

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

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

JANUARY 31, 2023

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

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of of Metropolitan New York Synod of the Evangelical Lutheran Church in America (the “*Synod*”) (a nonprofit organization), which comprise the statement of financial position as of January 31, 2023 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Synod as of January 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Synod and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Synod’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Synod's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Synod's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Synod's 2022 financial statements, and our report dated June 28, 2022, expressed an unmodified audit opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended January 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Summary of Changes in Net Assets, Summary of Changes in Net Assets with Donor Restrictions, and Contributions from Congregations Summarized by Conference, on pages 21-23, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Tait, Weller & Baker LLP

Philadelphia, Pennsylvania
April 21, 2023

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

January 31, 2023 And 2022

	2023	2022
ASSETS		
Cash	\$ 1,034,421	\$ 2,734,102
Accounts receivable	198,697	163,120
Dividends & interest receivable	78,933	69,650
Loans receivable <i>(Note 3)</i>	19,412	24,217
Mortgage receivable <i>(Note 4)</i>	500,000	500,000
Prepays and other assets	117,690	45,300
Investments, at fair value <i>(Note 2)</i>	42,328,174	46,387,446
Deposits with developer <i>(Note 5)</i>	4,066,375	4,066,375
Right of Use Asset <i>(Note 9)</i>	770,900	-
Property, equipment and leasehold improvements, net <i>(Note 6)</i>	354,244	198,728
Property held by Synod <i>(Note 5)</i>	<u>25,945,000</u>	<u>27,225,000</u>
Total assets	<u>\$ 75,413,846</u>	<u>\$ 81,413,938</u>
 LIABILITIES		
Accounts payable and accrued expenses <i>(Note 10)</i>	\$ 513,550	\$ 840,473
Right of Use Liability <i>(Note 9)</i>	775,155	-
Deferred revenue	<u>11,202,251</u>	<u>11,911,000</u>
Total liabilities	<u>12,490,956</u>	<u>12,751,473</u>
 NET ASSETS		
Without donor restrictions <i>(Note 7)</i>		
Undesignated	(707,789)	(138,537)
Designated	<u>61,535,290</u>	<u>66,573,286</u>
Total without donor restrictions	60,827,501	66,434,749
With donor restrictions <i>(Note 7)</i>	<u>2,095,389</u>	<u>2,227,716</u>
Total net assets	<u>62,922,890</u>	<u>68,662,465</u>
Total liabilities and net assets	<u>\$ 75,413,846</u>	<u>\$ 81,413,938</u>

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Years Ended January 31, 2023 With Summarized Information For 2022

	Net Assets Without Donor Restrictions			Net Assets With Donor Restrictions	2023	2022
	Undesignated	Designated	Total			
Revenue and operating support						
Contributions from congregations						
Congregational mission support	\$ 914,236	\$ -	\$ 914,236	\$ -	\$ 914,236	\$ 999,900
Designated mission support						
ELCA World Hunger	42,947	-	42,947	-	42,947	27,178
ELCA designated gifts	33,644	-	33,644	-	33,644	28,316
Less: Transfer of ELCA designated gifts	(76,591)	-	(76,591)	-	(76,591)	(55,494)
Synod designated gifts	4,395	-	4,395	-	4,395	9,109
Total from congregations	918,631	-	918,631	-	918,631	1,009,009
Other revenue						
Contributions from individuals and others	169,054	16,213	185,267	12,488	197,755	193,392
Grant revenue <i>(Note 13)</i>	-	-	-	-	-	320,806
Investment income designated for operations	1,550,299	-	1,550,299	72,955	1,623,254	1,457,085
Other Income	153,892	-	153,892	-	153,892	2,512
Total contributions and other revenue	2,791,876	16,213	2,808,089	85,443	2,893,532	2,982,804
Net assets released from restrictions (Note 7)	57,098	-	57,098	(57,098)	-	-
Total revenue and operating support	2,848,974	16,213	2,865,187	28,345	2,893,532	2,982,804
Expenses						
Program expenses						
Strategies						
Evangelism	204,459	-	204,459	-	204,459	271,453
Leadership	410,260	11,250	421,510	-	421,510	571,335
Congregation	653,166	92,907	746,073	-	746,073	1,133,740
Advocacy	130,057	-	130,057	-	130,057	313,973
Vision 2025	1,049,744	-	1,049,744	-	1,049,744	2,543
Mission support to ELCA	457,118	-	457,118	-	457,118	492,600
Total program expenses	2,904,804	104,157	3,008,961	-	3,008,961	2,785,644
Supporting expenses						
Synod Governance	512,253	-	512,253	-	512,253	549,752
Finance and Administration	712,951	-	712,951	-	712,951	642,493
Total supporting expenses	1,225,204	-	1,225,204	-	1,225,204	1,192,245
Total operating expenses	4,130,008	104,157	4,234,165	-	4,234,165	3,977,889
Change in net assets from operating activities before transfers	(1,281,034)	(87,944)	(1,368,978)	28,345	(1,340,633)	(995,085)
Transfers	711,782	(711,782)	-	-	-	-
Change in net assets from operating activities	(569,252)	(799,726)	(1,368,978)	28,345	(1,340,633)	(995,085)
Non-operating activities						
Investment return in excess of amounts designated for operations	-	(3,690,821)	(3,690,821)	(160,672)	(3,851,493)	5,376,445
Congregations under synodical preservation/ agreement (net of expenses of \$717,449 and \$1,183,301 in 2023 and 2022) <i>(Note 5)</i>	-	(547,449)	(547,449)	-	(547,449)	(1,088,301)
Increase/(decrease) in net assets	(569,252)	(5,037,996)	(5,607,248)	(132,327)	(5,739,575)	3,293,059
Net assets, beginning of year	(138,537)	66,573,286	66,434,749	2,227,716	68,662,465	65,369,406
Net assets, end of year	\$ (707,789)	\$ 61,535,290	\$ 60,827,501	\$ 2,095,389	\$ 62,922,890	\$ 68,662,465

