hollis, Queens (a) | \$ 2,200,000 | \$ 2,200,000 |
| St. Paul's Lutheran Church, Richmond Hill, Queens (b) | - | 1,600,000 |
| Good Shepherd Lutheran Church, Bayside, Queens (c) | - | 650,000 |
| Bethany Lutheran Church, Brooklyn (d) | 2,100,000 | 2,100,000 |
| St. John's Lutheran Church, Bronx (e) | 1,850,000 | 1,850,000 |
| Bethlehem Lutheran Church, Brooklyn (f) | 5,800,000 | 6,450,000 |
| Grace Lutheran Church, North Branch (g) | 200,000 | - |
| First Lutheran Church, Jeffersonville (h) | 200,000 | - |
| Salem (Swedish) Evangelical Lutheran Church – Brooklyn (i) | - | - |
| | <u>\$12,350,000</u> | <u>\$14,850,000</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.

- (a) For the year ended January 31, 2011, the Synod has recorded net expenses in the amount of \$59,172 related to Hollis church and school.
- (b) For the year ended January 31, 2011, the Synod has recorded net expenses of \$13,106 net of a gain on the sale of the property of \$1,462.
- (c) For the year ended January 31, 2011, the Synod has recorded net expenses of \$96,871 including a loss on the sale of the property of \$95,421.
- (d) For the year ended January 31, 2011, the Synod has recorded net expenses of \$21,028.
- (e) For the year ended January 31, 2011, the Synod has recorded net expenses of \$128,836.
- (f) For the year ended January 31, 2011, the Synod has recorded net expenses of \$710,769 including a write-down of the carrying value of the property of \$650,000.
- (g) For the year ended January 31, 2011, the Synod has recorded net income of \$188,692 reflecting the carrying value of the property of \$200,000 less expenses incurred of \$11,308.
- (h) For the year ended January 31, 2011, the Synod has recorded net income of \$167,294 reflecting the carrying value of the property of \$200,000 less expenses incurred of \$32,706.
- (i) For the year ended January 31, 2011, the Synod has recorded net income of \$2,395,184 reflecting the gain on the sale of the property of \$2,447,775 less net expenses incurred of \$52,591.

In addition, there are several other congregations under synodical administration or with a support agreement where the Synod has not taken title to the property. The Synod has recorded \$268,518 of net expenses related to these congregations for the year ended January 31, 2011.

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

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

The Synod has an agreement with Zion Evangelical Church ("*Zion Mission*") to be reimbursed, without interest, for all funds that are expended for daily operations, as well as the planning, construction and initial operating phases should Synod funds be required for expenses. As of January 31, 2011, the Synod has advanced approximately \$1,127,000 to Zion Mission for which a receivable has been recorded and is included in accounts receivable on the statement of financial position.

(4) PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

The costs of such assets were as follows:

| | Fiscal Year 2010 | Fiscal Year 2009 |
|-------------------------------|-----------------------------|-----------------------------|
| Equipment and furniture | \$ 348,748 | \$348,748 |
| Leasehold improvements | <u>690,752</u> | <u>639,384</u> |
| | 1,039,500 | 988,132 |
| Less accumulated depreciation | <u>952,627</u> | <u>869,876</u> |
| Net value | <u>\$ 86,873</u> | <u>\$118,256</u> |

(5) NET ASSETS

TEMPORARILY RESTRICTED NET ASSETS

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

| | Fiscal Year 2010 | Fiscal Year 2009 |
|--|-----------------------------|-----------------------------|
| Funds for Grants to Congregations and Ministries | \$ 85,581 | \$ 75,369 |
| Funds for Ministerial Student Aid | 5,737 | 5,877 |
| Fund for Support of Companion Synod – ELCT | 60,960 | 30,188 |
| Women Leaders Fund | 6,890 | 6,890 |
| Women And Children In Poverty | 10,594 | 10,594 |
| Urban Empowerment Fund | 173,646 | 223,646 |
| Other | <u>7,069</u> | <u>12,979</u> |
| | <u>\$350,477</u> | <u>\$365,543</u> |

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

| | Fiscal Year 2010 | Fiscal Year 2009 |
|--|-----------------------------|-----------------------------|
| Funds for Grants to Congregations and Ministries | \$ 2,500 | \$ 4,000 |
| Fund for Support of Companion Synod – ELCT | - | 22,378 |
| Urban Empowerment Fund | 50,000 | 50,000 |
| Other | <u>6,828</u> | <u>(20,239)</u> |
| | <u>\$59,328</u> | <u>\$ 56,139</u> |

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

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

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 Educational Endowment Fund was reinvested until the fund reached a goal of \$1 million.

