

**PRESBYTERIAN MISSION AGENCY BOARD**

**April 27-29, 2016**

**Finance and Accounting**

**ITEM A.102  
FOR ACTION**

<i>FOR PRESBYTERIAN MISSION AGENCY EXECUTIVE DIRECTOR'S OFFICE USE ONLY</i>					
X	A. Finance		E. Corporate Property, Legal, Finance		J. Board Nominating & Governance Subcommittee
	B. Justice		F. PC(USA), A Corporation		P. Plenary
	C. Leadership		G. Audit		
	D. Worshiping Communities		H. Executive Committee		

**Subject: Summary of 2017 and 2018 Mission Budget Proposals**

**Recommendation:**

That the Finance Committee approve and recommend to the Presbyterian Mission Agency Board (PMAB) the proposed 2017 and 2018 Mission Operating Budgets of \$63,530,297 and \$63,450,591, and the proposed 2017 and 2018 Capital Commitments of \$780,500 and \$842,990.

**Background:**

- No unrestricted reserves are being used to balance the 17/18 budget. Presbyterian Mission Program Funds (PMPF) are now referred to as unrestricted reserves.
- The proposed 2017-18 Presbyterian Mission Agency budgets are \$63M for each year. This number represents an approximate 15% decrease from 2016's budget and is the lowest operating budget in the agency's history.
- Financial projections are used in the building of the budget and those are based on historical trends, not fundraising goals.
- All programs and ministries covered by the 2017-18 budgets meet the three goal areas of the 2017-18 Mission Work Plan: Evangelism & Discipleship, Servant Leader Formation Seek and Justice & Reconciliation.

PRESBYTERIAN CHURCH (U.S.A.), A CORPORATION  
 Presbyterian Mission Agency  
 2017 Budget

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<b>Revenue, gains and other support</b>			
Contributions			
Congregations	\$ 4,758,971	\$ 3,195,943	\$ 7,954,914
Special offerings			
Christmas Joy	-	2,931,733	2,931,733
One Great Hour of Sharing	-	5,456,616	5,456,616
Peace and Global Witness	-	901,508	901,508
Pentecost	-	635,474	635,474
Special Offerings Catalog	-	620,000	620,000
Specific appeals			
Emergency and Disaster Relief	-	1,700,000	1,700,000
Extra Commitment	-	8,500,094	8,500,094
Special Missionary Support	-	518,400	518,400
Hunger	-	430,000	430,000
Presbyterian Women	-	365,518	365,518
Gifts and bequests	250,000	285,000	535,000
Grants	-	-	-
Total Contributions	<u>5,008,971</u>	<u>25,540,286</u>	<u>30,549,257</u>
Income from endowment funds			
held by the Foundation	5,483,828	8,735,455	14,219,283
Income from investments	509,000	100,000	609,000
Income from funds held by others	1,126,000	80,000	1,206,000
Hubbard Press	75,000	50,928	125,928
Sales of resources	-	2,394,006	2,394,006
Program services	-	8,793,789	8,793,789
Other	-	-	-
	<u>7,193,828</u>	<u>20,154,178</u>	<u>27,348,006</u>
 Total revenue, gains, and other support	 <u>12,202,799</u>	 <u>45,694,464</u>	 <u>57,897,263</u>
 <b>Expenses</b>			
Executive Director	392,045	1,509,081	1,901,126
Communications	55,639	950,027	1,005,666
Mission Engagement and Support	-	15,000	15,000
Theology, Formation and Evangelism	3,120,981	7,243,273	10,364,254
Compassion, Peace and Justice	1,470,971	11,896,316	13,367,287
World Mission	4,617,046	18,451,460	23,068,506
Racial Ethnic and Women's Ministries	1,918,310	6,149,973	8,068,283
Shared Services	-	2,211,205	2,211,205
Other	609,807	2,919,163	3,528,970
 Total Expenses	 <u>12,184,799</u>	 <u>51,345,498</u>	 <u>63,530,297</u>
 Change in net assets	 <u>\$ 18,000</u>	 <u>\$ (5,651,034)</u>	 <u>\$ (5,633,034)</u>

PRESBYTERIAN CHURCH (U.S.A.), A CORPORATION  
 Presbyterian Mission Agency  
 2018 Budget

