

Section 4:

Reports and Recommendations

Baptist Convention of Maryland/Delaware

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Report of Executive Director Dr. Kevin Smith

What a joy to end the year as an excited and hopeful Maryland/Delaware Baptist! I am grateful for the privilege of gospel ministry as Christ-followers in our 500+ congregations obey the Great Commandment & the Great Commission. During 2017, we have anchored our church planting methodology in biblical ecclesiology and strengthened our relationship with the North American Mission Board. Additionally, we are laying the groundwork to be more effective in the way we consult with churches, as we head into 2018. During our annual meeting at Kettering Baptist Church, I reviewed our core values that I pray will shape our mission together going forward, as we seek to strengthen and plant churches.

Core Values: Cooperation, Affirmation, & Multiplication

Cooperation - the belief that our capacity increases when Maryland/Delaware Baptists cooperate with each other, and with our national Southern Baptist partners. The church planting task of pushing back spiritual darkness is a great work demanding the unified efforts of Christ's followers, in order that we might be useful vessels for the Holy Spirit (who is not the author of confusion). The church strengthening task of pursuing church health and fruitfulness is, likewise, a great work that requires our congregations to be united and prayerful as we ask God to use us to see people converted and growing in godliness to the glory of Jesus Christ.

Affirmation - the belief that local church affirmation of missionaries and church planters is biblical, and an effective means of stewardship accountability to our Cooperative Program, Maryland/Delaware Missions Offering, and Annie Armstrong Offering supporting churches. "Churches plant churches" is not mere rhetoric to us, we really mean it! Not only do churches participate by giving a percentage of their receipts to the Cooperative Program, they participate by nurturing those in their congregation that will be future missionaries and church planters.

Multiplication - the belief that a healthy church produces disciples that make disciples, and that some of those disciples will be led to be missionaries and church planters, and that those remaining in the sending-congregation should support those that go.

As 2017 ends, it is important that we focus on why we do what we do - because Jesus Christ, the Son of God, came into the world to save sinners! We need to have strategy and core values. We need the resources that our cooperative approach to ministry as Maryland/Delaware Baptists provides. But, most of all, we must be animated by the Christmas message reflected in Mary's song in Luke 1: *"My soul magnifies the Lord, and my spirit has rejoiced in God my Savior ... for He who is mighty has done great things for me, and holy is His name."*

2016-2017 Summarized Activities/ Highlights of the General Mission Board

The General Mission Board is pleased to serve the churches within our Convention. As board members, we are both humbled and honored to serve. The highlights of the last year follow.

Concerning staff, key changes included the following: Amy Smith was hired to serve as the BCM/D International Student Consultant, replacing Lynn Davis. Lynn served faithfully for more than 30 years in this ministry. In God's grace, Amy was once a student whose life was impacted by this ministry under Lynn's leadership. Amy oversees ministries to international students, assisting with the development and direction of this ministry through partnership with Ocean City Baptist Church. Ellen Udovich was assigned to serve churches in the area of community engagement, coaching and consulting. Doug DuBois assumed leadership of all BCM/D disaster relief efforts.

A specific partnership between the BCM/D and the Blue Ridge Baptist Association was birthed to assist the association in its effort to coordinate our efforts with a goal to turn around churches that have been in severe decline.

As a significant initiative, we have encouraged the Skycroft sub-committee to launch a comprehensive study of Skycroft Conference Center. We believe that the outcome of this study will include a fresh vision, clarity on our organizational model, assessment of staffing levels, and a time table for facility upgrades.

The 2018 proposed budget is recommended by the General Mission Board for approval by the messengers. This budget includes a commitment to increase the percentage of Cooperative Program receipts sent to the SBC from 43.5% to 48%, reflecting our desire to allocate more to national and international missions causes. As a Board, we believe this step of faith is not only in the best interest of the BCM/D, but also God's work through Southern Baptists throughout the world. The proposed budget forecasts \$3.7 million in Cooperative Program receipts in 2018. This proposed budget also includes funding through our State Missions Offering for key initiatives including ministries to individuals and families affected by disabilities, disaster relief, Skycroft evangelism, college campuses, and church planting.

Concerning, Skycroft Conference Center, this budget reflects serving an estimated 25,000 guests for at least one night as well as ministering to approximately 2,400 students attending the various camps to be provided in 2018. Annually, through the ministry of Skycroft, we see students come to saving faith in Jesus Christ, and we are grateful for how God is using this strategic resource.

I pray that God is pleased with our efforts as we seek to serve and honor Him in all that we do. Currently, more than 600 churches are part of the collective work of the BCM/D. May God be glorified as we share the good news of the Gospel with our communities, our nation, and our world.

In His Service,
Dr. Curtis Hill, President, General Mission Board



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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the General Mission Board of the
Baptist Convention of Maryland/Delaware, Inc.

We have reviewed the accompanying financial statements of the Baptist Convention of Maryland/Delaware, Inc. (a Nonprofit Organization), which comprise the statement of assets, liabilities and net assets – cash receipts and disbursement basis as of December 31, 2017, and the related statements of budgeted activities – cash receipts and disbursement basis and changes in net assets – cash receipts and disbursement basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash receipts and disbursement basis of accounting; this includes determining that the cash receipts and disbursement basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash receipts and disbursement basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash receipts and disbursements basis of accounting.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash receipts and disbursement basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

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February 12, 2018

Baptist Convention of Maryland/Delaware, Inc.
Statement of Assets, Liabilities and Net Assets - Cash Receipts and Disbursement Basis
December 31, 2017

Assets	
<u>Current Assets</u>	
Cash and Cash Equivalents	\$ 1,284,978
Accounts Receivable	1,080
Inventory	5,000
Prepaid Expenses	68,634
Total Current Assets	1,359,692
 <u>Property and Equipment</u>	
Buildings, Land and Furnishings - Skycroft Conference Center	4,193,842
Network Resource Center	2,045,548
Total Property and Equipment	6,239,390
 <u>Other Assets</u>	
Baptist Foundation of Maryland/Delaware, Inc.	2,631,611
Legacy of Faith Donated Property	436,371
Total Other Assets	3,067,982
Total Assets	\$ 10,667,064

See Independent Accountant's Review Report and accompanying notes.

Baptist Convention of Maryland/Delaware, Inc.
Statement of Assets, Liabilities and Net Assets - Cash Receipts and Disbursement Basis
December 31, 2017

Liabilities and Net Assets	
<u>Current Liabilities</u>	
Cash Exchange	\$ 754,829
Skycroft Advance Bookings/Clearing	310,039
State Mission Offering	156,245
Payroll Benefit Withholdings	8,506
Current Maturities of Note Payable	14,332
Total Current Liabilities	1,243,951
 <u>Long-Term Liabilities</u>	
Note Payable, Net of Current Maturities	248,135
Total Current Liabilities/Total Liabilities	1,492,086
 <u>Net Assets</u>	
Unrestricted	130,076
Unrestricted - Messenger Designated	9,044,902
Total Net Assets	9,174,978
Total Liabilities and Net Assets	\$ 10,667,064

See Independent Accountant's Review Report and accompanying notes.

