

**INDEPENDENT ACCOUNTANTS REPORTS**

**Funds administered by the  
Great Plains United Methodist Conference  
Council on Finance and Administration**

**CONSOLIDATED FINANCIAL REPORT  
December 31, 2019  
GREAT PLAINS ANNUAL CONFERENCE**

**GREAT PLAINS CONFERENCE**  
**Audit**

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**Independent Auditor's Report**

Council on Finance and Administration and the Conference Treasurer  
The Great Plains Annual Conference of The United Methodist Church

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of The Great Plains Annual Conference of The United Methodist Church, which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements). Management's Responsibility for the Financial Statements Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Great Plains Annual Conference of The United Methodist Church as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on Pages 31 through 38 is presented for purposes of additional analysis and is not a required part of the financial statements. 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 information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*RSM US LLP*

Kansas City, Missouri

May 29, 2020

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**The Great Plains Annual Conference of The United Methodist Church**

**Consolidated Statements of Financial Position  
December 31, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 7,656,731	\$ 6,997,871
Receivables	1,537,784	1,492,785
Current portion of pledges receivable	500	27,875
Prepaid expenses	140,554	127,422
<b>Total current assets</b>	<b>9,335,569</b>	<b>8,645,753</b>
Investments	83,880,609	68,056,654
Pledges receivable, less current portion	258,771	690,948
Property and equipment, net	12,807,653	13,150,943
Assets held for sale	254,459	2,391,582
Overfunded postretirement benefit obligation	2,162,215	1,516,844
<b>Total assets</b>	<b>\$ 108,699,276</b>	<b>\$ 94,452,724</b>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 1,437,868	\$ 1,354,225
Accrued expenses	466,898	371,790
Current portion of long-term debt	52,018	114,771
<b>Total current liabilities</b>	<b>1,956,784</b>	<b>1,840,786</b>
Long-term debt, less current maturities	345,216	1,572,097
<b>Total liabilities</b>	<b>2,302,000</b>	<b>3,412,883</b>
Net assets:		
Without donor restrictions	90,585,203	77,139,233
With donor restrictions	15,812,073	13,900,608
<b>Total net assets</b>	<b>106,397,276</b>	<b>91,039,841</b>
<b>Total liabilities and net assets</b>	<b>\$ 108,699,276</b>	<b>\$ 94,452,724</b>

See notes to consolidated financial statements.

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**The Great Plains Annual Conference of The United Methodist Church**

**Consolidated Statement of Activities**

**Year Ended December 31, 2019**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support, revenues and gains:</b>			
Mission share revenue	\$ 12,304,368	\$ -	\$ 12,304,368
Conference advance gifts	25,474	957,186	982,672
Special Sunday offerings—conf. share	-	42,609	42,609
Gifts and grants	1,833,905	1,252,079	3,085,984
Mission agency support	-	1,058,907	1,058,907
Pension and health income	4,016,247	-	4,016,247
District mission share	-	212,379	212,379
<b>Total contributions</b>	<b>16,179,894</b>	<b>3,523,372</b>	<b>21,703,266</b>
Program service fees	1,784,891	-	1,784,891
Net investment gain	13,687,213	1,839,336	15,526,551
Loss on sale of property, equipment, and assets held for sale	(28,075)	-	(28,075)
Other income	477,780	29,480	507,270
<b>Total support, revenues and gains</b>	<b>34,081,703</b>	<b>5,392,200</b>	<b>39,473,903</b>
<b>Release of net asset restrictions:</b>			
Satisfaction of purpose restrictions	3,480,735	(3,480,735)	-
<b>Total support, revenues, gains and release of net asset restrictions</b>	<b>37,582,438</b>	<b>1,911,465</b>	<b>39,473,903</b>
<b>Expenses and losses:</b>			
<b>Program services:</b>			
Episcopal office	3,841,762	-	3,841,762
Pension and health expense	3,125,690	-	3,125,690
Clergy excellence	1,579,548	-	1,579,548
Congregational excellence	5,779,887	-	5,779,887
Mercy and justice	2,422,544	-	2,422,544
Other conference ministries	2,272,056	-	2,272,056
<b>Total program expenses</b>	<b>19,021,487</b>	<b>-</b>	<b>19,021,487</b>
<b>Supporting activities:</b>			
Administrative	4,542,041	-	4,542,041
Fundraising	102,382	-	102,382
Impairment loss	450,558	-	450,558
<b>Total expenses and losses</b>	<b>24,116,468</b>	<b>-</b>	<b>24,116,468</b>
<b>Change in net assets</b>	<b>13,445,970</b>	<b>1,911,465</b>	<b>15,357,435</b>
Net assets, beginning of year	77,139,233	13,900,666	91,039,841
Net assets, end of year	<b>\$ 90,585,203</b>	<b>\$ 15,812,073</b>	<b>\$ 106,397,276</b>

See notes to consolidated financial statements.

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### The Great Plains Annual Conference of The United Methodist Church

#### Consolidated Statement of Activities

Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support, revenues and gains:</b>			
Mission share revenue	\$ 12,755,587	\$ -	\$ 12,755,587
Conference advance gifts	17,593	111,800	129,393
Special Sunday offerings—conf. share	-	43,382	43,382
Gifts and grants	632,742	2,233,789	2,866,531
Mission agency support	-	1,084,080	1,084,080
Pension and health income	4,047,789	-	4,047,789
District mission share	-	216,080	216,080
<b>Total contributions</b>	<b>17,453,711</b>	<b>3,669,131</b>	<b>21,142,842</b>
Program service fees	1,912,584	1,900	1,914,484
Net investment loss	(4,275,060)	(594,779)	(4,870,647)
Gain on sale of property, equipment, and assets held for sale	525,452	-	525,452
Other income	231,104	18,016	249,120
<b>Total support, revenues and gains</b>	<b>15,846,983</b>	<b>3,114,268</b>	<b>18,961,251</b>
<b>Release of net asset restrictions:</b>			
Satisfaction of purpose restrictions	2,696,349	(2,696,349)	-
<b>Total support, revenues, gains and release of net asset restrictions</b>	<b>18,543,332</b>	<b>417,919</b>	<b>18,961,251</b>
<b>Expenses and losses:</b>			
<b>Program services:</b>			
Episcopal office	3,958,249	-	3,958,249
Pension and health expense	2,582,659	-	2,582,659
Clergy excellence	1,718,271	-	1,718,271
Congregational excellence	5,731,675	-	5,731,675
Mercy and justice	2,598,104	-	2,598,104
Other conference ministries	2,249,572	-	2,249,572
<b>Total program expenses</b>	<b>18,834,530</b>	<b>-</b>	<b>18,834,530</b>
<b>Supporting activities:</b>			
Administrative	5,012,831	-	5,012,831
Fundraising	73,452	-	73,452
Impairment loss	700,000	-	700,000
<b>Total expenses and losses</b>	<b>24,620,813</b>	<b>-</b>	<b>24,620,813</b>
<b>Change in net assets</b>	<b>(6,077,481)</b>	<b>417,919</b>	<b>(5,659,562)</b>
Net assets, beginning of year	83,216,714	13,482,689	96,699,403
<b>Net assets, end of year</b>	<b>\$ 77,139,233</b>	<b>\$ 13,900,608</b>	<b>\$ 91,039,841</b>

See notes to consolidated financial statements.

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**The Great Plains Annual Conference of The United Methodist Church**

**Consolidated Statement of Functional Expenses**

**Year Ended December 31, 2019**

	Program Services	Supporting Activities			Total Expenses
		Administrative Expenses	Fundraising Expenses	Impairment Loss	
Employee compensation:					
Salaries and wages	\$ 3,927,359	\$ 953,419	\$ -	\$ -	\$ 4,880,778
Benefits	1,414,666	442,645	-	-	1,857,311
General and jurisdictional apportionments	3,577,759	340,015	-	-	3,917,774
Grants:					
Mission Agency	1,058,907	-	-	-	1,058,907
Congregational and connectional ministries	2,805,802	-	-	-	2,805,802
Clergy pension/health benefits	3,125,690	-	-	-	3,125,690
Occupancy	534,441	486,721	-	-	1,021,162
Professional fees/services	319,965	610,907	21,077	-	951,949
Depreciation	-	750,268	-	-	750,268
Impairment charge	-	-	-	450,558	450,558
Program material	575,717	-	59,071	-	634,788
Meetings and retreats	221,456	185,764	861	-	408,081
Insurance	131,564	206,122	2,308	-	339,994
Small equipment/lease expense	157,845	155,360	-	-	313,205
Clergy move expense	395,468	-	-	-	395,468
Staff hotel, travel and meals	242,225	78,104	361	-	320,690
Telecommunications	89,970	32,442	-	-	122,412
Clergy recruitment	104,117	-	-	-	104,117
Conference vehicles	86,834	4,362	-	-	91,196
Interest	-	52,014	-	-	52,014
Continuing education	72,498	6,615	-	-	79,113
Other expenses	179,204	237,283	18,704	-	435,191
<b>Total expenses</b>	<b>\$ 19,021,487</b>	<b>\$ 4,542,041</b>	<b>\$ 102,382</b>	<b>\$ 450,558</b>	<b>\$ 24,116,468</b>

See notes to consolidated financial statements.

