

## 2004 OPERATING RESULTS SUMMARY

The churchwide organization of the Evangelical Lutheran Church in America had an excess of income over expense of \$4.5 million in current operating funds for the fiscal year ended January 31, 2005.

Receipts totaled \$81.3 million for fiscal year 2004 compared with \$80.8 million the previous year, an increase of \$0.5 million or 0.6%. Expenses related to these funds amounted to \$76.8 million, a reduction of \$3.5 million or 4.4% from fiscal 2003. Revenue was favorable to the budget approved by Church Council by \$0.9 million or 1.1%. Expenses were the primary reason that income exceeded expenses, operating below the Church Council authorized level by \$3.6 million or 4.5%.

Income from congregations through synods in the form of mission support decreased to \$65.6 million compared to \$66.5 million the previous year, a decrease of \$ 0.8 million or 1.2%. Other funds, both temporarily restricted and unrestricted, available for the budgeted operations of the church, amounted to \$15.6 million compared with \$14.3 million received in 2003. Major sources of income in these categories included: missionary sponsorship, \$3.8 million; bequest and trust income, \$3.2 million; endowment income \$2.4 million; support from the Mission Investment Fund, \$1.7 million; Vision for Mission, \$1.3 million; fraternal grants, \$1.0 million; and other income of \$2.2 million.

Total contributions to the ELCA World Hunger Appeal in 2004 reached \$17.3 million, of which \$16.2 million was for the general World Hunger Appeal as compared to \$16.5 one year ago. Designated world hunger income was \$1.2 million, with the majority, \$0.9 million, given for "Stand with Africa." Disaster Response dominated both the world and church news during the last month of the year, with ELCA members contributing a total of \$10.5 million in 2004 compared to \$3.5 million in 2003. Of this, \$5.0 million was designated for South Asia Tsunami and \$2.1 million was received for Hurricane Relief.

The overall financial results for fiscal 2004 were mixed. Mission support revenue declined for the third consecutive year. Eight of nine regions and 58.5% of synods sent less in mission support income in 2004 than in 2003. The range in variances was also higher than normal, with increases as high as \$276,746 or 25.9% and decreases as low as \$700,676 or 51.9%. Investment income also declined 55.7% or \$0.25 million due to declines in account balances and the value of the investments. Increases in bequest and trust income of \$0.8 million and an increase in support from the Mission Investment Fund of \$0.5 million were able to off-set the decrease in mission support, but their rate of increase cannot be anticipated to continue.