2025 AFLC World Missions Corporation Annual Meeting Treasurer's Report

It is my job, as Treasurer, to help the Corporation count the cost. Luke 14 tells us that failure to do so leads to the ridicule of men when projects go unfinished. Significantly worse than worldly ridicule, if we as a corporation leave our missionaries destitute or projects half-finished it testifies poorly about the faithfulness of God to the people in the mission field. The numbers may be the least exciting aspect of World Missions, but they are essential to the task.

Almost all the detailed financial work is done by Wanda. Pr. Earl K. and the WM Board do the work of setting budgets and authorizing new projects. My job is to ask questions, double-check figures, compare spending with the stated purposes of the WM Corporation, and then to report back to the corporation. I have endeavored this year to be your eyes, ears, and voice. Many thanks to the WM Board, Earl, and Wanda for their hard work, their faithful stewardship of corporation assets, and their openness in accommodating my work on your behalf. This job is essential, but they make it possible and enjoyable.

I have left in the section from my 2025 report that explains each category and updated some of the comments. I realize that these categories are not simple to understand unless you are regularly working with them. Hopefully the following will help you understand the numbers presented in the budget.

- Subsidy - This reflects the amount either requested or approved by the Annual Conference. An approved subsidy reflects the amount that the Annual Conference has committed to seeking to give to WM in a particular year. The Actual 2025 column reflects the money actual received that year in giving. So, you can see that for 2025 there was a difference of about $37,000 between the approved subsidy and the actual receipts.
- Non-Subsidy Receipts
    - PS Administration – The standard practice in most missions' organizations is to collect a certain amount from the personal support each missionary raises.
        - This covers everything, from office staff handling the collection of their support to software subscriptions to help them create and distribute their newsletters.
        - AFLC WM charges 10% and the money collected is noted on this line
    - Other – money collected from Journey Mission's trips, use of WM vans, and all other sources of income.
- Disbursements
    - Mission Field Countries
        - Here you will find the money that is given to each mission field. This does not include personal support for any missionaries that are working in these fields.
        - For instance, in Brazil we help support the seminary and the Miriam infant home directly, independent of the personal support of the Brazil Missionaries.
        - I have seen the more detailed accounting on this and am comfortable that the money is being wisely spent. If you have questions about individual fields, they can be answered directly.

- Journey missions
  - This is the money used to fund the Journey Missions department
- Home
  - This is the money used to cover the Director and staff's salaries as well as office expenses, staff travel, etc.

- The next two blocks are just a more detailed breakdown of the missionary personal support.
  - The PS Budget Receipts top line "Personal Support" shows the total amount of personal support raised by all the missionaries
    - STEER is a giving program for livestock producers to give in a tax beneficial way and the income from that is noted on this line
    - PS Administration is the number discussed above
  - Personal Support Disbursements
    - The Personal Support line here shows the estimated/actual amount received in total for missionary support. This number is not included in the Subsidy request to the conference. Personal support is handled semi-independently of the rest of the WM Budget.
    - Income/loss
      - The 2025 columns reflect accurate numbers, and you can use them for reference.
      - The large deficits ($85,000 and $77,000 respectively) shown in the 2026 and 2027 request columns reflect the departure of the Jore and Raan families from the mission field and the addition of the Ritland family.
        - The formula used for this line is only accurate without large changes like missionaries leaving and joining.
        - In other words, disregard these two numbers.
- The personal support table at the bottom of the report is the actual numbers for 2025 and is used for drawing averages for the future.

Finances are tight at World Missions. I know that the board has been watching this closely and there are a couple of items around this that the Corp. should be aware of. One of the challenges of raising money for missions is that it is often easier to raise funds for direct missionary support than it is to raise funds for paper for the copier or to pay the bookkeeper. This means that it is common practice in missions organization to collect a portion of missionary support to be used for office expenses. This helps cover the administrative staff and costs which exist to serve the missionaries in the field. This is the "PS Administration" line in the Receipts part of the budget. The WMB has decided to expand that fee to the AFLC missionaries on loan to help cover the administrative costs shared by all missionaries. In addition, they have decided to collect a 5% fee on special projects money. This is a one-time charge when the money is received and not an annual 5% on the account balance each year.

Journey Missions is another area that the WMB has looked at addressing costs/revenue. Journey Missions has proven to be an asset to the WM Corp. and, increasingly, to FLBC. Jon Nelson has been tapped for an expanded teaching role at FLBC as well as leading FLBC mission trips. The

WMB and FLBC have been working to realign the cost-sharing arrangement for Journey Missions to better reflect current usage. The short version of this is that FLBC will be covering some more of the costs of this department than they have in the past because they have been utilizing Journey Missions more at FLBC. We are thankful for this partnership that allows us to keep fully funding this department while giving more students meaningful experience in World Missions.

Having reviewed the detailed budget and after discussing my questions with the WM board and staff I am reporting that the money is being carefully spent, the stated goals of the corporation are being pursued, and above all our corporation is seeking to honor God with every dollar that is given. Thank you to those who faithfully give to the work of Missions in time, talent, and treasure. May the world know of the salvation found in Jesus Christ alone.

Respectfully submitted

Pr. David Handsaker

AFLC World Missions Corporation Treasurer