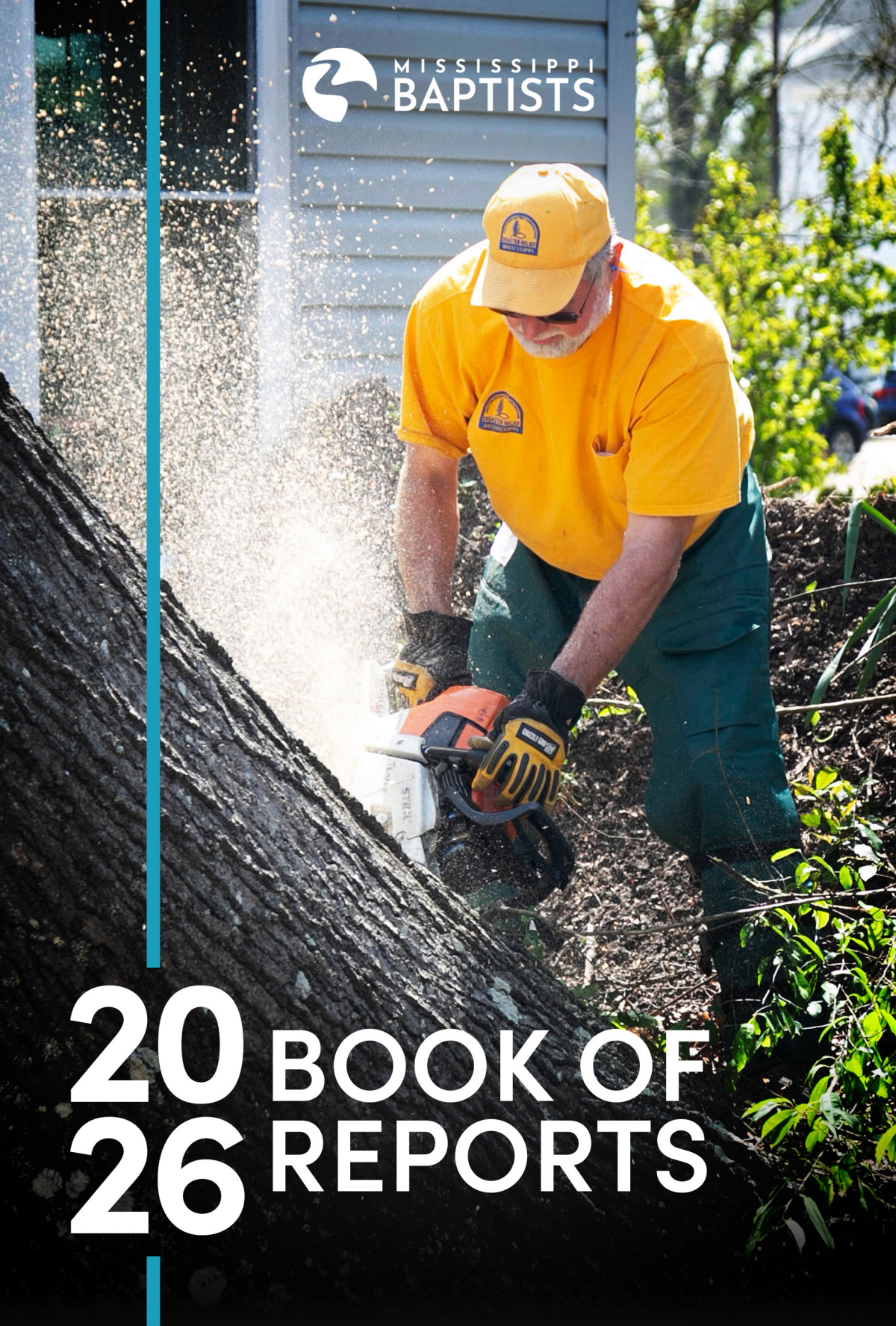




# 20 BOOK OF 26 REPORTS



***REPORTS***

***of the***

***MISSISSIPPI***

***BAPTIST***

***CONVENTION BOARD***

***2026 Officers***

***President ..... Donnie Stuart, Daniel***

***Vice President..... Travis Gray, Eupora***

***Secretary ..... Curt Pace, Philadelphia***

***Executive Director-Treasurer .....Shawn Parker, Ridgeland***

This bulletin of reports is herewith submitted by the authority and request of the Mississippi Baptist Convention as stated in the Constitution as follows:

**Article XVIII, Section 1.** The Convention Board, all other boards, and any group handling funds of the convention shall have all accounts audited annually by a Certified Public Accountant chosen by the board or group of which such audit is required. Such audit shall be paid for from the funds of the boards or other body of whom such audit is hereby required.

**Article XIX, Section 1.** The Convention Board, all other boards and commissions, all institutions and agencies, and all standing committees shall make annual written reports to the convention. The executive director of the Convention Board shall receive these reports from the boards, agencies, and institutions and with the exception of the report of the Committee on Nominations, publish them in a **Book of Reports**, which shall be made available to members of the Convention on the first day of each annual meeting.



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## **EXECUTIVE ADMINISTRATION**

**Shawn Parker, Executive Director-Treasurer**

**Maria Teel, Executive Assistant**

The Lord blessed us with a great year of ministry at the Mississippi Baptist Convention Board. At the top of the blessings list is another increase in baptisms by our partner churches. We celebrated 9,306 baptisms reported through the ACP, which is more than we have seen in any single year in almost a decade. I sense a renewal of evangelistic focus in many of our churches, and this is worthy of our highest celebration.

As for personnel, we said goodbye to one of our longtime BSU leaders in Michael Ball, who served faithfully at Mississippi State University for some 25 years. We, consequently, promoted Daniel Herndon from Associate Director to Director at MSU, and we moved Jonah Bankston from MUW to MSU to become Associate Director. In turn, we called Jacob Hall to assume the role of Director at MUW. We also called Payton Boyd to the position of BSU Director at Copiah-Lincoln Community College. In addition, we promoted Megan Young to the role of Editor of the Baptist Record.

A significant adjustment was made this year to our communications strategy. Through the years, the Baptist Record and the Communications Department functioned separately though they often collaborated. They have worked well together through the years, but the need to work more closely has become evident. In response, we combined the two departments into one, which will be called Communication Services. Seth Price, our Communications Director, will provide oversight to the department, including the Baptist Record. Megan Young, as the editor, will give direct oversight of content and publication of Mississippi Baptist news through The Baptist Record. This restructuring has already proven to be effective, and I anticipate it will allow us to be more efficient moving forward.

