

Budget Review Officer's Report

November 2017

Today's report topics

- ABCUSA financials through September 2017
- Proposed distribution of UM for 2018
- Proposed budget for 2018

Year-to-date financials (9/30/17)

- Revenue is up \$532,000 from a year ago
- Revenue is \$237,000 less than budget
- Excluding the effect of the biennial:
 - Revenue is down \$274,000 (or 7.4%)
 - Revenue is 11.6% under budget

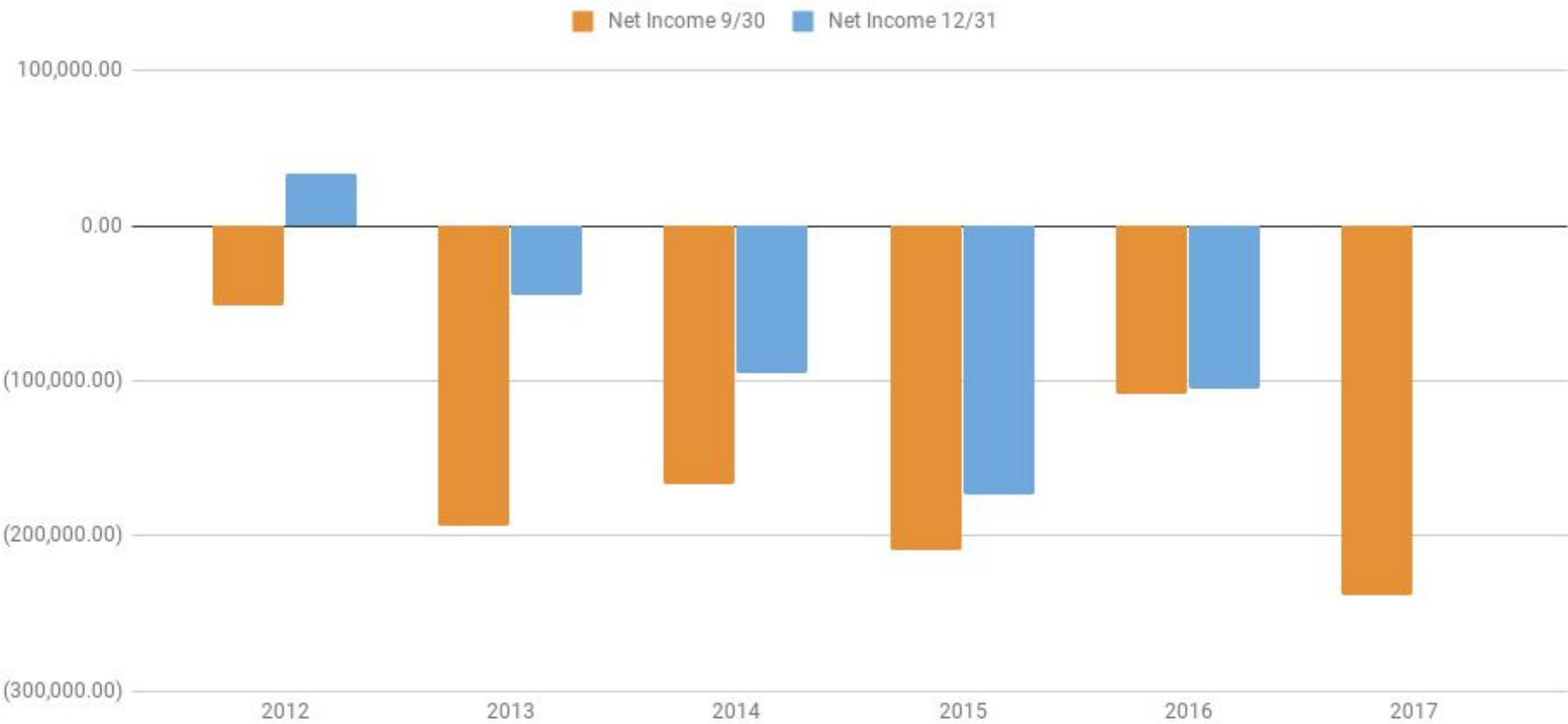
Year-to-date financials (9/30/17)