Baptist Convention of Maryland/Delaware, Inc.
Statement of Budgeted Activities - Cash Receipts and Disbursement Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Over/(Under)</u>
<u>Receipts</u>			
Cooperative Program	\$ 3,563,402	\$ 3,750,000	\$ (186,598)
Cooperative Gifts	55,736	120,000	(64,264)
State Mission Offering	120,842	125,000	(4,158)
North American Mission Board	943,874	1,030,000	(86,126)
Lifeway Christian Resources	54,996	60,000	(5,004)
Skycroft Conference Center Operations	2,080,318	2,252,339	(172,021)
Baptist Foundation of Maryland/Delaware, Inc.	15,000	19,000	(4,000)
Strategic Resources	73,000	73,000	-
Baptist Convention of Maryland/Delaware, Inc.			
Endowment Income	96,000	127,000	(31,000)
Interest Income	(12,163)	(5,891)	(6,272)
Reserves	-	35,000	(35,000)
Total Receipts	<u>6,991,005</u>	<u>7,585,448</u>	<u>(594,443)</u>
<u>Disbursements</u>			
Cooperative Missions	1,571,414	1,656,109	(84,695)
Missionary and Staff Benefits	652,137	786,063	(133,926)
Executive Office	506,285	490,928	15,357
Convention Operation Team	855,260	969,072	(113,812)
Guest Relations	367,677	369,715	(2,038)
Food Service	637,783	698,500	(60,717)
Conference Center Operations	873,833	936,063	(62,230)
Church Strengthening Team	494,526	569,642	(75,116)
Church Multiplication Team	<u>1,030,145</u>	<u>1,109,356</u>	<u>(79,211)</u>
Total Disbursements	<u>6,989,060</u>	<u>7,585,448</u>	<u>(596,388)</u>
Excess of Receipts Over Disbursements	<u>\$ 1,945</u>	<u>\$ -</u>	<u>\$ 1,945</u>

See Independent Accountant's Review Report and accompanying notes.

Baptist Convention of Maryland/Delaware, Inc.
Statement of Changes in Net Assets - Cash Receipts and Disbursement Basis
For the Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Unrestricted Messenger - Designated</u>	<u>Total</u>
Net Assets, January 1, 2017	\$ 133,296	\$ 8,772,682	\$ 8,905,978
Increase/(Decrease):			
Current Year Operating Surplus	1,945	-	1,945
Property Tax Paid on Legacy of Faith			
Property Received	(5,165)	5,165	-
Principal Payment Paid on Skycroft Note Payable	-	13,783	13,783
Net Increase in Investments Held at the Baptist Foundation of Maryland/Delaware, Inc.	-	<u>253,272</u>	<u>253,272</u>
Net Assets, December 31, 2017	<u>\$ 130,076</u>	<u>\$ 9,044,902</u>	<u>\$ 9,174,978</u>

See Independent Accountant's Review Report and accompanying notes.

Baptist Convention of Maryland/Delaware, Inc.
Notes to Financial Statements
December 31, 2017

Note 1 – Summary of Significant Accounting Policies

Date of Management Review: Management has evaluated subsequent events through February 12, 2018, the date on which the financial statements were available to be issued. The Organization did not have any material recognizable subsequent events during this period.

Organizational Purpose: As stated by the mission statement of the Baptist Convention of Maryland/Delaware, Inc. (the "Organization"), it will intentionally assist the starting and strengthening of congregations so that together they can fulfill Jesus' commands in Matthew 28:19-20 and Acts 1:8. The Organization derives the majority of their income from individuals and churches in Maryland and Delaware.

Basis of Accounting: These statements are presented on the cash receipts and disbursements basis, modified as described later in this paragraph. The cash receipts and disbursements basis require that revenues and the related assets be recognized when received rather than when earned, and certain expenses be recognized when paid rather than when the obligation is incurred. However, these financial statements have been modified to reflect certain items budgeted for 2017 even though the actual funds related to those items have not been received or expended as of December 31, 2017. The statement of budgeted activities – cash receipts and disbursement basis reports only those transactions that were budgeted for in 2017. Other non-budgeted 2017 activity is reported in the statement of changes in net assets – cash receipts and disbursement basis.

Funds received by the Organization to be used for purposes unrelated to the operating activities of the Organization are recorded as a cash exchange liability until such funds have been disbursed.

Financial Statement Presentation: The Organization has adopted FASB ASC 958-205, "Presentation of Financial Statements of Not-for-Profit Entities." Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted

Net assets which are free of donor-imposed restrictions. Included in unrestricted net assets are certain net assets, donor advised funds, for which donors may make recommendations to the Messengers of the Organization with respect to the distribution of the income and/or principal for an agreed upon period of time. The Messengers of the Organization has complete discretion on whether to accept or reject the donor's recommendation.

Temporarily Restricted

Net assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or that can be fulfilled or removed by actions of the Organization pursuant to those stipulations. This classification of net assets also includes unexpended net realized and unrealized gains on endowment funds, the income on which has been donor restricted. The Organization's policy is to reinvest such earnings for future growth and to use these earnings in accordance with donor stipulations as to the original gift corpus.

Permanently Restricted

Net assets whose use by the Organization is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Baptist Convention of Maryland/Delaware, Inc.
Notes to Financial Statements
December 31, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents: Cash equivalents generally includes all highly liquid debt instruments that mature in 90 days or less.

Property Owned: Property and equipment that have been capitalized are stated at cost. Assets purchased in excess of \$5,000, which have a useful life in excess of one year, are capitalized. Major additions and betterments are charged to the asset accounts only to the extent the costs have been reflected in the operating budget. Management periodically reviews the utilization of assets and removes those assets that no longer have a useful life. Depreciation is not recorded since the operating budget makes no provision for non-cash expenses; accordingly, an impairment loss from the valuation of long-lived assets under FASB ASC 820 would not be recorded.

Inventory: Inventories are stated at the lower of cost or market using the first-in, first-out (FIFO) method. Inventory consists of various supplies on hand needed for the operations of the Organization.

Cooperative Giving: The Organization adopted FASB ASC 958-605, "Not-for-Profit Entities – Revenue Recognition." In accordance with FASB ASC 958-605, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Promises to give are not recorded as cooperative giving until the funds are received.

Investments and Investment Income: The Organization elected to adopt FASB ASC 958-320, "Not-for-Profit Entities – Investments – Debt & Equity Securities." Under FASB ASC 958-320, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. It is reasonably possible that changes in the values of investments could occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Income Taxes: The Organization is exempt from Federal taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is required to file a return to report unrelated business income generated at the Skycroft Convention Center. At December 31, 2017 the provision for unrelated business income tax is \$0. The Organization's Federal tax returns generally stay open to examination for three years from the filing date.

Estimates: The preparation of financial statements in conformity with the modified cash receipts and disbursements method used by the Organization, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Baptist Convention of Maryland/Delaware, Inc.
Notes to Financial Statements
December 31, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

Newly Issued Accounting Standards Not Yet Effective: In August 2016, the Financial Statement Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, "Presentation of Financial Statements of Not-for-Profit Entities." The standard changes the required financial presentation of net assets on the statement of activities from three classes to two classes to include net assets without donor restrictions and net assets with donor restrictions. The standard will be effective for years beginning after December 31, 2017.

The Organization is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

Note 2 – Cash and Cash Equivalents

The Organization maintains its cash accounts at various financial institutions and its balances may at times exceed the Federal Deposit Insurance Corporation (FDIC) insured limits. The Organization has not experienced any losses in such accounts and monitors the creditworthiness of the financial institutions with which it conducts business. Management believes that the Organization is not exposed to any significant credit risk with respect to its cash balances.

Note 3 – Baptist Foundation of Maryland/Delaware, Inc.

This account represents funds transferred to the Baptist Foundation of Maryland/Delaware, Inc., which is the agency designated for the management of trust funds. Income earned from these funds is returned to the Organization or its designated agencies.

Marketable securities invested with the Baptist Foundation of Maryland/Delaware, Inc. are stated at fair value and are summarized as follows:

	Cost	Fair Value	Unrealized (Depreciation) Appreciation as of December 30, 2017
Fixed Income Funds	\$ 983,922	\$ 975,821	\$ (8,101)
Equity Funds	1,384,776	1,655,790	271,014
Total	<u>\$ 2,368,698</u>	<u>\$ 2,631,611</u>	<u>\$ 262,913</u>

Baptist Convention of Maryland/Delaware, Inc.
Notes to Financial Statements
December 31, 2017

Note 4 – Investments and Fair Value Measurements

The Organization accounts for the fair value of its investments under the Fair Value Measurement and Disclosure topic of the FASB Accounting Standards Codification, which provides the framework for measuring fair value. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy under this guidance are described as follows:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2

Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and maximize the use of unobservable inputs.