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

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended January 31, 2023 With Summarized Information For 2022

	Program Services						Total Program Services	Supporting Services		Total Supporting Services	2023 Total	2022 Total
	Evangelism	Leadership	Congregation	Advocacy	Vision 2025	Mission Support To ELCA		Synod Governance	Finance & Administration			
Staff	\$121,823	\$183,880	\$ 5,666	\$ 43,854	\$ 922,265	\$ -	\$1,277,488	\$263,695	\$ 274,554	\$ 538,249	\$1,815,737	\$1,716,188
Grants	67,500	92,696	725,821	31,750	-	-	917,767	-	-	-	917,767	812,664
ELCA Mission Support	-	-	-	-	-	457,118	457,118	-	-	-	457,118	492,600
Program Support	2,227	71,916	5,711	45,393	51,659	-	176,906	6	-	6	176,912	236,029
Rent	-	-	-	-	-	-	-	-	205,377	205,377	205,377	200,788
Synod Assembly	6,744	6,744	6,744	6,744	20,025	-	47,001	16,539	-	16,539	63,540	71,244
Communications	5,841	8,040	1,768	1,992	4,442	-	22,083	10,316	2,022	12,338	34,421	36,136
Workshops/Retreats	-	57,203	-	-	-	-	57,203	-	-	-	57,203	10,342
Professional Services	50	50	50	50	100	-	300	66,050	92,236	158,286	158,586	123,714
Office Expense	-	671	141	-	50,888	-	51,700	18,249	76,534	94,783	146,483	134,251
Travel and Meetings	274	284	-	274	282	-	1,114	124,788	-	124,788	125,902	45,299
Insurance	-	-	-	-	-	-	-	-	39,698	39,698	39,698	49,674
Website Services	-	26	-	-	-	-	26	12,002	-	12,002	12,028	26,808
Miscellaneous Expense	-	-	172	-	83	-	255	608	434	1,042	1,297	767
Depreciation	-	-	-	-	-	-	-	-	22,096	22,096	22,096	21,385
	<u>\$204,459</u>	<u>\$421,510</u>	<u>\$746,073</u>	<u>\$130,057</u>	<u>\$1,049,744</u>	<u>\$457,118</u>	<u>\$3,008,961</u>	<u>\$512,253</u>	<u>\$712,951</u>	<u>\$1,225,204</u>	<u>\$4,234,165</u>	<u>\$3,977,889</u>

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended January 31, 2023 And 2022

	<u>2023</u>	<u>2022</u>
<i>Cash flows from operating activity</i>		
<i>Change in net assets</i>	\$(5,739,575)	\$ 3,293,059
<i>Adjustments to reconcile the change in net assets to net cash used for operating activities</i>		
Depreciation	22,096	21,385
Net investment gains	(358,305)	(2,191,488)
Net unrealized (gains) losses on investments	3,293,248	(4,143,548)
Congregations under synodical preservation/agreement	(170,000)	(95,000)
(Increase) decrease in		
Accounts receivable	(35,577)	32,032
Dividend & Interest receivable	(9,283)	9,850
Prepays and other assets	(72,390)	25,636
Right of Use Asset	(770,900)	-
Increase (decrease) in		
Accounts payable and accrued expenses	(326,923)	81,901
Right of Use Liability	775,155	-
Deferred Revenue	<u>1,251</u>	<u>1,000</u>
Net cash used for operating activities	<u>(3,391,203)</u>	<u>(2,965,173)</u>
<i>Cash flows from investing activities</i>		
Purchase of equipment and leasehold improvements	(177,612)	(159,750)
Purchase of investments	(6,899,705)	(5,631,394)
Proceeds from sale of investments	7,349,910	9,359,060
Net change in money market fund	674,124	(1,236,195)
Sale of property held under Synodical preservation	740,000	2,575,000
Repayment of loans to Congregations	<u>4,805</u>	<u>31,505</u>
Net cash provided by investing activities	<u>1,691,522</u>	<u>4,938,226</u>
<i>Cash flows from financing activities</i>		
Repayments of notes payable	<u>-</u>	<u>(7,699)</u>
Net increase (decrease) in cash	(1,699,681)	1,965,354
Cash, beginning of year	<u>2,734,102</u>	<u>768,748</u>
Cash, end of year	<u>\$ 1,034,421</u>	<u>\$ 2,734,102</u>

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

January 31, 2023 And 2022

(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. In addition, certain property held by the Synod is held in single member limited liability companies with the Synod as the sole member (*See Note 5*).