- Expenses are \$684,000 more than a year ago
- Expenses are \$123,000 over budget
- Excluding the biennial:
 - Expenses are down \$144,000 from last year
 - Expenses are 2.6% under budget

Year-to-date financials (9/30/17)

- Net loss of \$267,000, compared to
 - Budgeted year-to-date gain of \$93,000
 - Year ago net loss of \$114,000
- Excluding biennial:
 - Net loss of \$238,000, compared to
 - Budgeted year-to-date gain of \$115,000
 - Year ago net loss of \$109,000

Net Income (excluding biennial and non-operating items)



AMERICAN BAPTIST CHURCHES U.S.A.

2018 BUDGET

- BUDGET HIGHLIGHTS
- AMERICAN BAPTIST MISSION SUPPORT
 - ESTIMATED INCOME
- UNITED MISSION DISTRIBUTION
- 2018 ABCUSA OPERATING BUDGET

BGM Item 5Aiii: 2018 ABCUSA Budget
(BGM EC Item 5C)
Budget pending recommendation of Finance Committee

American Baptist Churches U.S.A.
American Baptist Mission Center
Valley Forge, PA 19482-0851

United Mission Trends

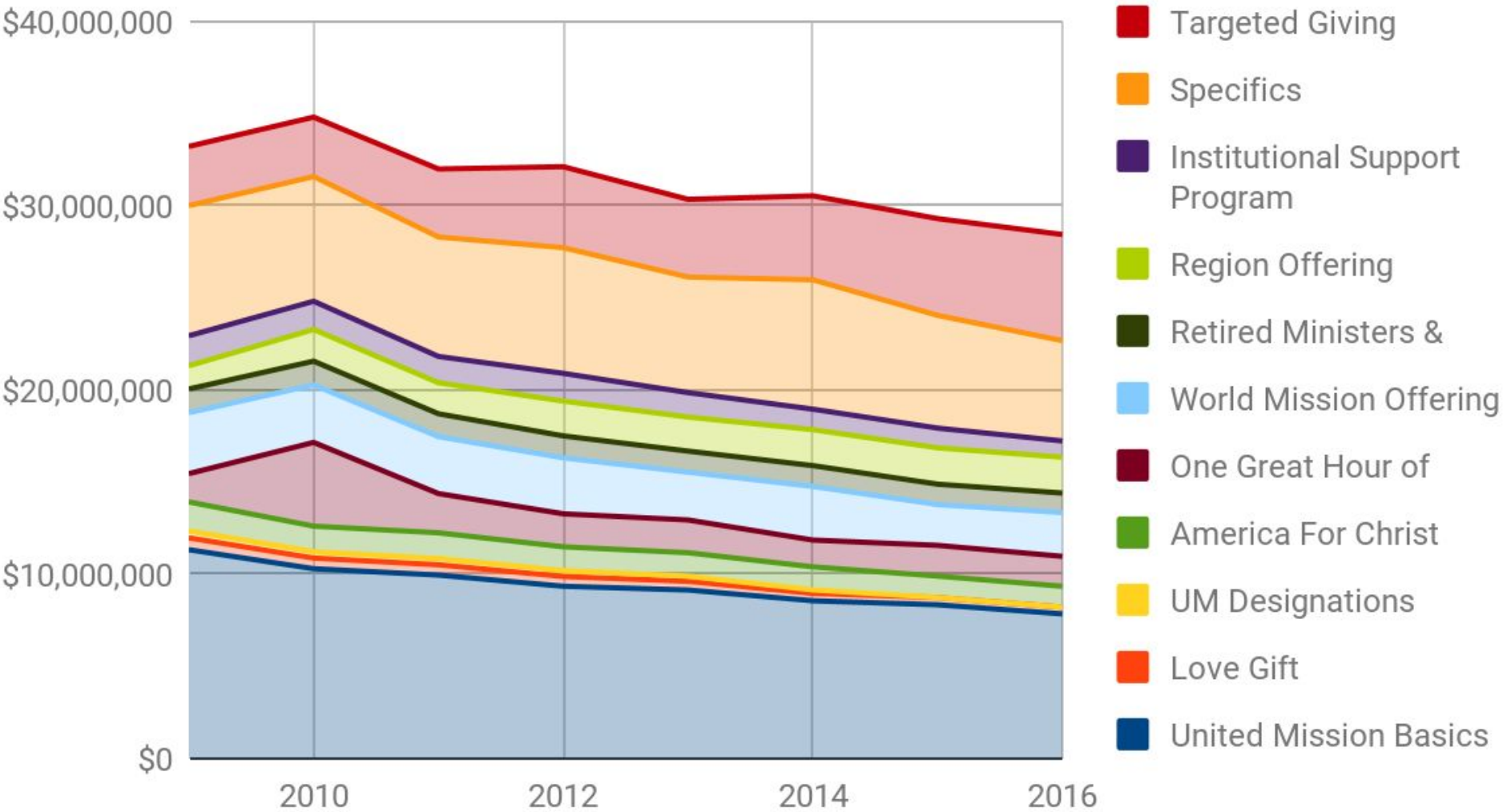
American Baptist Mission Support ESTIMATED INCOME