There have been no changes in the methodologies used at December 31, 2017. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The Organization's financial instruments, none of which are held for trading purposes, include cash, marketable securities, and notes receivable. The Organization estimates that fair value of all financial instruments at December 31, 2017 does not differ materially from the aggregate carrying values of its financial instruments recorded in these statements. The estimated fair value amounts have been determined by the Organization using available market and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Organization could realize in a current market exchange.

Baptist Convention of Maryland/Delaware, Inc.
Notes to Financial Statements
December 31, 2017

Note 4 – Investments and Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2017:

	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 100,401			\$ 100,401
Common Stock:				
Industrials	146,497			146,497
Consumer Discretionary	137,625			137,625
Consumer Staples	82,857			82,857
Energy	73,598			73,598
Financial	207,609			207,609
Materials	62,135			62,135
Information Technology	263,866			263,866
Utilities	34,666			34,666
Real Estate	37,159			37,159
Health Care	127,148			127,148
Telecommunication Services	22,198			22,198
Total Common Stock	1,195,358			1,195,358
U.S. Government and Agency Securities	78,314	\$ 78,447		156,761
Corporate Bonds and Notes		121,148		121,148
Asset Backed Securities		37,407		37,407
Total Securities				315,316
Mutual Funds:				
Diversified Emerging Markets	38,086			38,086
Floating Rate Bond	70,580			70,580
Foreign Large Growth	100,120			100,120
Foreign Large Value	102,297			102,297
Intermediate-Term Bond	312,230			312,230
Small-Cap Growth	52,581			52,581
Tactical Bond	254,588			254,588
Total Mutual Funds	930,482			930,482
Exchange Traded Fund – REIT	48,723			48,723
Private Equity Investments			\$ 41,331	41,331
Total	\$ 2,353,278	\$ 237,002	\$ 41,331	\$ 2,631,611

Baptist Convention of Maryland/Delaware, Inc.
Notes to Financial Statements
December 31, 2017

Note 4 – Investments and Fair Value Measurements (continued)

The following table sets forth a summary of changes in the fair value of the Organization's level 3 assets for the year ended December 31, 2017:

Balance, Beginning of the Year	\$ 50,813
Realized Gains (Losses)	3,821
Unrealized Gains (Losses)	(9,482)
Sales and Redemptions	<u>(3,821)</u>
Balance, End of the Year	<u>\$ 41,331</u>

Note 5 – Unrestricted – Messenger Designated Fund Balances

As of December 31, 2017, the general fund had \$9,044,902 unrestricted – messenger designated reserves, summarized as follows:

Legacy of Faith Property Reserve	\$ 436,371
Capital Equipment Reserve	5,976,923
Endowment Reserves	2,254,346
Skycroft Endowment Reserves	<u>377,262</u>
	<u>\$ 9,044,902</u>

Note 6 – Retirement Plan

The Organization provides a tax qualified retirement plan for the benefit of eligible employees. Employees become eligible within six months of their starting date, with contributions equaling 11% of compensation in the current year. The plan is designated to provide employees with an accumulation of funds for retirement on a tax-deferred basis and provides for annual discretionary contributions. The expense for the current year was \$136,066.

Note 7 – Donated Property Received

In 2000, the Organization received a gift of property which was recorded at management's estimate of fair market value at the time of the gift. The Organization records an increase in the value of the property annually based on the amount of capitalized carrying costs. Additionally, management periodically estimates the fair market value of the property and adjusts the recorded value to the current estimated fair market value plus the capitalized carrying costs since the original date of the gift. The property was last evaluated and adjusted by management in 2017. Management estimates the value for the donated property has not changed since that time. The property held for investment purposes and is not used in operations. The capitalized carrying costs of the property added to the estimated fair market value totaled \$70,514 as of December 31, 2017.

During 2017, the Organization sold two parcels of land from the donated property received. As a result of the sale, the value of the donated property received was reduced by the fair value of the two parcels of land sold, net of any selling costs. The value of the donated property received was reduced by \$47,143 for the year ended December 31, 2017.

**Baptist Convention of Maryland/Delaware, Inc.
Notes to Financial Statements
December 31, 2017**

Note 8 – Related Party Transactions

The Organization provides the services of their employees to the Baptist Foundation of Maryland/Delaware, Inc. Investment income and administrative fees paid by the Baptist Foundation of Maryland/Delaware, Inc. support the administrative costs incurred by the Organization. Distributions received from the Baptist Foundation of Maryland/Delaware, Inc. were \$184,000 for the year ended December 31, 2017, which are included in receipts on the statement of budgeted activities – cash receipts and disbursement basis. Total management fees received from the Baptist Foundation of Maryland/Delaware, Inc. were \$27,804 for the year ended December 31, 2017, which are included in cash exchange on the statement of assets, liabilities and net assets – cash receipts and disbursement basis.

Note 9 – Skycroft Conference Center

Owned and operated by the Organization, Skycroft is located on over 341 acres in Frederick County, Maryland. The center opened in 1977 to offer the opportunity to slip away into a quiet spot to reflect, to be re-created, to be refreshed in the beauty of “God’s great outdoors”.

On January 14, 2013, the Messengers of the Organization approved the sale of a perpetual conservation easement on the Skycroft property to the Civil War Preservation Trust and the State of Maryland. The Civil War Preservation Trust and the State of Maryland paid \$1,100,000 to the Organization. The easement allows for usage, building, and updating in a 25-acre developmental envelope. Two stipulations in the easement are that the property can never be sub-divided, and second, the property can be sold to an organization for a similar purpose as it is currently being used or for the purpose of one single-family dwelling.

The Messengers of the Organization approved \$1,100,000 of the funds received to be used for improvements to the Skycroft facility, of which all the approved funds have been utilized for this purpose.

On December 30, 2016, the Organization purchased approximately 41 additional acres of land to add to Skycroft for a purchase price of \$325,000. The Organization obtained a note payable in the principal amount of \$276,250, secured by the land, to partially fund the purchase. The note payable requires monthly payments of principal and interest in the amount of \$2,036. The note payable bears interest at a rate of 3.89% per year and matures in December 2031. Interest incurred and paid on the note payable was \$10,652 for the year ended December 31, 2017.

The aggregate maturities of the note payable at December 31, 2017 are as follows:

2018	\$ 14,332
2019	14,907
2020	15,506
2021	16,129
2022	16,777
Thereafter	<u>184,816</u>
Total	<u>\$ 262,467</u>

**Baptist Convention of Maryland/Delaware
2018 Budget Comparison**

Baptist Convention of Maryland/Delaware RECEIPTS	2018 Operating Budget	2017 Operating Budget	2016 Operating Budget
Cooperative Program	3,700,000	3,750,000	3,699,138
North American Mission Board	1,030,000	1,030,000	965,056
Partnerships - State Conventions and Churches	110,000		
LifeWay Christian Resources	60,000	60,000	54,996
Cooperative Gifts	120,000	120,000	50,547
BCM/D Endowment Income	96,000	127,000	96,000
Strategic Resources	54,000	73,000	80,000
Interest Income (Net of Bank Fees)	-9,664	-5,891	-8,904
Baptist Foundation of MD/DE	19,000	19,000	15,000
Skycroft Conference Center			20,000
Reserves	35,000	35,000	
Total Operating Receipts	5,214,336	5,208,109	4,971,833
DISBURSEMENTS	2018 Operating Budget	2017 Operating Budget	2017 Operating Budget
Cooperative Missions			
SBC Cooperative Program	1,754,879	1,612,109	1,556,398
Church Staff Protection	44,000	44,000	37,024
Total Cooperative Missions	1,798,879	1,656,109	1,593,422
Consultant and Staff Benefits			
Consultant and Staff Social Security	71,545	75,380	76,533
Consultant and Staff Annuity	86,847	89,819	114,203
Consultant and Staff Insurance	394,240	392,150	273,870
Consultant Development/Support/Affirmation	15,000	15,000	42,155
Total Consultant and Staff Benefits	567,632	572,349	506,761