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

| | Fiscal Year 2010 | Fiscal Year 2009 |
|--|-----------------------------|-----------------------------|
| Funds for Grants to Congregations and Missions | \$ 292,868 | \$ 292,868 |
| Funds for Ministerial Student Aid | 21,422 | 21,422 |
| Tanzania Educational Endowment Fund | <u>1,083,650</u> | <u>1,053,384</u> |
| | <u>\$1,397,940</u> | <u>\$1,367,674</u> |

Fiscal Year 2010 Endowment Net Asset Composition by Type of Fund as of January 31:

| | Fiscal Year 2010 | | | Total |
|----------------------------------|-------------------------|-----------------------------------|-----------------------------------|--------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| Donor-restricted endowment funds | \$ - | \$ 152,278 | \$ 1,397,940 | \$ 1,550,218 |
| Board-designated endowment funds | <u>73,636</u> | <u>-</u> | <u>-</u> | <u>73,636</u> |
| Total funds | <u>\$73,636</u> | <u>\$152,278</u> | <u>\$1,397,940</u> | <u>\$1,623,854</u> |

| | Fiscal Year 2009 | | | Total |
|----------------------------------|-------------------------|-----------------------------------|-----------------------------------|--------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| Donor-restricted endowment funds | \$ - | \$ 111,434 | \$ 1,367,674 | \$ 1,479,108 |
| Board-designated endowment funds | <u>95,025</u> | <u>-</u> | <u>-</u> | <u>95,025</u> |
| Total funds | <u>\$95,025</u> | <u>\$111,434</u> | <u>\$1,367,674</u> | <u>\$1,574,133</u> |

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

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

Changes in Endowment Net Assets for the Fiscal Years Ended January 31:

| | Fiscal Year 2010 | | | Total |
|--|-------------------------|-------------------------------|-------------------------------|---------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| Endowment net assets, Beginning of year | \$ 95,025 | \$ 111,434 | \$ 1,367,674 | \$ 1,574,133 |
| Investment return | 3,511 | 43,344 | - | 46,855 |
| Contributions | 100 | - | 30,266 | 30,366 |
| Appropriation of endowment assets for expenditure | <u>(25,000)</u> | <u>(2,500)</u> | <u>-</u> | <u>(27,500)</u> |
| Endowment net assets, End of year | <u>\$ 73,636</u> | <u>\$ 152,278</u> | <u>\$ 1,397,940</u> | <u>\$ 1,623,854</u> |

| | Fiscal Year 2009 | | | Total |
|--|-------------------------|-------------------------------|-------------------------------|---------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| Endowment net assets, Beginning of year | \$95,536 | \$ 146,768 | \$ 1,346,463 | \$ 1,588,767 |
| Investment return | (611) | (8,956) | - | (9,567) |
| Contributions | 100 | - | 21,211 | 21,311 |
| Appropriation of endowment assets for expenditure | <u>-</u> | <u>(26,378)</u> | <u>-</u> | <u>(26,378)</u> |
| Endowment net assets, End of year | <u>\$95,025</u> | <u>\$ 111,434</u> | <u>\$ 1,367,674</u> | <u>\$ 1,574,133</u> |

(6) PENSION PLAN

Substantially all employees of the Synod are enrolled in the defined contribution 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 \$108,000 and \$125,200 for fiscal years 2010 and 2009, 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 by the Board of Pensions of the ELCA. Upon retirement, pension benefits are provided by the money-purchase method. Consequently, such accumulations constitute the reserves from which benefits will be provided.