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**The Great Plains Annual Conference of The United Methodist Church**

**Consolidated Statement of Functional Expenses  
Year Ended December 31, 2018**

	Program Services	Supporting Activities			Total Expenses
		Administrative Expenses	Fundraising Expenses	Impairment Loss	
Employee compensation:					
Salaries and wages	\$ 3,975,641	\$ 1,155,831	\$ -	\$ -	\$ 5,131,472
Benefits	1,278,846	383,847	-	-	1,662,693
General and jurisdictional apportionments	3,922,379	372,068	-	-	4,294,447
Grants:					
Mission Agency	1,084,081	-	-	-	1,084,081
Congregational and connectional ministries	2,819,211	-	-	-	2,819,211
Clergy pension/health benefits	2,582,659	-	-	-	2,582,659
Occupancy	524,910	568,030	-	-	1,092,940
Professional fees/services	208,023	698,914	64,525	-	971,462
Depreciation	-	792,772	-	-	792,772
Impairment charge	-	-	-	700,000	700,000
Program material	580,808	-	48,195	-	629,003
Meetings and retreats	355,040	132,933	379	-	488,352
Insurance	124,945	221,016	1,727	-	347,688
Small equipment/lease expense	151,375	276,257	-	-	427,632
Clergy move expense	396,507	-	-	-	396,507
Staff hotel, travel and meals	274,847	82,736	-	-	357,583
Telecommunications	91,031	65,844	-	-	156,875
Clergy recruitment	99,545	-	-	-	99,545
Conference vehicles	93,174	2,632	-	-	95,806
Interest	-	85,254	-	-	85,254
Continuing education	63,975	5,482	-	-	69,457
Other expenses	207,533	104,690	23,151	-	335,374
<b>Total expenses</b>	<b>\$ 18,834,530</b>	<b>\$ 4,948,306</b>	<b>\$ 137,977</b>	<b>\$ 700,000</b>	<b>\$ 24,620,813</b>

See notes to consolidated financial statements.

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**The Great Plains Annual Conference of The United Methodist Church**

**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2019 and 2018**

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ 15,357,435	\$ (5,659,562)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expense	750,268	782,772
Impairment charge	450,658	700,000
Contributed property and equipment	(150,003)	(1,001)
Net realized and unrealized loss (gain) on investments	(14,230,582)	4,553,267
Net realized and unrealized loss (gain) on investments—postretirement benefit plan assets	(1,132,072)	477,191
Gain on sale of property, equipment, and assets held for sale, net	(28,075)	(525,452)
Decrease in receivables and pledge receivables	414,353	30,623
Increase in prepaid expenses	(13,132)	(83,093)
Increase (decrease) in accounts payable and accrued expenses	178,751	(86,101)
Decrease in postretirement benefit obligation	(82,964)	(688,707)
<b>Net cash provided by (used in) operating activities</b>	<b>1,514,937</b>	<b>(490,033)</b>
Cash flows from investing activities:		
Proceeds from sale of investments	3,672,578	4,579,944
Purchase of investments	(4,696,686)	(4,309,037)
Proceeds from sale of property, equipment, and assets held for sale	2,509,574	2,354,814
Purchase of property and equipment	(1,051,909)	(835,078)
<b>Net cash provided by investing activities</b>	<b>433,557</b>	<b>1,980,643</b>
Cash flows from financing activities:		
Principal repayments on long-term debt	(1,289,634)	(254,843)
<b>Net cash used in financing activities</b>	<b>(1,289,634)</b>	<b>(254,843)</b>
<b>Net increase in cash and cash equivalents</b>	<b>658,860</b>	<b>1,245,767</b>
Cash and cash equivalents, beginning of year	6,997,871	5,752,104
Cash and cash equivalents, end of year	\$ 7,656,731	\$ 6,997,871
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 54,962	\$ 84,470
Supplemental disclosures of noncash activities:		
Transfer of property and equipment to assets held for sale	\$ 99,776	\$ 651,880

See notes to consolidated financial statements.

**The Great Plains Annual Conference of The United Methodist Church**

**Notes to Consolidated Financial Statements**

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**Note 1. Nature of Organization and Significant Accounting Policies**

**Nature of organization:** The Great Plains Annual Conference of The United Methodist Church and affiliates (the Conference) is a nonprofit organization representing 17 districts, 1,004 local congregations, 215,000 lay people and nearly 900 active elders, deacons, associate members and local pastors in Kansas and Nebraska. On January 1, 2014, the three conferences of Kansas East, Kansas West and Nebraska were legally combined into the Conference as presented in this report.

The Conference provides various services for its member churches, including credentialing, appointment and supervision of clergy; administration of optional health benefits and retirement plans available to member clergy and lay employees; and the collection of funds for remittance to various conferences and regional, national and global ministries. The Conference is primarily supported through apportionments, the use of investment earnings, and charitable contributions. Approximately 32% and 67% of the Conference's support came from apportionments in 2019 and 2018, respectively. Apportionments are included in mission share revenue on the consolidated statements of activities.

**Nature of activities:** The program services of the Conference are defined as follows:

**Episcopal office:** The episcopal office supports the Bishop's office and the offices of district superintendents that oversee clergy deployment.

**Clergy excellence:** Clergy excellence focuses on the recruitment, credentialing, training and development of clergy leaders for every congregation in the Great Plains Conference.

**Pension and health:** Pension and health administers all pension programs for active clergy, retired clergy and lay persons employed by the Conference. Pension and health also provides access to health benefits for active clergy and lay staff of the annual conference.

**Congregational excellence:** Congregational excellence focuses on equipping and connecting local congregations so that they may become more vital and effective in the mission of the church, which includes specialized areas such as new church development, Hispanic ministries, youth ministries, campus ministries and children and youth camping.

**Mercy and justice:** Mercy and justice focuses on assisting local congregations in developing ministries to provide mission and outreach services to their communities and to the world.

**Other conference ministries:** Other conference ministries include all other programs and ministries that do not fall under one of the categories listed above that are either self-sustaining or supported by the above ministries.

**Basis of accounting:** The Conference uses the accrual method of accounting. The assets and liabilities of the Conference are reported as one of two classes of net assets: without donor restrictions or with donor restrictions.

**Principles of consolidation:** Accounting principles generally accepted in the United States of America (U.S. GAAP) require the Conference to consolidate entities in which it has control and an economic interest when that control is evidenced through majority ownership or voting interests. The Great Plains Annual Conference of The United Methodist Church has an economic interest in, and control of, the Great Plains United Methodist New Church Development (NCD), the Great Plains United Methodist Campus Ministry, Inc. (UMCM) and the Great Plains United Methodist Camps, Inc. (CAMP), through voting interests, and consolidation is required. The consolidated financial statements (collectively, the financial statements) include the accounts of the Conference, NCD, UMCM and CAMP. All significant intercompany balances and transactions have been eliminated in consolidation.

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### The Great Plains Annual Conference of The United Methodist Church

#### Notes to Consolidated Financial Statements

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##### Note 1. Nature of Organization and Significant Accounting Policies (Continued)

**NCD:** New Church Development works in recruitment and training of new church start pastors and parent congregations, and identifying and prioritizing locations for new start churches throughout the Great Plains Conference.

**UMCM:** The vision of United Methodist Campus Ministry is to invite, disciple and equip college and university students so that they may be sent out as transformed leaders who can change the world.

**CAMP:** The vision of CAMP is to develop Christian spiritual leaders, provide intentional places apart to encounter God, extend genuine Christian hospitality and community, nurture Christian faith and discipleship, teach creation care and appreciation, collaborate with the United Methodist churches and agencies, and inspire and equip guests to do love and justice.

**Cash and cash equivalents:** The Conference considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Conference has excluded cash held in or designated for investment accounts.

**Promises to give and pledges receivable:** Unconditional promises to give, net of an allowance for uncollectible accounts if deemed applicable, are recognized as revenue in the period when each promise is received and recognized either as assets, or decrease of liabilities or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

**Capitalization and depreciation:** It is the policy of the Conference to capitalize property and equipment with a cost of \$5,000 or more. Lesser amounts are expensed at the time of purchase or donation. Purchased property and equipment is capitalized at cost, while donated property and equipment is recorded at estimated fair value. Property and equipment is depreciated over its estimated economic life using the straight-line method.

The ranges of estimated useful lives used in computing depreciation for financial statement purposes are as follows:

	Years
Buildings and improvements	10-40
Furniture, fixtures and appliances	3-7
Office equipment	5-7
Vehicles	5

**Assets held for sale:** Assets held for sale represent land and property contributed to or purchased by the Conference held for future sale, for which no sales contract is currently in place. The contributed assets were recorded at the appraised values on the dates of the gifts. All assets held for sale are measured at the lower of carrying amount, or fair market value less estimated cost to sell.

**The Great Plains Annual Conference of The United Methodist Church**

**Notes to Consolidated Financial Statements**

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**Note 1. Nature of Organization and Significant Accounting Policies (Continued)**

**Investments:** The Conference carries its debt and equity securities at fair value. Market risk could occur and is dependent on the future changes in market prices of the various investments held. Unrealized appreciation or depreciation is reported as an increase or decrease to net assets. Fair values of investments are based on quoted market values (Level 1 measurements) or, in the case of alternative investments, at estimated values provided by the fund managers based on quoted market prices for similar instruments (Level 2), if available, or other valuation methods (Level 3). These estimated values are reviewed by management for reasonableness. See Note 6 for a schedule of fair value measurements.

**Contributions:** The Conference records contributions, including promises to give (pledges), when the contribution is deemed unconditional. Contributions are reflected in the financial statements at the earlier of the transfer of assets or at the time the unconditional promise to give is made and are reported as increases in the appropriate category of net assets in accordance with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

**Pension and health income:** The Conference direct bills local churches for a Conference-determined portion of the Clergy Retirement Security Plan/Comprehensive Protection Plan (pension/death and disability) for the clergy. In addition, clergy may enroll in optional benefits, which results in an additional charge to local churches. Pension and health income is recognized in the month it is billed to the local church.