Executive Office	2018 Operating Budget	2017 Operating Budget	2016 Operating Budget
Salaries/Housing Allowances	261,225	290,928	247,968
Travel Business/Office/Field Service Expense	47,000	47,000	39,160
Virtual Assistant	36,000		
Event Planner	10,000		
Christian Life and Public Affairs Committee	1,000	1,000	17
General Mission Board Expense	10,000	10,000	12,712
Annual Celebration Expense	55,000	55,000	81,685
Convention President's Expense	1,000	1,000	
Video Production	5,000	5,000	
Website Maintenance/Promotional Support	15,000	16,000	7,455
Database Maintenance	5,000	5,000	2,550
BaptistLife Production	52,000	52,000	46,865
Digital Media Development			14,750
State Missions Offering Promotion	8,000	8,000	3,735
Total Executive Office	506,225	490,928	456,897
Convention Operations Team			
Financial Services			
Salaries/Housing Allowances	167,116	162,145	168,635
Travel Business/Office/Field Service Expense	17,000	17,000	16,967
Accounting Fees	7,000	7,000	5,900
Finance Operations	15,000	15,000	14,578
Stewardship Development	3,000	3,000	
Cooperative Program Development	15,000	15,000	9,965
Capture the Vision	1,000	1,000	53
Planned Giving	2,000	2,000	
Ministers Taxes	500	500	-269

Baptist Mission Resource Center Operations	2018 Operating Budget	2017 Operating Budget	2016 Operating Budget
Salaries	37,889	82,963	80,546
Office Expense	6,000	6,000	2,646
Repairs/Maintenance/Supplies	35,000	35,000	28,910
Electricity	15,300	15,300	12,763
Cleaning	12,000	12,000	9,766
Trash Removal	6,900	6,900	5,570
Condominium Fees	19,980	19,980	19,970
Insurance	38,000	38,000	29,633
Telephone/Internet/Web Hosting	25,000	48,000	43,173
Information Technology Management Contract	23,000	25,200	33,460
Offsite Storage	7,500	7,500	7,352
Equipment Leases	38,300	29,084	16,650
Equipment - Computer and Office	20,000	25,000	16,539
History Committee	500	500	
Attorney Fees	15,000	15,000	14,851
Contingencies	10,000	10,000	5,430
Total Convention Operations	537,985	599,072	543,088
Church Services Team			
Salaries, Travel and Office Expenses			
Salaries/Housing Allowances	470,990	495,995	598,306
Travel Business/Office/Field Service Expense	79,250	97,500	92,471
Evangelism			
Evangelism Team Training and Development	3,000	3,000	
Evangelism Partnerships - Associational	5,000		
Disaster Relief		20,000	15,042
Evangelism	100,000	100,000	80,979

Church Strengthening	2018 Operating Budget	2017 Operating Budget	2016 Operating Budget
Network Connection with Pastors			11,000
Pastoral Services	50,250	65,500	41,136
Church Ministry Services	34,000	41,000	26,006
Church Minister and Relations Services	34,500	34,000	27,888
Equipping Services	24,825	16,000	9,862
Church and Community Missions	9,500	9,500	6,724
Total Church Services Team	811,315	882,495	909,414
Church Planting Team			
Salaries, Travel and Office Expenses			
Salaries	48,800	63,656	95,435
Travel Business/Office/Field Service Expense	22,500	22,500	44,003
Church Planting Field Ministry			
Church Planter Assistance	800,000	800,000	717,624
Church Planting Development	80,000	80,000	50,467
Planter Care	15,000	15,000	24,366
Coaching	26,000	26,000	29,400
Total Church Planting Team	992,300	1,007,156	961,295
Total Disbursements	5,214,336	5,208,109	4,970,877
Over (Under)	0	0	956

2018 Skycroft Conference Center Budget Comparison

SKYCROFT RECEIPTS	2018 Operating Budget	2017 Operating Budget	2016 Operating Budget
General User Fees	1,673,785	1,629,539	1,410,171
Camps	589,000	567,800	608,146
HeBrews Coffee Shop	65,000	55,000	58,659
State Missions Offering	25,000	-	-
Programmed Events	12,000	-	-
Total Receipts	2,364,785	2,252,339	2,076,976
DISBURSEMENTS			
Consultant and Staff Social Security	56,316	54,797	49,183
Consultant and Staff Annuity	43,741	39,342	40,501
Consultant and Staff Insurance	142,907	116,575	113,089
Consultant Development/Support/Affirmation	3,500	3,000	4,051
Total Consultant and Staff Benefits	246,464	213,714	206,824
Skycroft Conference Center Operations			
Salaries	376,702	321,776	288,257
Travel Business/Field Service	3,000	7,787	1,752
Recreational Development	2,000	3,000	
Recreational Supplies	2,000		
Electricity	115,000	106,000	86,612
Propane	95,000	92,500	56,153
Pest Control	15,600	9,000	14,587
Trash Removal	18,000	16,000	18,283
Equipment Replacement/Capital Repair	31,800	25,000	42,256
Insurance	48,000	48,000	42,297
Telephone/Internet/Web Hosting	40,000	52,000	53,749
Owned Vehicle Maintenance	9,500	9,500	7,687
Equipment - Maintenance Equipment	1,000	1,000	32,003
Equipment - Office Equipment	5,000	5,000	473
Facility Supplies	85,000	77,000	80,289
Office Supplies/Postage	22,000	11,000	7,930
Housekeeping Supplies	25,000	22,000	16,118
Reinvestment for Future Improvements	105,000	105,000	105,000
Attorney Fees	5,000	5,000	

	2018 Operating Budget	2017 Operating Budget	2016 Operating Budget
Fees and Permits	3,000	3,500	2,255
Advertising/Promotion	6,000	7,500	4,112
Promotional Material	3,000		
Monthly Programmed Events	6,000		
Mortgage 9606 Frostown Road	25,000		25,000
Property Tax	7,500	8500	7,422
Total Skycroft Conference Center Operations	1,055,102	936,063	892,235
Skycroft Guest Relations			
Salaries	70,344	103,140	87,763
Camps	215,475	226,575	201,247
HeBrews Coffee Shop (Staff and Operations)	39,400	40,000	40,596
Total Skycroft Guest Relations	325,219	369,715	329,606
Skycroft Food Service			
Salaries	230,000	230,000	256,730
Food	471,500	460,000	367,905
Equipment - Kitchen Equipment	9,000	8,500	6,231
Total Skycroft Food Service	710,500	698,500	630,866
Convention Operations Team			
Financial Services			
Salaries	12,500	12,047	4,776
Finance Operations	15,000	22,300	11,789
Total Convention Operations	27,500	34,347	16,565
Total Disbursements	2,364,785	2,252,339	2,076,096
Over/(Under)	0	0	880

2018 State Missions Offering Budget Comparison

RECEIPTS	2018 SMO Budget	2017 SMO Budget	2016 SMO Actual
State Mission Offering	150,000	125,000	113,248
Total Receipts	150,000	125,000	113,248
DISBURSEMENTS			
Cooperative Missions			
State Missions Offering	110,000	125,000	113,248
Total Cooperative Missions	110,000	125,000	113,248
Church Services Team			
Evangelism			
Disaster Relief	40,000		
Total Church Services Team	40,000		
Total Disbursements	150,000	125,000	113,248
Over (Under)	0	0	0

Woman’s Missionary Union of Maryland/Delaware

Melody Knox, WMU Executive Director

2016-2017 Emphasis: By All Means

Watchword: *“I have become all things to all people so that by all possible means I might save some. I do this for the sake of the gospel, that I may share in its blessings.”* 1 Corinthians 9:22).