CONSOLIDATION

The consolidated financial statements include the accounts of the Synod and the Limited Liability Companies of certain property held for sale (collectively the “*Synod*”). All intercompany transactions have been eliminated.

ACCOUNTING ESTIMATES

The preparation of the financial statement in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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.

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.

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.

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

CONGREGATIONS UNDER SYNODICAL PRESERVATION/AGREEMENT

Congregations under synodical preservation include property for which the title for such property has been transferred from a congregation generally due to a disbanded congregation or financial difficulties. Upon transfer of the title, the Synod records the property at the estimated fair value when the property is received and records corresponding revenue for those properties in the process of selling. For those properties in process of redevelopment, deferred revenue is recorded as the title for the property may be transferred back to the congregation upon successful completion of the redevelopment. The Synod expenses costs incurred in connection with carrying the property until the property is sold or redeveloped. Also included are congregation expenses for those congregations operating under a support agreement with the Synod.

REVENUE RECOGNITION

In accordance with ASC-958 Not-For-Profit-entities, contributions received are recorded as net assets without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. These contributions are recognized when cash or ownership of donated assets is unconditionally received by the Synod. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities, as net assets released from restriction.

NET ASSETS

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Synod are classified and reported as follows:

Without Donor Restrictions – resources that are available for the general support of the MNYS's operations. The Synod Council of the Metropolitan New York Synod approved the establishment of a long-term investment policy for operating reserves (designated fund) to ensure the stability of the mission, programs, employment, and ongoing operations of the Synod and to provide a source of internal funds for organization priorities.

With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Synod or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt, including gifts; pledges; and investment returns on “true” endowment funds. Expirations of restrictions of net assets with donor restrictions are reported as net assets released from restriction.

Also included in this category are net assets subject to donor-imposed restrictions to be maintained permanently by the Synod, including gifts wherein donors stipulate that the corpus of the gift be held in perpetuity (primarily gifts for endowment) and that only the income be made available for operations or other purposes.

FUNCTIONAL ALLOCATION OF EXPENSES

The cost of providing the Synod's various programs and supporting services has been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

TAX-EXEMPT STATUS

The Internal Revenue Service (“IRS”) has determined the Synod to be an “association of churches” and, therefore, exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The IRS has further determined that contributions made to the Synod are deductible by the donors to the extent allowed by law.

The Synod has reviewed their tax positions and has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

NEW ACCOUNTING PRONOUNCEMENTS ADOPTED

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. Topic 842 requires an organization to recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. The Synod implemented the provisions of ASU 2016-02 as of February 1, 2022 by applying the modified retrospective transition approach for leases existing as of the beginning of the period of adoption. As such, the Synod has not adjusted the statement of financial position for comparative periods; and this ASU did not result in a cumulative effect adjustment to the opening balance of net assets. The Synod has elected to apply the package of practical expedients within ASU 2016-02 such that the Synod did not reassess: (1) if expired or existing contracts are, or contain, leases; (2) lease classification for any expired or existing leases; and (3) initial direct costs for any existing leases. The Synod has elected, as a practical expedient, not to separate non-lease components from lease components, and instead account for each separate component as a single lease component for all lease arrangements, as lessee. In addition, the Synod has elected, as a practical expedient, not to apply lease recognition requirements to short-term lease arrangements, generally those with a lease term of less than 12-months, for all classes of underlying assets. Refer to Note 9 for additional details.

(2) INVESTMENTS

Investments are composed of the following at January 31, 2023 and 2022:

	2023		2022	
	Cost	Market	Cost	Market
Equities	\$23,405,738	\$35,439,540	\$23,377,804	\$38,079,442
Corporate Bonds	1,940,136	1,858,416	2,073,329	2,139,750
U.S. Government Bonds	3,950,828	3,724,371	4,068,750	4,223,246
Mutual Funds	647,208	585,663	515,927	550,700
Money Market Fund	720,184	720,184	1,394,308	1,394,308
	<u>\$30,664,094</u>	<u>\$42,328,174</u>	<u>\$31,430,118</u>	<u>\$46,387,446</u>

As of January 31, 2023 and 2022, the portfolio of investments had accumulated net unrealized gains of \$11,664,080 and \$14,957,328, respectively.

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

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

Return on investments for years ending January 31, 2023 and 2022 consist of the following::

	<u>2023</u>	<u>2022</u>
Interest and dividends, net of fees of \$266,046 in 2023 and \$268,047 in 2022	\$ 706,704	\$ 498,494
Realized gains	358,305	2,191,488
Unrealized gains/(losses)	<u>(3,293,248)</u>	<u>4,143,548</u>
Net return on investments	<u>\$(2,228,239)</u>	<u>\$6,833,530</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 whereby a spending policy was implemented for annual distributions to the Synod of four percent of the average of the market value of the investments on January 31st for the previous five years. Total distributable earnings under the spending rate were \$1,550,299 for 2023 and \$1,389,988 for 2022.

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 Synod 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.

A description of the valuation techniques applied to the Synod’s investments is as follows:

Equity Securities for which the primary market is on an exchange are valued at the last sales price and are categorized in level 1 of the fair value hierarchy.