In terms of facilities, we added a new restroom/shower facility to the pool area at GARAYWA, and we continue to move forward with renovations to existing facilities at Central Hills. These improvements were needed due to aging facilities and the developing needs of camping ministries. Both of our camps continue to make a difference in the lives of children and youth in a significant way.

We also continue to work toward the sale of the Henderson Point property in Harrison County. As I reported last year, we entered into a contract with Mid South Companies and began the due diligence process. A significant step in this process involved the need to secure rezoning of the property to allow the intended development to move forward. We received permission from the Zoning Commission earlier this year and are working with authorities to complete this rezoning process. I'm hopeful this can be completed in the next year, and the additional steps of due diligence can continue to move toward closing on the contract.



## **BUSINESS OFFICE**

**Barri A. Shirley, Chief Operating Officer**

**Tim Ruth, Procurement Officer**

**Misty Cowart, Ministry Assistant**

The Chief Operating Officer (COO) serves and functions directly under the leadership and direction of the Executive Director-Treasurer in all aspects of Convention Board ministries, services, and facilities oversight. The COO has primary responsibilities for the areas of financial accounting, audits, budgeting, disaster relief, insurance, legal issues, policy, property management, and security. The COO also serves as purchasing agent of the Convention Board, manages the Baptist Building's daily operations, and provides general over-sight of all real and personal property held by the Convention Board. All functions of this office are focused on service to properly support the ministries of the Mississippi Baptist Convention and its affiliated Churches. The Chief Operating Officer and the staff of the MBCB's Business Office are honored to serve the Lord by serving Mississippi Baptists.

## **HUMAN RESOURCES**

**Paul A. Pinson, Human Resources Officer**

**Karen Sullivan, Ministry Assistant**

The Human Resources Officer reports directly to the Executive Director-Treasurer and oversees all personnel-related matters for the Mississippi Baptist Convention Board. Areas of responsibility include staff recruitment and retention, employee training and development, benefits administration, employee relations, policy and legal compliance, risk management, and organizational communications.

Working in coordination with the administrative team and ministry leaders, the Human Resources Office supports Convention Board staff by providing the resources, guidance, and services necessary to effectively serve Mississippi Baptist churches and ministry partners. The Convention Board workforce includes approximately eighty-five full-time employees and seventy-five part-time employees, including seasonal staff serving at the Convention's two camps. The office also administers benefits for approximately 110 retirees.

In addition, the Human Resources Officer serves as a member of the Convention Board administrative team, providing leadership and consultation on personnel, legal, operational, and organizational matters in support of the Board's mission and ministry objectives.

## STRATEGY OFFICE

**Jon Martin, Chief Strategy Officer**

**Beverly Bridges, Ministry Assistant**

**Vesta Clary, Ministry Assistant**

The Strategy Office plays a central role in coordinating the overall mission and ministry efforts of the Mississippi Baptist Convention Board (MBCB) through collaboration with its various departments. Under the leadership of the Chief Strategy Officer, the office carries out four primary functions:

### **Associational Partnerships**

Associations are vital in connecting local churches to broader state and national mission efforts. The Chief Strategy Officer serves as the liaison to Associational Missions Strategists and provides support for planning and resourcing mission and ministry initiatives as needed.

### **Team Support and Strategic Alignment**

The Chief Strategy Officer collaborates closely with MBCB teams to develop and implement strategies related to their respective ministry areas, with a focus on fostering cross-functional collaboration. The office also ensures that departmental efforts remain aligned with the overarching mission of the MBCB.

### **Research and Data Insight**

Following Jesus' guidance to "count the cost" (Luke 14:28), the Strategy Office prioritizes informed decision-making by gathering and analyzing relevant data. Resources like Mission Insite and Survey Monkey are used to deliver timely and accurate insights to staff and ministry partners.

The Strategy Office also manages MBCB's participation in the Southern Baptist Convention's Annual Church Profile (ACP), which supplies essential data for monitoring trends and shaping initiatives that meet the needs of churches and communities across Mississippi.

### **Executive Office Support**

Functioning under the direction of the Executive Office, the Strategy Office carries out its core responsibilities while also supporting additional assignments as determined by the Executive Director-Treasurer.

## **ASSOCIATIONAL MISSIONS**

**Steve Jackson, Associational Specialist**  
**Jon Martin, MBCB Liaison**

We have 82 counties in Mississippi. Serving these counties, Mississippi Baptists have 65 associations. Mississippi Baptist churches in a defined area that may include one or more counties choose to join together for missions, fellowship, and programming.

Associations in our state are led by Associational Missions Directors. Some are part-time and some are full-time. Some Associations are led by local pastors and laymen who serve as moderators or are appointed to the position. It is my high privilege to serve with these leaders as a prayer partner, resource person, Cooperative Program champion, and liaison between the Association and our State Convention.

As missional Mississippi Baptists, let us PRAY for our associational leaders. They are the “first face” of Baptist work beyond the local church. Let us SUPPORT our local associations through time, talents, and finances.

The concept of the Baptist Association is over 200 years old. Let us continue to join with our sister churches as we serve our Risen Savior!

Dr. J. Steve Jackson  
MBCB Associational Missions Specialist

## **BIVOCATIONAL**

**Greg Barker, Consultant**

**Elizabeth Lindigrin-Hancock, Ministry Assistant**

*“We are laborers together with God” (1 Corinthians 3:9).*

The Bivocational / Resume Services Department is directed by Greg Barker, Pastoral Ministries Consultant, who serves with Dr. John Pace, Leadership Department Director, and Elizabeth Lindigrin, Ministry Assistant for both departments.

### **Bivocational Ministries**

The MBCB defines “bivocational” as a minister who is employed in one or more occupations apart from their paid service as pastor or minister of a local church, where the church does not provide a salary sufficient for them to devote full-time service to the church field.

We continue to encourage and equip our bivocational pastors and their churches to make disciples in Mississippi and around the world. We believe that every pastor and every church of any size is necessary and valuable to our Mississippi Baptist Convention, and we are committed to labor together with them to accomplish that goal.

One way we encourage bivocational pastors is with a birthday text. At the end of the text, we ask the minister to add our number to their list of contacts so they can call or text us if they have a need we can assist them with or to ask for prayer – and they do. We have discovered that texting is the best way to communicate with bivocational ministers.

We look forward every year to our Annual Bivocational Ministries Breakfast that is held the Tuesday morning before our Annual Meeting. Last year over 50 pastors, Associational Mission Strategists, and others from across our state came together for a time of fellowship, networking, and inspiration. Dr. Ronald Meeks, Chair of the Department of Biblical Studies and Professor of Biblical Studies at Blue Mountain Christian University, shared how bivocational pastors can effectively prepare expository sermons on a limited schedule. Dr. Meeks is a great preacher and a great friend to pastors.

