

## 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 2018, FY 2017, and FY 2016. 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 2018*</u>	<u>FY 2017*</u>	<u>FY 2016</u>
Cooperative Program	\$ 44,800,000	\$ 43,900,000	\$ 44,606,983
Annie Armstrong	62,000,000	60,000,000	58,860,553
Unrestricted Gifts	7,000,000	5,000,000	4,340,421
Investment & Interest	12,400,000	13,300,000	18,549,350
Other	1,300,000	1,600,000	2,143,338
<b>TOTAL INCOME</b>	<b>\$ 127,500,000</b>	<b>\$ 123,800,000</b>	<b>\$ 128,500,645</b>
What Percent was CP of your total income?	35.14%	35.46%	34.71%

\* Estimates for the years requested.

### 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 2018*</u>	<u>FY 2017*</u>	<u>FY 2016</u>
Church Planting	\$78,402,000	\$76,128,000	\$66,859,248
Evangelization	6,554,000	6,364,000	12,137,859
Sending Missionaries	7,710,000	7,486,000	13,512,384
Missions Education and Missions Opportunities	9,910,000	9,622,000	8,431,696
Leadership Development	1,918,000	1,862,000	1,843,702
Relief Ministries	4,162,000	4,041,000	4,989,464
Administration	16,528,000	16,048,000	19,972,703
Missions Advancement	2,316,000	2,249,000	1,400,369
<b>TOTAL</b>	<b>\$127,500,000</b>	<b>\$123,800,000</b>	<b>\$ 129,147,425</b>

\* Estimates for the years requested.

### 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 2018, 2017, and 2016. 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: 2019  
 Total Cost: 39,000,000  
 Description:  
 Debt on date of completion:

**Cost—2016 - \$10,235,000      2017- \$12,000,000      2018 - \$12,000,000**

2. GENERAL IMPROVEMENT PROJECTS

Cost—2018 \_\_\_\_\_      2017 \_\_\_\_\_      2016 \$ \_\_\_\_\_

	<u>2018</u>	<u>2017</u>	<u>2016</u>
TOTAL CAPITAL EXPENSES	\$ 2,000,000	\$ 2,000,000	\$ 1,112,894

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 9/30/16</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>2018</u>	<u>2017</u>	<u>2016</u>
Contingent Reserves			
*Operating Contingency	\$59,800,000	\$59,800,000	\$59,800,000
*Healthcare Contingency	\$10,000,000	\$10,000,000	\$10,000,000
Capital Reserves			
*Missionary Housing	\$15,000,000	\$27,000,000	\$39,000,000
Operating Reserves			
*Send North America	\$0	\$2,000,000	\$8,750,000
*Board Approved Projects	\$0	\$1,000,000	\$3,900,000
Reserves functioning as Endowments			
*Church Loans	\$102,200,000	\$102,200,000	\$102,200,000
<b>TOTAL RESERVES</b>	<b>\$ 187,000,000</b>	<b>\$ 202,000,000</b>	<b>\$ 223,650,000</b>

- 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? 6 months of total budget

What is the maximum amount? 6 months of total budget:

**\*Definitions --**

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

**V. REPORT ON TRUST FUNDS - ENDOWMENT FUNDS**

- 1. 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>2018*</u>	<u>2017*</u>	<u>2016</u>
TRUST FUNDS			
Endowment funds	\$ 46,631,000	\$ 45,273,000	\$ 43,954,194
Other funds	5,812,000	5,643,000	5,478,494
TOTAL TRUST FUNDS	\$ 52,443,000	\$ 50,916,000	\$ 49,432,688

\*estimates

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

**VI. REPORT ON DEBT**

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Operating Capital	0	0	0

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

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

Total amount invested as of September 30, 2016, or the entity's latest fiscal year. Indicate date used:

	<u>Market Value</u>	<u>Cost Basis</u>
Cash/Money Fund	\$ 6,080,012	\$ 5,757,351
Common Stocks and Options	\$ 168,620,717	\$ 168,303,247
Futures	\$ 7,459,937	\$ 6,500,000
Corporate Bonds	\$ 5,585,075	\$ 5,432,914
Government Bonds	\$ 4,821,639	\$ 4,753,107
SBF Foundation	\$ 775,099	\$ 591,795
State Foundations	\$ 314,027	\$ 265,081
Mortgages/Other	\$ 508,541	\$ 504,000
Liquidity	\$ 196,017	\$ 196,017
TOTAL	\$ 194,361,064	\$ 192,303,512

**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 2017 is 36% and 2016 was 32% (includes missionary salary & Benefits)

The total number of NORTH AMERICAN MISSION BOARD personnel working in Alpharetta in 2017 is 163 and in 2016 was 158.

**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 FY16 Income	128,500,645	
FY16 Additional Revenue Sources		
Annie Armstrong-Individuals	2,172,569.60	1.69%
Annie Armstrong-Estates	68,271.66	0.05%
Annie Armstrong-Foundations	563,480	0.44%
Undesignated Gifts-Individuals	1,095,037	0.85%
Undesignated-Estates	627,195	0.49%
Undesignated-Foundations	1,235,317	0.96%
Designated Gifts-Individuals	9,129,903	7.10%
Designated-Estates	0	0.00%
Designated-Foundations	62,290	0.05%
Investment & Interest Income	18,549,350	14.44%
Other Revenue	2,143,338	1.67%

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

\$223,677,047

**North American Mission Board**

**Cooperative Program Allocation  
Budget Request for Operations**

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

<b>2017-2018 Budget Request</b>	<b>Projected Allocation Amount for 2016-2017</b>
\$ 44,800,000	\$ 43,900,000