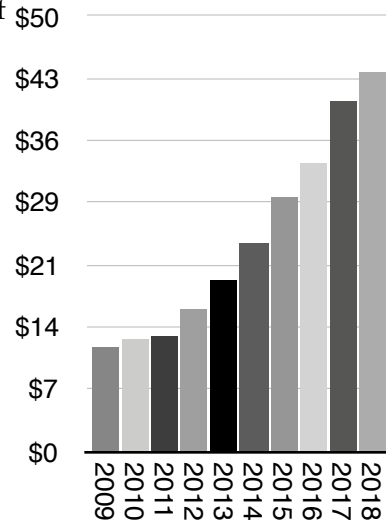




Fourth Quarter Management Report
Baptist Foundation of Illinois
December 31, 2018

Executive Summary

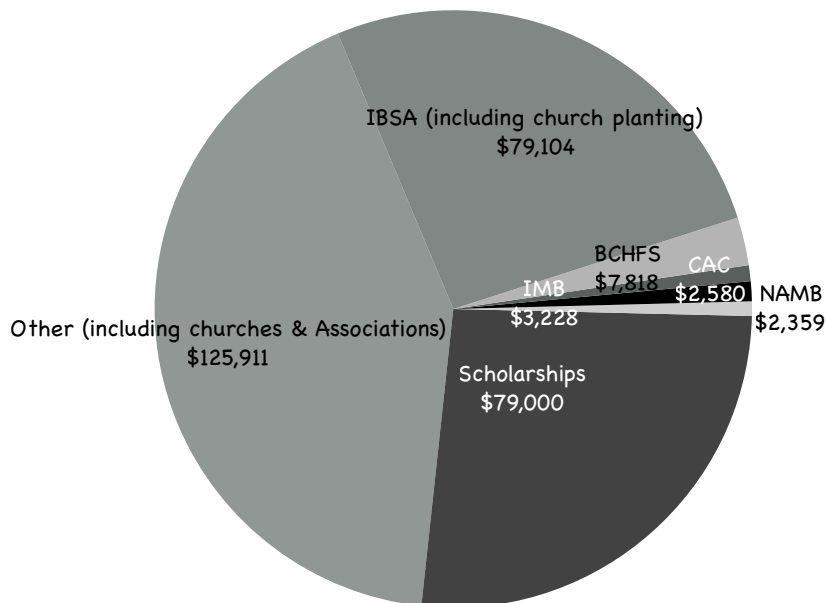
☞ Total Funds Under Management (TFUM) is a key metric that we track quarter over quarter. At the end of the fourth quarter of 2018 (4Q18), TFUM stood at \$43.51 million. The chart at right places this figure in historical context since 2009.



☞ Plans continued to add an online estate planning component through FreeWill.com. IBSA and BCHFS have agreed to serve as partners in this initiative. It is anticipated that this product will “go live” in the first quarter of 2019.

☞ BFI ended the year with positive cash flow of \$32,324.98 due to IBSA’s gift of \$36,000 later in the quarter. In 2019 this gift is scheduled to be reduced to \$18,000.

☞ During the year, BFI generated endowment interest and custodial interest of \$1,310,082 using operational cash of \$207,050. Additionally, Charitable Gift Expectancy of more than \$12 million was generated. The chart below provides an indication of organizations supported by BFI during the year and the proportionate share of \$295,936.



Accounts & Returns

	# Accounts	Balance
Custodial		
Church Building Loan Term	73	\$2,582,225
BFI Bonds	501	\$8,994,678
Organizational LTFI	59	\$10,846,190
Individual LTFI	50	\$3,767,637
Cash	267	\$1,016,195
Gift		
Endowment	227	\$6,346,108
Donor Advised Funds	9	\$72,054
Taxable Trust	1	\$1,897,060
Charitable Trusts*	26	\$3,684,871
Total Accounts	1213	

*Composed of 6 subtypes

	2018*	2017	2016	2015	2014	2013	2012	2011	2010
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 (STANDARD CHARITABLE REMAINDER UNITRUST, REPORTED AS NET TOTAL RETURN)	-2.77	2.09%	18.63%	2.89%	18.63%	-4.58%	10.5%	NA	NA
NICRUT ACCOUNT (NET INCOME CRUT, REPORTED AS NET YIELD)	5.23%	6.22%	5.82%	5.60%	5.59%				
IND LTFI (INDIVIDUAL LONG TERM FIXED INCOME, REPORTED AS NET YIELD)	5.29%	6.04%	6.05%	6.3%					
ORG LTFI (ORGANIZATIONAL LONG TERM FIXED INCOME, REPORTED AS NET YIELD)	5.47%	5.98%	6.09%	6.2%	6.15%	6.21%	8.1%	NA	NA
ENDOWMENT (REPORTED AS NET YIELD)	5.40%	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%					

*Please note that BFI has changed our reporting format beginning with 4Q18 to display estimated NET yield to maturity. This number, notwithstanding timing or deployment issues, should be an accurate predictor of yields for a moving twelve month window. Prior to this change, yields were reported gross of fees and amortization.

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 placed on a light gray rectangular background.

Larry Douglas (Doug) Morrow, Jr.
Executive Director