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

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

(7) COMMITMENTS AND CONTINGENCIES

The Synod leases office equipment under a capital lease expiring in 2012. The related property is included at a cost of \$52,731 at January 31, 2011. Total accumulated depreciation at January 31, 2011 was \$25,689. The minimum lease payments as of January 31, 2011 under these leases, together with the present value of the net minimum lease payments, are as follows:

| <u>Fiscal Year</u> | |
|---|-----------------|
| 2011 | \$17,899 |
| 2012 | <u>13,424</u> |
| | 31,323 |
| Less amount representing interest | <u>1,659</u> |
| Present value of minimum lease payments | <u>\$29,664</u> |

The Synod signed a new five-year lease for approximately 8,000 square feet which previously had been approximately 10,000 square feet of office space in the Interchurch Center in New York City expiring June 30, 2015 with monthly rent of \$13,600, exclusive of future escalations. Total rent expense for fiscal years 2010 and 2009 was approximately \$181,600 and \$193,800, respectively. Total minimum lease commitments are as follows:

| <u>Fiscal Year</u> | |
|--------------------|------------------|
| 2011 | \$163,200 |
| 2012 | 163,200 |
| 2013 | 163,200 |
| 2014 | 163,200 |
| 2015 | <u>68,000</u> |
| | <u>\$720,800</u> |

At January 31, 2011, the Synod is a party to certain lawsuits in the ordinary course of business. While any litigation has an element of uncertainty, after reviewing these actions with legal counsel, management is of the opinion that the liability, if any, resulting from these actions will not have a material effect on the financial condition of the Synod.

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

(8) REAL ESTATE SALES

In connection with the sale of properties, the Synod records the net proceeds as follows: 60% to the Mission Redevelopment Fund; 10% to the Support for the Wider Church Fund; and 30% to the Support for Operations Fund.

During the year ended January 31, 2011 the Synod sold St. Paul's Lutheran Church in Queens for a net sales price, after closing and administrative costs, of \$1,365,421, all of which was recorded in prior years, of the net proceeds \$819,253 was recorded in the Mission Redevelopment Fund, \$136,542 was recorded in the Support for the Wider Church Fund and \$409,626 was recorded in the Support for Operations Fund.

During the year ended January 31, 2011, the Synod sold the parsonage at Good Shepherd Lutheran Church in Queens for a net sales price, after closing and administrative costs, of \$541,111, all of which was recorded in prior years, of the net proceeds \$324,667 was recorded in the Mission Redevelopment Fund, \$54,111 was recorded in the Support for the Wider Church Fund and \$162,333 was recorded in the Support for Operations Fund.

During the year ended January 31, 2011 the Synod sold Salem (Swedish) Evangelical Lutheran Church in Brooklyn for a net sales price, after closing and administrative costs, of \$2,343,185, of which the net proceeds of \$1,405,911 was recorded in the Mission Redevelopment Fund, \$234,318 was recorded in the Support for the Wider Church Fund and \$702,956 was recorded in the Support for Operations Fund.

During the year ended January 31, 2010, the Synod sold the parsonage at Bethany Lutheran Church in Brooklyn for a net sales price, after closing and administrative costs, of \$401,248, all of which was recorded in prior years. Of the net proceeds, \$240,749 was recorded in the Mission Redevelopment Fund, \$40,125 was recorded in the Support for the Wider Church Fund and \$120,374 was recorded in the Support for Operations Fund. As of January 31, 2011, the Synod continues to hold the church related to Bethany Lutheran Church.

In addition, during the year ended January 31, 2010, the Synod sold the parsonage at St. Peter's Lutheran Church in Brooklyn for a net sales price, after closing and administrative costs, of \$411,675, all of which was recorded in prior years. Of the net proceeds, \$247,005 was recorded in the Mission Redevelopment Fund, \$41,167 was recorded in the Support for the Wider Church Fund and \$123,503 was recorded in the Support for Operations Fund.

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS – (Continued)

Fiscal Years 2010 and 2009

(9) RELATED PARTY TRANSACTIONS

On August 31, 2008, the Synod granted a loan to the Bishop to assist him in the purchase of a residence in New York City. The loan, in the amount of \$100,000, bears interest at 5% which is payable quarterly. The loan is due within sixty days of the receipt of the proceeds from the sale of the Bishop's former residence in Michigan or if the Bishop is no longer the bishop of the Synod. The loan is included in accounts receivable on the statement of financial position.