GIVING CATEGORY	2018 PROJECTED	2017 APPROVED	2016 ACTUAL	2015 ACTUAL	2014 ACTUAL	2013 ACTUAL	2012 ACTUAL
Total United Mission	\$7,375,700	\$7,805,039	\$8,218,950	\$8,740,960	\$9,155,895	\$9,896,076	\$10,201,307
America for Christ	\$1,055,000	\$971,747	\$1,132,386	\$1,163,369	\$1,249,757	\$1,274,509	\$1,292,827
One Great Hour of Sharing	\$1,799,667	\$2,725,814	\$1,623,566	\$1,666,548	\$1,453,414	\$1,778,820	\$1,790,034
World Mission Offering	\$2,141,152	\$2,476,640	\$2,375,204	\$2,216,352	\$2,911,435	\$2,595,980	\$3,040,148
Retired Ministers & Missionaries Offering	\$1,006,533	\$1,106,985	\$1,059,444	\$1,105,147	\$1,128,257	\$1,141,296	\$1,188,712
Region Offering	\$2,064,104	\$2,372,030	\$1,947,116	\$1,972,161	\$1,952,676	\$1,849,662	\$1,888,694
Institutional Support	\$1,073,648	\$1,018,322	\$881,212	\$1,070,649	\$1,112,333	\$1,324,929	\$1,505,406
Specifics	\$5,703,676	\$6,030,546	\$5,443,040	\$6,120,087	\$7,020,575	\$6,273,309	\$6,822,875
Targeted Giving	\$5,505,688	\$4,788,331	\$5,761,837	\$5,249,538	\$4,557,082	\$4,217,883	\$4,393,144
TOTAL ABMS	\$27,725,168	\$29,295,454	\$28,442,755	\$29,304,811	\$30,541,424	\$30,352,464	\$32,123,147