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<b>Revenue, gains and other support</b>			
Contributions			
Congregations	\$ 4,330,663	\$ 3,195,943	\$ 7,526,606
Special offerings			
Christmas Joy	-	2,755,829	2,755,829
One Great Hour of Sharing	-	5,183,785	5,183,785
Peace and Global Witness	-	892,493	892,493
Pentecost	-	603,700	603,700
Special Offerings Catalog	-	800,000	800,000
Specific appeals			
Emergency and Disaster Relief	-	1,700,000	1,700,000
Extra Commitment	-	8,700,094	8,700,094
Special Missionary Support	-	508,400	508,400
Hunger	-	430,000	430,000
Presbyterian Women	-	365,518	365,518
Gifts and bequests	250,000	285,000	535,000
Grants	-	-	-
Total Contributions	<u>4,580,663</u>	<u>25,420,762</u>	<u>30,001,425</u>
Income from endowment funds			
held by the Foundation	5,432,842	8,674,397	14,107,239
Income from investments	509,000	100,000	609,000
Income from funds held by others	1,126,000	80,000	1,206,000
Hubbard Press	75,000	50,928	125,928
Sales of resources	-	2,683,750	2,683,750
Program services	-	8,920,400	8,920,400
Other	-	-	-
	<u>7,142,842</u>	<u>20,509,475</u>	<u>27,652,317</u>
 Total revenue, gains, and other support	 <u>11,723,505</u>	 <u>45,930,237</u>	 <u>57,653,742</u>
 <b>Expenses</b>			
Executive Director	399,782	1,572,409	1,972,191
Communications	59,360	951,377	1,010,737
Mission Engagement and Support	-	15,000	15,000
Theology, Formation and Evangelism	3,092,454	7,348,605	10,441,059
Compassion, Peace and Justice	1,529,398	10,919,000	12,448,398
World Mission	4,671,680	19,203,233	23,874,913
Racial Ethnic and Women's Ministries	1,969,875	6,181,533	8,151,408
Shared Services	-	2,205,972	2,205,972
Other	956	3,329,957	3,330,913
 Total Expenses	 <u>11,723,505</u>	 <u>51,727,086</u>	 <u>63,450,591</u>
 Change in net assets	 <u>\$ 0</u>	 <u>\$ (5,796,849)</u>	 <u>\$ (5,796,849)</u>

**PRESBYTERIAN MISSION AGENCY BOARD**

**April 27-29, 2016**

**Finance and Accounting**

**Item A.102**

**Capital Reserve Fund  
Budgets for 2017-2018**

Balance as of January 1, 2016

Earnings/(loss)

Replacement reserve

New allocations

Use of allocations

Cancellation of allocation

Administration expenses

Increase (Decrease) YTD

**Balance as of December 31, 2016**

2016 Projected Income

2016 Projected Allocations <sup>1</sup>

2017 Projected Income

2017 Projected Allocations <sup>2</sup>

2018 Projected Income

2018 Projected Allocations <sup>3</sup>

**Projected Balance as of December 31, 2018**

BOARD DESIGNATED SUMMARY		
INVESTMENTS	COMMITMENTS	COMBINED TOTAL
2,603,590	(292,971)	2,310,620
(38,614)		(38,614)
225,000		225,000
	(70,000)	(70,000)
(62,202)	62,202	-
	-	
	(10,011)	(10,011)
124,184	(17,810)	106,375
<b>\$ 2,727,775</b>	<b>\$ (310,781)</b>	<b>\$ 2,416,994</b>

705,000		705,000
	(1,661,820)	(1,661,820)
680,000		680,000
	(780,500)	(780,500)
680,000		680,000
	(842,990)	(842,990)
<b>\$ 4,792,775</b>	<b>\$ (3,596,091)</b>	<b>\$ 1,196,684</b>

1 Camera System Upgrade-25,000; Furniture Replacement-330,400; Relamping-40,000; Desk Chair Replacement-221,000; Restroom Remodel-260,000; Copier Replacement-105,000; Streamfeeder-5,920; Cooling Tower Replacement-250,000; Elevator Modernization-135,000; Energy Management System Upgrade-200,000; Chapel Floor Repair.Refinish-15,000; Roof Flashing Repair and Coating-9,500; Electric Pallet Jack-5,000; Black and White Copier-60,000
2 Energy Management System Upgrade-50,000; Energy Efficient LED Upgrade-50,000; Cooling Tower Replacement-50,000; Relamping-20,000; Exterior Building Cleaning-80,000; HVAC Replacement-180,000; Copier Replacement-24,000; Inserter-12,500; Crown Fork Lift-25,000; Printer-10,000; Core Switch Replacement-100,000; Replace Closet Switches-150,000; Google Search Appliance-29,000;
3 Energy Management System Upgrade-250,000; Relamping-30,000; HVAC Replacement-180,000; Restroom Remodel-150,000; Copier Replacement-73,000; Folder-4,990; Color Copier-75,000; Shipping Software Upgrade-5,000; Printer-5,000; Liebert UPS Batteries-5,000; Training Room Upgrade-10,000; Domain Controller Servers-20,000; SQL Service License Upgrade-35,000