On June 27, 2009, the Synod granted a loan to an assistant to the Bishop to assist him in the purchase of a residence in New York City. The loan, in the amount of \$35,000, bears interest at 5% and is payable monthly. The loan is due June 27, 2012. The balance of the loan as of January 31, 2011 and January 31, 2010 is approximately \$17,200 and \$28,600. The loan is included in accounts receivable on the statement of financial position.

On June 27, 2009, the Synod granted a loan to another assistant to the Bishop to assist him in the purchase of a residence. The loan, in the amount of \$50,000, bears interest at 5% and is payable quarterly. The loan was originally due June 27, 2019. On June 12, 2010, the loan was amended to increase the current balance to \$25,000. The new loan bears interest at 5% and is payable monthly in fixed payments of \$471. The loan is due June 12, 2015. The balance of principal and accrued interest will become due and payable within 120 days, if the employee terminates his relationship with the Synod or the sale of the house which the loan is financing occurs prior to the complete paydown of the loan. The balance of the loan as of January 31, 2011 and January 31, 2010 was approximately \$22,000 and \$8,100, respectively. The loan is included in accounts receivable on the statement of financial position.

(10) SUBSEQUENT EVENTS

On March 9, 2011, the Synod sold Evangelical Lutheran Church of the Holy Trinity in Hollis, Queens for a sales price of \$3,000,000 including cash at settlement of \$2,100,000 less closing costs and a mortgage on the property of \$900,000 plus interest payable over five years in 60 equal monthly installments of \$17,821. In addition, on March 25, 2011, the Synod signed an agreement of sale to sell Bethlehem Lutheran Church in Brooklyn for \$5,800,000 including cash payments of \$3,900,000 and a mortgage of \$1,900,000.

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, 2011 and 2010, 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 17 to 23, 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 20, 2011**

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

PROGRAM EXPENSES

Fiscal years ended January 31, 2011 and 2010

| | Budget Provision | Actual Expenses Fiscal Year 2010 | Actual Expenses Fiscal Year 2009 |
|---|-----------------------------|---|---|
| EVANGELICAL OUTREACH | | | |
| ELCA Mission Support | \$ 648,000 | \$ 546,182 | \$ 611,662 |
| ELCA Designated Projects | 50,000 | 110,751 | 88,544 |
| MNYS Designated Projects | 45,000 | 26,174 | 23,348 |
| Individual Gifts | 140,000 | - | - |
| Partnership Grants | 200,000 | 196,022 | 185,977 |
| Coaching and National Church Development | - | - | 4,735 |
| Stewardship | 5,500 | 1,359 | 265 |
| Staff and Operating Costs | <u>95,983</u> | <u>58,629</u> | <u>45,314</u> |
| Total Evangelical Outreach | <u>\$ 1,184,483</u> | <u>\$ 939,117</u> | <u>\$ 959,845</u> |
| GLOBAL AND MULTICULTURAL MISSION | | | |
| Commission for Gay & Lesbian Ministries | \$ 5,000 | \$ 500 | \$ 1,077 |
| Global Mission Event Scholarship | 1,500 | 587 | - |
| Companion Synod – Tanzania | 58,996 | 59,265 | 43,872 |
| Companion Synod – Romania Resident Pastor | 81,000 | 70,032 | 43,133 |
| Commission for Multicultural Affairs | 500 | - | - |
| Asian Diakonia | - | - | (274) |
| Hunger Committee | 1,000 | 1,000 | 929 |
| Latino Diakonia | 7,000 | 1,800 | 1,427 |
| Latino Laity | 8,000 | 150 | 885 |
| Asian Ministries – Education/Training | 2,000 | 3,705 | 198 |
| Asian Ministries – Youth Program | 2,000 | - | 1,526 |
| Urban Leaders Institute | 18,000 | 9,744 | 9,572 |
| Urban Empowerment Grants | - | 3,000 | 6,000 |
| Latino Consultation Fund | 1,000 | - | 586 |
| Staff and Operating Costs | 248,205 | 235,632 | 219,614 |
| Other Expense | <u>5,908</u> | <u>4,852</u> | <u>10,385</u> |
| Total Global and Multicultural Mission | <u>\$ 440,109</u> | <u>\$ 390,267</u> | <u>\$ 338,930</u> |

