

2022-23 Budget Proposal
Greater Milwaukee Synod

Overview: The Greater Milwaukee Synod council is recommending to the synod assembly a budget proposal for Fiscal Year 2022-23 that projects general mission support income (offerings received from congregations) at \$1.7 million, and total revenue of \$1.774 million. Total expenditures are projected to be \$1.892 million, resulting in a projected deficit of \$118,326. The most significant changes from prior years are the reduction in the percentage of mission support received that we would share with the ELCA churchwide expression, from 52.5% to 50%, and the reduction in the percentage shared with Lutheran Campus Ministry, from 7% to 6%.

History: The Greater Milwaukee Synod has historically been among the synods that share the highest percentage of mission support, and up until 2011, it varied between 60% and 62%. At the 2010 synod assembly, it was reduced in the 2011 synod budget to 55% and at the 2019 synod assembly it was reduced to its current level of 52.5%. (The ELCA average is 45.6%.) Overall, mission support levels have been slowly declining, from a high of \$2.7 million in 2006-07 to a low of \$1.74 million in 2020-21. Funding for Lutheran Campus Ministry has also shifted dramatically over the years. While funding for LCM was long coordinated by the state campus ministry board, this entity dissolved over 10 years ago, shifting oversight and funding responsibilities to local boards, such as Lutheran Campus Ministry in Greater Milwaukee. LCM has been receiving 7% of GMS mission for over the most recent years. Last year, this amounted to \$128,000, which accounted for approximately 2/3 of the LCM budgeted income. LCM currently has approximately \$140,000 in cash reserves. Funding for LCM to establish an endowment fund to ensure long-term sustainability is included in the Equipping the Saints Mission Appeal.

Rationale: The synod currently has approximately \$92,000 in undesignated reserve funds. In addition, we are aware of an undesignated bequest of over \$100,000 that will arrive later this year. The projected deficit for this year, 2021-22, is \$113,000, requiring the use of some of the undesignated bequest or the redesignation of internally restricted funds. In order to maintain current synod staffing levels and our commitments to our ministry partners, the recommendation from the synod council is to reduce the percentage shared with the ELCA Churchwide expression to 50%, and to reduce the percentage shared with LCM to 6%. While these reductions are not enough to balance the budget, we believe we have sufficient resources to cover projected deficits while other cost-reduction options are explored.