

Report of the Synod Treasurer – Chuck Engebretson

January 2023 Financial Position & Fiscal 2023 Operating Results

Financial Position

- Combined Net Assets of the Operating Fund and Operating Reserve Fund at January 31, 2023 (the end of fiscal year 2023) totaled \$930,905, down from \$1,058,964 at January 31, 2022 (the end of fiscal year 2022), comprised primarily of cash and investments, less current obligations (\$330,210), including routine payables and the Synod's Fiscal Agent Liability of \$94,813). The Synod's liquidity continues to be adequate.
- Synod investments at January 31, 2023 totaled \$2,531,138 (\$667,820, and \$1,863,318, for the Operating and Endowment Funds, respectively). This year, the Operating Fund and Endowment Fund of the Synod have experienced significant month-to-month volatility and finish the year with net decreases in market values. Though leaving the Synod with year-to-date net value decreases and an almost \$300k year-to-year swing, January showed a much-needed recovery. The yearly comparison follows:

<u>Gain (Loss)</u>	<u>This year</u>	<u>Last year</u>
Operating Fund	(\$64.8k)	\$ 31.8k
Endowment Fund	(\$128.0k)	\$ 73.9k
Total for Synod	(\$192.8k)	\$105.7k

- To demonstrate how investment values had increased before the net decreases of fiscal year 2023, the Operating Fund's ELCA Foundation investment of \$500,000 in 2019, shows a January 31, 2023, value of \$654.2k, almost 31% above the amount invested.

Results of Synod Operations

- The year-to-date net Operating Fund **loss** of \$128,058 reflects a very small **positive** variance of \$1,342 [The budgeted deficit for all of FY 2023 is \$129,400.].
- Mission support from congregations, typically the most significant component of Operating Fund revenue, for 2023, at \$1,749,175, **exceeded budget** by \$49,175, and **the previous year's total** by \$9,229. As hoped, late-in-year mission support from congregations repeated the giving pattern of the previous year. For fiscal year 2023, 26.6% of total mission support was provided in the last two months. The corresponding prior year percentage was 26.4%.
- Other significant variances for the year include:
 - Registration fees and program expenses stemming from cancellation of the Synod Assembly.
 - Personnel expenses, reflecting late-in-year filling of certain positions.

Respectfully submitted,

Chuck Engebretson, Treasurer