

PRESBYTERIAN MISSION AGENCY BOARD

March 27-29, 2019

Administrative Services Group

**ITEM A.102
FOR ACTION**

FOR PRESBYTERIAN MISSION AGENCY EXECUTIVE DIRECTOR'S OFFICE USE ONLY					
X	A. Resource Allocation & Stewardship		D. Coordinating Committee		G. Outreach to the World
	B. Personnel & Nominating		E. Mid-Councils		H. Ministerial Teams
	C. Property/Legal		F. Nurture the Body		P. Plenary

Subject: 2019 and 2020 Adjusted Presbyterian Mission Agency (PMA) Budgets

Recommendation:

That the Resource Allocation & Stewardship Committee approve and recommend to the Presbyterian Mission Agency Board (PMAB) the 2019 and 2020 Revised Mission Budgets of \$71,738,702 and \$71,401,976, respectively, and the Capital Expenditure plan.

Background:

The proposed revised mission budget for 2019 and 2020 reduces revenue and other support by \$146,990 and \$130,213 in 2019 and 2020, respectively. Additionally, the suggested revisions for net expenses reflect an increase by \$310,228 in 2019 and an increase by \$749,119 in 2020.

These adjustments are primarily due to the (1) adjustment of PMA programs to accommodate an increase in expenditures, and (2) alignment of the Administrative Services Group (ASG) offices. (See notes for Program Office Expense Updates.)

PRESBYTERIAN MISSION AGENCY BOARD
March 27-29, 2019
Administrative Services Group

The following tables present a summary of the budget adjustments (before cost allocation).

	2019 Approved Budget	Program Office Expense Updates	Administrative Services Group Alignment	2019 Adjusted Budget
Expenses				
Executive Director	\$ 2,633,255	\$ 12,465	\$ (1,977,144)	\$ 668,576
Communications	4,014,622	5,915	(619,009)	3,401,528
Mission Engagement and Support	5,369,918	3,452	(298,646)	5,074,724
Theology, Formation and Evangelism	10,284,280	419,036	-	10,703,316
Compassion, Peace and Justice	13,046,660	338,155	-	13,384,815
World Mission	18,142,095	(540,228)	-	17,601,867
Racial Equity and Women's Intercultural Ministries	6,086,727	51,997	-	6,138,724
Other	4,917,534	3,828	(2,889,962)	2,031,400
Administrative Services	6,933,383	15,608	5,784,761	12,733,752
Total Expenses	\$ 71,428,474	\$ 310,228	\$ -	\$ 71,738,702

	2020 Approved Budget	Program Office Expense Updates	Administrative Services Group Alignment	2020 Adjusted Budget
Expenses				
Executive Director	\$ 2,805,010	\$ 19,083	\$ (2,046,398)	\$ 777,695
Communications	4,084,357	6,466	(556,057)	3,534,766
Mission Engagement and Support	5,563,356	3,261	(398,031)	5,168,586
Theology, Formation and Evangelism	8,144,530	369,090	-	8,513,620
Compassion, Peace and Justice	13,010,367	374,195	-	13,384,562
World Mission	18,680,639	(26,874)	-	18,653,765
Racial Equity and Women's Intercultural Ministries	6,133,977	(18,738)	-	6,115,239
Other	5,024,815	4,019	(3,010,288)	2,018,546
Administrative Services	7,205,806	18,617	6,010,774	13,235,197
Total Expenses	\$ 70,652,857	\$ 749,119	\$ -	\$ 71,401,976

PRESBYTERIAN MISSION AGENCY BOARD
March 27-29, 2019
Administrative Services Group

Program Office Expense Updates

1. The Theology, Formation and Evangelism revised budget reflects a net increase in program expenses of \$419,036 in 2019 and \$369,090 in 2020. These increases are primarily due to staffing adjustments in the offices of Theology and Worship, Financial Aid for Services and 1001 New Worshipping Communities.

An additional adjustment was made to Financial Aid for Services to supplement funds previously reduced by financial implication support.

2. Compassion, Peace and Justice has a net increase in program expenses of \$338,155 in 2019 and \$374,195 in 2020. These increases reflect Presbyterian Disaster Assistance's plan to expand services and training for initial response teams to areas impacted by disasters and Self-Development of People's work with intermediary partners in Guatemala and Nicaragua.
3. World Mission has a net reduction in program expenses of \$540,228 in 2019. This adjustment helps to fine-tune mission co-worker expenditures to better reflect the current staffing configuration.

