

Managing Any Deficit / Surplus at Year-End 2018-19 – REVISED ACTION

Proposal: Approve the following recommendation from the Budget and Finance Committee:

Resolved, that any 2018-19 deficit (the amount by which approved expenses exceed approved funding sources) existing at year-end in the Operating Fund be absorbed into that fund's net asset balance.

Resolved that any 2018-19 surplus (the amount by which approved funding sources exceed approved expenses, including churchwide mission support and transfers to the Planting Fund and to Region 9) existing at year-end in the Operating Fund be managed in the following manner:

- (1) Distributions shall be limited to the total that will allow the Operating Fund's year-end net asset balance to equal at least \$165,000.
- (2) If there is at least \$8,000 of remaining surplus after meeting the requirement specified in (1) above, then that remaining amount of the surplus shall be distributed in the following manner:
 - a. 10 percent to Lutheran Theological Southern Seminary, up to a maximum dollar amount equal to its Level 2 budget (\$120,000);
 - b. 10 percent to Lutheran Theological Center in Atlanta, up to a maximum dollar amount equal to its Level 2 budget (\$1,500);
 - c. 10 percent to NovusWay, designated for the support of Lutheranch, with the total allocation limited to the NovusWay Level 2 budget (\$10,000);
 - d. 20 percent to the six campus ministry programs receiving monthly synodical support during 2018-19, with this additional amount to be allocated proportionately based on the ministries' Level 1 budgeted amounts, with the total allocation limited to the Campus Ministry Level 2 budget (\$58,000);
 - e. 20 percent to the synod's temporarily restricted net asset account entitled "Synod Staff Development," for use as determined by the Synod Council, with the total allocation limited to the Salaries, Housing, & Benefits Level 2 budgets (\$48,835); and
 - f. 30 percent, plus any remaining amounts not previously allocated due to the category limitations noted in the preceding paragraphs, to ~~a new temporarily the synod's~~ restricted net asset account ~~to be~~ entitled "Living Lutheran Legacy: Building Fund." ~~Reserve for Rent Reduction.~~ ~~It is anticipated that monies in this account will be paid to St. John's Lutheran Church, Atlanta, at an appropriate time in the future, when it is determined by the synod officers that such payment will result in lower rent payable to the congregation for the new synod office facilities.~~