



Third Quarter Management Report  
**Baptist Foundation of Illinois**  
September 30, 2018

## Executive Summary

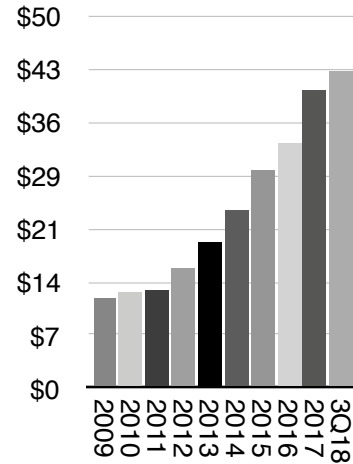
### Administrative Overview

⌘ Total Funds Under Management (TFUM) is a key metric that we track quarter over quarter. At the end of the third quarter of 2018 (3Q18), TFUM rose to \$42.69 million. The chart at right places this figure in historical context since 2009.

⌘ During the third quarter, BFI began a stewardship campaign for the Steeleville Baptist Church to support their campus expansion in 2019.

⌘ BFI posted its first ever quarterly operating gain of \$10,821.70, reducing the annual loss to \$27,850.90.

⌘ Early in 2019, we anticipate again utilizing the services of OneMission.TV to create and launch a new “explainer” video which outlines the overall mission of BFI. Look for this launch in 1Q19 which can be used to quickly orient a church or individual to the overall ministry.



### Life Stewardship

Through three quarters of 2018, BFI has continued to work with families to establish Christian Estate Plans. Year to date, BFI has worked with 12 more families. Collectively, their anticipated charitable giving will exceed \$10.7 million.

### Educational Scholarships

BFI is continuing to progress in its partnership with both IBSA Church Planting and Hannibal-LaGrange University to provide enhanced support for an exceptional candidate who anticipates planting in Illinois. Our early conversations with both of these partners has been positive and we look forward to sharing additional information soon.

Also, at [BaptistFoundationIL.org](http://BaptistFoundationIL.org), BFI has just released an introductory video featuring past recipient and church planter, Josh Crisp. We anticipate sharing this video at both the annual state association meeting and in churches this fall. We also anticipate a shortening of the application season for 2019.

### Custodial Investing

During the third quarter, BFI added to its custodial offerings an opportunity for equity exposure. This fund will track a basket of value equities and adds a measure of diversification for both individual, institutional, and endowment investors. Details of this exposure can be seen on our Custodial Funds Abstract as updated monthly at [BaptistFoundationIL.org](http://BaptistFoundationIL.org). I've placed a table below that I hope will prove helpful to understand the diversity of account types, which of course drives both management and

	# Accounts	Balance
<b>Custodial</b>		
<b>CBL Term</b>	68	\$2,451,349
<b>BFI Bonds</b>	498	\$9,047,096
<b>ORG LTFI</b>	58	\$10,472,437
<b>IND LTFI</b>	10	\$3,114,091
<b>Cash</b>	282	\$753,859
<b>Gift</b>		
<b>Endowment</b>	225	\$6,284,587
<b>DAF</b>	8	\$51,270
<b>Charitable Trusts</b>	28	\$3,885,048
<b>Total Accounts</b>	1177	

strategic decision making. Currently, BFI manages almost 1200 accounts of varying types.

*Church Legacy Program*

BFI has continued to receive churches into its Church Legacy Program. Further, we are extremely pleased with recent developments in our re-plant efforts in many locations. The CLP is really a testimony to forging partnerships among the various segments of the Baptist Family. Of course, IBSA church planting plays a central role, but we are also working with Campers on Mission and Disaster Relief across Illinois. Additionally, Gragg Stacy’s inspection business continues to be a valuable partner identifying maintenance issues before they become critical. And I can’t forget

the crucial role that local associations play in this effort. In almost every case, associations like Nine Mile, Metro Peoria, Gateway, and MEBA have played a crucial supportive role in helping us “carry” the building and encouraging a ministry replant.

As of this writing, 21 congregations have gone through BFI’s Legacy Program, preserving and celebrating what God has done and preparing for His next great work through these church resources. The names should be remembered: **FBC Fisher; Grace Fellowship, Panama; Redemption City, Woodstock; First, Paxton; Paradise, Tamaroa; Willisville Missionary; First, Okawville, Harrison, Murphysboro; Allen Park, Galesburg; Maranatha, Poplar Grove; Eagle Summit, Colona; Lamom Ave, Chicago; Emmanuel Community, Pekin; First, Valmeyer; Immanuel, Pana; Galena Road, Peoria Heights; Harmony, Medora; First, St. Elmo; First, Boody; Sublette Union, Sublette; Living Stones, Belvidere.**

	<b>3Q18</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
BFO 1 MONTH (EFFECTIVE SEPT)	1.80%	1.55%	1.07%	0.75%	0.73%	0.96%	1.02%	1.73%	1.9%
BFO 6 MONTH (EFFECTIVE SEPT)	2.05%	2.01%	1.59%	1.29%	1.11%	1.32%	1.38%	2.13%	2.44%
BFO 9 MONTH (EFFECTIVE SEPT)	2.25%	2.22%	1.84%	1.61%					
BFO 1 YEAR (EFFECTIVE SEPT)	2.50%	2.40%	2.14%	1.93%	1.71%	1.87%	1.92%	2.89%	3%
BFO 2 YEAR (EFFECTIVE SEPT)	2.85%	2.72%	2.55%	2.38%	2.33%	2.45%	2.31%	3.67%	3.73%
BOS CASH MANAGEMENT	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.6%	1.2%	NA
STAN CRUT ACCOUNT (TR - GROSS)	0.74%	2.09%	18.63%	2.89%	18.63%	-4.58%	10.5%	NA	NA
NICRUT ACCOUNT (YIELD - GROSS)	6.07%	6.22%	5.82%	5.60%	5.59%				
IND LONG TERM FIXED INCOME (YIELD -GROSS)	5.93%	6.04%	6.05%	6.3%					
ORG LONG TERM FIXED INCOME (YIELD -GROSS)	6.14%	5.98%	6.09%	6.2%	6.15%	6.21%	8.1%	NA	NA
ENDOWMENT (YIELD - GROSS)	6.02%	6.07%	6.05%	6.0%	6.01%	5.94%	4.96%	NA	NA
BFI BOND YIELD				--	3.25%	3.00%			
ONE YEAR BFI BOND	1.25%	1.25%	1.25%	1.25%					
TWO YEAR BFI BOND	2.25%	2.25%	2.25%	2.25%					
THREE YEAR BFI BOND	3.0%	3.0%	3.0%	3.0%					
FOUR YEAR BFI BOND	3.6%	3.6%	3.6%	3.6%					
FIVE YEAR BFI BOND	4.25%	4.25%	4.25%	4.25%					

We remain delighted to serve Illinois Baptists as we encourage one another. This partnership for the Gospel, expressed in the great stewardship of God's people, is a high honor – and we are grateful for your confidence.

Delightfully submitted,

A handwritten signature in blue ink, appearing to read "L. D. Morrow, Jr.", is positioned above the typed name.

Larry Douglas (Doug) Morrow, Jr.  
Executive Director