2016-17 Staff:

Melody T. Knox..... Executive Director
 Gail Noda Ministry Assistant
 Frank Ulmer Camp Wo-Me-To Resident Manager
 Benjamin Block Camp Wo-Me-To Operations Manager
 Debbie Jones Camp Wo-Me-To Secretary

2016-17 WMU Executive Board

President Barbara Matney
 Executive Director Melody T. Knox
 Vice President Dale Jones
 Prayer Coordinator Mary Reeb
 Recording Secretary

Teams

Church Relations Team, Chairperson..... Darline Ballou
 Missions Education Team, Chairperson..... Jancy Glisson
 Camp Wo-Me-To Team, Chairperson Monique Kirkland
 History Team, Chairperson..... Sarah Sheidy

WMU Executive Director Report

As the Executive Director for WMU, I have the honor of encouraging churches to view missions as a lifestyle and not as a program. Gail Noda and the WMU Executive Board continue to assist me in any way they can to keep missions alive and well in our churches.

Camp Wo-Me-To located in Jarrettsville, Maryland, is owned and operated by Woman's Missionary Union, Auxiliary to the Baptist Convention of Maryland/Delaware. Our camp staff is headed by Spirit-filled, missions-minded leaders. Frank Ulmer, Ben Block, Eric & Debbie Jones are very capable in their commitment to serve. Here are some recent improvements/purchases that have been done at Camp Wo-Me-To:

- Fellowship Hall renovated with new cabinets, tile floor and updated walls & ceilings
 - Rebuilt coffee station and desk in Main Hall
 - Handicap restroom completely remodeled and bathroom for meeting spaces has a new ceiling
 - Purchased new copier for the office.
 - Snack Shack renovated (new roofing, siding, windows, doors, trim, walls and shelving
- Our theme for the 2016 Women on Mission Spring Retreat was "*Refuge.*" Our keynote speaker was Kathy Sheldon, president of Pennsylvania/South Jersey convention. Our missionary speakers were Jim & Kim Busching, IMB missionaries who had previously served in Venezuela and would be relocating to Peru as their new assignment by the end of 2016. There were 125 ladies in attendance. We had a season of prayer for the IMB missionaries that were taking the voluntary retirement. Our mission project was to collect an offering for the missionaries five missionary couples that chose the Voluntary Retirement Incentive who had previously participate in assignments in the Maryland/Delaware area. We were able to abundantly bless them with over \$500.00 each with the money collected for this project.
 - Health Kits were collected once again in 2016—ministries were blessed by your generosity of our Maryland/Delaware churches! We received over 1, 250 health kits, from 28 churches in six associations! The kits were distributed to International Student Ministry, the Port Ministry and the Inner Harbor Ministry.
 - Mother/Daughter Weekend attendance was a total of 10 moms and daughters. It was a mini-camp for the girls and moms to experience what the older girls experience from sleeping in cabins to eating in the Dining Hall to Worship, Missions, Bible Study, Missionary, Swimming, Crafts, Hayride and S'mores around a camp fire.
 - Girls Camp 2016 was a blessing from God to all who had a part in the process. The theme was "Run the Race" with the focal verse of 1 Timothy 4:8. There were 61 campers, plus 25 staff members. Gayla Parker was our Camp Pastor and Missionary. She engaged the girls in her work in the Philippians with activities, stories, pictures and songs. Each night she used Bible characters to illustrate TRAIN. T-Trust (Trust with heart, soul and mind), R-Reward (Run for the prize...Jesus), A-Accomplish (His will), I-Inherit the Kingdom of Heaven, N-No Death!!!! (Life Everlasting). During Chapel the last night, Ms. Gayla did a wonderful job of pulling everything together from the week

and point us to the most important decision...Jesus! We had 1 first time commitment and five rededications with two being called into ministry.

- The Annie Armstrong Easter Offering for North American Missions (*Together for His Kingdom*) and the Lottie Moon Offering for International Missions (*the gospel resounds*) materials were mailed to each BCM/D church. Additional materials were mailed upon request.
- Breathless 2016 was held at South Columbia Baptist Church in Columbia, MD. This one day event for women had 100 attendees. Leighann McCoy is an author and speaker who helps women across the nation and overseas develop a never fail faith. LeighAnn is a conference leader for Lifeway Christian Resources and a frequent guest on radio programs. The ladies attended break-out conferences on relevant subjects and missions. We were blessed with Janet Allen and company who led in worship. In addition to attending various breakout sessions, the women purchased items from WorldCrafts which helps sustain women with employment in various countries and attempts to keep women out of prostitution and human trafficking. Our mission project was to donate the money collected at the event to the Roma people in Romania. This money allowed the Roma people to purchase wood to keep warm during the coldest days in that area.

Church Multiplication

Michael Crawford, Church Multiplication Strategist

I want to start by thanking each and every one of you for your prayers, service and sacrifices you have made on behalf of our convention. I'm reminded of Hebrews 6:10, "God is not unjust, He will not forget your work and love you have shown Him as you have helped his people and continue to help them." May the Lord keep you and continue to bless the work of your hands!

Earlier this year, I sat with Steven Foster, a church planter born and raised in Baltimore who is planting a church in Linthicum. As we talked with him, I was reminded of God's call on my life which is to plant churches and invest in young men. I was also reminded of the great need there is to equip and resource men and churches to plant churches. I am thankful for our African American initiative because it helps men like Steven Foster advance the Kingdom of God.

Transitions! That is the best word to describe this year. As many of you are aware, we have had three team members transition from working with us into other areas of influence in the Kingdom.

Marcus and Chrissie Redding relocated to North Carolina to work with their state convention. Marcus will be doing some of the same type of work he was doing here. We will have the privilege of having him continue to work with us on a limited basis throughout the rest of this year, which is a great blessing to us and our planters. Ron Larson transitioned from being the Send City missionary for NAMB to planting a church in Columbia. We appreciate what Ron has done for our planters.

Clint Clifton, the Send City missionary for Washington, D.C., is now functioning in Ron Larson's role here in Baltimore. He is going to bring some amazing things to the table, and we are really excited to be working with him for the foreseeable future. James Choi is our newest church

planting catalyst. James comes highly recommended to us, and we believe he is going to be a great asset to our team and help us increase the health of both church planting and their church plants. Last, but not least, our faithful sister Margot Painter has transitioned into the role of support specialist for our church planting team. Margot brings experience and passion to our team, and we are blessed.

Early in 2017, Dr. Kevin Smith and I visited six regions of our convention to lay out and explain our BCM/D church planting strategy, as outlined in previous pages. We were received warmly and found many pastors excited about our future strategy. We look forward to implementing this strategy and seeing the Lord do amazing things through it!

We believe prayer is our primary strategy, so please continue to pray for us as we solidify many of these changes. Our God is able to do more than we can ask or think!

This year our training for our planters has focused on preaching. We recently held our second round of cohorts as well as another assessment for planters in September. A few weeks ago, we provided an appreciation dinner for our church planting coaches. We are among very few conventions that provide monthly coaching for planters. It's making a big difference.

We are continuing our focus on quality over quantity in church planting. We want to identify, partner, serve and resource existing churches who have a desire to plant a church. We continue to look for church planters who are recognized and sent by a local church. Our passion is to help the local church resource these called, gifted and qualified men. We are excited about our direction and future.

This year, so far, we have seen the Lord plant 20 churches. We also have seven men in the pipeline who are going through the assessment process right now. Church multiplication is in a good place, and we are excited about the rest of this year.

I want to tell you about the Salaam Center in Baltimore. Our Muslim Initiative is important because our convention region receives the second largest number of immigrants in the United States and many of them are Muslims. Pastor Reda Narouz is doing some excellent work in Baltimore reaching Muslims for Jesus. I took my church "d group" (small group☺) there, and we are now prayerfully considering how we are going to come along side of him and partner in serving. I would encourage you to prayerfully consider what, if anything, you or your church could do to help.