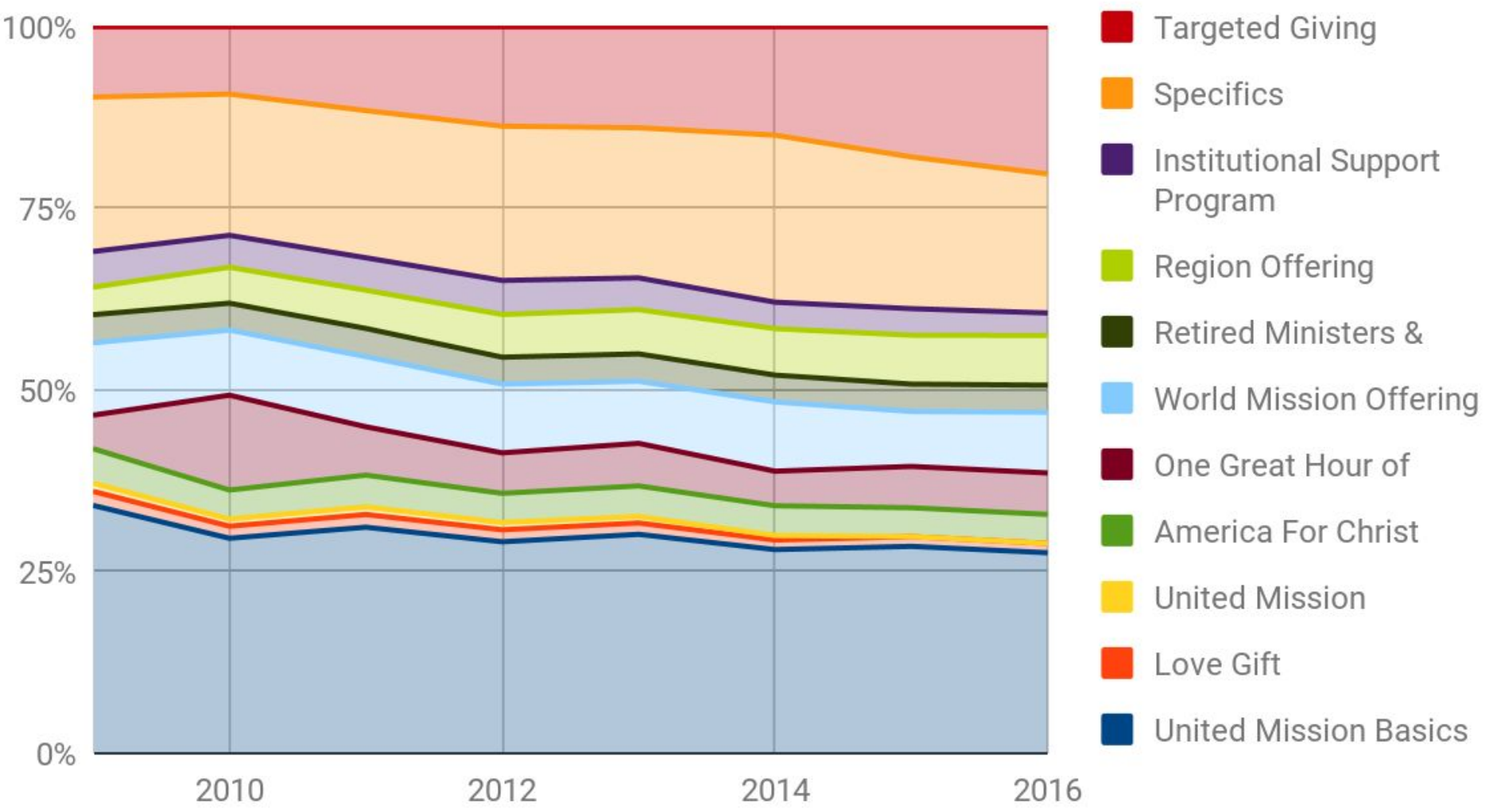
Projected 2018 decrease in UM: 5.4%

Actual 2017 decrease in UM: 7.3%

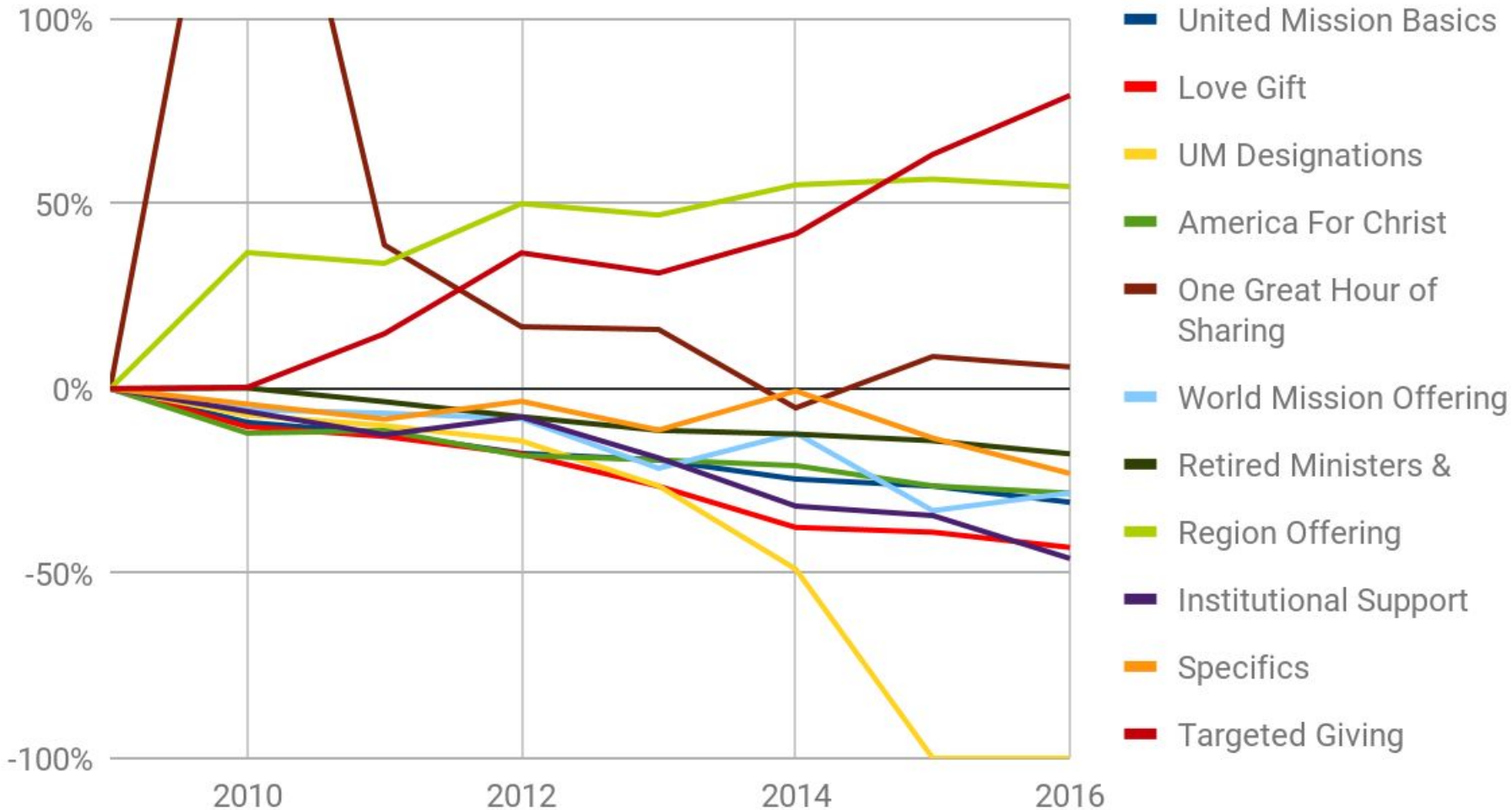
ABMS Giving History



ABMS Giving History (Proportions)



Cumulative change in ABMS categories since 2009



Proposed UM distribution for 2018

- Reviewed by ABCUSA Finance Committee
 - BGM Finance Committee plus
 - One representative from ABHMS
 - One representative from IM

