

FINANCIAL MANAGEMENT

I. STATEMENT OF INCOME—NORTH AMERICAN MISSION BOARD

Please refer to your income statement in your latest audit. Use this as the guide for listing income for the three years requested: FY 2019, FY 2018, and FY 2017. Be sure that Cooperative Program Allocation Budget income is one of the items and indicate as “operating” and “capital” where applicable. Round to nearest dollar.

	<u>FY 2019*</u>	<u>FY 2018**</u>	<u>FY 2017***</u>
Cooperative Program	\$ 44,900,000	\$ 44,900,000	\$ 44,644,865
Annie Armstrong	60,750,000	60,750,000	59,668,080
Unrestricted Gifts	6,000,000	6,000,000	3,752,032
Investment & Interest	12,400,000	12,400,000	30,726,484
Other	1,350,000	1,350,000	2,498,290
TOTAL INCOME	\$ 125,400,000	\$ 125,400,000	\$ 141,289,751
What Percent was CP of your total income?	35.81%	35.81%	31.60%

* Estimates provided for FY19.

** Approved budget for FY18.

*** Audited actuals for FY17.

II. ENTITY SUMMARY OPERATING BUDGET—NORTH AMERICAN MISSION BOARD

Please list the main headings of your entity budget. If these exceed fifteen, please combine. Round to nearest dollar. Report on each ministry individually. Report executive office and related support services as a separate category.

	<u>FY 2019*</u>	<u>FY 2018*</u>	<u>FY 2017</u>
Church Planting	\$ 76,167,000	\$ 76,167,000	\$ 69,681,886
Evangelization	6,661,000	6,661,000	12,316,838
Sending Missionaries	6,963,000	6,963,000	7,550,248
Missions Education and Missions Opportunities	10,470,000	10,470,000	10,238,470
Leadership Development	2,077,000	2,077,000	1,552,041
Relief Ministries	4,458,000	4,458,000	8,812,524
Administration	17,079,000	17,079,000	16,872,314
Missions Advancement	1,525,000	1,525,000	2,047,352
TOTAL	\$ 125,400,000	\$ 125,400,000	\$ 129,071,673

* Estimates provided for FY19.

** Approved budget for FY18.

*** Audited actuals for FY17.

III. REPORT ON CAPITAL PROJECTS (construction, land, major equipment, major renovation, etc.)

1. SUMMARY OF MAJOR PROJECTS UNDER WAY OR SET FOR IMMEDIATE FUTURE
Instructions: Summarize briefly each project for which there is completion money in sight. Specify type of construction, purpose, and capacity. The report is for years 2019, 2018, and 2017. If the name of the project does not describe the project, add a brief description.

- (1) Name of project: Missionary Housing
 Approved by the Board: Yes
 Started or expected to start: In progress
 Completed or expected to complete: Ongoing
 Total Cost: \$39,000,000
 Description: Temporary housing for church planters
 Debt on date of completion: \$0

Cost—2017 - \$7,694,000 2018 - \$5,000,000 2019 - \$5,000,000

- (2) Name of project: Send Relief Hub in Clarkston, Atlanta, GA
 Approved by the Board: Yes
 Started or expected to start: Feb-18
 Completed or expected to complete: Aug-19
 Total Cost: \$11,000,000
 Description: This ministry hub will be focused on refugees & internationals (as described further in 2018 Ministry Inquiries #5 & #14).
 Debt on date of completion: \$0

Cost - 2017 - \$0 2018 - \$4,000,000 2019 - \$7,000,000

2. GENERAL IMPROVEMENT PROJECTS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
TOTAL CAPITAL EXPENSES	\$2,000,000	\$5,565,625	\$8,044,679

3. OTHER FUTURE CAPITAL PROJECTS FOR WHICH MONEY IS BEING ACCUMULATED OR FINAL PLANS DRAWN

<u>Name</u>	<u>Cost</u>	<u>Expected Start</u>	<u>Money on Hand</u> <u>9/30/17</u>
(1)			
(2)			

IV. OTHER REPORTS AND DECLARATIONS

1. FINANCIAL RESERVES

Indicate the actual or anticipated financial resources (non-duplicating) at the close of each of these years: (Do not include endowment or trust.)

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contingent Reserves			
*Operating Contingency	\$62,700,000	\$62,700,000	\$62,700,000
*Healthcare Contingency	\$10,000,000	\$10,000,000	\$10,000,000
Capital Reserves			
*Missionary Housing	\$21,300,000	\$26,300,000	\$31,300,000
Operating Reserves			
*Send North America	\$2,275,000	\$2,275,000	\$2,275,000
*Board Approved Projects	\$10,000,000	\$15,000,000	\$20,475,000
*Strategic Ministry Investment	\$12,650,000	\$12,650,000	\$12,650,000

Reserves Functioning as Endowments *Church Loans	\$57,000,000	\$57,000,000	\$97,600,000
TOTAL RESERVES	\$ 175,925,000	\$ 185,925,000	\$ 237,000,000

- Were reserves or other contingent funds used for financing assigned ministries during any of these years? Explain, listing amounts used by years. No
- Has the Convention approved a maximum amount for your contingent reserve? (See XI of the Budget and Financial Plan) Yes

If yes: What year did the Convention approve the amount?
What is the maximum amount? 6 months of total budget.