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

PROGRAM EXPENSES – (Continued)

Fiscal years ended January 31, 2011 and 2010

| | <u>Budget Provision</u> | <u>Actual Expenses Fiscal Year 2010</u> | <u>Actual Expenses Fiscal Year 2009</u> |
|---|-----------------------------|---|---|
| CONGREGATIONS | | | |
| Staff and Operating Costs | \$ 156,960 | \$ 150,447 | \$ 124,930 |
| Counseling Services/Research | 1,750 | - | - |
| CEO Programs | - | - | 2,669 |
| Congregational Resources | <u>2,500</u> | <u>195</u> | <u>2,803</u> |
| Total Congregations | <u>\$ 161,210</u> | <u>\$ 150,642</u> | <u>\$ 130,402</u> |
| FORMATION | | | |
| Lutheran Ministries in Higher Education Grant | 43,370 | 43,370 | 43,693 |
| Lutheran Schools Association Grant | 9,000 | 9,000 | 5,363 |
| Student Center at SUNY New Paltz Grant | 13,000 | 13,000 | 9,919 |
| Philadelphia Seminary Grant | 65,000 | 65,000 | 47,000 |
| Youth Ministries | 10,000 | 3,542 | 7,738 |
| Women/Children in Poverty | 3,620 | 1,070 | - |
| Background Checks – Seminary Candidates | - | 1,491 | (1,199) |
| Psychological Evaluations | - | (1,228) | 2,379 |
| Candidacy / Bishop's / Staff Retreats | 11,000 | 10,634 | 2,357 |
| Ministerium and Other Education Events | 7,500 | (166) | 3,134 |
| Horizon Internships | 24,000 | 12,000 | 12,000 |
| Staff and Operating Costs | <u>169,916</u> | <u>165,457</u> | <u>135,644</u> |
| Total Formation | <u>\$ 356,406</u> | <u>\$ 323,170</u> | <u>\$ 268,028</u> |
| MISSION PROJECTS | | | |
| Staff and Operating Costs | \$ 300,000 | \$ 88,706 | \$ 126,286 |
| Construction | - | 25,784 | 78,000 |
| Other | - | <u>214,435</u> | <u>176,074</u> |
| Total Mission Projects | <u>\$ 300,000</u> | <u>\$ 328,925</u> | <u>\$ 380,360</u> |
| BISHOP'S OFFICE | | | |
| Staff and Operating Costs | \$ 315,199 | \$ 310,387 | \$ 357,665 |
| Grants – Wider Church Fund and Other | - | 165,500 | - |
| Professional Fees | - | <u>65,369</u> | <u>1,000</u> |
| Total Bishop's Office | <u>\$ 315,199</u> | <u>\$ 541,256</u> | <u>\$ 358,665</u> |

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

PROGRAM EXPENSES – (Continued)