The Apostle Paul said, "I have great sorrow and unceasing anguish in my heart" referring to the fact that so many Jews were lost in his day. Brothers and Sisters, I feel some of this. We have the third largest population of Jews in our convention, and I'm burdened to reach them! Rabbi/Pastor Robert Pristoop has been praying and searching for a man to plant amongst the Jews. We have interviewed a few people, but have not found a suitable candidate yet. Please continue to pray for this.

Both Reda and Robert participated in this year's Language Music Celebration, which is held annually on Palm Sunday at Global Mission Church in Silver Spring, Md. Included in this year's event were the following language groups: Bhutanese, Burmese, Central African, Chinese, Filipino, French, Haitian, Hebrew, Hispanic, Japanese, Korean, Middle Eastern, Nepalese, Thai, Vietnamese, and West African. In a departure from previous celebrations, when many of the international groups only led songs that were native to their own cultures and traditions, several of this year's

groups chose songs familiar to all in the Christian faith. This elicited heart-felt worship from the participants!

On Saturday, May 6, we hosted our second annual Special Needs Conference at Cresthill Baptist Church. Please continue to be in prayer that God will inspire, equip and resource our churches to engage and serve those effected by disability and special needs. We are also working with First Baptist Church in Whitehouse, Texas to host a Special Needs conference there. God is moving in mighty ways in our churches and in churches across the United States. I am so grateful our convention is engaging in the noble and godly pursuit of equipping churches to serve, love and be served by people and families affected by disabilities. Thanks for your support, love and prayers in these endeavors.

In September, we hosted a different kind of conference, called the Upper Room, www.upperroombaltimore.org. Dr. Michael Catt of Sherwood Baptist Church and Chief Melvin Russell of the Baltimore City Police Department, along with some other gifted men and women, led the conference, whose primary purpose was prayer, not speaking. The majority of the time was spent to prayer. It was powerful.

Psalm 46:10-11, "Cease striving and know that I am God; I will be exalted among the nations, I will be exalted in the earth. The Lord of hosts is with us; The God of Jacob is our stronghold." Let's keep praying!

Church Strengthening, Equipping and Encouraging

Randy Millwood, Church Strengthening Strategist

Church Strengthening:

The Church Strengthening Team (CST) of our Baptist Convention of Maryland/Delaware seeks to help local churches glorify God by making disciples of Jesus Christ in the Presence and Power of God's Holy Spirit. We long to see the Great Confession, the Great Commission, and the Great Commandments become a great, living reality among the churches of BCM/D.

In 2017, our focus has been on helping churches in three primary areas: Ministers, Ministries, and local Missions. This we do by helping churches address:

- **Discipleship Pathways** (the whole journey from first contact to the increasing image of Christ...personally and congregationally)
- **Church Revitalization** (local churches who are multiplying disciples, multiplying servant leaders, multiplying groups, and ultimately multiplying congregations)
- **Groups** (building-based, home-based, market-based, formal, informal, etc.)
- **Equipping Leaders** (development strategies that we host, partner, facilitate, etc.)
- **Coaching Pastors/Pastoral Staff** (ongoing covenanted relationships, driven by the pastor/staff agenda and the mission of Christ for a local church)

Over the course of 2017 the CST has been in meaningful contact with approximately 70% of the supporting and participating BCM/D churches. These contacts have included ongoing coaching, customized equipping events, consulting, long-term relationships for Church Revitalization, development of discipleship pathways, assisting churches who are between pastors, building up existing and new local church leaders, and a host of other church strengthening services.

During the first quarter of 2017, the CST hosted and participated in an in-depth coach training event facilitated by Blackaby Ministries International, preparing almost 40 church leaders from 35 different churches to practice coaching skills as a way of developing disciples of Jesus and new leaders. Our Transitional Interim Pastors continued to learn from one another and invest in our churches. A new informal approach to connecting and caring for pastors' wives was launched. Through a new partnership with Renovate Conference, we are offering interested BCM/D pastors a one-year subscription to Church Revitalizer Magazine. New and returning leaders for VBS ministries were trained across the region.

In early May, a Worship Team Boot Camp was held at Dunkirk Baptist Church, involving six area churches. These boot camps encourage worship team health, provide practical training, and introduce participants to the grander world of worship. Follow up includes coaching for worship teams regarding their unique next steps. Tools for assisting smaller churches have become an emerging focus of these trainings.

Having equipped hundreds of leaders for summer children's ministries through the late winter and spring, the summer represented a season of harvest among our churches. Vacation Bible School now comes in many forms --- the traditional VBS by the week or weekend, or one day each week all summer; local Sports Camps; local Art and Music Camps; BackYard Kids Clubs... and so many other unique expressions.

During the summer, we had churches hold summer children's ministries that had not done so in more than a decade, new churches trying new approaches, and churches who have held traditional VBS in the past, spreading their wings to experiment with new ideas. The summer season continues to be an effective time of reaching outside of our walls and into the community so that many may come to know JESUS. The result for our BCM/D churches is the launch of Fall programs with new leaders, refreshed returning leaders and inspired kids...all because of their summer experiences in VBS and beyond!

On the other end of the spectrum of our work are those churches/leaders experiencing endurance and stretching seasons of faith. Tom Rodgerson worked with dozens of pastors, planters and their spouses through the year. In addition, he was invited to lead a series of meetings helping a local congregation deal with grief due to multiple losses for the church and for individuals of the church, over the last year.

Dr. Rodgerson was also part of a team of BCM/D consultants (including Doug DuBois, Ellen Udovich and myself) who helped Redland Baptist Church launch their new year through a series of four, joint adult Sunday School sessions (called Sunday School Merge) dealing with spiritual habits, an outreach lifestyle, active service and relational health.

Our summer camps included seven BCM/D churches, with 32 boys, joining other evangelical congregations for Boys Camp, 2017 (64 boys in all). This year's theme for the boys was God's Battle Plan.

The Girls Camp theme was Diving In, and included 96 girls (a 20% increase from summer, 2016). Lynn Davis, retired missionary from resort ministry in Ocean City, was camp missionary and chapel speaker. There were six professions of faith and two who expressed a call to missionary service. If you would like to see pictures, visit this Facebook page: MD/DE WMU Girl's Camp.

Examples of our commitment to GROUP ministries in our local churches include a recent event at Welsh Church in Frostburg where GROUP leaders from six BCM/D congregations joined together for an evening of re-centering on what the work of a GROUP truly is, and the assessing and equipping of GROUP leaders of Deep Creek Baptist Church, along with specific goal setting, growing out of the event at Welsh.

A Lead Like Jesus Leadership Encounter impacted three of our churches near Ocean City, another equipped leaders in Frederick, and one more this year already has pre-registered leaders from multiple churches along with the mayor of the city where the host church is located! These life-changing events challenge people to lead as Jesus would if He were living life in their family, at their job, and in/through their Church.

Two opportunities (September 13 and 14) to explore Situational Leadership II in one-day events were held (Derwood, Md. and White Marsh, Md.) as part of our Healthy Leaders for Healthy Churches leadership development series. In partnership with Dogwood Leadership, we will be hosting continuing education/growth opportunities for pastors/leaders over the next three years!

Our Transitional Interim Pastors (T.I.P.) gathered in mid-September for their next Best Practices luncheon. One of the most significant revitalization opportunities for a local Church is during their season of interim – a chance to celebrate and/or confess matters of the past, take a fresh look at our current health, and see our mission field as it actually is today. The men of our T.I.P. team help our churches to do these and other uniquely interim kinds of things.

The 2018 AWAKEN (Church Revitalization) cohort is now open for registration. If your church is on a plateau or early in decline, there is no time like the present to schedule space in your life and calendar to learn, hear from God, set new objectives and partner with God's Spirit to reverse the trend!