Our goal last year was to encourage all our new Associational Mission Strategists to have conferences and events in their association specifically for

bivocational ministers. I especially enjoyed the early morning breakfast meetings at Covington-Jeff Davis Association and Rankin Association.

We continue to evaluate how to make this department the best it can be for our ministers and churches.

### **Resume Services**

Resume Services help churches with minister search training, compensation planning, background information, job descriptions, resume help, Ministry Job Board, assistance with pulpit supply and interim pastors, and so much more.

First, we want to thank Mississippi Baptists for your gifts to the Cooperative Program and the opportunity to train 78 Minister Search Committees last year.

That number is encouraging, but the real impact is not numbers. The real impact is relationships and how we were able to relate and assist our MBCB churches in finding the minister God has especially for their church. We often receive notes from churches that we assisted. A church in Louisville wrote: "On behalf of the search committee let me thank you for your time and what we all agreed was a great presentation. We feel you have given us a jumpstart down the path God has chosen us to travel. I received nothing but glowing remarks about you when we met for a few minutes after you left." A church in Gore Springs wrote: "The training was super instrumental in guiding our pastor search committee to approach this process with prayer, prayer, and more prayer. He was an amazing encourager. He motivated us and reminded us of the great responsibility that lies before us." A church in Yazoo County wrote: "The vote was unanimous! I place much of the credit with you for your guidance, advice, and recommendations for how to introduce our new pastor to our church."

If your church is seeking a minister, we encourage our Minister Search Training. There is no cost for this training. It takes about an hour, and we will come any time that is convenient for the committee. We provide the committee with our updated training manual that has 10 pages of instruction and 14 appendices. We will also bring a 10-year history of their church, information on how to do background checks – which is so important today, and a compensation study that shows how much churches are paying their ministers. After the Minister Search Committee has been trained, they are better able to find the minister that God has especially for their church.

This past year we saw great results from our Ministry Job Board. When we first launched the Ministry Job Board in July of 2023, we were not sure how it would be received by churches. We knew the ministers would love it because they could view the churches that were searching for a minister and upload their resume directly to that church. We have lots of success stories from churches that were receiving resumes and calling ministers from the Ministry Job Board. The MBCB Ministry Job Board had a total of 282 posts and averages 200 posts.

The Ministry Job Board is free for all Mississippi Baptist Churches and MBCB affiliated ministry organizations to post their ministry job opening and for ministry job seekers to browse and apply directly for that ministry position online. Please join me in praying for the churches that are seeking ministers and for the ministers that are seeking churches.

Please contact our Leadership / Bivocational / Resumes Services Department by phone (601) 292-3307 or email [jpace@mbcb.org](mailto:jpace@mbcb.org), [gbarker@mbcb.org](mailto:gbarker@mbcb.org), or [elindigrin@mbcb.org](mailto:elindigrin@mbcb.org) if we can help you in any way.

### **Cost Share Counseling**

We provide Cost-Share Counseling to all our Mississippi Baptist Convention ministers and their immediate families. To receive counseling, the minister calls our office for approval. Once approved, the minister will be given a list of approved Christian Counselors. This has been a busy year for our Cost-Share Counseling Program. We provided counseling for 20 ministers and their immediate families for a total cost of \$6,305.00.



## **DISCIPLESHIP/SUNDAY SCHOOL**

**Dwayne Parker, Director**

**Angie Boydston, Preschool/Children's Ministry Consultant**

**Zach DePriest, Student Ministry Consultant**

**Andrew Harper, Adult Ministry Consultant**

**Rene' Edwards and Tasha Presson, Ministry Assistants**

### **Discipleship/Sunday School Ministries**

The Discipleship and Sunday School Ministries exist to assist, equip, and resource churches in making disciples. We carry out this mission through a variety of strategies, including:

- Discipleship Strategy Development
- Sunday School/Small Group Strategy Development
- Next Generation Ministry Development (birth through college)
- Age-Graded Ministries
- Men's Discipleship/Ministry
- Central Hills Baptist Retreat

We relate to and assist the local churches through consultations, leadership training, Bible Drill, Speakers Tournament, Vacation Bible School, Super Summer, ministers' retreats, and a variety of training events. Over the past year, we have experienced an exciting season of ministry as we continued to connect with and serve Mississippi Baptist churches across the state. We have partnered with individual churches and associations to provide customized training and resources, equipping leaders who minister to preschoolers, children, students, and adults. We have also assisted churches in developing intentional disciple-making strategies and equipped Next Gen leaders to effectively minister to children and students, helping them address the growing challenges and anxieties facing today's generation with biblical truth and Christ-centered care.

### **Preschool/Children's Ministry**

KidMin Discipleship is all about helping churches strengthen their children's ministry programming. We train and encourage both KidMin volunteers and ministry leaders as well as offer resources about various aspects of children and preschool ministries.

Events like our annual KidMin retreat for professional leaders of ministries help us provide opportunities for networking and learning. Another option for Children's ministry leaders to obtain training is our KidMinU online class. This

year we had 7 students from around the state join us for the eight-month practical course designed to help them in the leadership role.

Vacation Bible School and Bible Drills remain key programs for our churches' children's ministries. Somewhere around 25 VBS visits to churches each summer provide a view to how that program is still critical for children's ministry. Last year saw our largest number of churches to participate in Bible Drill since Covid.

### **Student Ministry**

Super Summer, our annual Christian leadership training conference for high school students, trains students in the areas of leadership, evangelism, apologetics, and discipleship. Our speaker, Jason Cook, focused on 1 Peter 2:9-12 with our theme "Proclaim" where students were challenged to proclaim the gospel in all areas of their life because of how God has called us out of darkness into His marvelous light.

We had several Small Church Youth Ministry Workshops across the state to help train and equip youth ministry workers, committee members, and other volunteers when it comes to student ministry in a smaller church setting.

We had our annual student ministers retreat where we gathered for fellowship and training. Our student ministers were encouraged and given tools to help them continue in the ministry God has called them to and to help avoid ministry burnout.

### **Adult Ministry**

Discipleship in Adult Ministry continued this year with several annual training courses. The Senior Adult Leadership Training was hosted in March this year at Garaywa and highlighted senior adult Bible study, grandparenting ministry, and the need for multigenerational ministry across all our churches. Regional Sunday school workshops helped several churches be better equipped to use their curriculum and develop environments that promote discussion in their classes. This past year also saw a cohort created for discipleship pastors in the state. This bi-monthly cohort helped discipleship pastors connect with each other from various churches and share insights and advice to better their adult discipleship ministry. Outside of these annual training events and programs, many MS Baptist churches engaged in Sunday school and discipleship training events hosted at their churches to help them grow their Sunday school and align their programs to make disciples who make disciples.