2018

United Mission Proposed Distribution

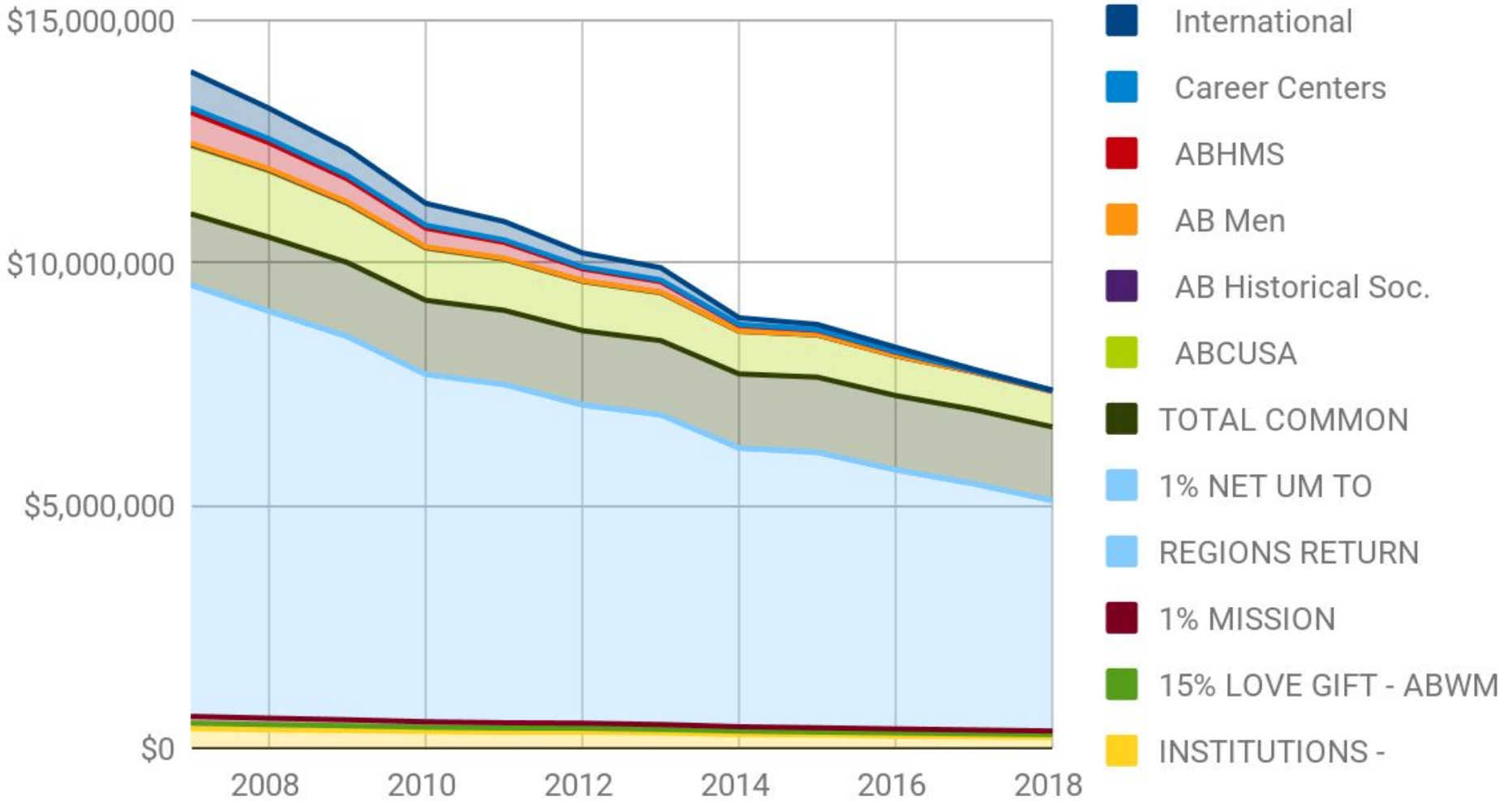
American Baptist Churches Revenue Projections										
United Mission 2018 Estimated Distribution		Percent Total Income	2016 Actual	Percent Total Income	2017 Estimated UM Allocation	Percent Total Income	2018 "Status Quo" UM Allocation	Percent Total Income	2018 Recommended UM Allocation	Percent Total Income
1	UNITED MISSION		8,740,960		7,805,039		7,375,700		7,375,700	
2	INSTITUTIONS - Kansas/ABCW	3.09%	269,852	3.24%	234,151	3.00%	221,000	3.00%	221,000	3.00%
3	UM Less Institutions	96.91%	8,471,108	96.76%	7,570,887	97.00%	7,154,700	97.00%	7,154,700	97.00%
4	15% LOVE GIFT - ABWM	0.68%	59,021	0.67%	58,500	0.75%	55,529	0.75%	55,529	0.75%
5	UM Less Love Gift	96.24%	8,412,087	96.09%	7,512,387	96.25%	7,099,171	96.25%	7,099,171	96.25%
6	1% MISSION INITIATIVE FUND	1.00%	87,410	1.00%	78,250	1.00%	73,600	1.00%	73,600	1.00%
7	UM Less Mission Initiative Fund	95.24%	8,324,677	95.09%	7,434,137	95.25%	7,025,571	95.25%	7,025,571	95.25%
8	REGIONS RETURN PERCENTAGE	64.94%	5,676,441	64.67%	5,073,275	65.00%	4,750,000	64.40%	4,750,000	64.40%
9	UM Less Region Returns	30.30%	2,648,236	30.43%	2,360,862	30.25%	2,275,571	30.85%	2,275,571	30.85%
10	1% NET UM TO ABCUSA (EBA & ROC)	0.03%	2,991	0.02%	1,025	0.01%	1,023	0.01%	1,023	0.01%
11	UM Less 1% Net UM to ABCUSA	30.26%	2,645,245	30.41%	2,359,837	30.23%	2,274,548	30.84%	2,274,548	30.84%
12	COMMON SERVICES									