Investments in Mutual Funds, including Money Market Funds, are valued at their respective net asset values and are categorized in level 1 of the fair value hierarchy.

Debt Securities (Corporate and US Government) are valued by pricing services using quotations from dealers and brokers, market transactions data from quotation services, offering and various relationships between securities and are categorized in level 2 of the fair value hierarchy.

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

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

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>January 31, 2023</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
Equities	\$ 35,439,540	\$ 35,439,540	\$ –	\$ –
Corporate Bonds	1,858,416	–	1,858,416	–
U.S. Government Bonds	3,724,371	–	3,724,371	–
Mutual Funds	585,663	585,663	–	–
Money Market Fund	<u>720,184</u>	<u>720,184</u>	<u>–</u>	<u>–</u>
	<u>\$ 42,328,174</u>	<u>\$ 36,745,387</u>	<u>\$ 5,582,787</u>	<u>\$ –</u>

<u>January 31, 2022</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
Equities	\$ 38,079,442	\$ 38,079,442	\$ –	\$ –
Corporate Bonds	2,139,750	–	2,139,750	–
U.S. Government Bonds	4,223,246	–	4,223,246	–
Mutual Funds	550,700	550,700	–	–
Money Market Fund	<u>1,394,308</u>	<u>1,394,308</u>	<u>–</u>	<u>–</u>
	<u>\$ 46,387,446</u>	<u>\$ 40,024,450</u>	<u>\$ 6,362,996</u>	<u>\$ –</u>

(3) LOANS RECEIVABLE

	<u>2023</u>	<u>2022</u>
COVID-19 Financial Assistance Loans		
Various principal amounts at 0% interest with various maturity dates through September 2025	<u>\$ 19,412</u>	<u>\$ 24,217</u>

Total maturities of loans receivable for the years ending January 31 are as follows:

2024	\$ 8,333
2025	7,829
2026	<u>3,250</u>
	<u>\$ 19,412</u>

(4) MORTGAGE RECEIVABLE

In August 2016, the Synod sold Reformation Lutheran Church in Brooklyn. In connection with the sale, a mortgage was issued by the Synod and secured by the premises in the amount of \$500,000. Outstanding principal and interest was due on August 29, 2018. As of January 31, 2023, the \$500,000 is outstanding and the Synod is currently proceeding on foreclosure to either receive payment or obtain the property, which is estimated to have a value equal to the outstanding amount of the mortgage receivable.

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(5) PROPERTY HELD BY SYNOD

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

	<u>2023</u>	<u>2022</u>
Properties in process of selling:		
Bethany Lutheran Church, Brooklyn (a)	\$ 3,180,000	\$ 3,180,000
Zion Lutheran Church, Brooklyn (b)	-	-
St. Peter’s Evangelical Lutheran Church, Bronx (i)	900,000	1,165,000
Kingsbridge Evangelical Lutheran Church, Bronx (j)	-	740,000
Christ Evangelical Lutheran Church, Suffern (k) *	1,250,000	1,250,000
Eltingville Lutheran Church and School, Staten Island (l) *	3,500,000	5,500,000
Evangelical Lutheran Church of the Transfiguration, Otisville (e)	75,000	-
Transfiguration Lutheran Church, Bronx (g)	710,000	-
Christ Evangelical Lutheran Church, Little Neck (m)	<u>1,650,000</u>	<u>-</u>
Properties in process of selling	<u>11,265,000</u>	<u>11,835,000</u>
Property with a synodically authorized worship community:		
Lutheran Church of the Messiah, Brooklyn (c)	<u>3,480,000</u>	<u>3,480,000</u>
Properties in process of redevelopment:		
Church of The Holy Redeemer, Brooklyn (d)(h) *	4,600,000	4,600,000
Evangelical Lutheran Church of the Transfiguration, Manhattan (e)(h) *	5,000,000	5,000,000
Transfiguration Lutheran Church, Bronx (f)(h) *	<u>1,600,000</u>	<u>2,310,000</u>
Properties in process of redevelopment	<u>11,200,000</u>	<u>11,910,000</u>
Total property held by Synod	<u>\$ 25,945,000</u>	<u>\$ 27,225,000</u>

* *Limited Liability Company*

- (a)** For the year ended January 31, 2023, the Synod recorded net expenses of \$66,661.
- (b)** In November 2019, the Synod sold the property to a developer for \$5,152,000. In connection with the sale, the developer is constructing low-income housing and a condominium unit containing a community facility of approximately 15,000 square feet and limited common elements of approximately 1,200 square feet which will be owned by the Synod. The Synod is in the process of entering into a 25 year lease with the School Construction Authority (“SCA”). The Synod received \$796,353 in cash and a mortgage receivable of \$1,514,883. Additionally, from the proceeds of the sale, the Synod placed on deposit with the developer \$1,937,169 for the construction of the community facility and \$614,323 for certain build-outs required by the SCA for which the Synod will be reimbursed when the construction is complete. At the completion of the construction of the community facility and the transfer of the property to the Synod, the mortgage receivable will be satisfied and the total construction costs of the community facility will be \$3,452,052. The total amount advanced to the developer at January 31, 2023 and 2022 was \$4,066,375. If the property is not transferred to the Synod, the mortgage will become payable with interest at 100 basis points over LIBOR. The Synod has classified the funds retained by the developer and the mortgage receivable as “Deposits with the Developer” in the Statement of Financial Position. The Synod is also entitled to a developer’s fee in the amount of \$850,000 at 5% annual interest at the time of the completion of the construction.