**Income taxes:** All entities that consolidate into the Conference are nonprofit organizations that are exempt from income taxes under the provisions of section 501(c)(3) of the Internal Revenue Code and do not file income tax returns pursuant to a group exemption.

Uncertain tax provisions, if any, are recorded in accordance with the Financial Accounting Standards Board's (FASB) *FASB Accounting Standards Codification (ASC) Topic 740, Income Taxes*, which requires the recognition of a liability for tax positions taken that do not meet the more-likely-than-not standard that the position will be sustained upon examination by taxing authorities. There is no liability for uncertain tax positions recorded at December 31, 2019 or 2018.

**Classification of net assets:** The Conference presents its financial statements based on ASC Topic 958, Presentation of Financial Statements.

Net assets, contributions and net investment income are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Conference and changes therein are classified and defined as follows:

**Net assets without donor restrictions:** Net assets without donor restrictions are not restricted by donor-imposed stipulations. The Conference may designate portions of its net assets without donor restrictions as Board-designated for various purposes. Earnings on investments are reported as increases in net assets without donor restrictions unless their use is limited by donor stipulation or by laws.

**Net assets with donor restrictions:** Net assets with donor restrictions result from contributions and other inflows of assets whose use by the Conference is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled or otherwise removed by actions of the Conference meeting the purpose of the restriction.

**The Great Plains Annual Conference of The United Methodist Church**

**Notes to Consolidated Financial Statements**

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**Note 1. Nature of Organization and Significant Accounting Policies (Continued)**

These assets can also be limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Conference. Although such assets cannot be expended, the investment income earned on them is generally to be expended for a specific purpose.

**Functional classification:** The Conference has several types of program expenses that support the mission of the Conference, which is to make disciples of Jesus Christ for the transformation of the world. Expenses reported as management and general and fundraising are incurred in support of the primary program activities. Natural expenses attributable to more than one functional expense category are allocated based on the internally tracked fund number associated with each transaction.

**Fundraising costs:** The Conference expenses fundraising costs as incurred. Total expense for fundraising for the years ended December 31, 2019 and 2018, was \$102,362 and \$137,977, respectively, of which \$89,222 and \$128,746, respectively, is attributable to CAMP.

**Use of estimates:** The preparation of financial statements in conformity with U.S. GAAP 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 reporting period. Actual results could differ from those estimates.

**Recent accounting pronouncements:** Effective January 1, 2019, the Conference adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. This guidance replaced most existing revenue recognition guidance in U.S. GAAP. The Conference adopted the new standard effective for the year ended December 31, 2019, using the modified retrospective method. Income generated from contracts with customers would consist of registration and program fees for camps, retreats and other events provided by the Conference, and are not considered to be the Conference's main sources of support. These fees are recognized when the corresponding events take place. There is no difference between recognition criteria under ASC Topic 606 and the Conference's previous revenue recognition practices under the historical guidance, ASC Topic 605. The Conference's primary revenue sources consists of contribution revenue and investment income and are outside of the scope of this standard. Therefore, the adoption of this standard had no impact on the Conference's financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. When the new standard is adopted, leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal year 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Conference is currently evaluating the impact of the pending adoption of the new standard on its financial statements. However, based on the Conference's existing lease agreements, the Conference does not expect adoption of this standard to have a material effect on its financial statements.

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**Notes to Consolidated Financial Statements**

**Note 2. Liquidity and Availability of Resources**

The Conference regularly monitors liquidity to meet its annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations. As of December 31, 2019 and 2018, the following financial assets are available to meet annual operating needs of the 2020 and 2019 fiscal years, respectively:

	2019	2018
Financial assets available to meet general expenditures within one year:		
Cash and cash equivalents	\$ 3,464,362	\$ 3,563,873
Contributions for operations due in one year or less	1,424,014	1,370,703
Receivables	40,493	49,733
Program loans receivable, net	-	19,825
Investments not encumbered by donor or board restrictions	31,762,698	25,111,319
Financial assets available to meet general expenditures within one year	<u>\$ 36,691,567</u>	<u>\$ 30,115,453</u>

The Conference has various sources of liquidity at its disposal, which are primarily made up of cash, cash equivalents and marketable equity securities. The contribution receivable represents the 2019 and 2018 mission share payments that were received from churches after December 31, 2019 and 2018, respectively, and are considered available for use in meeting annual operating needs (liquid).

**Note 3. Receivables**

Receivables at December 31, 2019 and 2018, consist of the following:

	2019	2018
Apportionments due from local United Methodist churches	\$ 1,424,014	\$ 1,370,703
Other receivables	113,770	122,082
Total current receivables	<u>\$ 1,537,784</u>	<u>\$ 1,492,785</u>

**Apportionments:** Amounts due from local United Methodist churches for apportionments consist of payments postmarked during the first five business days in January of the subsequent year for the current fiscal year. The operating budget of the Conference is allocated to its member churches based upon a formula that takes into consideration local church operating income. Local churches are permitted to make payments through the first five business days of each succeeding year. Any apportionment amount not paid at that time is considered uncollectible and is not reflected as revenue or receivable. Therefore, no allowance for doubtful accounts has been recorded at December 31, 2019 and 2018.

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#### Notes to Consolidated Financial Statements

##### Note 4. Pledges Receivable

The Conference receives pledges from donors as a normal part of its operations. At December 31, 2019, estimated payments of pledges receivable for each of the next five years, and thereafter, are as follows:

Years ending December 31:	Camp Corneca	Camp Fontanelle
2020	\$ 500	\$ -
2021	-	234,590
2022	-	19,181
2023	-	5,000
2024	-	-
Thereafter	-	-
	<u>\$ 500</u>	<u>\$ 258,771</u>

##### Note 5. Investments

The Conference has agreements with the Kansas Area United Methodist Foundation (KAUMF), the Nebraska United Methodist Foundation (NUMF), Legacy Foundation, Union Bank, Edward Jones and Wespath, in which KAUMF, NUMF, Legacy Foundation and Wespath act as agents and investment managers of the Conference's investments, as well as for other organizations related to The United Methodist Church. These investments are pooled into larger investment funds at KAUMF, NUMF, Legacy Foundation and Wespath. Fund investments consist of approved equity securities, fixed-income and money market instruments in accordance with investment objectives and the Social Principles of The United Methodist Church. Investments at December 31, 2019 and 2018, consist of the following:

	Fair Value	
	2019	2018
Money market	\$ 27,227	\$ 22,340
U.S. government securities	376,475	379,808
Mutual funds	648,544	568,007
Equity securities	13,048	9,120
Pooled investments	82,815,315	67,077,379
	<u>\$ 83,880,609</u>	<u>\$ 68,056,654</u>

Investment earnings (loss) for the years ended December 31, 2019 and 2018, consist of the following:

	2019	2018
Realized gains on sale of investments	\$ 911,161	\$ 1,109,063
Unrealized changes in market value	14,451,493	(6,139,551)
	15,362,654	(5,030,488)
Interest and dividend income, net of fees	163,897	159,841
	<u>\$ 15,526,551</u>	<u>\$ (4,870,647)</u>

**The Great Plains Annual Conference of The United Methodist Church**

**Notes to Consolidated Financial Statements**

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**Note 6. Fair Value Measurements**

The Fair Value Measurements and Disclosures topic of the ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants and requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, the topic establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under the topic are described below:

**Level 1:** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the entity 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
- Inputs that are derived principally from or corroborated by observable market data by correlation of 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's 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 market value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The determination of where an asset or liability falls in the hierarchy requires significant judgment. The Conference evaluates its hierarchy disclosures based on various factors. It is possible that an asset or liability may be classified differently from year to year. However, the Conference expects that changes between the different levels will be rare.

**The Great Plains Annual Conference of The United Methodist Church**

**Notes to Consolidated Financial Statements**

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**Note 6. Fair Value Measurements (Continued)**

**Assets recorded at fair value on a recurring basis:** A description of the valuation methodologies used for assets on a recurring basis is set forth below.

**Investments:** Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities would include highly liquid government bonds and exchange-traded equities. If quoted market prices are not available, then fair values are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flow. Level 2 securities would include U.S. agency securities; mortgage-backed agency securities; obligations of states and political subdivisions; and certain corporate, asset-backed and other securities.

In certain cases where there is limited activity or transparency around inputs to the valuation, including alternative investments, securities are classified within Level 3 of the valuation hierarchy.

**Pooled investments:** Pooled investments are valued based on the fair value of securities underlying the pool as determined generally by quoted market prices.

The investments held at KAUMF are invested in a short-term income pooled fund, fixed-income pooled fund and an equity pooled fund. The underlying investments within these pooled funds are primarily made up of Level 1 and Level 2 investments. Because the Conference's investment consists of a portion of the pooled funds, not individual investments, all of the Conference's investments held with KAUMF are classified as Level 2.

The investments held at NUMF are invested in a balanced pooled fund, long-term growth pooled fund and a conservative pooled fund. The underlying investments within these pooled funds are made up of Level 1 investments. Because the Conference's investment consists of a portion of the pooled funds, not individual investments, all of the Conference's investments held with NUMF are classified as Level 2.

The underlying investments held at Legacy Foundation are made up of Level 1, Level 2 and Level 3 investments. Because the Conference's investment consists of a portion of the pooled funds, not individual investments, all of the Conference's investments held with Legacy Foundation are classified as Level 3.

The investments held with Wespath are in a multiple-asset fund, international equity fund, short-term investment fund, U.S. equity fund, inflation protection fund and fixed-income fund. The underlying investments within these pooled funds are made up of Level 1 and Level 2 investments. Because the Conference's investment consists of a portion of the pooled funds, not individual investments, all of the Conference's investments held with Wespath are classified as Level 2.