13	ABC Information Systems	1.95%	170,319	2.06%	168,006	2.15%	168,006	2.28%	168,006	2.28%
14	Amer. Bapt. Personnel Services	3.75%	327,962	3.97%	323,576	4.15%	323,576	4.39%	316,565	4.29%
15	Mission Resource Devl./Core	7.17%	626,670	7.58%	618,200	7.92%	618,200	8.38%	618,200	8.38%
16	Orientation to AB Life	0.29%	25,353	0.31%	25,000	0.32%	25,000	0.34%	20,000	0.27%
17	Representative Process	4.54%	397,195	4.82%	394,083	5.05%	394,083	5.34%	394,083	5.34%
18	TOTAL COMMON SERVICES	17.70%	1,547,499	18.74%	1,528,865	19.59%	1,528,865	20.73%	1,516,854	20.57%
19	UM Less Common Services	12.56%	1,097,746	11.67%	830,972	10.65%	745,683	10.11%	757,694	10.27%
20	GENERAL									
21	ABCUSA	9.93%	868,346	9.92%	772,699	9.90%	730,194	9.90%	730,194	9.90%
22	ABCUSA Operating Reserve	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
23	TOTAL GENERAL	9.93%	868,346	9.92%	772,699	9.90%	730,194	9.90%	730,194	9.90%
24	UM Less General Ministries	2.62%	229,400	1.75%	58,273	0.75%	15,489	0.21%	27,500	0.37%
25	NATIONAL									
26	AB Historical Soc.	0.04%	3,415	0.03%	909	0.01%	242	0.00%	2,500	0.03%
27	AB Men	0.05%	4,093	0.04%	1,090	0.01%	290	0.00%	2,500	0.03%
28	ABHMS	1.04%	90,969	0.73%	24,218	0.31%	6,437	0.09%	10,000	0.14%
29	Career Centers	0.16%	14,009	0.12%	3,729	0.05%	991	0.01%	2,500	0.03%
30	International Ministries	1.22%	106,401	0.86%	28,327	0.36%	7,529	0.10%	10,000	0.14%
31	TOTAL NATIONAL	2.50%	218,887	1.78%	58,273	0.75%	15,489	0.21%	27,500	0.37%
		99.88%	8,730,447	100.03%	7,805,039	100.00%	7,375,700	100.00%	7,375,700	100.00%