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January 31, 2023 And 2022

The Synod is also entitled to a fee of \$380,023 for the delay in construction and start of the lease with the SCA. Such payment could be reduced depending on the delivery date. The Synod has not recorded these two contingency payments until the completion of the construction. Construction of the community facility is ongoing with an estimated turnover date of July 2022. The proposed 25 year lease with the SCA provides for annual lease payments as follows: year 1 - \$134,145 (½ Year); years 2-5 - \$268,231; years 6-10 - \$295,084; years 11-15 - \$324,599; years 16-20 - \$357,030; years 21-25 - \$392,774. The Synod recorded \$71,197 and \$59,828 of expenses in carrying the property during the years ended January 31, 2023 and 2022.

- (c) During the year ended January 31, 2023, the Synod recorded a loss of \$22,499 reflecting income received of \$26,300 and expenses of \$48,799. Subsequent to year end the property was under a contract for sale for \$4,700,000.
- (d) For the year ended January 31, 2023, the Synod recorded net expenses of \$22,306.
- (e) For the year ended January 31, 2023, the Synod recorded a gain of 28,628 reflecting the increase in fair value for the Otisville property of \$75,000 and expenses of \$46,372. The Otisville property was sold subsequent to year end for \$80,000.
- (f) During the year ended January 31, 2023, the Synod recorded expenses of \$33,243.
- (g) Property at 750 Kelly Street in the Bronx is under contract for sale dated March 8, 2023 for \$675,000.
- (h) These churches are in discussion with the Synod regarding redevelopment of the properties. The fair value of the properties has been recorded in deferred revenue as the title to the properties may be granted back to the congregation upon successful completion of the redevelopment.
- (i) For the year ended January 31, 2023, the Synod recorded an impairment loss of \$265,000 and expenses of \$96,105.
- (j) For the year ended January 31, 2023, the Synod sold the property and recorded a loss of \$40,613. In addition, the Synod recorded \$30,213 of expenses in connection with the property.
- (k) During the year ended January 31, 2023, the Synod recorded a loss of \$94,184 reflecting income received of \$51,110 and expenses of \$145,294. There is a potential right of reversion on a portion of this property. The Synod is actively contesting this and will bring an action to annul or modify the right of reversion.
- (l) During the year ended January 31, 2023, the Synod recorded an impairment loss of \$2,000,000 and net expenses of \$4,702. Subsequent to year end the property was under a contract for sale dated March 29, 2023 for \$4,000,000.
- (m) During the year ended January 31, 2023, the Synod recorded \$1,650,000 for the fair value of the property received under synodical preservation. Additional, income received under this property was \$25,737 net of expenses.

In addition, there are several other congregations under synodical preservation or with a support agreement where the Synod has not taken title to the property. The Synod recorded \$215,339 and \$467,833 of net loss related to these congregations for the years ending January 31, 2023 and 2022, respectively.

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The following is the activity for the properties held by the Synod and under synodical preservation for the years ended January 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Acquisition of Property	\$ 1,725,000	\$ -
Change in Valuation of Property	(2,265,000)	95,000
Income Earned	866,765	251,744
Expenses Incurred	<u>(874,214)</u>	<u>(1,435,045)</u>
	<u>\$ (547,449)</u>	<u>\$(1,088,301)</u>

(6) PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

The costs of such assets were as follows:

	<u>2023</u>	<u>2022</u>
Equipment and furniture	\$ 204,946	\$ 245,435
Leasehold improvements	1,099,731	762,369
Construction in progress	<u>-</u>	<u>159,750</u>
	1,304,677	1,167,554
Less accumulated depreciation	<u>950,433</u>	<u>968,826</u>
Net value	<u>\$ 354,244</u>	<u>\$ 198,728</u>

(7) NET ASSETS

Net assets without donor restrictions include \$61,535,290 and \$66,573,286 of designated net assets as of January 31, 2023 and 2022, respectively, as follows.

	<u>2023</u>	<u>2022</u>
Reinvestment in new or existing ministries	\$29,470,812	\$30,193,137
Properties in process of selling	14,745,000	15,315,000
Other designated purposes	<u>17,319,478</u>	<u>21,065,149</u>
	<u>\$61,535,290</u>	<u>\$66,573,286</u>

Net assets with donor restrictions are available for the following purposes as of January 31:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for a special purpose:		
Funds for Grants to Congregations and Ministries	\$ 149,194	\$ 144,223
Funds for Ministerial Student Aid	11,732	11,732
Funds for Support of Companion Synod – Evangelical Lutheran Church in Tanzania (“ELCT”)	625,165	774,951
Women Leaders Fund	10,118	6,890
Urban Empowerment Fund	2,878	2,878
Other	<u>23,434</u>	<u>22,895</u>
	<u>822,521</u>	<u>963,569</u>

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CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