The BL Paine Trust investment is an investment account in which the Conference holds a specified percentage interest. The underlying investments within this account are made up of Level 1 investments. Because the Conference's investment consists of a specified percentage interest in the account, this investment is classified as Level 3.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Conference believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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**Note 6. Fair Value Measurements (Continued)**

The following tables summarize assets and liabilities measured at fair value on a recurring basis as of December 31, 2019 and 2018, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
<b>Investments:</b>				
Money market	\$ 27,227	\$ -	\$ -	\$ 27,227
<b>Fixed-income securities:</b>				
U.S. government bonds	378,475	-	-	378,475
<b>Common stock:</b>				
Consumer staples	13,048	-	-	13,048
<b>Mutual funds:</b>				
Domestic stock mutual funds	563,026	-	-	563,026
International stock mutual funds	22,870	-	-	22,870
Fixed-income mutual funds	62,648	-	-	62,648
<b>Pooled investments:</b>				
Wespath	-	79,383,441	-	79,383,441
Kansas Area United Methodist Foundation	-	1,536,490	-	1,536,490
Legacy Foundation	-	-	11,867	11,867
Nebraska United Methodist Foundation	-	1,821,657	-	1,821,657
BL Paine Trust	-	-	62,060	62,060
<b>Total</b>	<b>\$ 1,065,284</b>	<b>\$ 82,741,568</b>	<b>\$ 73,727</b>	<b>\$ 83,880,609</b>

	December 31, 2018			
	Level 1	Level 2	Level 3	Total
<b>Investments:</b>				
Money market	\$ 22,340	\$ -	\$ -	\$ 22,340
<b>Fixed-income securities:</b>				
U.S. government bonds	379,808	-	-	379,808
<b>Common stock:</b>				
Consumer staples	9,120	-	-	9,120
<b>Mutual funds:</b>				
Domestic stock mutual funds	494,519	-	-	494,519
International stock mutual funds	19,919	-	-	19,919
Fixed-income mutual funds	53,569	-	-	53,569
<b>Pooled investments:</b>				
Wespath	-	64,062,615	-	64,062,615
Kansas Area United Methodist Foundation	-	1,347,234	-	1,347,234
Legacy Foundation	-	-	9,865	9,865
Nebraska United Methodist Foundation	-	1,570,319	-	1,570,319
BL Paine Trust	-	-	57,346	57,346
<b>Total</b>	<b>\$ 979,275</b>	<b>\$ 67,010,168</b>	<b>\$ 67,211</b>	<b>\$ 68,056,654</b>

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**Notes to Consolidated Financial Statements**

**Note 6. Fair Value Measurements (Continued)**

The Conference does not have assets and liabilities recorded at fair value on a nonrecurring basis.

ASC Topic 825, Financial Instruments, requires disclosure of the fair value of financial assets and financial liabilities, including those financial assets and financial liabilities that are not measured and reported at fair value on a recurring or nonrecurring basis. Financial instruments are described as cash or contractual obligations or rights to pay or to receive cash. The methodologies for estimating fair value of financial assets and financial liabilities that are measured at fair value on a recurring or nonrecurring basis are discussed above. The fair value approximates carrying value for cash and cash equivalents, receivables, accounts payable, accrued liabilities and other current liabilities due to the short-term maturity of these instruments.

**Note 7. Property and Equipment**

At December 31, 2019 and 2018, property and equipment consists of the following:

	2019	2018
Land	\$ 2,104,559	\$ 2,361,989
Construction in process	172,559	251,383
Buildings and improvements	17,114,059	17,160,403
Furniture, fixtures and appliances	1,394,394	1,355,678
Office equipment	325,126	489,780
Vehicles	738,485	763,935
	<u>21,849,182</u>	<u>22,383,168</u>
Less accumulated depreciation	(9,041,529)	(9,232,225)
	<u>\$ 12,807,653</u>	<u>\$ 13,150,943</u>

**Note 8. Assets Held for Sale**

Assets held for sale, recorded at the lower of carrying amount or fair market value less estimated costs to sell, at December 31, 2019 and 2018, consist of the following:

	2019	2018
Closed Church, Building & Land, Garden City Evangelica	\$ 25,000	\$ -
Other Closed Churches, KS/NE	150,003	-
Parsonage, Garden City, KS	74,776	-
Parsonage, Wichita East, KS	-	125,437
Conference Office Building, Lincoln, NE	-	1,286,020
Closed Churches, Building & Land, Board of Trustees	-	1,001
Land, 167th and Kill Creek, Gardner, KS	-	250,273
Closed Church Land, Wichita, KS	-	232,908
Land, 21st and 135th, Wichita, KS	4,680	4,680
Building & Land, Park City, Wichita, KS	-	368,049
Land, West Sante Fe St, Gardner, KS	-	123,214
	<u>\$ 254,459</u>	<u>\$ 2,391,582</u>

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**Notes to Consolidated Financial Statements**

**Note 9. Long-Term Debt**

	December 31	
	2019	2018
On October 10, 2008, the United Methodist Campus Ministry entered into a \$900,000, 20-year promissory note with the Kansas Foundation for the purchase of property in Manhattan, Kansas. The note matures on November 1, 2028, and carries a variable interest rate at the base lending rate of the Kansas Foundation to be established every fifth year of the loan. The rate for 2019 and 2018 is 5.25%. This loan is secured by a real estate mortgage on the land purchased with the proceeds in Manhattan, Kansas (Note #56).	\$ 137,347	\$ 335,246
On October 24, 2010, the New Church Development entered into a \$360,000, 20-year promissory note with the Kansas Foundation, maturing November 1, 2030. The note carried a variable interest rate, which was 4.9% for 2019 and 2018. The loan was secured by a real estate mortgage on the Lot 4 property in Park City, Kansas. The remaining loan balance was paid in full in 2019 when the property securing the loan was sold (Note #65).	-	255,302
On May 22, 2013, the New Church Development entered into a \$239,791, 20-year promissory note with the Kansas Foundation, maturing June 1, 2033. The note carried a variable interest rate at the base lending rate of the Kansas Foundation to be established every fifth year of the loan. The rate for 2019 and 2018 was 6.25%. This loan was secured by approximately 11 acres on W. Sante Fe Street in Gardner, Kansas. The remaining balance was paid in full in 2019 when the property securing the loan was sold (Note #82).	-	192,116
On March 3, 2014, the Great Plains United Methodist Camps entered into a \$13,096, five-year promissory note with Capital City Bank to purchase equipment. The note matured March 3, 2019 and carried an interest rate of 3.75%. The loan was secured by the equipment purchased with the proceeds (Note #5771).	-	715
On April 1, 2014, the New Church Development refinanced outstanding loans #81 and #84 with a \$759,115 promissory note with the Kansas Foundation, maturing April 1, 2034. The note carried a variable interest rate at the base lending rate of the Kansas Foundation to be established every fifth year of the loan. The rate for 2019 and 2018 was 4.10%. This loan was secured by a real estate mortgage on the land purchased with the proceeds in Wichita, Kansas. The remaining loan balance was paid in full in 2019 (Note #84).	-	633,162

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**Notes to Consolidated Financial Statements**

**Note 9. Long-Term Debt (Continued)**

	December 31	
	2019	2018
On April 29, 2016, the Great Plains United Methodist Camps entered into a \$300,000, 20-year promissory note maturing May 1, 2036. The note carries a variable interest rate to be established every third year of the loan. The rate for 2019 and 2018 is 4.6%. This note is secured by a real estate mortgage on the land registered with Franklin County, Kansas, registered with Franklin County, Kansas, Register of Deeds (Loan #69).	<u>\$ 259,887</u>	<u>\$ 270,327</u>
	397,234	1,686,868
Less current maturities	(52,018)	(114,771)
Long-term portion	<u>\$ 345,216</u>	<u>\$ 1,572,097</u>

Aggregate maturities of long-term debt by year are as follows:

Years ending December 31:		
2020		\$ 52,018
2021		57,611
2022		60,509
2023		63,681
2024		67,020
Thereafter		96,395
		<u>\$ 397,234</u>

**Note 10. Lease Commitments and Expense**

The Conference leases offices and equipment for its programs and administrative services under lease agreements that expire at various times through March 2024. The Conference is responsible under certain of the agreements for maintenance, insurance and taxes.

Rental expense related to these lease commitments for the years ended December 31, 2019 and 2018, totaled \$407,101 and \$439,533, respectively.

Following is a schedule of future minimum annual rental commitments required under the operating leases at December 31, 2019:

Years ending December 31:		
2020		\$ 347,899
2021		314,112
2022		304,806
2023		55,544
2024		582
		<u>\$ 1,022,943</u>

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#### Notes to Consolidated Financial Statements

##### Note 11. Pension, Postretirement Health Insurance and Optional Benefits

The Conference provides the following pension benefit plans for clergy members of the Conference:

**Ministers Reserve Pension Fund (MRPF):** The MRPF is a multiemployer defined benefit pension plan administered by Wespath. The fund covers service prior to 1982 for substantially all clergy. The plan name is the Ministers Reserve Pension Fund, and the employer identification number of the plan is 43-0652616. Based on the actuarial projected total liability for current and future pensioners, this plan is presently fully funded. Therefore, the Conference was not required to pay and did not pay any contributions into the MRPF during the years ended December 31, 2019 and 2018.