## **Men's Ministry**

Discipling men remains the primary focus of our Men's Ministry efforts. We assist churches in exploring and developing effective, long-lasting men's ministries. Through consultations, resources, and practical insights, we help equip churches with the tools they need while sharing the latest trends and best practices in men's discipleship.

## **Central Hills Baptist Retreat**

Jason Marshall – Camp Manager

Aaron Gantt – Maintenance Supervisor

Wes Jolley – Assistant Building/Grounds Maintenance

Sabrina Stokes – Food Service

Ava Whitehead – Ministry Assistant

Central Hills Baptist Retreat has been blessed to host numerous church and organizational retreats and conferences during the fall, winter, and spring seasons. We have also been greatly encouraged by volunteer teams who generously gave their time, talents, and resources to help meet needs across our campus. During the summer months, our campus comes alive with the sounds of children, students, leaders, and summer staff participating in children's camps and student camps. For the 2026 summer camp season, we were blessed by more than 55 college students who served faithfully as summer staff members. Through their dedication, along with the commitment of our full-time staff, more than 2,300 campers heard the good news of Jesus Christ. In August, we began remodeling and updating the following buildings: the camp center/dining halls, snack shop/infirmarary, chapel and Coles Creek lodge. The ministry of Central Hills Baptist Retreat is made possible through the faithful giving of Mississippi Baptist churches through the Margaret Lackey State Missions Offering.

The ministry team of the Discipleship/ Sunday School and Central Hills Baptist Retreat are grateful for the opportunity to serve Mississippi Baptist churches and look forward to even greater ministry opportunities in the days ahead.

## **LEADERSHIP**

**John Pace, Director**

**Greg Barker, Consultant**

**Elizabeth Lindigrin-Hancock, Ministry Assistant**

The mission of the Leadership Department of the Mississippi Baptist Convention Board is “developing leaders to strengthen churches in Mississippi.” Our target audience consists of pastors, staff ministers, deacons, elders, church officers, ministry assistants, church leadership teams, church committees/teams, youth and adults surrendered to vocational ministry, college students committed to church-related vocations, and Associational Mission Strategists and local Baptist associations. Each year we work with a large number of these individuals and groups to assist, resource, and equip them for effective and productive ministry and leadership in their local churches and ministry contexts. To access information about our services and resources, go to our web page at <http://www.mbc.org/ministry/leadership/>. Our Leadership Department also has a Facebook page titled the "Mississippi Baptist Senior Pastors" group page, which is a private page for MBCB Senior/Lead Pastors and Associational Mission Strategists existing to help connect those serving in these roles and provide a forum to share ideas, have discussion, and encourage fellow MBCB Pastors. To join this page, go to the "Mississippi Baptist Senior Pastors" page on Facebook, read the information and interaction guidelines, and fill out the member request questions. Please share this information with other MBCB Pastors and encourage them to join this group, and share with us any ideas or suggestions about how this page can best benefit and help MBCB Pastors.

Our Leadership Department serves in a variety of ways to assist pastors, ministers and churches to advance the cause and mission of Christ in and through their churches. Our efforts this past year included:

- Responding to requests for a variety of needs, training, resources, and questions from church pastors, ministers, deacons, elders, leaders, and committees/teams seeking consultations, training, assistance, resources, and information on church ministry. We responded to these requests with on-site ministry visits when needed, and discussion and resourcing through phone calls, emails, texts, and digital meetings. This year we responded to a multitude of church requests, including assistance and training for deacons in fulfilling their calling; helping churches in the process of evaluating their current ministry buildings,

securing additional space, and/or renovating or improving their existing church ministry buildings; assisting churches in evaluating and updating their church constitution and bylaws; helping with long-range planning and vision-casting for churches and their ministries; assisting churches in addressing conflict situations; help with management needs for church offices; and training and assistance for church committees/teams.

- Providing focused ministry assistance, mentoring, resources, and training for our wonderful bivocational pastors and ministers, which make up a significant and growing number of pastors and ministers in our state. Special thanks to Rev. Greg Barker, Pastoral Ministries/Bivocational Pastor Consultant in our department, for his faithful work with our bivocational ministers.
- Helping churches and ministers in seeking God's will in making connections in ministry service. Our department oversees an exciting tool and opportunity for churches that are seeking God's will in finding a new Pastor or Minister at their church, and for pastors and ministers seeking God's direction for a new place of ministry service. Instead of maintaining and sending resumes to churches from our department as we have done in the past, we now host and manage our MBCB Ministry Job Board for churches and ministers through our MBCB website. If you are a church leader desiring to receive resumes from potential pastors and ministers for a ministry position at your church, go to [www.mbc.org/connect/submit-a-job/](http://www.mbc.org/connect/submit-a-job/) and complete the requested information and submit your post. If you are a pastor or minister seeking opportunities for a full-time or bivocational ministry position, you can review the available ministry positions listed on our Ministry Job Board, and submit your resume to churches, at [www.mbc.org/connect/find-a-job/](http://www.mbc.org/connect/find-a-job/). On the Ministry Job Board this year, we posted 282 open ministry positions for MBCB churches. This year, we also trained 78 pastor/minister search committees; welcomed and connected with 154 new pastors across our state, including 21 pastors who attended our "New Pastor Day" at the MBCB Building; and helped numerous churches seeking assistance in identifying interim pastors and supply preachers. Special thanks to Rev. Greg Barker and Elizabeth Lindigrin-Hancock in our department for their excellent work in this area of ministry.

- Assisting and encouraging pastors, ministers, and their families in our state to help them with guidance and support in the joys, struggles, and issues of ministry. Last year we ministered to a large number of contacts from pastors and ministers through personal visits, phone calls, emails, and texts, to help them with needs, questions, resources, and mentoring related to their ministries, churches, theological education, and personal/family lives. As part of this ministry, we provided cost-share counseling for 20 ministers and/or their families; provided counsel, guidance, and financial assistance to numerous ministers who were force-terminated; and assisted numerous ministers with guidance and encouragement in their ministry educational pursuits and vocational plans. This year we received and processed five applications for benevolent financial assistance from qualifying ministers across our state, providing \$16,000 in assistance. On behalf of these ministers, I thank our MBCB leadership, and all of you as Mississippi Baptists, for your loving help and ministry to these pastors, ministers and their families during their time of need.
- Engaging in ministry and events to celebrate and assist our Church-Related Vocation (CRV) students at our three Baptist colleges: Blue Mountain Christian University, Mississippi Christian University, and William Carey University. We held CRV Banquets at the three campuses to recognize, encourage, and connect with these CRV students as future ministry leaders and servants in our state, attended by a total of 255 students. We held our Student Day at the MBCB building, hosting about 76 students from our three Baptist colleges at the building for fellowship and to share information, resources, and understanding about the ministry of the MBCB and how we can assist them and their churches in the calling and ministry God has for them in life.
- Our Leadership Department also hosted the annual MBCB Preaching Conferences at our three Mississippi Baptist colleges for ministers and students around our state, attended by a total of over 109 people. The 2026 Preaching Conference examined the book of Jeremiah and was led by Dr. Joseph Bird (William Carey University), Dr. Ronald Meeks (Blue Mountain Christian University), and Dr. Wayne VanHorn (Mississippi Christian University).
- Our Leadership Department also enjoyed numerous opportunities to minister with our Associational Mission Strategists in our local Baptist

associations throughout our state in ministering to individual church and/or minister needs, including training conferences and events.