2018

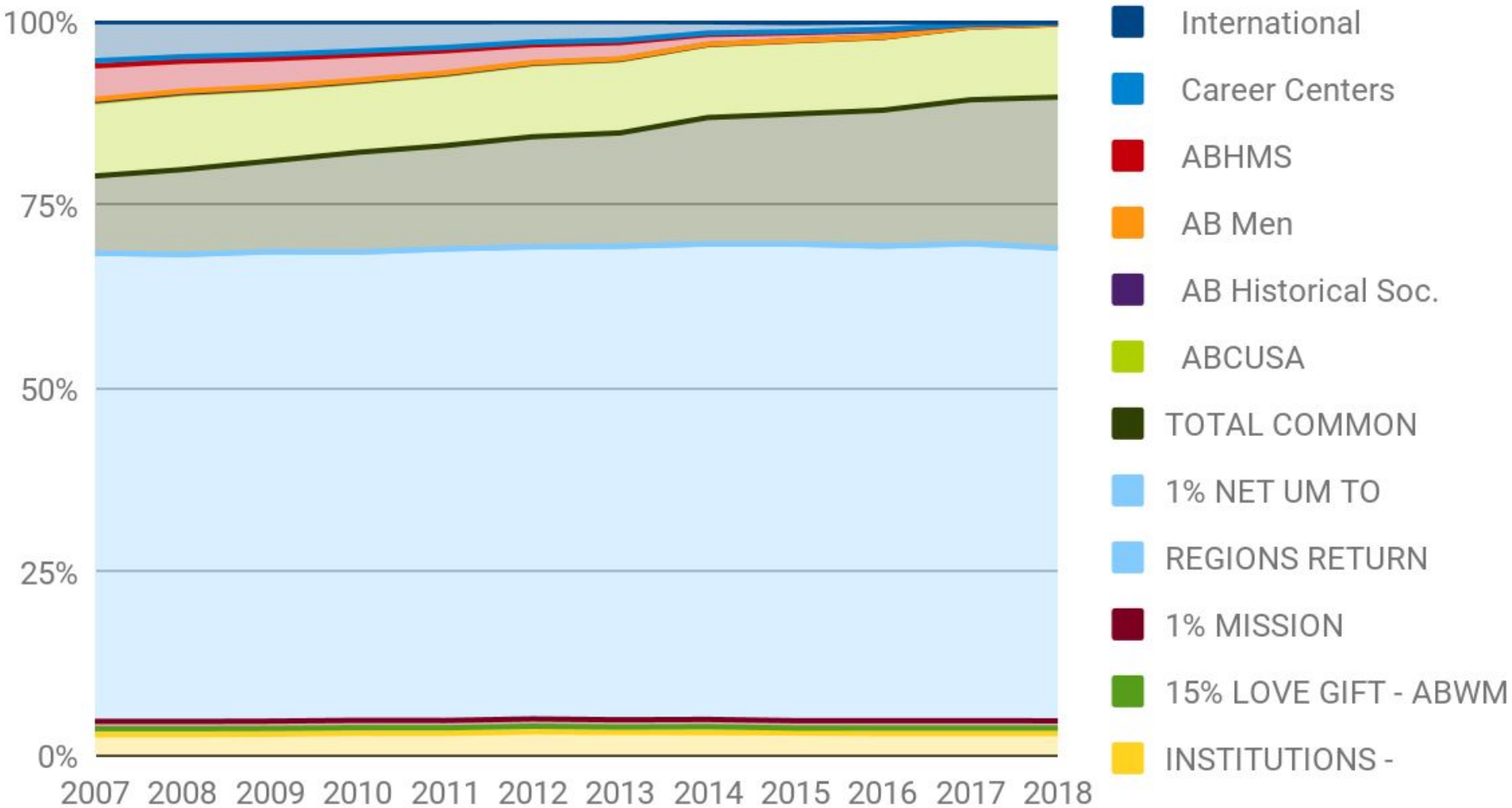
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UM distribution amounts



UM distribution proportions



10			
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		7,375,700	100.00%

Proposed UM distribution for 2018

- Recommendation from ABCUSA Finance Committee:
 - that BGM approve proposed UM distribution for 2018

Budget for 2018

- Based on 2018 UM distribution recommended by the ABCUSA Finance Committee
- UM provides approximately 36% of the ABCUSA budget
- A 4.5% draw from the Building Proceeds Endowment provides another 14% of the budget

Budget for 2018

- Includes salary increase of 1.9%
- Increase in medical costs of 13%
- Includes \$65,000 to relocate to new facility

Budget for 2018

- Recommendation from BGM Finance Committee:
 - Adopt the proposed 2018 Estimated Income and ABCUSA budget as presented