***Definitions --**

- Contingent reserves: funds approved by the Convention for emergency purposes.**
- Capital reserves: money set aside for capital improvement.**
- Operating reserves: money temporarily set aside for operations, expected to be used in near future.**
- Investment reserves: money to be permanently invested, but temporarily held pending better market, etc.**
- Reserves functioning as endowments: unrestricted and revocable funds semi-permanently invested for income purposes.**

V. REPORT ON TRUST FUNDS - ENDOWMENT FUNDS

- Indicate the actual or anticipated financial reserves in trust funds, including endowment funds and other funds, at the close of each of these years. Include both those held by the agency and by other groups, such as foundations.

	<u>2019*</u>	<u>2018*</u>	<u>2017</u>
TRUST FUNDS			
Endowment funds	\$ 48,581,943	\$ 47,166,935	\$ 45,783,141
Other Funds	\$ 5,812,878	\$ 5,643,571	\$ 5,479,195
TOTAL TRUST FUNDS	\$ 54,394,821	\$ 52,810,506	\$ 51,262,336

*estimates

- Is the corpus of all trust funds intact? Yes X No _____
- Have trust funds been used at any time for any purpose other than that for which such funds were created? Yes _____ No X

VI. REPORT ON DEBT

- State the amount of debt, actual or anticipated, at the close of each of the following years:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating Capital	0	0	0

- If indebtedness is listed above, explain the plan for retiring such a debt.
- Has debt of any subsidiary corporation been increased? Yes _____ No X
If so, how much?

VII. REPORT ON RATE OF RETURN ON INVESTED FUNDS OR INCOME-PRODUCING PROPERTY

Total amount invested as of September 30, 2017, or the entity's latest fiscal year. Indicate date used: September 30, 2017

	<u>Market Value</u>	<u>Cost Basis</u>
Cash/Money Fund	\$ 4,245,523	\$ 3,919,709
Common Stocks and Options	\$ 165,534,208	\$ 165,216,738
Futures	\$ 6,815,690	\$ 6,500,000
Corporate Bonds	\$ 2,549,635	\$ 2,517,445
Government Bonds	\$ 1,419,668	\$ 1,427,940
SBF Foundation	\$ 882,483	\$ 604,221
State Foundations	\$ 324,871	\$ 265,101
Mortgages/Other	\$ 501,285	\$ 504,000
Liquidity	\$ 16,315,773	\$ 16,315,773
TOTAL	\$ 198,589,135	\$ 197,270,926

VIII. REPORT ON APPROPRIATIONS BY ENTITY

Has your entity made or does it contemplate making any appropriation to any cause or for any purpose other than for the promotion of its own work during the following years?
 Yes _____ No X

IX. REPORT ON INSURANCE

Has a review of your insurance coverage determined that you have adequate coverage based on replacement values? Yes X No _____
 If no, please explain:

X. REPORT PERCENT OF BUDGET RELATED TO PERSONNEL EXPENSES

The percentage of the total entity budget that relates to personnel expenses (salaries, benefits) in 2018 is 35% and 2017 was 36%

The total number of NORTH AMERICAN MISSION BOARD personnel working in Alpharetta in 2018 is 160 and in 2017 was 162 .

XI. ADDITIONAL FINANCIAL INFORMATION

Please chart any/all revenue streams received by NAMB, and the percentage of total revenue represented by each revenue stream. Feel free to include future budgeting plans.

Total FY17 Income	160,589,963	
FY16 Additional Revenue Sources		
Annie Armstrong - Individuals	3,524,041	2.19%
Annie Armstrong - Estates	40,655	0.03%
Annie Armstrong - Foundations	549,931	0.34%
Undesignated Gifts - Individuals	544,346	0.34%
Undesignated Gifts - Estates	505,489	0.31%
Undesignated Gifts - Foundations	1,427,476	0.89%
Designated Gifts - Individuals	9,395,300	5.85%
Designated Gifts - Estates	-	0.00%
Designated Gifts - Foundations	530,911	0.33%
Investment & Interest Income	25,790,117	16.06%

Other Revenue

2,498,288

1.56%

Please state below the most recently reported dollar amount of your unrestricted net assets? This should exclude net property, plant and equipment assets.

\$237,000,000

**North American Mission Board
Cooperative Program Allocation
Budget Request for Operations**

Note: Requests and reports will be for the October-September SBC fiscal year.

2018-2019 Budget Request	Projected Allocation Amount for 2017-2018
\$45,800,000	\$44,900,000