PRESBYTERIAN CHURCH (U.S.A.), A CORPORATION
 Presbyterian Mission Agency
 2019 Budget

PRESBYTERIAN MISSION AGENCY BOARD
 March 27-29, 2019
 Administrative Services Group

	Revised March 2019			Approved September 2018			Adjustment		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total			
Revenue, gains and other support									
Contributions									
Congregations	\$ 5,200,000	\$ 4,000,000	\$ 9,200,000	\$ 5,200,000	\$ 4,000,000	\$ 9,200,000	\$ -	\$ -	\$ -
Presbyterian Women	-	344,553	\$ 344,553	-	344,553	\$ 344,553	\$ -	\$ -	\$ -
Gifts and bequests	250,000	285,000	\$ 535,000	250,000	285,000	\$ 535,000	\$ -	\$ -	\$ -
Grants	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Special offerings									
Christmas Joy	-	2,800,000	\$ 2,800,000	-	2,800,000	\$ 2,800,000	\$ -	\$ -	\$ -
One Great Hour of Sharing	-	5,700,000	\$ 5,700,000	-	5,700,000	\$ 5,700,000	\$ -	\$ -	\$ -
Peace and Global Witness	-	800,000	\$ 800,000	-	800,000	\$ 800,000	\$ -	\$ -	\$ -
Pentecost	-	700,000	\$ 700,000	-	700,000	\$ 700,000	\$ -	\$ -	\$ -
Special Offerings Catalog	-	850,000	\$ 850,000	-	850,000	\$ 850,000	\$ -	\$ -	\$ -
Specific appeals									
Emergency and Disaster Relief	-	2,850,000	\$ 2,850,000	-	2,850,000	\$ 2,850,000	\$ -	\$ -	\$ -
Extra Commitment	-	7,000,000	\$ 7,000,000	-	7,000,000	\$ 7,000,000	\$ -	\$ -	\$ -
Mission Initiative	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Special Missionary Support	-	600,000	\$ 600,000	-	600,000	\$ 600,000	\$ -	\$ -	\$ -
Hunger	-	350,000	\$ 350,000	-	350,000	\$ 350,000	\$ -	\$ -	\$ -
Theological Education Fund	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Total Contributions	5,450,000	26,279,553	31,729,553	5,450,000	26,279,553	31,729,553	-	-	-
Income from endowment funds held by the Foundation	5,400,000	8,934,000	\$ 14,334,000	5,400,000	9,274,000	\$ 14,674,000	\$ -	\$ (340,000)	\$ (340,000)
Income from investments	559,000	275,000	\$ 834,000	684,000	275,000	\$ 959,000	\$ (125,000)	\$ -	\$ (125,000)
Income from funds held by others	1,625,000	-	\$ 1,625,000	1,625,000	-	\$ 1,625,000	\$ -	\$ -	\$ -
Hubbard Press	50,000	50,925	\$ 100,925	50,000	50,925	\$ 100,925	\$ -	\$ -	\$ -
Sales of resources	-	922,766	\$ 922,766	-	922,766	\$ 922,766	\$ -	\$ -	\$ -
Services	-	11,574,718	\$ 11,574,718	-	11,381,708	\$ 11,381,708	\$ -	\$ 193,010	\$ 193,010
Other	-	456,339	\$ 456,339	-	331,339	\$ 331,339	\$ -	\$ 125,000	\$ 125,000
	7,634,000	22,213,748	29,847,748	7,759,000	22,235,738	29,994,738	(125,000)	(21,990)	(146,990)
Net revenue, gains, and other support	13,084,000	48,493,301	\$ 61,577,301	13,209,000	48,515,291	\$ 61,724,291	(125,000)	(21,990)	\$ (146,990)
Reserves									
Unrestricted Undesignated	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Emergency and Disaster Relief	-	4,012,678	\$ 4,012,678	-	3,796,134	\$ 3,796,134	\$ -	\$ 216,544	\$ 216,544
Endowment Funds Held by Foundation	-	4,321,489	\$ 4,321,489	-	3,689,610	\$ 3,689,610	\$ -	\$ 631,879	\$ 631,879
Other	-	1,827,234	\$ 1,827,234	-	2,218,439	\$ 2,218,439	\$ -	\$ (391,205)	\$ (391,205)
Total revenue, gains, and other support	13,084,000	58,654,702	\$ 71,738,702	13,209,000	58,219,474	\$ 71,428,474	(125,000)	435,228	\$ 310,228
Expenses									
Executive Director	273,055	613,137	886,192	261,156	1,069,599	1,330,754	\$ 11,899	\$ (456,461)	\$ (444,562)
Communications	890,425	2,163,917	3,054,342	898,714	2,161,260	3,059,974	\$ (8,288)	\$ 2,657	\$ (5,632)
Mission Engagement and Support	473,127	127,819	600,945	509,068	139,339	648,407	\$ (35,941)	\$ (11,520)	\$ (47,462)
Theology, Formation and Evangelism	2,664,119	10,770,022	13,434,141	2,681,542	10,327,112	13,008,654	\$ (17,422)	\$ 442,909	\$ 425,487
Compassion, Peace and Justice	1,651,003	15,613,862	17,264,865	1,656,646	15,251,404	16,908,051	\$ (5,643)	\$ 362,457	\$ 356,814
World Mission	4,968,634	17,693,689	22,662,323	5,023,458	18,265,837	23,289,294	\$ (54,823)	\$ (572,148)	\$ (626,971)
Racial Equity and Women's Intercultural Ministr	2,150,935	5,810,871	7,961,806	2,165,364	5,752,600	7,917,964	\$ (14,429)	\$ 58,271	\$ 43,842
Other	12,701	2,489,018	2,501,719	13,053	3,791,239	3,804,292	\$ (351)	\$ (1,302,221)	\$ (1,302,573)
Administrative Services	-	3,372,368	3,372,368	-	1,461,083	1,461,083	\$ -	\$ 1,911,285	\$ 1,911,285
Total Expenses	13,084,000	58,654,702	71,738,702	13,209,000	58,219,474	71,428,474	(125,000)	435,228	310,228
Change in net assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 0