	Total Plan Net Assets	Present Value of Accumulated Plan Benefits	Total Contributions	Funded Status
January 1, 2019	\$ 2,158,134,803	\$ 1,848,055,419	\$ -	Over 100% funded
January 1, 2018	2,203,789,443	2,056,799,734	-	Over 100% funded

**Ministerial Pension Plan (MPP):** The MPP is a multiemployer defined contribution pension plan administered by Wespath. This plan covers service subsequent to 1981 and prior to 2007 for substantially all clergy. The plan name is the Ministerial Pension Plan, and the employer identification number of the plan is 43-0652616. The plan requires the Conference to contribute 12% of each participant's compensation limited to the denominational average compensation. Based on the actuarial projected total liability for current and future pensioners, this plan is presently fully funded. Therefore, the Conference was not required to pay and did not pay any contributions into the MPP during the years ended December 31, 2019 and 2018.

	Total Plan Net Assets	Present Value of Accumulated Plan Benefits	Total Contributions	Funded Status
January 1, 2019	\$ 3,997,635,453	\$ 3,718,398,163	\$ -	Over 100% funded
January 1, 2018	3,885,277,143	3,606,807,509	-	Over 100% funded

**Clergy Retirement Security Plan (CRSP):** For service subsequent to 2006, Conference clergy members and local pastors under Episcopal appointment are eligible for pension coverage under the CRSP. The CRSP is a multiemployer plan providing a combination of defined benefits and defined contributions. The plan name is the Clergy Retirement Security Plan, and the employer identification number of the plan is 43-0652616. The defined contribution is 3.00% of the clergy's plan compensation. The defined benefit is 1.25% of the denomination average compensation times the number of service years accrued under the CRSP. The Conference contributed \$1,066,722 and \$1,075,942 in 2019 and 2018, respectively, for the defined contribution portion of the CRSP. In addition, the Conference was allowed to transfer to the CRSP a portion of the MRPF overfunding attributable to the Conference's share of \$3,254,907 and \$3,277,309 for 2019 and 2018, respectively.

	Total Plan Net Assets	Present Value of Accumulated Plan Benefits	Total Contributions	Funded Status
January 1, 2019	\$ 2,049,273,913	\$ 1,913,258,514	\$ 1,098,722	Over 100% funded
January 1, 2018	1,904,387,237	1,740,019,798	1,075,942	Over 100% funded

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### The Great Plains Annual Conference of The United Methodist Church

#### Notes to Consolidated Financial Statements

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#### Note 11. Pension, Postretirement Health Insurance and Optional Benefits (Continued)

**Comprehensive Protection Plan (CPP):** Certain clergy members of the Conference are provided disability and death benefits as well as certain minimum benefits related to pension coverage through participation in the CPP. During 2019 and 2018, the Conference paid \$1,004,722 and \$1,008,436, respectively, into the CPP.

**Personal Investment Plan:** Conference and local church personnel are eligible to participate in a defined contribution plan administered by Wespith. Contributions are limited by the Internal Revenue Code requirements for section 403(b) plans. No contributions are made to the plan by the Conference, as participants contribute to the plan directly.

Clergy benefit expense is presented net of the amounts billed to member churches and clergy in the accompanying financial statements.

**Postretirement benefits:** The Conference sponsors a postretirement health benefit plan for all retired clergy and lay employees of the former Nebraska conference that meet eligibility requirements as of December 31, 2013. Any Nebraska clergy retired by December 31, 2019, are able to participate in the plan. Any Nebraska clergy that retire after December 31, 2019, are not eligible to participate in the plan.

Significant balances, costs and assumptions are as follows:

	December 31	
	2019	2018
Accumulated postretirement benefit obligation	\$ (5,025,117)	\$ (5,044,524)
Fair value of plan assets	7,187,332	6,561,368
Overfunded postretirement benefit obligation	\$ 2,162,215	\$ 1,516,844

The following actuarial assumptions were used in the valuation of the postretirement obligation as of December 31, 2019 and 2018:

- Termination table T-3 was used for clergy and termination table T-7 was used for lay employees.
- Actual spouse information was used for current retired participants. For active participants at December 31, 2018, 85% of males and 45% of females were assumed to be married at retirement, with males assumed to be two years older than females.
- 100% of eligible active participants are assumed to elect coverage at retirement.
- Post-age 64 health reimbursement account (HRA) contribution max of \$4,000 annual per person cost. The post-age 64 HRA contribution is dependent on the year of retirement and service at retirement.
- The HRA contribution is not assumed to increase.
- Estimated taxes were not included in the valuation due to the commitment of the plan sponsor to ensure the cost of the coverage remains below the excise tax limits.

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**Notes to Consolidated Financial Statements**

**Note 11. Pension, Postretirement Health Insurance and Optional Benefits (Continued)**

Weighted-average assumptions used to determine benefit obligations are as follows:

	2019	2018
Discount rate	2.70%	3.85%
Mortality table	RP 2014 Generational with MP-2019 scale	RP 2014 Generational with MP-2018 scale
Measurement date	December 31, 2019	December 31, 2018

In accordance with ASC Topic 715, Compensation—Retirement Benefits, the Conference has recognized the overfunded status of a defined benefit postretirement plan as an asset in the consolidated statements of financial position and has recognized changes in that funded status in the year in which the changes in net assets without donor restrictions occur. The plan's benefit obligations are measured as of December 31, 2019 and 2018.

The following are the plan's assets by category as of December 31, 2019 and 2018 (the measurement dates of the plan assets):

	2019	2018
Money market funds	\$ 161,718	\$ 150,570
U.S. government bonds	1,055,522	1,233,384
Corporate bonds	-	98,377
Mutual funds	875,582	726,154
Equity securities	1,385,010	1,289,134
Pooled investments	3,709,490	3,063,749
	<u>\$ 7,187,332</u>	<u>\$ 6,561,368</u>

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**Notes to Consolidated Financial Statements**

**Note 11. Pension, Postretirement Health Insurance and Optional Benefits (Continued)**

The following tables summarize the plan assets measured at fair value on a recurring basis as of December 31, 2019 and 2018, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

	December 31, 2019			Total
	Level 1	Level 2	Level 3	
Investments:				
Fixed-income securities:				
Money market	\$ 161,718	\$ -	\$ -	\$ 161,718
U.S. government bonds	1,055,522	-	-	1,055,522
Corporate bonds	-	-	-	-
Equity securities:				
Common stock:				
Consumer discretionary	183,074	-	-	183,074
Consumer staples	120,603	-	-	120,603
Energy	136,207	-	-	136,207
Financial	251,316	-	-	251,316
Health care	166,233	-	-	166,233
Industrial	20,282	-	-	20,282
Information technology	330,488	-	-	330,488
Materials	22,546	-	-	22,546
Telecommunications	51,253	-	-	51,253
Utilities	11,418	-	-	11,418
Other	91,630	-	-	91,630
Mutual funds:				
Domestic stock mutual funds	461,417	-	-	461,417
International stock mutual funds	414,175	-	-	414,175
Pooled investments:				
Wespath	-	3,709,490	-	3,709,490
	<u>\$ 3,477,842</u>	<u>\$ 3,709,490</u>	<u>\$ -</u>	<u>\$ 7,187,332</u>

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**Notes to Consolidated Financial Statements**

**Note 11. Pension, Postretirement Health Insurance and Optional Benefits (Continued)**

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Investments:				
Fixed-income securities:				
Money market	\$ 150,570	\$ -	\$ -	\$ 150,570
U.S. government bonds	1,233,384	-	-	1,233,384
Corporate bonds	98,377	-	-	98,377
Equity securities:				
Common stock:				
Consumer discretionary	145,655	-	-	145,655
Consumer staples	127,010	-	-	127,010
Energy	79,624	-	-	79,624
Financial	267,719	-	-	267,719
Health care	200,082	-	-	200,082
Industrial	14,222	-	-	14,222
Information technology	255,426	-	-	255,426
Materials	24,458	-	-	24,458
Telecommunications	80,425	-	-	80,425
Utilities	12,343	-	-	12,343
Other	82,170	-	-	82,170
Mutual funds:				
Domestic stock mutual funds	364,907	-	-	364,907
International stock mutual funds	361,247	-	-	361,247
Pooled investments:				
Weespath	-	3,063,749	-	3,063,749
	<u>\$ 3,497,619</u>	<u>\$ 3,063,749</u>	<u>\$ -</u>	<u>\$ 6,561,368</u>

**Postretirement benefits cash flows:** The benefits expected to be paid to participants over the next nine years, as of December 31, 2019, are as follows:

Years ending December 31:	
2020	\$ 533,319
2021	503,798
2022	474,107
2023	444,518
2024	415,265
2025-2029	1,662,214
	<u>\$ 4,033,221</u>

**The Great Plains Annual Conference of The United Methodist Church**

**Notes to Consolidated Financial Statements**

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**Note 11. Pension, Postretirement Health Insurance and Optional Benefits (Continued)**

**Optional benefits:** Conference clergy at 75% or full-time are given a health care allowance (as taxable income) by their church(es) to purchase health insurance as they deem appropriate. The Conference continues to offer group health insurance to its employees as required by law. The Conference offers, to clergy in local churches and Conference staff, optional benefits that include dental, vision, life insurance, critical illness and accident insurance.

**Note 12. Related Parties**

The Kansas Area United Methodist Foundation holds and reinvests investments and holds notes payable from the Conference, as well as other United Methodist local churches (see Note 9). Trustees of KAUMF are elected by the Conference. The fair values of Conference investments held with KAUMF as of December 31, 2019 and 2018, were \$1,536,490 and \$1,347,234, respectively, of the investments presented in the financial statements.

