

The purpose of this preassembly session is to present the finance committee's answers to your question about the 2025-2026 mission funding spending plan. This video will be available on our synod website along with a document that includes these questions and answers. It is our hope these will answer your questions as part of this process.

Q: Why are you projecting a significant decrease in benevolence paid to the ELCA?

A: This answer is twofold. The first is due to expected ELCA budget cuts that force the SC Synod to fund ministries formerly funded or supplemented by the ELCA.

Secondly, similar to what is happening in many congregations, the SC Synod's mission support dollars received are not increasing at the same rate as are the inflationary increases of ministerial operating expenses. In some months, the mission support income struggles even to stay consistent or flat with the prior year. The Synod continues to offer Stewardship resources to the congregations in efforts to recognize God's abundance. While the current reality of flat/decreased offerings continues to play out, the increasing needs & requests of SC congregations to the Synod office for more ministerial guidance and resources are also a continuing reality. There is a palpable fiscal squeeze, and the Finance Committee recognizes that fiscal support of ministry happening in SC is a missional priority. The Committee first recommended in fiscal year 2022 that the mission benevolence expenditures begin to be allocated to both the ELCA and to ministry support for ministry crisis needs within the SC Synod. The fiscal year ending January 2023 was the first year of the creation of a second line item of Mission Benevolence spending "SC Synod Ministries Support". The proposed split of mission benevolence dollars for this proposed FY 25/26 Spending Plan continues with a reduction to 22% of all Mission Support income proposed to go to the ELCA. It is a regrettable decrease, but this 22% is in addition to the proposed \$115,000 mission benevolence line item for SC Synod Ministries Support. The SC Synod Council considers this as benevolence spending, as well.

Q: Is the answer to budget shortfalls (sic.something) that we should be modeling to congregations?

A: We hope that the congregations see that the SC Synod's vision is to use God's abundant gifts to walk alongside congregations in building up youth and young adult leaders, the future of the church, and by using mission support for vital ministries across the SC Synod.

Q: Why are we giving LTSS \$77,000 when they will no longer be a ministry of the South Carolina synod?

A: There are seven seminaries of the ELCA. Lutheran Theological Southern Seminary (LTSS) is one of these. While candidates can choose to apply and study at any accredited seminary, each Synod is asked to support one of the ELCA seminaries, and generally the one they support is in their Region or geographical area. While LTSS has been located in South Carolina, as one of the seven ELCA seminaries, it is supported financially and in other ways by several other regional Synods, too. There are no plans to discontinue LTSS as a ministry partner of the SC Synod. Although the physical campus is relocating out of the state, the SC Synod's FY 25/26 Spending Plan intentionally includes LTSS, which serves a vital role in the development of future church leaders & rostered ministers, all crucial to the mission of the SC Synod.

Q: How much did the 2023 in person synod assembly cost compared to this year's online assembly?

A: The total cost of the June 2023 in-person Synod Assembly was \$136,615. This is the total cost to the Synod, after including Assembly fees collected.

The June 2024 online Assembly has a budgeted total cost to the synod of \$39,000, after including budgeted Assembly registration fees to be collected, totalling \$13,000.

Q: What is our expected deficit for 2024?

A: There is no budgeted deficit for the current 2024 fiscal year. As additional information, as of April 30, 2024, which is the end of the first quarter of the Synod's fiscal year, the SC Synod has a net 'income' of \$17,000 from operations

Q: What is the vision for LCY given the major changes in its funding?

A: The vision for the changes in Synodical Youth Ministry, including Lutheran Church Youth, is to make the structure more flexible and better reflect the needs and leadership of this generation of Lutheran youth. The changes to the structure of the Spending Plan reflect that increased flexibility. The overall increase reflects the rising costs of youth ministry and the quality of programming that the Synod needs. Look for the SC Synod website to reveal the new youth structure up soon, along with opportunities for all youth and adults to get involved!

Q: What is the justification for the disparity of funding for the institutions?

A: Please know, above all, that the disparity has nothing to do with any favoritism of one institution over another. We recognize that every one of the SC Synod's partnering institutions have a vital role in SC ministry! The funding difference is due to the fact that some institutions have other funding resources much, much greater than others.

Q: Why do we give SCLRC 5 times the amount of benevolence that we give the rest of the SC institutions when they have the smallest operating expenses?

A: SCLRC is the SC Synod-supported institution with the least amount of funding from other sources.

Q: Under Mission would the uses category equate to disaster relief?

A: Disaster relief is funded from different avenues. The SC and NC Synods jointly fund, along with Region 9, the salaries of two Lutheran Disaster Relief Coordinators, a jointly held position created last year. These specialists serve the SC & NC Synods in preparation for disasters and when needed, in full response disaster relief. When a disaster occurs, SC congregations have historically been generous in giving dedicated offerings toward disaster relief. The balance of excess funds not needed or used at the time remain in a designated fund account on the Synod's financial statements.

Q: As a long time Christian Ed Director it always distressed me to see a Christian Ed line item reduced to zero.

A: The Finance Committee did not receive a request from those who served previously in this ministry area, and no budgeted funds had been requested for use in the past year. We combined these facts with the recognition that the Synod's mission is to equip leaders in congregations. Synod Council has spent a lot of time this year considering which ministries belong to the Synod and which belong to the Congregations. This one seemed to fit better and get lived out within the Congregations.