PRESBYTERIAN CHURCH (U.S.A.), A CORPORATION
 Presbyterian Mission Agency
 2020 Budget

PRESBYTERIAN MISSION AGENCY BOARD
 March 27-29, 2019
 Administrative Services Group

	Revised March 2019			Approved September 2018			Adjustment		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total			
Revenue, gains and other support									
Contributions									
Congregations	\$ 5,200,000	\$ 4,000,000	\$ 9,200,000	\$ 5,200,000	\$ 4,000,000	\$ 9,200,000	\$ -	\$ -	\$ -
Presbyterian Women	-	344,553	\$ 344,553	-	344,553	\$ 344,553	\$ -	\$ -	\$ -
Gifts and bequests	250,000	285,000	\$ 535,000	250,000	285,000	\$ 535,000	\$ -	\$ -	\$ -
Grants	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Special offerings									
Christmas Joy	-	2,800,000	\$ 2,800,000	-	2,800,000	\$ 2,800,000	\$ -	\$ -	\$ -
One Great Hour of Sharing	-	5,700,000	\$ 5,700,000	-	5,700,000	\$ 5,700,000	\$ -	\$ -	\$ -
Peace and Global Witness	-	800,000	\$ 800,000	-	800,000	\$ 800,000	\$ -	\$ -	\$ -
Pentecost	-	700,000	\$ 700,000	-	700,000	\$ 700,000	\$ -	\$ -	\$ -
Special Offerings Catalog	-	850,000	\$ 850,000	-	850,000	\$ 850,000	\$ -	\$ -	\$ -
Specific appeals									
Emergency and Disaster Relief	-	2,850,000	\$ 2,850,000	-	2,850,000	\$ 2,850,000	\$ -	\$ -	\$ -
Extra Commitment	-	7,000,000	\$ 7,000,000	-	7,000,000	\$ 7,000,000	\$ -	\$ -	\$ -
Mission Initiative	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Special Missionary Support	-	600,000	\$ 600,000	-	600,000	\$ 600,000	\$ -	\$ -	\$ -
Hunger	-	350,000	\$ 350,000	-	350,000	\$ 350,000	\$ -	\$ -	\$ -
Theological Education Fund	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Total Contributions	5,450,000	26,279,553	31,729,553	5,450,000	26,279,553	31,729,553	-	-	-
Income from endowment funds held by the Foundation	5,400,000	8,966,000	\$ 14,366,000	5,400,000	9,304,000	\$ 14,704,000	\$ -	\$ (338,000)	\$ (338,000)
Income from investments	559,000	275,000	\$ 834,000	684,000	275,000	\$ 959,000	\$ (125,000)	\$ -	\$ (125,000)
Income from funds held by others	1,625,000	-	\$ 1,625,000	1,625,000	-	\$ 1,625,000	\$ -	\$ -	\$ -
Hubbard Press	50,000	50,925	\$ 100,925	50,000	50,925	\$ 100,925	\$ -	\$ -	\$ -
Sales of resources	-	882,630	\$ 882,630	-	882,630	\$ 882,630	\$ -	\$ -	\$ -
Services	-	9,494,854	\$ 9,494,854	-	9,287,067	\$ 9,287,067	\$ -	\$ 207,787	\$ 207,787
Other	-	729,362	\$ 729,362	-	604,362	\$ 604,362	\$ -	\$ 125,000	\$ 125,000
	7,634,000	20,398,771	28,032,771	7,759,000	20,403,984	28,162,984	(125,000)	(5,213)	(130,213)
Net revenue, gains, and other support	13,084,000	46,678,324	59,762,324	13,209,000	46,683,537	59,892,537	(125,000)	(5,213)	(130,213)
Reserves									
Unrestricted Undesignated	-	-	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Emergency and Disaster Relief	-	3,857,813	\$ 3,857,813	-	3,657,917	\$ 3,657,917	\$ -	\$ 199,896	\$ 199,896
Endowment Funds Held by Foundation	-	4,571,548	\$ 4,571,548	-	4,044,831	\$ 4,044,831	\$ -	\$ 526,717	\$ 526,717
Other	-	3,210,291	\$ 3,210,291	-	3,057,572	\$ 3,057,572	\$ -	\$ 152,719	\$ 152,719
Total revenue, gains, and other support	13,084,000	58,317,976	71,401,976	13,209,000	57,443,857	70,652,857	(125,000)	874,119	749,119
Expenses									
Executive Director	279,642	634,805	\$ 914,448	342,295	1,039,761	1,382,056	\$ (62,653)	\$ (404,955)	\$ (467,608)
Communications	1,097,258	2,092,567	\$ 3,189,824	1,100,803	2,093,328	3,194,131	\$ (3,545)	\$ (762)	\$ (4,307)
Mission Engagement and Support	495,818	128,773	\$ 624,590	477,065	137,544	614,609	\$ 18,753	\$ (8,771)	\$ 9,982
Office of the Deputy Executive Director	-	-	\$ -	-	-	-	\$ -	\$ -	\$ -
Theology, Formation and Evangelism	2,636,512	8,606,577	\$ 11,243,090	2,647,823	8,222,685	10,870,508	\$ (11,311)	\$ 383,892	\$ 372,581
Evangelism and Church Growth	-	-	\$ -	-	-	-	\$ -	\$ -	\$ -
Compassion, Peace and Justice	1,778,670	15,535,817	\$ 17,314,488	1,786,724	15,154,475	16,941,200	\$ (8,054)	\$ 381,342	\$ 373,288
World Mission	4,684,189	19,449,310	\$ 24,133,498	4,735,288	19,500,036	24,235,324	\$ (51,099)	\$ (50,727)	\$ (101,826)
Racial Equity and Women's Intercultural Ministries	2,090,649	5,935,598	\$ 8,026,246	2,099,547	5,966,124	8,065,671	\$ (8,899)	\$ (30,526)	\$ (39,425)
Other	21,262	2,476,725	\$ 2,497,987	19,454	3,862,931	3,882,386	\$ 1,808	\$ (1,386,207)	\$ (1,384,398)
Administrative Services	-	3,457,805	\$ 3,457,805	-	1,466,973	1,466,973	\$ -	\$ 1,990,832	\$ 1,990,832
Total Expenses	13,084,000	58,317,976	71,401,976	13,209,000	57,443,857	70,652,857	(125,000)	874,119	749,119
Change in net assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 0