Thanks to all of you for the privilege to serve God with you in this ministry capacity, and please pray for us as we continue to update, improve, expand, and plan for even greater ministry service in our future. Please call us any time we can minister with you or to you and your churches in ministry and life.

## STEWARDSHIP/PRAYER MINISTRIES

**Rick Blythe, Director**

**Amy McKay, Ministry Assistant**

The Stewardship and Prayer Ministries Department of the Mississippi Baptist Convention Board exists to encourage, equip, and empower local congregations to fulfill the Great Commission through faithful biblical stewardship and persistent prayer. In an era where local churches face challenging economic conditions, this department connects pastors and church members with practical tools and biblical foundations necessary for long-term health and effective ministry.

Stewardship and prayer are closely connected. A congregation aligned with God's heart through prayer naturally reflects His generosity. Through specialized consultation, training events, and prayer support, the department helps churches build a culture of biblical discipleship that strengthens both local outreach and cooperative missions across Mississippi.

### **The Power of Cooperative Generosity**

Central to this mission is the Cooperative Program, the unified channel through which Mississippi Baptist churches join together to support ministries across our state and around the world. Through the faithful generosity of local congregations, these combined resources fuel church planting, biblical education, disaster relief, global outreach, and much more. The Cooperative Program turns individual acts of stewardship into a powerful collective effort, ensuring every church—regardless of size—plays a vital role in fulfilling the Great Commission. By giving together, Mississippi Baptists extend their reach far beyond Mississippi to share the Gospel with a hurting world.

### **Building a Stronger Prayer Life**

Prayer is the spiritual engine of every healthy ministry. To keep prayer at the forefront of congregational life, the Stewardship and Prayer Ministries Department provides resources designed for both individual believers and local church leadership.

### **The Weekly Prayer Guide**

Available as a digital download from the MBCB website, the guide focuses on strategic intercession for state and global missions, pastoral and leadership health, and community transformation across Mississippi's 82 counties. The



prayer guide unifies thousands of believers in coordinated prayer, strengthening our shared faith and cooperative bond.

### **Strengthening Local Church Stewardship**

The department offers comprehensive training and strategic consulting tailored to churches of all sizes. In February, the department hosted a highly successful "Church Financial Leaders Training" session, drawing pastors, treasurers, financial secretaries, stewardship committee members, and associational mission strategists from across the state. The event addressed safeguarding church assets, written financial policies and procedures, tax compliance, minister's housing allowance, compensation best practices, and the development of vision-driven church budgets aligned with Great Commission priorities.

### **"Challenge to Build" Capital Campaigns**

For congregations reaching facility capacity or preparing for strategic expansion, the department offers the custom-tailored "Challenge to Build" campaign model. Combining spiritual emphasis with structured capital fundraising, this approach guides churches to secure needed capital without sacrificing their primary focus on ministry. Churches entering a capital campaign can expect to experience renewed unity and sacrificial giving among their members.

### **"One-Day Stewardship Revivals"**

These single-day events visit local churches to preach and teach on the spiritual discipline of biblical generosity. By framing giving as an act of worship rather than a financial obligation, these revivals help members align their personal finances, time, and talents with God's kingdom work and re-energize local congregations toward biblical generosity and whole-life stewardship.

### **Moving Forward Together in Mission**

The Stewardship and Prayer Ministries Department remains committed to walking alongside Mississippi Baptist churches. Whether guiding a church through a major building project, training financial leaders, reviving a congregation's giving culture, or organizing statewide prayer efforts, the department stands ready to serve. By focusing on spiritual dependence through prayer and practical faithfulness in stewardship, we help build healthy churches that impact Mississippi and the world for Jesus Christ. We are here to partner with you and serve your church in every way we can. Please reach out if we can assist you with the Cooperative Program, Stewardship, or Prayer initiatives.

## **WORSHIP MINISTRIES**

**Kris Smith, Director**

**Wyndy South, Keyboard/Children's Music Consultant**

**Olivia Wilkins, Ministry Assistant**

The Worship Ministries Department of the Mississippi Baptist Convention Board continues to pursue its mission of resourcing, equipping, and encouraging Mississippi Baptist churches and worship leaders. Guided by Ephesians 4:12, our desire is to strengthen local churches by developing worship leaders, supporting congregations, and providing opportunities for believers of all ages to grow as worshipers and servants of Christ.

Throughout the year, the department served churches through events, leadership training, consultations, worship leader roundtables, and partnerships with congregations in times of transition. We also continued efforts to develop future generations of worship leaders through children's, student, and adult ministry opportunities across the state.

### **CHURCH SUPPORT, CONSULTATION & LEADERSHIP DEVELOPMENT**

The Worship Ministries Department continues to provide guidance and encouragement to churches seeking worship leadership. During the past year, the department consulted with 32 churches, conducted 12 in-person search team training events, and assisted 27 churches through worship ministry staffing transitions.

In addition, six Worship Leader Roundtables were hosted across Mississippi in Decatur, Oxford, Bay St. Louis, Starkville, Jackson, and Petal. These gatherings brought together approximately 70 worship leaders for fellowship, discussion, encouragement, and practical ministry development.

The department has also begun developing a more intentional leadership pipeline aimed at identifying, mentoring, and equipping future worship leaders for service in Mississippi Baptist churches.

### **CHILDREN'S MUSIC**

*Summer Music and Arts Camp for Kids (SMACK)* was held July 7-10 at William Carey University, with the closing worship presentation hosted by Hardy Street Baptist Church in Hattiesburg. Under the leadership of Event Coordinator, Hope Smith, the camp welcomed 185 campers, sponsors, and staff from 16 churches;

this year Darlene Abbott served as guest musical director. The theme, *Worthy of Worship*, was based on Revelation 4:11, reminding children that God alone is worthy of our worship because He created all things. We rejoice that seven children made professions of faith during the week, while several others requested prayer and spiritual guidance concerning God's direction for their lives.