As always, the true heroes and real equippers of our state convention are our pastors and church leaders. A key role the CST plays is connecting churches to churches for Kingdom of God impact across the region. During the year, those stories have included connecting a Delaware church with a Baltimore City church for ongoing relationship and fiscal support; connecting a Glen Burnie church (with extra preschool resources due to a renovation) with a Westernport church (with incredible opportunity and need in that very area); and connecting the expertise and experience of a Frostburg pastor and an Indian Head pastor with six pastors from around the state convention, who are in our second BCM/D contextualized Southeastern Baptist Theological Seminary (SEBTS) D.Min. cohort!

The ongoing work of resourcing pastors and key leaders, serving churches in conflict, and providing pastoral care for ministers in crisis continues. Toward that end, our team has been fast at work to respond to those requests as they come to us.

In 2018, expect to enjoy some of these church strengthening conferences and retreats: Restore My Soul retreats; Healthy Leaders for Healthy Churches leadership development series; the DREAM Church Conference, in partnership with Oak Ridge Baptist Church, Salisbury; a Pastor Date Night and a Pastors Essentials conference, in partnership with LifeWay Christian Resources; and so much more!

Also in 2018, the Church Strengthening team will fall under the larger umbrella of Church Services, to include Church Strengthening, Community Engagement and Disaster Relief.

Community Engagement

Ellen Udovich's role as Community Engagement Consultant is to help churches make disciples--people who are growing to look more and more like Jesus.

Matthew 9:36 tells us that when Jesus saw the crowds, He had compassion on them. How do we follow Jesus into those fields of hurting people and twisted up situations?

The most difficult step in engaging our community is that critical first step of discovering who exactly is "our community" and what would "compassion" look like in this setting? Who lives, works, studies or plays in this community? What are their needs and burdens? What are their hopes and fears? What assets and potential partners has God already sown into this community? What's God already doing here and what is He now inviting us to do?

Once we have heard God's voice clearly, the rest is easy (well, at least easier). We're here as a resource to help you with that discernment process as well as the next step of developing effective strategies to do what you've heard God calling you to do. If God put immigrants and refugees on your heart, compassion might look like ESL ministry, citizenship classes or helping the Salaam Center. If God is breaking your heart for children, compassion might look like afterschool tutoring, mentoring, foster care, backpacks full of food for the weekend. Compassion might look like ministry to those who are hungry, homeless, illiterate, trapped in poverty, trapped in domestic violence, trapped in human trafficking. Once you've heard God's voice, we can help you build and implement your strategy to follow that calling.

For example, this past year, our annual Ports of Call ministry conference for older adults was held at Skycroft with 19 BCM/D churches participating. In addition to equipping sessions, participants engaged in hands-on ministry work in Frederick and Hagerstown. In addition, four BCM/D churches (and three non-BCM/D churches) participated in the summer 16-hour ESL Basic Workshop held at First Baptist Church of Laurel, equipping new volunteers to serve in English as a Second Language ministries.

Our commitment to church/school partnerships continued as we launched a pilot project in Baltimore to assist churches in starting and strengthening ministry to their neighborhood public schools.

As followers of Christ, we can impact our communities by putting the gospel into action: serving our neighbors with compassion, building real relationships and sharing the hope we have in Christ. Some of those we serve will choose to follow Christ and become disciples. And as we serve, we ourselves become more like Christ--disciples growing together into stronger, healthier, more vibrant congregations.

Disaster Relief

As Maryland/Delaware State Director of Disaster Relief, Doug DuBois has had a particularly busy season in the aftermath of Hurricanes Harvey, Irma and Maria.

Here is a summary of the incredible amount of work that is taking place:

First, Hurricane Harvey, Texas. Maryland/Delaware Baptists quickly responded in the wake of "the worst disaster" to hit Texas by generously donating materials for crisis buckets and hygiene kits as well as donating financially to help disaster relief teams address needs. In addition to financial donations, the BCM/D had set up three collection centers for material donations, which

were delivered to Fredonia Hill Baptist Church in Nacogdoches, Texas, a partner SBC church who regularly brought supplies into the areas devastated by the storm.

Presently, Disaster Relief teams are wrapping up initial efforts, but there are still opportunities for teams to go to Texas to do mud-out and recovery for the coming months in Houston, Vidor, and Groves. After this, teams will go into the long-term rebuild stage of recovery. Local church mission teams can consider going down and partnering with local churches in those same areas.

Next, Hurricane Irma, Florida. Maryland/Delaware Disaster Relief volunteers deployed to Immokalee, Fla., in a successful partnership with the North American Mission Board's Send Relief and First Baptist Church, Immokalee. Over 70 volunteers representing all of our 11 associations served on site. BCM/D DR was able to deploy four recover units, a shower unit, laundry unit, and a feeding unit. BCM/D will continue to partner with the FBC, Immokalee, to assist them as they help their community through the rebuilding process. As it turns out, God had already established a connection with First Baptist Church of Immokalee. They are the sending church for Restoration Church, in Towson, Md., where Chris Pugh is planter!

In a video, First Baptist, Immokalee, Pastor Timothy Pigg thanked Maryland/Delaware Baptists for giving to the Cooperative Program.

"Because you have done that, your state convention has been able to help us out at First Baptist, Immokalee, in a great way. You provided for us supplies, manpower... the resources we need to begin to grow, repair and recover from the disaster of Hurricane Irma." Pigg shared that with our help, over 200 volunteers distributed supplies of water and food to people in 550 cars plus the over 150 who walked to the church. "There was one time that the car line was completely out of town," Pigg said. "It was incredible, and it could not have happened without your churches partnering with us to accomplish that."

After the initial distribution, the church and DR volunteers have systematically gone from door-to-door, asking how to serve them. They've covered damaged homes with tarps, cleaned up debris, and have done some mudout and various rebuilding projects already. They've also done a lot of spiritual work.

Rick Merritt of Lynnhaven Baptist Church shared Christ with Jose (last name unavailable), a Florida resident affected by Hurricane Irma. Jose had walked by the trailer where Merritt was working.

"You're the Christians who are working on the houses?" Jose asked him. "Yes, we are!" Merritt responded, asking Jose if he knew Jesus. "No, I am a sinner," Jose replied.

"We're all sinners," Merritt explained. After asking questions about not being clean, Jose prayed, accepting Jesus into his life. "He says he'll be at the church Sunday morning. Praise God!" Merritt said.

As of mid-October, the official Disaster Relief response is winding down across the state, and long-term rebuild is in focus. Maryland/Delaware congregations are invited to do mission trips to the "Sunshine State" to assist in rebuild projects, with churches such as Goodland Baptist Church and First Baptist Church of Immokalee, among others.

Lastly, Hurricane Maria, Puerto Rico. Deploying in Puerto Rico has been logistically challenging due to the amount of devastation caused by the storm. As of mid-October, there are more than

14,000 federal staff including more than 800 FEMA personnel, on the ground in Puerto Rico and the U.S. Virgin Islands. The Governor of Puerto Rico has established Regional Staging Areas around the island, serving all 78 municipalities. The National Guard is delivering supplies to the regional staging areas around the island.

So, where does this leave BCM/D DR when it comes to the Caribbean? BCM/D DR had volunteers, as part of a team from Region 1 (Virginia through the Northeast conventions), to assist in distributing resources and food. We are working, along with our Region 1 partners, to adopt a zone of the island for an extended period as a mission opportunity. This could allow congregations to go on mission trips to assist local church planters as they work throughout their community. Stay tuned for more information, as this is still in development.

Those who are interested in any of these efforts can go to the BCM/D's DR website, <https://md.disasterreliefonline.com>, where they can sign up under the upcoming deployment page. Those interested in giving financially to assist these efforts can donate online at www.bcnd.org/give. Consistent updates about disaster relief also are available.