**Capital Reserve Fund
 as of February 28, 2019**

Balance as of January 1, 2019
 Earnings/(loss)
 Replacement reserve
 New allocations
 Use of allocations
 Cancellation of allocation
 Administration expenses
 Increase (Decrease) YTD
Balance as of February 28, 2019

BOARD DESIGNATED SUMMARY		
INVESTMENTS	COMMITMENTS	COMBINED TOTAL
3,357,883	(771,343)	2,586,540
63,230		63,230
-		-
	(51,000)	(51,000)
(104,286)	104,286	-
-	-	-
	(19)	(19)
(41,056)	53,267	12,211
\$ 3,316,827	\$ (718,076)	\$ 2,598,750

2019 Projected Additions
 2019 Projected Allocations ¹
 2020 Projected Additions
 2020 Projected Allocations ²
Projected Balance as of December 31, 2020

775,000		775,000
	(1,407,190)	(1,407,190)
805,000		805,000
	(1,045,000)	(1,045,000)
\$ 4,896,827	\$ (3,170,266)	\$ 1,726,561

PROJECTED ALLOCATION DETAIL

¹ Camera System Upgrade	25,000
Furniture Replacement	323,695
Desk Chair Replacement	221,000
Roof Flashing Repair and Coating	9,500
Energy Management System Upgrade	250,000
HVAC Replacement	190,000
Barrel Roof Flashing	17,000
Restroom Remodel	152,500
Skylight Roof Repair	118,300
Tabber	5,195
Ink Addressing System	60,000
Firewall Replacement	25,000
CTRHP Server Replacement	10,000
Total ¹ - 2019 Projected Allocations	\$ 1,407,190

² Energy Management	250,000
HVAC Replacement	190,000
Copier Replacement	118,000
Website Development	300,000
Van	25,000
CTRESXEXT Server Replacement	12,000
CAT5 Replacement	150,000
Total ² - 2020 Projected Allocations	\$ 1,045,000