*Young Musicians Honor Choir* gathered 60 students from across Mississippi for a weekend of worship leadership at Park Place Baptist Church in Pearl. The choir was directed by guest conductor Wayne Causey of the Tennessee Baptist Mission Board and presented the musical *Heroes of the Faith*, encouraging students and audiences alike through the stories of faithful believers found in Scripture.

## **STUDENT MUSIC**

*HeartSong Worship Arts Camp* was held June 30-July 3 at William Carey University, with the closing worship presentation hosted by Hardy Street Baptist Church. The theme, *All My Boast Is in Jesus: His Goodness, His Merit, His Righteousness*, was based on Romans 5:2. The camp welcomed 127 students, sponsors, and staff from 17 churches.

Camp leadership this year included Camp Pastor Jared Roberts, Student Pastor at First Baptist Church Amory; Musical Director Dr. Brandon Hardin, Dean of the School of Music at William Carey University; and Worship Leader Matthew Gaddy, Worship Pastor at First Baptist Church Long Beach. Through music, drama, signing, and worship leadership opportunities, students were challenged to deepen their faith and develop their gifts for ministry.

The *Mississippi Baptist All-State Youth Choir and Orchestra (MBASYCO)* included 76 students selected through statewide auditions. Under the leadership of Event Coordinator Elizabeth Knight, Choral Director Kris Smith, and Orchestra Director Byron Green, students led worship and presented concerts at First Baptist Church Wiggins, Belden Baptist Church, New Salem Baptist Church in Columbus, First Baptist Church Kosciusko, First Baptist Church Summit, and First Baptist Church Florence. The group also ministered through a worship service at Central Mississippi Correctional Facility and led music during a chapel gathering at the Mississippi Baptist Convention Board.

## **KEYBOARD MINISTRY**

Ten *Keyboard Festivals* were conducted across Mississippi under the leadership of Wyndy South. These festivals served 651 students representing 250 churches in 70 cities and 34 associations. Students were evaluated in a variety of musical disciplines, including hymn playing, accompanying, modulation, transposition, sight-reading, and classical repertoire. More than 240 volunteers, adjudicators, and coordinators assisted in making these events possible.

## **INSTRUMENTAL MINISTRY**

The *Mississippi Baptist Symphony Orchestra*, directed by Byron Green, held its annual retreat on February 7 at First Baptist Church Florence. The orchestra, composed of approximately 100 musicians from churches throughout Mississippi, presented concerts during the year at First Baptist Church Brookhaven, First Baptist Church Senatobia, Hardy Street Baptist Church in Hattiesburg, and First Baptist Church Long Beach.

The department also continued providing consultation and encouragement to churches seeking to strengthen instrumental ministries within their congregations.

## **SINGING CHURCHMEN & CHURCHWOMEN**

The *Mississippi Singing Churchmen* presented spring worship concerts at First Baptist Church Bay St. Louis, West McComb Baptist Church, and Hardy Street Baptist Church in Hattiesburg. Fall concerts are scheduled for Pleasant Hill Baptist Church in Columbus, First Baptist Church Newton, and First Baptist Church Collinsville. These worship leaders continue to model faithful service and encourage churches through music ministry.

The *Mississippi Baptist Singing Churchwomen* presented their spring concert at First Baptist Church Quitman and will present a fall concert at Ackerman Baptist Church. The Churchwomen also gathered for their annual retreat August 28-29 at Garaywa Camp and Conference Center for fellowship, worship, musical preparation, and spiritual renewal.

## **WORSHIP LEADER TRAINING & SUPPORT**

The *Mississippi Worship & Media Conference* was held February 24 at Morrison Heights Baptist Church in Clinton. The event brought together 174 registrants and conference leaders from across the state for training in worship leadership, media and production, and church communications. Jon Daniels, Senior Pastor of First Baptist Church Flora, served as keynote speaker, while worship was led

by Johann Acuna of Broadmoor Baptist Church and Jonathan Henderson of Crossgates Baptist Church.

*Worship Leader Training*, available online through the Mississippi Baptist Convention Board, continues to equip part-time, bi-vocational, and emerging worship leaders. During the past year a new mentorship component was added, providing opportunities for participants to connect with experienced worship leaders for encouragement, guidance, and ministry development.

## **IN CLOSING**

The Worship Ministries Department remains grateful for the privilege of serving Mississippi Baptist churches. Whether through training, consultation, worship leadership development, or ministry events, our desire is to help churches cultivate Christ-centered worship and raise up future generations of faithful worship leaders.

*"Let everything that has breath praise the Lord." Psalm 150:6*

## COLLEGIATE MINISTRIES

Sam Ivy, Director  
Mandy Phillips, Consultant  
Aubree Williams, Ministry Assistant

### STAFF UPDATES

#### Retirements:

- Michael Ball retired from BSU ministry with Mississippi Baptists concluding 35 years of service.  
Pearl River Community College: 1991-1993 (Director)  
University of Southern Mississippi: 1993-2001 (Associate Director)  
Mississippi State University: 2001-2026 (Director)
- Kevin Patterson retired from BSU ministry with Mississippi Baptists concluding 20 years of service.  
Hinds Community College: 2006 – 2016 (Associate Director)  
Jackson State University: 2016 – 2026 (Director)

#### New Hires:

- Daniel Herndon was promoted from Associate Director to BSU Director at Mississippi State University (MSU).
- Jonah Bankston was hired as Associate BSU Director at Mississippi State University (MSU).
- Payton Boyd was hired as BSU Director at Copiah-Lincoln Community College (Co-Lin).
- Jacob Hall was hired as BSU Director at Mississippi University for Women (MUW or The W).
- Dannie Waller was hired as BSU Director at Mississippi Christian University (MCU).

### 2026 SUMMER MISSIONS RECAP

The goal of Mississippi BSU is to help students know and love Christ and then mobilize them to make Christ known. We want every college student to understand their ultimate calling to live on mission and make disciples wherever they are, regardless of their chosen profession. Our BSU staff champion this missional lifestyle, challenging students to leverage their lives for the sake of the gospel.

During the summer of 2026, 162 Mississippi BSU summer missionaries representing 21 of our campuses served on 6 continents, 23 countries, and in 13 U.S. States. Our students served between 4- and 12-week assignments

serving in kids' ministry and college ministry to research and community outreach, ministering to the abused and the at-risk, working with refugees, teaching ESL, serving as church planting interns, and as camp staff in under-resourced locations. Our students had 3,500+ gospel conversations and celebrated 244 individuals who came to Christ, while discipling 426 local believers!