**Note 13. Endowments**

**Interpretation of relevant law:** The Conference's endowments consist of funds restricted by donors in perpetuity. The Conference has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the state of Kansas to be applicable to the Conference. In accordance with this, the Conference classifies as net assets with donor restrictions (a) the fair value of gifts donated to the permanent endowment, (b) the original fair value of subsequent gifts donated to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the instructions of the applicable donor gift instrument. The Conference also considers the following factors in determining whether to expend or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purpose of the Conference and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation or deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Conference
7. The investment policies of the Conference

**Investments and spending policies:** The Conference has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets are invested in a manner that is intended to produce positive results while assuming a moderate to conservative investment risk. The Conference relies on a total return strategy in which returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The spending policy of the earnings on the endowment is determined by the respective boards charged with overseeing the particular fund.

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**Notes to Consolidated Financial Statements**

**Note 13. Endowments (Continued)**

Changes in endowment net assets for the years ended December 31, 2019 and 2018, are as follows:

	Donor-Restricted Earnings	Donor-Restricted Corpus	Total
Endowment net assets, December 31, 2017	\$ 4,252,446	\$ 4,837,976	\$ 9,090,422
Contributions	362	1,841	2,203
Investment income, net of fees	36,363	-	36,363
Net depreciation (realized and unrealized)	(573,572)	-	(573,572)
Program expenditures	(161,567)	-	(161,567)
Endowment net assets, December 31, 2018	3,554,032	4,839,817	8,393,849
Contributions	36,172	5,484	41,656
Investment income, net of fees	30,851	-	30,851
Net appreciation (realized and unrealized)	1,631,198	-	1,631,198
Program expenditures	(208,376)	-	(208,376)
Endowment net assets, December 31, 2019	<u>\$ 5,043,877</u>	<u>\$ 4,845,301</u>	<u>\$ 9,889,178</u>

**Note 14. Board-Designated Net Assets Without Donor Restrictions**

Board-designated net assets included as a component of net assets without donor restrictions on the consolidated statements of net position at December 31, 2019 and 2018, are composed of the following:

	2019	2018
Purpose designations:		
Episcopal ministries	\$ 545,226	\$ 392,728
Missional opportunities: CFA restricted reserve	3,000,000	3,000,000
Clergy and staff benefits:		
Pension/health benefit team	19,522,739	15,408,565
CFA restricted reserve	10,000,000	10,000,000
Property reserves: Board of Trustees	11,103,175	9,006,177
Administration	110,516	109,569
Districts	247,869	194,143
Clergy excellence	295,702	327,440
Congregational excellence	130,788	119,426
Mercy and justice	356,377	290,103
Disaster response	1,958	2,614
New church development:		
New Church Development Committee	1,741,608	2,439,820
CFA restricted reserve	4,038,104	4,310,007
Campus ministry	2,926,488	2,518,968
Camping ministry	9,067,554	8,736,290
	<u>\$ 63,088,104</u>	<u>\$ 56,855,850</u>

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**Notes to Consolidated Financial Statements**

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**Note 15. Net Assets With Donor Restrictions**

Net assets with donor restrictions at December 31, 2019 and 2018, are as follows:

	2019	2018
Episcopal ministries	\$ 25,000	\$ 25,000
Clergy and staff benefits	3,633,458	2,612,516
Conference property (Board of Trustees)	226,783	192,957
Administration	4,147	4,147
Bridges to the Future	366,000	366,000
District ministries	691,237	637,702
Board of Ordained Ministry	606,072	537,500
Clergy excellence	22,760	22,735
Congregational excellence	215,112	115,795
Mercy and justice	371,106	375,488
Disaster response	755,083	191,485
New Church Development	634,746	393,484
Campus ministry	106,161	75,150
Camping ministry	3,345,518	3,397,233
Investment in perpetuity, the income of which is expendable to support:		
Clergy and staff benefits	2,296,845	2,296,845
Conference property (Board of Trustees)	58,000	58,000
District ministries	39,826	39,826
Board of Ordained Ministry	733,374	727,890
Congregational excellence	527,286	527,286
New Church Development	771,516	771,516
Camping ministry	382,043	532,043
Total	\$ 15,812,073	\$ 13,900,608

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#### Notes to Consolidated Financial Statements

##### Note 16. Net Assets Released From Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purpose specified or by the occurrence of other events during the years ended December 31, 2019 and 2018, as follows.

	2019	2018
Purpose restrictions:		
Clergy and staff benefits	\$ 9,047	\$ 9,835
Board of Trustees	24,656	13,014
Mission agencies	1,058,909	1,084,080
Districts	190,556	384,947
Board of Ordained Ministry	146,570	147,102
Clergy excellence	3,835	2,867
Congregational excellence	50,408	54,664
Mercy and justice	178,077	175,182
Disaster response	397,937	88,271
Campus ministry	198,648	194,371
Camping ministry	1,224,092	542,016
	<u>\$ 3,480,735</u>	<u>\$ 2,696,349</u>

##### Note 17. Concentrations

There was a significant concentration in apportionment revenue from one church, which represented approximately 14% of the total apportionments received for the years ended December 31, 2019 and 2018.

##### Note 18. Subsequent Events

Management has evaluated subsequent events through May 29, 2020, the date the financial statements were available to be issued.

The spread of COVID-19, a novel strain of the coronavirus, is altering the behavior of businesses, organizations, and individuals throughout the United States. Financial markets have recently experienced a significant decline attributed to COVID-19 concerns. Actions taken by federal, state and local governmental bodies in recent months to contain the spread of COVID-19 have also adversely impacted local, regional and the national economies. These developments have, in turn, had significant impacts on the operations and finances of local congregations, and such impacts will likely continue for at least the next several months. Accordingly, Conference leadership cannot presently estimate the overall operational and financial impacts to the Conference of these developments, but such impacts may have a material adverse effect on the future financial condition and results of operations of the Conference.

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**Notes to Consolidated Financial Statements**

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**Note 10. Subsequent Events (Continued)**

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law and is meant to address the economic fallout from the COVID-19 pandemic. In connection with the CARES Act, the Conference received approximately \$1,600,000 in Paycheck Protection Program loans from the federal government. Under the provisions of the CARES Act and related loans, these loans will be forgiven if certain conditions are met related to the use of loan proceeds and maintenance of employment for Conference employees. It is the intent of Conference leadership to meet these conditions so that these loans will ultimately be forgiven. Should the Conference be required to repay some portion of these funds because conditions for loan forgiveness are not met, it is the intent of the Conference leadership to promptly return any such funds to the lender.

Camp Cornelia, a camping ministry of CAMP near Cozad, Nebraska, accumulated operating losses over the last six years of approximately \$300,000. In response to these losses and an expectation that such losses would continue for the foreseeable future if the camp were allowed to continue to operate, the CAMP Board voted in February 2020 to cease operations at the camp effective April 1, 2020. In addition, the Conference's Council on Finance and Administration voted in March 2020 to provide a grant of \$350,000 to CAMP to eliminate the cumulative deficit of the camp and sustain its operations until the camp ceased operations. The CAMP Board subsequently voted to lease a portion of the camp's facilities to Cozad Camping Ministry, Inc., an unaffiliated ecumenical Christian camping and retreat nonprofit entity.

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**Bishop's Schedules of Activities  
Years Ended December 31, 2019 and 2018**

	2019	2018
Revenues and support:		
Episcopal funds—GCFA	\$ 106,252	\$ 106,252
Conference mission share support	48,102	85,835
<b>Total revenues and support</b>	<b>152,354</b>	<b>192,087</b>
Expenses:		
Office:		
Staff salary	66,673	74,159
Staff payroll taxes	4,832	5,463
Staff pension and benefits	18,953	17,364
Continuing education/coaching	1,348	1,779
Office expense	7,798	8,187
Bishop's ministry fund	2,321	9,090
Connectional activities	3,959	7,716
Episcopal audit	1,750	1,750
Investigation/review expenses	2,720	-
Staff travel	4,204	9,982
Episcopacy meeting expense	2,559	5,380
Miscellaneous expense	1,073	3,705
<b>Total office</b>	<b>118,190</b>	<b>144,575</b>
Residence:		
Utilities	7,792	9,375
Repairs	3,002	11,494
Grounds and pool maintenance	7,152	6,154
HOA/RE tax assessments	-	245
Insurance	1,239	2,566
Appliance/furniture purchase	24,612	5,462
<b>Total residence</b>	<b>43,797</b>	<b>35,296</b>
<b>Total expenses</b>	<b>161,987</b>	<b>179,871</b>
<b>Change in net assets</b>	<b>(9,633)</b>	<b>12,216</b>
Net assets, beginning of year	12,216	-
Net assets, end of year	\$ 2,583	\$ 12,216

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**The Great Plains Annual Conference of The United Methodist Church**

**Consolidating Statement of Liquidity and Availability of Resources  
December 31, 2019**

	Great Plains Conference	New Church Development	Campus Ministry	Camps	Eliminations	Total
<b>Financial assets available to meet general expenditures within one year:</b>						
Cash and cash equivalents	\$ 1,750,592	\$ 664,965	\$ 273,437	\$ 475,368	\$ -	\$ 3,464,362
Contributions for operations due in one year or less	1,419,969	-	4,045	-	-	1,424,014
Receivables	40,493	-	-	-	-	40,493
Investments not encumbered by donor or board restrictions	31,782,698	-	-	-	-	31,782,698
<b>Financial assets available to meet general expenditures within one year</b>	<b>\$ 34,973,752</b>	<b>\$ 664,965</b>	<b>\$ 277,482</b>	<b>\$ 475,368</b>	<b>\$ -</b>	<b>\$ 36,691,567</b>

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**The Great Plains Annual Conference of The United Methodist Church**