Fiscal year ended January 31, 2011

| | <u>Budget Provision</u> | <u>Actual Expenses Fiscal Year 2010</u> | <u>Actual Expenses Fiscal Year 2009</u> |
|--|-----------------------------|---|---|
| SYNOD GOVERNANCE | | | |
| Synod Assembly | \$ 125,000 | \$ 121,199 | \$ 106,778 |
| Synod Council | 5,000 | 7,257 | 4,991 |
| Synod Council Committees (FMC and Audit Committee) | 750 | 970 | 1,308 |
| Committee Expense (Archives and Historian) | 1,000 | 1,995 | 1,472 |
| Committee Expense (Worship Committee) | 2,500 | 1,678 | 125 |
| Meeting Expense (Deans) | 2,500 | 1,733 | 1,509 |
| Staff & Operating Costs | <u>6,900</u> | <u>2,221</u> | <u>2,985</u> |
| Total Synod Governance | <u>\$ 143,650</u> | <u>\$ 137,053</u> | <u>\$ 119,168</u> |
| COMMUNICATIONS AND PR | | | |
| Prof. Services (Web) | \$ 12,500 | \$ 15,349 | \$ 3,460 |
| Prof. Services (Public Relations) | 2,500 | - | 1,000 |
| Lutheran New Yorker | 25,000 | 12,751 | 23,061 |
| Staff and Operating Costs | <u>102,860</u> | <u>102,144</u> | <u>98,723</u> |
| Total Communications and PR | <u>\$ 142,860</u> | <u>\$ 130,244</u> | <u>\$ 126,244</u> |
| FINANCE AND ADMINISTRATION | | | |
| Staff and Operating Costs | \$ 176,340 | \$ 174,179 | \$ 269,780 |
| Rent & Facility Management | 193,749 | 181,605 | 193,754 |
| Other Office Expenses | 255,119 | 175,777 | 152,414 |
| Depreciation Expense | 105,000 | 82,751 | 130,257 |
| Christ Yonkers Construction Reserve payments | - | - | 39,648 |
| Total Finance and Administration | <u>\$ 730,208</u> | <u>\$ 614,312</u> | <u>\$ 785,853</u> |
| CHRIST YONKERS CONSTRUCTION SETTLEMENT | | | |
| Total Expenses Before Properties | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 299,725</u> |
| | <u>\$ 3,774,125</u> | <u>\$ 3,554,986</u> | <u>\$ 3,767,220</u> |
| PROPERTIES UNDER SYNOD MANAGEMENT | | | |
| <i>(See Note 3)</i> | | | |
| Staff and Operating Costs | \$ 300,000 | \$ 191,936 | \$ 656,793 |
| Maintenance and repairs | - | 129,185 | 328,098 |
| Utilities | - | 76,446 | 139,182 |
| Insurance | - | 127,337 | 141,330 |
| Grants | - | 13,806 | 92,800 |
| Professional fees | - | 196,707 | 77,528 |
| Other property costs | <u>-</u> | <u>443,439</u> | <u>232,504</u> |
| Total Properties Under Synod Management | <u>\$ 300,000</u> | <u>\$ 1,178,856</u> | <u>\$ 1,668,235</u> |
| Total Expenses | <u>\$ 4,074,125</u> | <u>\$ 4,733,842</u> | <u>\$ 5,435,455</u> |

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

BUDGETED OPERATIONS

Fiscal years ended January 31, 2011 and 2010

| | Budget Provision | Actual Fiscal Year | |
|--|-----------------------------|---------------------------|-------------------|
| | | 2010 | 2009 |
| Income | | | |
| Congregational mission support | \$1,350,000 | \$1,137,879 | \$ 1,287,710 |
| Designated ELCA Projects | 50,000 | 110,751 | 88,544 |
| Designated MNYS Projects | 45,000 | 29,399 | 43,530 |
| Grants – ELCA | 15,000 | 15,000 | 40,333 |
| Grants – LDRNY | - | - | 38,415 |
| Investment income | 175,000 | 25 | 199,752 |
| Contributions from individuals and others | 361,400 | 87,915 | 100,335 |
| Other income (including assembly income of \$71,429 and \$77,828 in 2010 and 2009) | 100,725 | 86,217 | 101,625 |
| Reimbursement from Mission Projects | 300,000 | 328,925 | 380,360 |
| Reimbursement from Wider Church Fund and Other | - | 165,500 | - |
| Released from designations | | | |
| Net Proceeds from Sales | 967,000 | 967,000 | 1,084,000 |
| Mission Redevelopment Fund | 230,000 | 225,622 | 185,978 |
| Urban Empowerment Fund | 50,000 | 50,000 | 50,000 |
| Other Funds | 130,000 | 107,625 | 234,266 |
| Total income before properties | 3,774,125 | 3,311,858 | 3,834,848 |
| Reimbursement from properties | 300,000 | 1,178,856 | 1,668,235 |
| Total income | 4,074,125 | 4,490,714 | 5,503,083 |
| Expenses | | | |
| Evangelical Outreach | 1,184,483 | 939,117 | 959,845 |
| Global and Multicultural Mission | 440,109 | 390,267 | 338,930 |
| Congregations | 161,210 | 150,642 | 130,402 |
| Formation | 356,406 | 323,170 | 268,028 |
| Mission Projects | 300,000 | 328,925 | 380,360 |
| Bishop's Office | 315,199 | 541,256 | 358,665 |
| Synod Governance | 143,650 | 137,053 | 119,168 |
| Communications and PR | 142,860 | 130,244 | 126,244 |
| Finance and Administration | 730,208 | 614,312 | 785,853 |
| Total expenses before properties | 3,774,125 | 3,554,986 | 3,467,495 |
| Properties under Synod Management | 300,000 | 1,178,856 | 1,668,235 |
| Total expenses | 4,074,125 | 4,733,842 | 5,135,730 |
| Excess (deficit) of income over expenses | \$ - | \$ (243,128) | \$ 367,353 |