	<u>2023</u>	<u>2022</u>
Perpetual in nature:		
Funds for Grants to Congregations and Ministries	\$ 124,272	\$ 124,272
Funds for Support of Companion Synod – ELCT	<u>1,148,596</u>	<u>1,139,875</u>
	<u>1,272,868</u>	<u>1,264,147</u>
	<u>\$2,095,389</u>	<u>\$2,227,716</u>

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

	<u>2023</u>	<u>2022</u>
Funds for Support of Companion Synod – ELCT	<u>\$57,098</u>	<u>\$ 69,901</u>
	<u>\$57,098</u>	<u>\$ 69,901</u>

ENDOWMENT NET ASSETS

The Synod's endowment 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 net assets with donor restrictions, subject to expenditure for a special purpose. When the restriction on income for spending or distribution expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

INTERPRETATION OF RELEVANT LAW

The Synod is incorporated in the state of New York, which has enacted the Uniform Prudent Management of Institutional Funds Act ("*UPMIFA*"). UPMIFA governs donor institutional funds for not-for-profit corporations, including endowment funds. The Synod has interpreted the applicable state standards and guidelines for the prudent management of an endowment fund as requiring a prudent appropriation of the endowment fund's assets, taking into account any explicit donor stipulations or restrictions on the appropriation or expenditure of assets. As a result, the Synod classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund (i.e. the accumulated realized and unrealized gains/losses) that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Synod. The Synod considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Synod and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Synod
- (7) The investment policies of the Synod

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CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

RETURN OBJECTIVES AND RISK PARAMETERS

The total rate of return (net of fees) is expected to equal or exceed a passive investment in commonly quoted market indices (benchmarks) based on a long-term optimal asset allocation.

To satisfy its long-term rate-of-return objectives, the Synod relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Synod targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

SPENDING POLICY

The Synod has a spending policy whereby 4% of the endowment fund's market value over the five previous years will be distributed to the Synod to be used for operational and program expenses.

FUNDS WITH DEFICIENCIES

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or state standards require the Synod to retain as a fund of perpetual duration. At January 31, 2023 and 2022, no donor restricted endowment funds have fallen below the required level.

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

	<u>2023</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ –	\$ 1,926,958	\$ 1,926,958
Board-designated endowment funds	<u>74,602</u>	<u>–</u>	<u>74,602</u>
Total funds	<u>\$ 74,602</u>	<u>\$ 1,926,958</u>	<u>\$ 2,001,560</u>
	<u>2022</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ –	\$ 2,063,052	\$ 2,063,052
Board-designated endowment funds	<u>71,924</u>	<u>–</u>	<u>71,924</u>
Total funds	<u>\$ 71,924</u>	<u>\$ 2,063,052</u>	<u>\$ 2,134,976</u>

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CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

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

	2023		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, Beginning of year	\$ 71,924	\$ 2,063,052	\$ 2,134,976
Investment return (loss)	2,678	(87,717)	(85,039)
Contributions	–	8,721	8,721
Appropriation of endowment assets for expenditure	<u>–</u>	<u>(57,098)</u>	<u>(57,098)</u>
Endowment net assets, End of year	<u>\$ 74,602</u>	<u>\$ 1,926,958</u>	<u>\$ 2,001,560</u>
	2022		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, Beginning of year	\$ 69,342	\$ 1,850,542	\$ 1,919,884
Investment return	2,582	274,183	276,765
Contributions	–	8,228	8,228
Appropriation of endowment assets for expenditure	<u>–</u>	<u>(69,901)</u>	<u>(69,901)</u>
Endowment net assets, End of year	<u>\$ 71,924</u>	<u>\$ 2,063,052</u>	<u>\$ 2,134,976</u>

(8) PENSION PLAN

Substantially all employees of the Synod are enrolled in the defined contribution pension plans made available and administered by Portico Benefit Services of the ELCA. The full current employer cost provided for under the plans was approximately \$215,600 and \$213,200 for 2023 and 2022, 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 Portico Benefit Services 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.

(9) LEASES

The Synod leases office space in Manhattan, New York and Jamaica, New York and various office equipment under lease agreements with an initial term greater than 12 months. The Synod determines whether an agreement is or contains a lease at lease inception. Right-of-use assets represent the Synod's right to use an underlying asset for the lease term and lease liabilities represent the Synod's obligation to make lease payments arising from the lease, measured at an amount equal to the present value of the minimum lease payments over the remaining expected term of the lease. Amortization expense and interest expense related to the Synod's finance leases are included in rent expense on the statement of functional expenses.

In determination of the lease term, the Synod considers the likelihood of lease renewal options and lease termination provisions.

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CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

The discount rate for a lease is derived from the rate implicit in the lease whenever readily determinable or the Synod's incremental borrowing rate.