Here are a couple of quotes from 2026 Summer Missionaries:

"Scripture leaves us with no choice but to consider going. We have the will of God clearly expressed in Scripture for the gospel to go to the ends of the Earth, and we are the means that God uses to achieve that. For us, that means we must figure out where we fit into that picture, and Summer Missions is a great way to join in on the work that God is doing throughout the world."

2026 BSU Summer Missionary in Secure Country

"When God gives the time and opportunity for you to go and serve, it is for His glory and your good to say yes. The challenges and sacrifice are worth it to see how the Lord works in the lives of others and to see the transformation in your own life. You learn more about who He is and, as a result, who you are. God will change your life, and he might use summer missions to do that. He promises abundant life and sharing that truth with others is the best thing you can do."

Saydee Taylor, Ole Miss BSU-Oregon

## BAPTIST STUDENT UNION BY THE NUMBERS August 2025 – May 2026

29 College Campuses Impacted by the Ministry of BSU

28,500+ Students Engaged by Mississippi BSU

183 Salvations

800+ International Students Engaged

587 Students Trained in Leadership Development

978 Students Mobilized on Short Term Mission Opportunities

1,013 Students Involved in Personal Evangelism

125 Students Pursuing Vocational Ministry Post-Graduation

215 Students Served at Christmas in the Delta

1000+ Attended College Student Conference at FBC Madison, MS

875+ Attended BSU Spring Conference at MSU BSU in Starkville, MS

## **CHURCH PLANTING/REVITALIZATION**

**John Maxey, Director**  
**Melissa Doyle, Ministry Assistant**

### **Church Planting**

The Church Planting and Revitalization Department's vision for Church Planting is to support Mississippi Baptists in training and equipping called leaders to plant multiplying churches, and to reach the unreached population of our state with the Gospel of Jesus Christ. Our partnership with the 242 Network continues to assess, train, and support the called to plant multiplying Baptist churches. We are prayerfully seeking God called church planters and established churches ready to support church planters in Mississippi. We are assisting in the planting of as many churches as we have qualified church planters. We ask that you seek what role the Lord may have you and your church family fulfill in this Great Commission task.

### **Church Revitalization**

The Church Renewal Network (CRN) has expanded and strengthened over the past twelve months. Through our partnerships with local associations and cooperating churches, we are striving to be proactive and strategic in catalyzing church revitalization. The Network will seek to accomplish three goals: engage churches, equip leaders, and encourage partnerships. We host a Church Renewal Summit each year, The next Summit is scheduled for January 11, 2027, with Dr. Sam Rainer.

### **CRN Apprenticeship Program**

The CRN Apprenticeship Program is designed to help individuals explore their vocational calling, be equipped for pastoral ministry, be exposed to church revitalization, and engage in missional living. The CRN Apprenticeship Program consists of both academic and non-academic track. Our partnership with New Orleans Baptist Theological Seminary allows students to 15 hours towards an Undergraduate or Master's degree. Students will need to apply for their desired degree through the normal seminary process. Students who sense a call to church planting or to an revitalization setting should contact our office for further information.

### **Church Renewal Journey**

The North American church is over-programmed and under disciplined. Unfortunately, many have replaced the Great Commission with the Functional



Great Commission, which say, “Go into all the world and make worship attenders, baptizing them in the name of small groups, and teaching them to volunteer a few hours a month.”

For a church to be renewed it must return to its biblical mandate. This requires clarity of purpose, strategy, and communication. This resource helps churches and leaders to align their vision, priorities, and mission around the Great Commission.

### **RE Cohort**

The department trains and equips mission strategists in leading Revitalization Pastor Cohorts across our state. RE seeks to create the right conversations for revitalization pastors and re-planters to focus on elements essential to strengthening the church by examining Biblical truth and wisdom from others before applying them to any context. If you would like more information on joining a cohort, please contact our office.

### **Renewal Practitioner Lab (RPL)**

The Renewal Practitioner Lab seeks to develop a network of trained leaders to assist local associations to facilitate renewal in congregational mission and strength. Our goal is to have a “church health team” or “church renewal team” in every association in the state.

## DISASTER RELIEF

Hubert Yates, Director

John M. Henry, Disaster Relief/Construction

Deanna Vail, Ministry Assistant

### Disaster Relief

In 1976, Mississippi Baptists committed themselves to bringing help, healing, and hope in the name of Christ to those affected by disasters. Since that time, Mississippi Baptist Disaster Relief has grown, expanded its ministry components, and now represents the largest organized volunteer force serving in disaster ministry in the state. MSBDR volunteers are trained and prepared to serve in multiple specialty areas, enabling them to respond effectively to the physical, emotional, and spiritual needs of survivors.

Since the last Annual Meeting of the Mississippi Baptist Convention, much of MSBDR's work has been local in nature. In the Emergency Management community, it is often said that *all disasters are local — they start local, and they end local*. This reality underscores the importance of locally organized teams in our churches and associations, responding with compassion and readiness even when an event never makes the headlines. This is the core of our mission...Neighbor helping neighbor demonstrating the love of Christ and gaining an opportunity to speak into the lives of those impacted by the disaster. Mississippi Baptists continue to demonstrate that faithful, local ministry is the backbone of effective disaster response.

The most significant event of the past year was the 2026 Winter Storm, which impacted communities across 37 counties of the state. MSBDR volunteers provided emergency feeding, chainsaw assistance, temporary shelter support, chaplaincy care, and clean-up/recovery services. The response saw the establishments of 5 Operation Sites (Corinth, Ecran, Water Valley/Oxford, Grenada, and Greenville). Assisted by Georgia Baptist Disaster Relief, Kentucky Baptist Disaster Relief, Alabama Baptist Disaster Relief, and Florida Baptist Disaster Relief volunteers, the deployment saw over 1,800 assistance requests completed, 22,000 volunteer hours provided, and witnessing 19 individuals make Professions of Faith. Their work was recognized by the Mississippi Public Service Commission through a resolution honoring the volunteers for their service, ministry and assistance. This deployment reflects the cooperative strength of our churches, associations, and state conventions when we join together in ministry.

In addition to response efforts, MSBDR conducted Regional Disaster Relief Training across the state in Basic Chainsaw, Chaplaincy, Clean-up/Recovery, and Mass Feeding. These training events equipped new volunteers, strengthened existing teams, and expanded readiness within local congregations and associations. Training locations included:

- FBC Gautier – Jackson County Association
- FBC Taylorsville – Smith County Association
- FBC Vicksburg – Warren County Association
- FBC Abbeville – Lafayette/Marshall Baptist Association
- Emmanuel Baptist Church, Greenville – Washington County Association

MSBDR remains committed to preparing believers, strengthening churches, and serving together so that every act of ministry points people to Christ. The work of the past year reflects the heart of Mississippi Baptists — ready, willing, and faithful to bring help, healing, and hope in Jesus' Name.