Convention Operations

Tom Stolle, CFO/COO

In 2017, the Convention Operations Team was comprised of the Finance Office, Baptist Mission Resource Center Operations, Evangelism (Engagement and Training), and Skycroft Conference Center and was responsible for the following efforts:

Finance Office

Bookkeeping Services—Beyond the scope of finance day-to-day operations, this office has been providing bookkeeping services to the Mid-Maryland Baptist Association (MMBA) beginning January 1, 2017. This allows the association to allocate a greater portion of their resources toward ministry to their member churches and results in a cost savings. Feedback received from Rev. Gary Glanville, MMBA Director of Missions, has been extremely positive. In addition to providing this support, the Finance Office provides financial accounting services to the Baptist Foundation of MD/DE and the Rivers Corporate Park condominium association (an association that includes the BCM/D as a member). Our office is willing to partner with other local associations to provide these services, if requested.

Cooperative Program (CP) Promotion—It is imperative that we continue to educate our churches about the value and purpose of the Cooperative Program. In March, all affiliated churches received a Cooperative Program poster which explained how CP works, including the various ministries which are supported by these contributions. In addition, Cooperative Program materials were mailed in September to requesting churches.

Education—Education continues to be a focal point with a variety of seminars offered. Financial stewardship seminars continue to be made available to our churches, presenting biblical principles for giving and money management. Multiple churches have participated in ministers' tax training seminars. Seminars providing helpful information to church pastors, treasurers, and other church leaders concerning establishing and maintaining a system of

internal control, better safeguarding of church assets, preparing a church budget, and planned giving options are available. Meetings with individual churches on request are routinely available throughout the year to assist our churches with these important issues.

Classroom Renovation—Renovation on the classroom has begun. Furniture has been replaced, giving the room more of an informal feel. Technology has also been upgraded. The room will ultimately showcase our missions and ministries to those who visit.

Security—Deadbolt locks have been added and our cameras underwent maintenance.

Patio—We will continue to upgrade the patio connected to the kitchen. It will be an inviting space for both staff and visitors.

Skycroft Conference Center

Camps and Related Partnerships—

2,070 young people attended seven weeks of camp (three weeks were teenage camp and four weeks were children’s camp).

These decisions were recorded:

- Salvations: 36
- Rededications: 116
- Decisions to be baptized: 35
- Desire to be discipled: 153
- Ask for emotional healing: 105
- Ask for physical healing: 16

Skycroft utilized eleven summer interns for ten weeks, working as summer camp staff and leading VBS and outreach activities for twelve churches. To accommodate the summer staff, the newly acquired property at the Frostown Road entrance was renovated, allowing Skycroft to retain summer camp staff for the entire summer. This staff assisted churches within proximity of the campus with their VBS and outreach events. Skycroft has partnered with the Kentucky Baptist Convention (KBC) to provide the summer camp program, Bible study and promotional material for both this year and future years. KBC has not requested any reimbursement for the program and are willing to offer us future assistance. Skycroft has also partnered with Southeastern Seminary to receive speakers and worship teams for our camps this year and in the future. Skycroft will assist as Southeastern launches a ministry team department, introducing our region to potential worship leaders and pastors from our seminaries.

Evangelism (Engagement and Training)

Coaching and Ministry Tools—Doug DuBois continues to assist individual churches on a “one-on-one basis” throughout our convention. In the spring, John Meador from First Baptist Church, Eules provided two days of evangelism training. This training was hosted by Skycroft Conference Center. We plan to offer that training again in the future, perhaps closer to Baltimore, allowing for a greater number of church planters and bi-vocational pastors to attend.

Disaster Relief (DR)

Hurricane Response—Doug DuBois, in his role as state director of disaster relief, has organized responses to Hurricane Harvey in Texas, Hurricane Irma in Florida and Hurricane Maria in Puerto Rico. He oversaw deployments to the community surrounding First Baptist Church, Immokalee, Fla., where volunteers have worked in the feeding, shower, laundry and recovery units, placed tarps on residents' homes, cleaned debris and performed other recovery projects, and most of all, shared about Jesus. This work is ongoing. Generous donors throughout Maryland and Delaware have given to support these efforts in the areas affected by these destructive storms.

Volunteer Leadership Structure—Beginning in January, Disaster Relief began a reorganization of the volunteer leadership structure. A six-member regional leadership team will oversee trainings, budget expenditures, and recruitment in Disaster Relief. Training in FEMA/Disaster Relief Incident Command is required to supervise any emergency or crisis that might arise in our region. Doug DuBois will support the leaders that come from within our local churches as they spearhead the direction of disaster relief.

Transition/Ownership of DR Units—The transition of our state convention owning and maintaining DR units has begun. Hopefully, this assists in removing the financial burden residing with local associations. The state convention has purchased the feeding unit from the Eastern Association, partnered with Ocean City Baptist Church in purchasing a shower unit, and has added a new chainsaw/flood recovery unit.

Database—We have partnered with the Baptist Convention of Pennsylvania/South Jersey in acquiring a DR database which was operational by May 15. This will improve our understanding of our volunteer base and will provide a tool for communicating and deploying our volunteers.

Training—Standardized disaster relief training for leaders is being developed. Introductory classes will be placed in a video format making it more convenient for potential volunteers. The training is taking place via partnership between BCM/D and the SBC of Virginia. The video classes were implemented in August before hurricane season.

Training also includes “drills” or “exercises.” We deployed on March 21st to feed attendees of the Potomac Baptist Association Launch Night. BCM/D Disaster Relief partnered with New Harvest Baptist Church and Raceway Ministry to supply meals for race fans at the Dover NASCAR race in June. In August, Disaster Relief joined in with the State of Delaware to participate in a state-wide exercise simulating the aftermath of a category three hurricane landfall. On September 15-16, the BCM/D hosted Naomi Paget for chaplaincy CISM (Critical Incident Stress Management) training at South Columbia Baptist Church. Through this training, Disaster Relief workers earned CISM certification and will then assist in training and sharing the Gospel during disasters and crisis situations.

Baptist Foundation of Maryland/Delaware, Inc.

Bill Peacock, President; Tom Stolle, Director

The Baptist Foundation of Maryland/Delaware works to advance the message of the Gospel through the prudent management of endowments that benefit Baptist work in Maryland/Delaware and around the world. We also provide loans to our affiliated churches and associations.

The Foundation currently manages assets of approximately \$11 million dollars (\$7.9 million in the Endowment Funds and \$3.1 million in the Church Loan Funds). Significant growth in the amount of managed assets has occurred from \$3.8 million in 1991.

For the fiscal year ended September 30, 2017, the Foundation distributed approximately \$389,712 to Southern Baptist and Baptist Convention of Maryland/Delaware mission causes from the Endowment Funds.

Through the Foundation's Church Loan programs, 17 churches affiliated with the Baptist Convention of Maryland/Delaware are being assisted with approximately \$2.3 million dollars in loans. The advantages of these church loans are favorable interest rates and low closing costs. In addition to the above referenced distribution, the Foundation makes a distribution annually to the Baptist Convention of Maryland/Delaware to be used to start churches and to strengthen existing churches. The distribution to be made for the fiscal year ended September 30, 2017 totals \$106,225.

The Baptist Foundation is now positioned to manage endowment funds for churches while saving them money on administration. Even churches with modest investment needs may take advantage of the same discounts offered to multimillion dollar investors simply by using the services of the Baptist Foundation. We encourage churches to partner with us to create Heritage Funds to ensure funding for their future ministry efforts.

The Baptist Foundation continues to educate our churches in estate planning. If your church is interested in learning more about the Foundation, a representative of the Foundation will be pleased to provide additional information. You may also learn more about the Foundation by visiting <https://bcmd.org/what-we-do/baptist-foundation>. From here, you can learn more about the Foundation's church loan, estate planning, and planned giving programs as well as view the most recently available audited financial statements.

The Lord has truly blessed the Kingdom work of our Foundation and Convention. We look forward to continuing to serve Maryland/Delaware Baptists in the same trustworthy manner as our predecessors.