The following quantitative data related to the Synod's operating leases for the year ended January 31, 2023 is as follows:

Operating Lease Amounts:

Right-of-use assets	\$770,900
Lease liabilities	775,155

Other Information:

Operating outgoing cash flows for operating leases	\$294,912
Weighted-average remaining lease term	2.67 years
Weighted average discount rate	1.41 %

Lease cost information for the year ended January 31, 2023 is as follows:

Operating lease cost	<u>\$293,020</u>
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Future lease payments at January 31, 2023 are as follows:

<u>Fiscal Year</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Total</u>
2024	\$ 294,149	\$ 3,540	\$ 297,689
2025	297,014	3,540	300,554
2026	184,074	3,540	187,614
2027	-	3,540	3,540
2028	<u>-</u>	<u>295</u>	<u>295</u>
Total undiscounted cash flows	<u>\$ 775,237</u>	<u>\$ 14,455</u>	789,692
Less: present value adjustment			<u>(14,537)</u>
Lease liability			<u>\$ 775,155</u>

(10) RELATED PARTIES

The Synod has guaranteed outstanding note payables, which are secured by real estate, to the Mission Investment Fund of the Evangelical Lutheran Church in America, Inc. on behalf of borrowing related parties. The following are the guarantees:

<u>Name of Related Party</u>	<u>Amount</u>	<u>Note Maturity</u>
Evangelical Lutheran Church of the Epiphany of Brooklyn, N.Y.	\$4,300,000	January 1, 2043
Martin Luther Camp Corporation	300,000	November 1, 2047

The estimated fair value of the guarantee as of January 31, 2023 and 2022 is \$189,832 and \$189,832, respectively and has been recorded in accounts payable and accrued expenses on the statement of financial position.

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CONSOLIDATED NOTES TO FINANCIAL STATEMENTS – (Continued)

January 31, 2023 And 2022

(11) CONTINGENCIES

At January 31, 2023, 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 consolidated financial condition of the Synod.

The Synod has been named as a defendant in lawsuits alleging sexual abuse. Some of these claims arose out of conduct on Synod properties by outside organizations not affiliated with the Synod. The Synod is vigorously defending these cases.

(12) FINANCIAL ASSETS AND LIQUIDITY RESOURCES

The Synod strives to maintain liquid financial assets to be available as its general expenditures, liabilities and other obligations become due. Financial assets in excess of daily cash requirements are invested in money market funds and other short-term investments.

The following table reflects the Synod's financial assets as of January 31, 2023 and 2022, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or internal board designations. Amounts not available include certain board-designated net assets invested for long-term strategic purposes. In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions.

Financial Assets	2023	2022
Cash	\$ 1,034,421	\$ 2,734,102
Investments	42,328,174	46,387,446
Dividends & Interest Receivable	78,933	69,650
Accounts receivable	<u>198,697</u>	<u>163,120</u>
Total financial assets	43,640,225	49,354,318
Less:		
Net assets with donor restrictions	(2,095,389)	(2,227,716)
Board-designated net assets	(42,723,915)	(47,191,911)
Add:		
Funds designated for use over the next twelve months:		
Payout of the designated investment income for operations	1,650,922	1,623,254
Budgeted transfers from designated net assets for operations	<u>3,000,000</u>	<u>3,000,000</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 3,471,843</u>	<u>\$ 4,557,945</u>

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January 31, 2023 And 2022

(13) PAYROLL PROTECTION PROGRAM

On February 10, 2021, the Synod received a \$320,806 Paycheck Protection Program Second Draw Loan (“PPP Second Draw Loan”) under the Consolidated Appropriations Act 2021, Additional Coronavirus Response and Relief provisions. PPP Second Draw Loans are eligible for forgiveness if the Synod incurs qualifying expenses over a period of time not to exceed 24 weeks. The period of time in which qualifying expenses may be incurred commences upon receipt of the loan. Any portion of the loan not forgiven is payable over a 5-year period at an interest rate of 1%. The AICPA released guidance on recording options and the Synod has decided to record these funds under the government grant model (FASB ASC 958-605). The cash received under the PPP is recorded as a liability until the conditions are substantially met. When the Synod has substantially met the conditions of the program and qualifying expenses are incurred, the cancellation of the liability is recorded as revenue. As the Synod had met conditions and incurred expense in the amount of \$320,806 as of January 31, 2022, the amount has been included in the Statement of Activities as grant revenue. On November 18, 2021, the Synod was notified that the loan was forgiven by the SBA.

(14) SUBSEQUENT EVENTS

Subsequent events after the consolidated statement of financial position date through the date that the consolidated financial statements were available for issuance, April 21, 2023, have been evaluated in the preparation of the consolidated financial statements.