**Consolidating Statement of Financial Position  
December 31, 2019**

	Great Plains Conference	New Church Development	Campus Ministry	Camps	Eliminations	Consolidated Totals
<b>Assets</b>						
<b>Current assets:</b>						
Cash and cash equivalents	\$ 3,701,142	\$ 988,516	\$ 377,358	\$ 2,591,715	\$ -	\$ 7,658,731
Receivables	1,589,791	-	7,980	154,602	(224,589)	1,537,784
Current portion of pledges receivable	-	-	-	500	-	500
Prepaid expenses	58,919	67,496	-	14,136	-	140,551
<b>Total current assets</b>	<b>5,358,852</b>	<b>1,054,012</b>	<b>385,338</b>	<b>2,760,853</b>	<b>(224,589)</b>	<b>9,335,566</b>
Investments	79,539,103	1,304,709	1,465,492	1,491,305	-	83,000,609
Pledges receivable, less current portion	-	-	-	258,771	-	258,771
Property and equipment, net	1,627,800	704,899	1,338,045	8,936,019	-	12,807,663
Assets held for sale	249,779	4,880	-	-	-	254,659
Overfunded postretirement benefit obligation	2,162,215	-	-	-	-	2,162,215
<b>Total assets</b>	<b>\$ 89,138,839</b>	<b>\$ 3,149,303</b>	<b>\$ 3,189,675</b>	<b>\$ 13,447,048</b>	<b>\$ (224,589)</b>	<b>\$ 108,699,278</b>
<b>Liabilities and Net Assets</b>						
<b>Current liabilities:</b>						
Accounts payable	\$ 1,374,605	\$ 353	\$ 7,581	\$ 55,329	\$ -	\$ 1,437,868
Accrued expenses	238,273	-	12,097	216,528	-	466,898
Due to other organizations	104,315	82	-	120,162	(224,589)	-
Current portion of long-term debt	-	-	41,371	10,647	-	52,018
<b>Total current liabilities</b>	<b>1,717,193</b>	<b>435</b>	<b>61,049</b>	<b>402,666</b>	<b>(224,589)</b>	<b>1,656,704</b>
Long-term debt, less current maturities	-	-	95,678	249,240	-	345,218
<b>Total liabilities</b>	<b>1,717,193</b>	<b>435</b>	<b>157,025</b>	<b>651,906</b>	<b>(224,589)</b>	<b>2,302,000</b>
<b>Net assets:</b>						
Without donor restrictions	76,849,557	1,741,606	2,926,487	9,987,563	-	90,985,203
With donor restrictions	10,572,089	1,406,262	186,163	3,727,569	-	15,812,073
<b>Total net assets</b>	<b>87,421,646</b>	<b>3,147,868</b>	<b>3,032,650</b>	<b>12,795,112</b>	<b>-</b>	<b>106,997,276</b>
<b>Total liabilities and net assets</b>	<b>\$ 89,138,839</b>	<b>\$ 3,149,303</b>	<b>\$ 3,189,675</b>	<b>\$ 13,447,048</b>	<b>\$ (224,589)</b>	<b>\$ 108,699,278</b>

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**Consolidating Statement of Financial Position**

**December 31, 2018**

	Great Plains Conference	New Church Development	Campus Ministry	Camps	Eliminations	Consolidated Totals
<b>Assets</b>						
<b>Current assets:</b>						
Cash and cash equivalents	\$ 3,058,303	\$ 851,535	\$ 376,515	\$ 2,711,428	\$ -	\$ 6,997,871
Receivables	1,698,869	-	10,809	4,725	(221,516)	1,492,795
Current portion of pledges receivable	-	-	-	27,675	-	27,675
Prepaid expenses	64,272	60,000	2,550	600	-	127,422
<b>Total current assets</b>	<b>4,821,654</b>	<b>911,535</b>	<b>389,674</b>	<b>2,744,428</b>	<b>(221,516)</b>	<b>8,645,753</b>
Investments	64,541,308	1,143,662	1,207,479	1,164,126	-	68,056,654
Pledges receivable, less current portion	-	-	-	690,948	-	690,948
Property and equipment, net	2,158,405	962,195	1,351,899	8,653,354	-	13,155,943
Assets held for sale	1,412,457	979,125	-	-	-	2,391,582
Overfunded postretirement benefit obligation	1,516,844	-	-	-	-	1,516,844
<b>Total assets</b>	<b>\$ 74,450,818</b>	<b>\$ 4,018,517</b>	<b>\$ 2,949,051</b>	<b>\$ 13,267,856</b>	<b>\$ (221,516)</b>	<b>\$ 94,452,724</b>
<b>Liabilities and Net Assets</b>						
<b>Current liabilities:</b>						
Accounts payable	\$ 1,272,804	\$ 28,188	\$ 7,725	\$ 45,408	\$ -	\$ 1,354,225
Accrued expenses	296,011	2,832	11,963	60,294	-	371,790
Due to other organizations	5,869	-	-	215,552	(221,516)	-
Current portion of long-term debt	-	62,038	41,371	11,362	-	114,771
<b>Total current liabilities</b>	<b>1,574,684</b>	<b>93,158</b>	<b>61,059</b>	<b>332,616</b>	<b>(221,516)</b>	<b>1,840,786</b>
Long-term debt, less current maturities	-	1,018,542	293,875	265,600	-	1,577,997
<b>Total liabilities</b>	<b>1,574,684</b>	<b>1,111,700</b>	<b>354,934</b>	<b>598,216</b>	<b>(221,516)</b>	<b>3,412,883</b>
<b>Net assets:</b>						
Without donor restrictions	64,144,155	1,739,617	2,616,967	8,736,294	-	77,136,233
With donor restrictions	8,731,182	1,165,000	75,150	3,929,276	-	13,900,608
<b>Total net assets</b>	<b>72,875,337</b>	<b>2,904,617</b>	<b>2,694,117</b>	<b>12,665,570</b>	<b>-</b>	<b>91,036,841</b>
<b>Total liabilities and net assets</b>	<b>\$ 74,450,818</b>	<b>\$ 4,018,517</b>	<b>\$ 2,949,051</b>	<b>\$ 13,267,856</b>	<b>(221,516)</b>	<b>\$ 94,452,724</b>

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### The Great Plains Annual Conference of The United Methodist Church

#### Consolidating Statement of Activities Year Ended December 31, 2019

	Great Plains Conference	New Church Development	Campus Ministry	Congr. Congr.	Eliminations	Consolidated Total
<b>Net assets without donor restrictions:</b>						
Support, revenues and gains:						
Ministry share revenue	\$ 12,204,369	-	-	-	-	12,204,369
Conferees advance gifts	-	3,165	7,615	14,694	-	25,474
Gifts and grants	1,598,137	2,000	72,488	362,390	-	1,935,015
Personnel health income	4,018,247	-	-	-	-	4,018,247
<b>Total contributions</b>	<b>17,718,642</b>	<b>5,165</b>	<b>80,103</b>	<b>377,084</b>	<b>-</b>	<b>18,179,894</b>
Program services fees	417,460	-	117,763	1,229,818	-	1,765,041
Investment gain	13,413,265	1,389	244,121	27,611	-	13,887,219
Losses gain on sale of property, equipment, and assets held for sale	(761)	(33,626)	-	6,311	-	(26,076)
Other income	111,011	55,484	-	111,305	-	277,780
<b>Total support, revenues and gains</b>	<b>31,017,373</b>	<b>28,959</b>	<b>442,197</b>	<b>1,515,329</b>	<b>-</b>	<b>33,011,759</b>
<b>Releases of net asset restrictions:</b>						
Substitution of purpose restriction	2,012,848	-	106,648	1,221,241	-	3,340,737
Intercompany revenue net of intercompany expenses	-	692,460	637,265	1,016,095	(2,339,456)	-
<b>Total support, revenues, gains and releases of net asset without donor restrictions</b>	<b>33,030,221</b>	<b>1,022,019</b>	<b>1,286,743</b>	<b>3,641,355</b>	<b>(2,339,456)</b>	<b>35,540,682</b>
<b>Expenses and losses:</b>						
Program services:						
Episcopal office	3,841,702	-	-	-	-	3,841,702
Finance and health expense	3,126,690	-	-	-	-	3,126,690
Diocesan expenses	1,578,549	-	-	-	-	1,578,549
Congregational excellence	1,712,858	705,797	881,195	2,540,059	-	5,739,887
Worship and justice	2,430,640	-	-	2,004	-	2,432,644
Other conference ministries	3,221,611	-	85	460	-	3,222,056
<b>Total program expenses</b>	<b>14,911,050</b>	<b>705,797</b>	<b>961,280</b>	<b>2,542,423</b>	<b>-</b>	<b>18,920,487</b>
Supporting activities:						
Administrative	3,017,259	83,217	96,363	815,193	-	4,541,641
Fundraising	11,950	-	1,577	89,222	-	102,382
Impairment loss	88,720	291,271	-	133,093	-	493,084
<b>Total expenses</b>	<b>18,078,929</b>	<b>1,070,285</b>	<b>1,059,740</b>	<b>3,359,688</b>	<b>-</b>	<b>23,118,452</b>
Intercompany expenses, net of intercompany revenue	3,338,456	-	-	-	(3,338,456)	-
<b>Total expenses and losses</b>	<b>21,417,385</b>	<b>1,070,285</b>	<b>1,059,740</b>	<b>3,359,688</b>	<b>(3,338,456)</b>	<b>24,116,493</b>
<b>Change in net assets without donor restrictions</b>	<b>13,716,422</b>	<b>1,769</b>	<b>407,520</b>	<b>331,259</b>	<b>-</b>	<b>15,445,970</b>
Net assets without donor restrictions, beginning of year	64,144,755	1,739,817	3,518,467	8,139,394	-	77,139,333
<b>Net assets without donor restrictions, end of year</b>	<b>\$ 77,861,177</b>	<b>\$ 1,741,586</b>	<b>\$ 3,925,987</b>	<b>\$ 8,470,653</b>	<b>\$ -</b>	<b>\$ 91,959,303</b>