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

SUMMARY OF CHANGES IN NET ASSETS

Fiscal year ended January 31, 2011

| | <u>Balance, January 31, 2010</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance, January 31, 2011</u> |
|--|--|--------------------|--------------------|--|
| UNRESTRICTED | | | | |
| Undesignated | | | | |
| General operating | \$ 550,518 | \$2,796,717 | \$3,039,845 | \$ 307,390 |
| Designated | | | | |
| Metropolitan New York Synod Fund – General | (857,020) | 65,087 | 46,855 | (838,788) |
| Unrealized gains (losses) on investments | <u>(376,614)</u> | <u>690,969</u> | <u>-</u> | <u>314,355</u> |
| | (1,233,634) | 756,056 | 46,855 | (524,433) |
| Congregations Under Synodical Administration | | | | |
| Property Value | 14,850,000 | 400,000 | 2,900,000 | 12,350,000 |
| Expenses | (2,716,220) | 3,024,390 | 2,748,795 | (2,440,625) |
| Youth Ministry Fund | 29,532 | - | 3,542 | 25,990 |
| Bishop’s Mission Fund | 29,340 | - | - | 29,340 |
| Bishop Rudolph P. F. Ressmeyer Fund | 61,833 | 2,274 | 25,000 | 39,107 |
| William and Helen Heinemann Memorial Fund | 364,969 | - | - | 364,969 |
| Winston Bone Scholarship Fund | 33,192 | 1,337 | - | 34,529 |
| Bishop’s Discretionary Fund | 49,283 | 5,526 | 11,889 | 42,920 |
| Mission Redevelopment Fund | 4,601,199 | 1,561,154 | - | 6,162,353 |
| Support for the Wider Church | 639,531 | 356,324 | 140,500 | 855,355 |
| Support for Operations | 507,971 | 311,179 | - | 819,150 |
| Musical Instruments Fund | - | 6,750 | - | 6,750 |
| Other | <u>400</u> | <u>163</u> | <u>-</u> | <u>563</u> |
| Total designated | <u>17,217,396</u> | <u>6,425,153</u> | <u>5,876,581</u> | <u>17,765,968</u> |
| Property and equipment fund | <u>72,985</u> | <u>-</u> | <u>15,776</u> | <u>57,209</u> |
| Total unrestricted | <u>17,840,899</u> | <u>9,221,870</u> | <u>8,932,202</u> | <u>18,130,567</u> |
| TEMPORARILY RESTRICTED | | | | |
| Endowment income | 111,434 | 43,344 | 2,500 | 152,278 |
| Women Leaders Fund | 6,890 | - | - | 6,890 |
| Women And Children In Poverty | 10,594 | - | - | 10,594 |
| Urban Empowerment Fund | 223,646 | - | 50,000 | 173,646 |
| Other | <u>12,979</u> | <u>918</u> | <u>6,828</u> | <u>7,069</u> |
| Total temporarily restricted | <u>365,543</u> | <u>44,262</u> | <u>59,328</u> | <u>350,477</u> |
| PERMANENTLY RESTRICTED | <u>1,367,674</u> | <u>30,266</u> | <u>-</u> | <u>1,397,940</u> |
| Total net assets | <u>\$19,574,116</u> | <u>\$9,296,398</u> | <u>\$8,991,530</u> | <u>\$19,878,984</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, 2011