SUPPLEMENTAL INFORMATION

METROPOLITAN NEW YORK SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

SUMMARY OF CHANGES IN NET ASSETS

Year Ended January 31, 2023

	<u>January 31, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>January 31, 2023</u>
WITHOUT DONOR RESTRICTIONS				
Undesignated				
General operating	\$ (337,265)	\$ 3,481,832	\$ 4,206,600	\$ (1,062,033)
Property and Equipment Fund	<u>198,728</u>	<u>177,612</u>	<u>22,096</u>	<u>354,244</u>
	<u>(138,537)</u>	<u>3,659,444</u>	<u>4,228,696</u>	<u>(707,789)</u>
Designated				
Metropolitan New York Synod Fund – General	6,219,776	-	599,042	5,620,734
Unrealized gains on investments	<u>14,326,455</u>	<u>-</u>	<u>3,144,270</u>	<u>11,182,185</u>
	20,546,231	-	3,743,312	16,802,919
Congregations Under Synodical Preservation				
Property Value	15,315,000	2,435,000	3,005,000	14,745,000
Youth Ministry Fund	3,678	-	-	3,678
Bishop Rudolph P. F. Ressmeyer Fund	33,304	1,240	-	34,544
William and Helen Heinemann Memorial Fund	339,969	-	-	339,969
Winston Bone Scholarship Fund	38,620	1,438	-	40,058
Salam Ministry Fund	799,788	34,812	82,906	751,694
Bishop's Discretionary Fund	64,998	16,213	21,250	59,961
Support for the Wider Church	23	-	-	23
Musical Instruments Fund	13,246	-	-	13,246
MNYS Legacy	29,393,349	755,000	1,429,231	28,719,118
Ministry Among Guyanese Fund	17,174	-	-	17,174
Other	<u>7,906</u>	<u>-</u>	<u>-</u>	<u>7,906</u>
Total Designated	<u>66,573,286</u>	<u>3,243,703</u>	<u>8,281,699</u>	<u>61,535,290</u>
Total Without Donor Restrictions	<u>66,434,749</u>	<u>6,903,147</u>	<u>12,510,395</u>	<u>60,827,501</u>
WITH DONOR RESTRICTIONS				
Subject to Expenditure for Special Purpose:				
Support of Companion Synod – ELCT	774,951	67,984	217,770	625,165
Grants to Congregations and Ministries	144,223	4,971	-	149,194
Ministerial Student Aid	11,732	-	-	11,732
Women Leaders Fund	6,890	3,228	-	10,118
Urban Empowerment Fund	2,878	-	-	2,878
Other	<u>22,895</u>	<u>539</u>	<u>-</u>	<u>23,434</u>
Total Subject to Expenditure for Special Purpose	<u>963,569</u>	<u>76,722</u>	<u>217,770</u>	<u>822,521</u>
Perpetual in Nature:				
Funds for Grants to Congregations and Ministries	124,272	-	-	124,272
Funds for Support of Companion Synod	<u>1,139,875</u>	<u>8,721</u>	<u>-</u>	<u>1,148,596</u>
Total Perpetual in Nature	<u>1,264,147</u>	<u>8,721</u>	<u>-</u>	<u>1,272,868</u>
Total With Donor Restrictions	<u>2,227,716</u>	<u>85,443</u>	<u>217,770</u>	<u>2,095,389</u>
Total Net Assets	<u>\$ 68,662,465</u>	<u>\$ 6,988,590</u>	<u>\$ 12,728,165</u>	<u>\$ 62,922,890</u>

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

SUMMARY OF CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS (ENDOWMENT)

Year Ended January 31, 2023

	<u>PRINCIPAL</u>				<u>INCOME</u>			
	<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	\$ 23,954	\$ 4,971	\$ -	\$ 28,925
Fund for Support of Companion Synod								
Tanzania Educational Endowment Fund	<u>1,139,875</u>	<u>8,721</u>	<u>-</u>	<u>1,148,596</u>	<u>774,951</u>	<u>(92,688)</u>	<u>57,098</u>	<u>625,165</u>
	<u>\$ 1,264,147</u>	<u>\$ 8,721</u>	<u>\$ -</u>	<u>\$ 1,272,868</u>	<u>\$ 798,905</u>	<u>\$ (87,717)</u>	<u>\$ 57,098</u>	<u>\$ 654,090</u>

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

CONTRIBUTIONS FROM CONGREGATIONS SUMMARIZED BY CONFERENCE

Year Ended January 31, 2023

	<u>Total</u> <u>Contributions</u>	<u>Mission</u> <u>Support</u>	<u>2023</u>			<u>2022</u>
			<u>ELCA World</u> <u>Hunger</u>	<u>ELCA Other</u> <u>Designated</u>	<u>Synod Other</u> <u>Designated</u>	<u>Mission</u> <u>Support</u>
Hudson	\$ 100,915	\$ 89,762	\$ 3,880	\$ 7,266	\$ 7	\$ 106,478
Delaware Hudson	65,687	60,266	2,258	2,858	305	61,585
Tappan Zee	113,347	107,972	55	4,272	1,048	119,138
Eastern Nassau	82,703	66,146	13,134	2,405	1,018	56,762
Western Nassau	32,500	32,500	-	-	-	36,067
Southwest Nassau	23,339	21,564	1,775	-	-	26,847
Peconic	58,018	36,675	14,351	6,394	598	75,790
Western Suffolk	132,729	124,877	1,658	6,194	-	128,468
Manhattan	183,813	178,553	2,630	2,630	-	178,987
Bronx	10,897	10,721	174	-	2	7,622
Staten Island	40,999	38,694	1,715	-	590	43,766
Southeast Queens	16,090	16,090	-	-	-	16,703
Western Queens	11,017	10,639	-	-	378	15,584
Northeast Queens	5,350	5,350	-	-	-	9,000
Western Queens	52,184	52,085	-	-	99	44,567
Brooklyn Bridges	24,500	24,500	-	-	-	27,583
South Shore Brooklyn	15,436	13,242	1,097	1,097	-	14,858
Southwest Brooklyn	<u>25,698</u>	<u>24,600</u>	<u>220</u>	<u>528</u>	<u>350</u>	<u>30,095</u>
TOTAL	<u>\$995,222</u>	<u>\$ 914,236</u>	<u>\$42,947</u>	<u>\$33,644</u>	<u>\$ 4,395</u>	<u>\$ 999,900</u>