

## **Report to the Board of General Ministries from the Special Director to International Ministries – March 2024**

The Board of International Ministries of the American Baptist Churches USA (ABCUSA) met March 8-9, 2024, virtually via ZOOM. This is the normal meeting venue for the winter season meetings.

Our first day of meeting started with a challenging reflection from Lisa Rothenberger about the book “Think Again” by Adam Grant. She said after 25 years in her position at IM she thought she knew everything. Yet in the book, it argues that reconsideration, or the ability to reconsider your views, is much more valuable than knowledge or loyalty to your beliefs.

The Board has purposely made a commitment to allocate significant meeting time to supporting our global servants and advancing God’s global mission as we discern how to adapt IM to the challenges society faces today. To this end, we listened to a presentation about Demographics and Religious Trends in the USA from Dr. Ryan P. Burge. Dr. Burge pointed out that the number of ABCUSA members is in a 30+ year decline. In 1990 there were about 1.6 million. In 2023, that number is around 1.2 million. There are only about 650 seminarians in ABCUSA seminaries today. Today, 15% of all Americans identify as non-denominational. Largely, these are former Southern Baptist. They indicate they don’t have the institutional baggage of mainline churches and like the “local” control over their churches. 18-20% of Americans identify as “None”. Christianity numbers in the U.S. are dropping due to white Christians leaving churches. There are a lot of young people and families that don’t want to be engaged with mainline churches. Dr. Burge pointed out that skepticism is good (questioning, searching); but that cynicism is bad (no dialog, “burn it down” mentality).

We approved 3 resolutions which staff will share in more detail in the future:

1. Responsible Use of Artificial Intelligence (AI)
2. Prioritizing Estate Planning and Legacy Giving
3. Fiscally Responsible and Sustainable Administration of the IM Endowment

The Board also received the initial report of the iSoC’s (Innovation and Strategy) recommendation on the Global Servant compensation benchmark and policy changes to give global servants greater freedom in determining their living allowance. This work emerges out of the lengthy efforts of the previous Global Compensation Working Group. The Committee plans to share their research with the Board and gather feedback from global servants about the benchmark before the June board meeting under the direction of Katie Boatwright. This was the first step requested by the Board before Sharon Koh forms a task force of global servants and staff to discuss the components of the global servant compensation package.

The Board created the Equity and Justice Committee to work with staff on implementing the recommendations included in IM’s Resolution on Racial Justice showing our firm commitment to seek racial justice and equity within IM’s sphere of influence.

The MPP (Mission Program & Personnel) Committee worked on a revision to the Handbook for Mission Personnel sections covering outside compensation for writing and other activities. There are conflicts with Global Servants being able to make and keep monies earned outside of their IM duties.

### Treasurer's comments:

#### Balance Sheet -

In the January FY24 financials, there are 2 noteworthy items to bring to your attention.

The first balance item I would like to address is the overfunding reserve that has been established, it has grown by \$50k. The amount of overfunding funded by the General Fund in the January financials is \$73K. As we continue to discuss the year end reconciliation of this account the information may be useful. Secondly, noteworthy to mention in the January financials, is the steady growth in our fixed term cash deposit accounts and Investment accounts. The Endowment is slowly gaining back the losses from FY22.

#### Statement of Income and Expenses -

Our unrestricted operating surplus is about (\$1.2M) which is (\$576K) ahead of budget. This is mainly due to the large general operating funds gift received in October and additionally, January giving totaling over \$803K which is considerably good for the time of the year. In addition to increased revenue, actual expenses are lower than budgeted at this time.

Our total unrestricted operating revenue is ahead of budget by \$235k. While the operating expenses are \$340K less than what was budgeted for the period. The financials reflect that we are in good financial shape at the beginning of the quarter of our fiscal year.

#### Income Analysis -

The income in January is ahead of budgeted by \$235k at this time even though giving towards Missionary Support is seasonally not as strong in January as it is in Christmas, yearend, December months. The unrestricted general funds are ahead of budget by \$510K due to the large gifts received in October for the general Fund and steady monthly giving thereafter.

Another item to bring to your attention is that we will not be withdrawing the budgeted overfunding funds (this was budgeted and approved before the establishment of the reserve account). Overfunding requests will be funded from the general fund until the need arises to offset this from the reserve account if necessary (\$73K of overfunding has been funded year to date by the general fund).

#### Expenses Analysis -

At the beginning of the second quarter of our fiscal year our actual expenses are mostly coming behind budgeted expenses which is great. The main expense line underspent at this time is the overfunding request budgeted for January was \$250K of which only \$73k (difference of \$177K) has been spent at this time. Ministry Funds expenses are also lagging budgeted expenses by \$74k.

The Board received and approved the audit report for the year ended September 30, 2023, with a clean opinion.

It is an honor and privilege to serve as the BGM representative to the IM Board.

Bruce Van Der Beek

BGM representative to International Ministries