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**Consolidating Statement of Activities (Continued)  
Year Ended December 31, 2019**

	Great Plains Conference	New Church Development	Campus Ministry	Camps	Eliminators	Consolidated Totals
<b>Net assets with donor restrictions:</b>						
<b>Support, revenues and gains:</b>						
Conference advance gifts	\$ 957,198	\$ -	\$ -	\$ -	\$ -	\$ 957,198
Social Sunday offerings—conf. share	42,809	-	-	-	-	42,809
Gifts and grants	189,067	214	227,393	838,448	-	1,255,019
Mission agency support	1,059,907	-	-	-	-	1,059,907
District mission share	212,379	-	-	-	-	212,379
<b>Total contributions</b>	<b>2,460,360</b>	<b>214</b>	<b>227,393</b>	<b>838,448</b>	<b>-</b>	<b>3,526,372</b>
Investment gain	1,413,823	241,048	311	184,076	-	1,839,338
Other income	29,460	-	-	-	-	29,460
<b>Total support, revenues and gains</b>	<b>3,903,753</b>	<b>241,262</b>	<b>227,694</b>	<b>1,019,524</b>	<b>-</b>	<b>5,392,233</b>
<b>Release of net asset restrictions:</b>						
Satisfaction of purpose restriction	(2,882,848)	-	(198,848)	(1,229,241)	-	(3,480,736)
<b>Change in net assets with donor restrictions</b>	<b>1,020,905</b>	<b>241,262</b>	<b>91,013</b>	<b>(209,717)</b>	<b>-</b>	<b>1,043,463</b>
<b>Net assets with donor restrictions, beginning of year</b>	<b>8,731,182</b>	<b>1,185,000</b>	<b>75,153</b>	<b>3,939,276</b>	<b>-</b>	<b>13,930,611</b>
<b>Net assets with donor restrictions, end of year</b>	<b>\$ 10,372,089</b>	<b>\$ 1,426,262</b>	<b>\$ 166,166</b>	<b>\$ 3,729,559</b>	<b>\$ -</b>	<b>\$ 15,814,076</b>
<b>Total change in net assets</b>	<b>\$ 14,946,008</b>	<b>\$ 243,061</b>	<b>\$ 438,833</b>	<b>\$ 128,042</b>	<b>\$ -</b>	<b>\$ 15,755,944</b>
<b>Net assets, beginning of year</b>	<b>72,875,337</b>	<b>2,904,817</b>	<b>2,984,117</b>	<b>12,686,570</b>	<b>-</b>	<b>91,090,841</b>
<b>Net assets, end of year</b>	<b>\$ 87,821,345</b>	<b>\$ 3,147,878</b>	<b>\$ 3,422,950</b>	<b>\$ 12,814,592</b>	<b>\$ -</b>	<b>\$ 103,206,765</b>

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### The Great Plains Annual Conference of The United Methodist Church

#### Consolidating Statement of Activities Year Ended December 31, 2018

	Great Plains Conference	New Church Development	Campus Ministry	Campus	Eliminators	Consolidated Total
<b>Net assets without donor restrictions</b>						
Support, revenues and gains						
Mission share revenue	\$ 12,755,507	\$ -	\$ -	\$ -	\$ -	\$ 12,755,507
Conference advance gifts	-	-	3,045	14,546	-	17,591
Gifts and grants	229,972	2,000	62,121	305,249	-	637,742
Person and health income	4,647,789	-	-	-	-	4,647,789
<b>Total contributions</b>	<b>17,632,748</b>	<b>2,000</b>	<b>65,166</b>	<b>333,797</b>	<b>-</b>	<b>17,433,711</b>
Program service fees	484,038	-	114,157	1,314,330	-	1,912,525
Investment income (loss)	(4,188,486)	1,389	(84,020)	(5,751)	-	(4,275,868)
Gain on sale of property, equipment, and assets held for sale	\$21,400	-	-	5,032	-	26,432
Other income	120,000	56,884	1,675	44,754	-	223,313
<b>Total support, revenues and gains</b>	<b>13,975,711</b>	<b>40,363</b>	<b>132,077</b>	<b>1,681,354</b>	<b>-</b>	<b>15,849,505</b>
<b>Excess of net assets restrictions</b>						
Settlement of purpose restriction	1,939,852	-	164,371	54,216	-	2,158,439
Intercompany revenue, net of intercompany expenses	-	785,370	(559,370)	704,400	(1,178,650)	-
<b>Total support, revenues, gains and releases of net assets without donor restrictions</b>	<b>15,915,563</b>	<b>885,733</b>	<b>674,706</b>	<b>2,335,475</b>	<b>(1,178,650)</b>	<b>18,345,827</b>
<b>Expenses and losses</b>						
<b>Program services</b>						
Episcopal office	3,950,249	-	-	-	-	3,950,249
Person and health expense	2,582,059	-	-	-	-	2,582,059
Chaplain expense	1,710,271	-	-	-	-	1,710,271
Congregational assistance	1,659,909	747,088	785,645	2,510,005	-	5,702,647
Money and justice	2,535,249	-	-	3,855	-	2,539,104
Other conference ministries	2,181,465	-	67,907	-	-	2,249,372
<b>Total program expense</b>	<b>14,655,192</b>	<b>747,088</b>	<b>653,552</b>	<b>2,521,460</b>	<b>-</b>	<b>18,576,292</b>
<b>Supporting activities</b>						
Administrative	4,220,686	119,696	64,494	400,975	-	5,015,851
Fundraising	8,434	-	707	64,221	-	73,362
Impairment loss	-	700,000	-	-	-	700,000
<b>Total expense</b>	<b>18,675,202</b>	<b>1,866,782</b>	<b>645,244</b>	<b>3,085,146</b>	<b>-</b>	<b>24,272,374</b>
<b>Intercompany expenses, net of intercompany revenue</b>						
	3,128,856	-	-	-	(1,118,650)	-
<b>Total expenses and losses</b>	<b>21,804,058</b>	<b>1,866,782</b>	<b>645,244</b>	<b>2,966,146</b>	<b>(1,118,650)</b>	<b>24,676,732</b>
<b>Change in net assets without donor restrictions</b>	<b>(5,110,536)</b>	<b>(710,588)</b>	<b>2,161</b>	<b>(154,571)</b>	<b>-</b>	<b>(6,077,434)</b>
Net assets without donor restrictions, beginning of year	89,254,680	2,450,380	2,510,708	8,384,685	-	102,100,453
Net assets without donor restrictions, end of year	\$ 84,144,144	\$ 1,739,792	\$ 2,512,869	\$ 8,230,114	\$ -	\$ 96,626,919

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The Great Plains Annual Conference of The United Methodist Church

**Consolidating Statement of Activities (Continued)**  
**Year Ended December 31, 2018**

	Great Plains Conference	New Church Development	Campus Ministry	Camps	Eliminations	Consolidated Totals
<b>Net assets with donor restrictions:</b>						
<b>Support, revenues and gains:</b>						
Conference advance gifts	\$ 111,800	\$ -	\$ -	\$ -	\$ -	\$ 111,800
Special Sunday offerings—conf. share	43,382	-	-	-	-	43,382
Gifts and grants	119,730	45	156,428	1,867,985	-	2,233,798
Mission agency support	1,084,080	-	-	-	-	1,084,080
District mission share	216,080	-	-	-	-	216,080
<b>Total contributions</b>	<b>1,575,072</b>	<b>45</b>	<b>156,428</b>	<b>1,867,985</b>	<b>-</b>	<b>3,699,131</b>
Program service fees	1,800	-	-	-	-	1,800
Investment loss	(478,898)	(74,779)	(169)	(40,895)	-	(694,779)
Other income	18,016	-	-	-	-	18,016
<b>Total support, revenues and gains</b>	<b>1,116,022</b>	<b>(74,734)</b>	<b>156,260</b>	<b>1,816,720</b>	<b>-</b>	<b>3,114,268</b>
<b>Release of net asset restrictions:</b>						
Satisfaction of purpose restrictions	(1,859,862)	-	(194,371)	(642,816)	-	(2,697,049)
<b>Change in net assets with donor restrictions</b>	<b>(843,840)</b>	<b>(74,734)</b>	<b>(38,111)</b>	<b>1,374,704</b>	<b>-</b>	<b>471,919</b>
<b>Net assets with donor restrictions, beginning of year</b>	<b>9,075,122</b>	<b>1,298,734</b>	<b>113,281</b>	<b>2,664,072</b>	<b>-</b>	<b>13,482,099</b>
<b>Net assets with donor restrictions, end of year</b>	<b>\$ 8,231,192</b>	<b>\$ 1,195,000</b>	<b>\$ 75,169</b>	<b>\$ 3,928,729</b>	<b>\$ -</b>	<b>\$ 13,900,090</b>
<b>Total change in net assets</b>	<b>\$ (8,054,465)</b>	<b>\$ (786,509)</b>	<b>\$ (55,000)</b>	<b>\$ 1,216,153</b>	<b>\$ -</b>	<b>\$ (6,899,861)</b>
<b>Net assets, beginning of year</b>	<b>78,928,822</b>	<b>3,696,117</b>	<b>2,830,047</b>	<b>11,448,437</b>	<b>-</b>	<b>96,899,423</b>
<b>Net assets, end of year</b>	<b>\$ 72,875,357</b>	<b>\$ 2,894,817</b>	<b>\$ 2,594,117</b>	<b>\$ 12,665,530</b>	<b>\$ -</b>	<b>\$ 89,029,841</b>