| | PERMANENTLY RESTRICTED | | | | TEMPORARILY RESTRICTED | | | |
|---|--------------------------|------------------|-------------------|-----------------------|--------------------------|-------------------------|-------------------------------|-----------------------|
| | PRINCIPAL | | | | INCOME | | | |
| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deductions</u> | <u>Ending Balance</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 | \$ - | \$ - | \$ 124,272 | \$ 12,452 | \$ 4,971 | \$ 2,500 | \$ 14,923 |
| Kling/Kreider/Weiskotten Mission Support Fund | 44,041 | - | - | 44,041 | 14,309 | 1,762 | - | 16,071 |
| Bishop James Graefe Fund | 59,458 | - | - | 59,458 | 29,172 | 2,378 | - | 31,550 |
| Magda Bratland Fund | 65,097 | - | - | 65,097 | 20,433 | 2,604 | - | 23,037 |
| Funds for Ministerial Student Aid | | | | | | | | |
| Stechman/Berwager Ministerial Education | 21,422 | - | - | 21,422 | 4,880 | 857 | - | 5,737 |
| Fund for Support of Companion Synod | | | | | | | | |
| Tanzania Educational Endowment Fund | <u>1,053,384</u> | <u>30,266</u> | - | <u>1,083,650</u> | <u>30,188</u> | <u>30,772</u> | - | <u>60,960</u> |
| | <u>\$1,367,674</u> | <u>\$ 30,266</u> | <u>\$ -</u> | <u>\$1,397,940</u> | <u>\$111,434</u> | <u>\$ 43,344</u> | <u>\$2,500</u> | <u>\$ 152,278</u> |

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

CONTRIBUTIONS FROM CONGREGATIONS SUMMARIZED BY CONFERENCE

Fiscal year ended January 31, 2011

| <u>Conference</u> | <u>Total Contributions</u> | <u>MISSION SUPPORT</u> | | | | | <u>Other Designated Gifts</u> |
|-------------------|--------------------------------|------------------------|--------------------|----------------------------|-------------------------|-----------------|---------------------------------------|
| | | <u>Commitment</u> | <u>Received</u> | <u>Over Commitment</u> | <u>World Hunger</u> | | |
| Brooklyn | \$ 33,964 | \$ 24,800 | \$ 31,949 | \$ 7,149 | \$ - | \$ 2,015 | |
| Brooklyn Bridges | 23,920 | 16,808 | 21,287 | 4,479 | 101 | 2,532 | |
| South Shore | 51,789 | 33,400 | 43,400 | 10,000 | 2,152 | 6,237 | |
| Southwest | | | | | | | |
| Nassau | | | | | | | |
| Eastern | 111,202 | 67,200 | 98,187 | 30,987 | 10,624 | 2,391 | |
| Western | 63,947 | 34,300 | 59,410 | 25,110 | 265 | 4,272 | |
| Southwest | 62,004 | 32,325 | 57,462 | 25,137 | 2,776 | 1,766 | |
| Queens | | | | | | | |
| Southeast | 38,227 | 4,400 | 37,119 | 32,719 | - | 1,108 | |
| Southwest | 34,077 | 26,900 | 27,997 | 1,097 | 4,735 | 1,345 | |
| Northeast | 14,917 | 7,675 | 12,445 | 4,770 | 2,039 | 433 | |
| Northwest | 32,573 | 21,800 | 27,147 | 5,347 | 3,758 | 1,668 | |
| Suffolk | | | | | | | |
| Peconic | 99,600 | 67,290 | 90,123 | 22,833 | 2,720 | 6,757 | |
| Western | 139,086 | 67,028 | 125,605 | 58,577 | 2,735 | 10,746 | |
| Bronx | 38,951 | 16,450 | 26,967 | 10,517 | 430 | 11,554 | |
| Delaware Hudson | 70,167 | 34,960 | 45,891 | 10,931 | 20,788 | 3,488 | |
| Hudson | 116,086 | 82,639 | 105,423 | 22,784 | 4,488 | 6,175 | |
| Manhattan | 147,162 | 113,417 | 140,300 | 26,883 | 3,102 | 3,760 | |
| Staten Island | 48,823 | 35,024 | 42,030 | 7,006 | 3,119 | 3,674 | |
| Tappan Zee | 155,394 | 113,665 | 145,137 | 31,472 | 2,547 | 7,710 | |
| | <u>\$1,281,889</u> | <u>\$800,081</u> | <u>\$1,137,879</u> | <u>\$337,798</u> | <u>\$66,379</u> | <u>\$77,631</u> | |