Mississippi Baptist Disaster Relief currently has 2,015 volunteers credentialed to serve in times of disaster and crisis.

### **Campers on Mission**

Campers on Mission seek to take the gospel to campgrounds, parks, and churches across Mississippi and North America. Mississippi COM meets throughout the year to do missions, revivals, construction projects, and fellowship. Mississippi COM is an active group of Mississippi Baptists available to assist churches, associations, and ministries with light construction and repair needs.

## **EVANGELISM**

**Don Lum, Director**  
**Melissa Doyle, Ministry Assistant**

Mississippi Baptists are generous people. Across our churches and communities, faithful men, women, and students serve every day, meeting needs, building relationships, and pointing others to the hope found in Jesus Christ. God continues to use that service to make a lasting difference in Mississippi and beyond.

At the heart of that service is evangelism, the mandate given to us by Jesus Christ Himself. Across our state, believers share the Gospel in county jails, regional facilities, and state prisons, seeing countless lives transformed by Christ. Through Criminal Justice ministries, churches continue to engage correctional facilities with the message of restoration found in Him. One powerful example is the partnership with New Orleans Baptist Theological Seminary at Parchman State Penitentiary, where 27 men received undergraduate degrees during a ceremony marked by joyful worship and inspiring testimonies of God's grace. While many of these salvations and baptisms are not reflected in Annual Church Profile reports, they remain a powerful testimony to God's transforming work.

That same Gospel witness is evident through the everyday ministries of our churches. Congregations meet practical needs through ministries such as food distribution while sharing the hope of Christ. Others connect with their communities through fall festivals, harvest events, and outreach opportunities that build relationships and create pathways for ongoing ministry.

As churches continue to share Jesus and report through the Annual Church Profile, there is much to celebrate. Men, women, and students are placing their faith in Christ, and Mississippi Baptists have seen baptism numbers increase for five consecutive years. We also rejoice in the fruit of ministries such as the 2025 Mississippi State Fair Ministry, where 179 volunteers engaged in 3,005 Gospel conversations and 494 people prayed to receive Christ. At the 2025 Dixie National Rodeo, 80 volunteers had 235 Gospel conversations, and 22 people prayed to receive Christ. These reports remind us that God is at work and that faithful Gospel witness continues to bear fruit.

Your Evangelism Department stands ready to assist churches with Bibles, tracts, pocket crosses, and other resources as you share Jesus in your community and around the world. Through the faithful generosity of Mississippi Baptist churches to the Cooperative Program and Margaret Lackey, churches were equipped for evangelism, communities were engaged with the Gospel, and congregations were strengthened to live on mission.

As we look ahead, let us continue to go where God opens doors, give so others can be sent, pray for every Gospel opportunity, and faithfully share Jesus wherever He has placed us. Together, Mississippi Baptists can help reach our state and the world with the hope of Christ.

## MISSIONS MOBILIZATION

**Chad McCord, Director**  
**Cassie Munn, Ministry Assistant**

Missions Mobilization continues to assist our churches to help them be on mission across the street and around the world.

Highlights of 2026 activities:

**1. Vison Journeys**

Missions Mobilization has opportunities for churches to send their missions leaders with our department to locations in the U.S. and around the world to see potential missions partnerships for their church. These trips provide church leaders with a firsthand look into the ministry, and an understanding of how their church can return to partner alongside the ministry in those locations. We will take missions leaders to the IMB training facility and headquarters, Idaho, Los Angeles, Boston, Canada in 2026.

**2. Connection Meetings**

Missions Mobilization hosts regional meetings around our state to introduce our churches to church planting work across North America and mission opportunities around the world. Attendees hear directly from these planters and missionaries to learn how their church can become directly involved in their ministries. This year Missions Mobilization will have hosted events around the state for Pensacola, Central Asia, and St. John's and Newfoundland, Canada.

**3. Missions Workshops**

Missions Mobilization worked alongside local churches to do three missions workshops. These were taught by Don Dent and Chad McCord. They helped guide the local church to answer the questions, "What is missions?" and "How can leaders lead their churches in missions?"

**4. Homeschool Conference**

Missions Mobilization sent out a team in March to serve missionary families in SE Asia by providing teachers to work with IMB families that

homeschool. This weeklong event has classes for these missionary kids (TCKs) and training for the teaching parents to encourage and strengthen them. Testing is also provided to measure strengths and weaknesses of the children to encourage the parents in their efforts, but also to help shed light on where more emphasis may be needed.

## **5. Mission Team Assistance**

Every year, Missions Mobilization helps mission teams with financial assistance on U.S. and international mission trips. We have provided Margaret Lackey funding assistance to 116 MBCB churches who have gone out and served in 49 countries and 17 states in the U.S. Altogether, 1461 people have benefited from Margaret Lackey assistance.

## **6. Security Trainings**

Missions Mobilization helps equip MBCB international mission teams to be well-prepared for the myriads of situations they may find themselves overseas. We provide Sentinel and B+ security trainings to not only equip our church mission teams being sent out but provide training to help prevent some situations from ever happening. This year we have had 18 in-person Sentinel trainings with 457 people attending in person and 526 online.

## **7. Missionary Meetings**

In July, Missions Mobilization sent a team to SE Asia to help the IMB APAC Affinity with a Cluster meeting for personnel. This team consisted of 44 people from around our state who served in childcare, security, as well as worship leaders and a conference speaker and women's breakout leader.

### **Two New Initiatives:**

#### **1. Edge Program**

The Edge Program, a collaboration between Missions Mobilization and Discipleship/Sunday School, launched during the 2025–26 school year. It helps high school students, especially those from normative-sized churches, grow in evangelism and discipleship through an international missions experience. Each year, up to 12 students are selected for a

Spring Break mission trip to Oaxaca, Mexico. These students receive training in understanding local culture and in evangelism one month prior to the missions trip. In its first year, six applicants were accepted and served alongside IMB missionaries through outreach and gospel-sharing on the streets of Oaxaca.

## **2. Bridge Program**

The Bridge Program launched in September 2026 and seeks to connect students who serve through BSU Summer Missions to a longer two-year Journeyman assignment through the IMB. Designed for students who may be called to the nations, it provides a clear pathway toward missionary service. Participants receive local church mentorship and join a cohort of missions-minded students preparing to serve after college. Each year, 15 BSU students are accepted as sophomores, commit to two years of summer missions and mentorship, and then serve two years with the IMB as Journeymen after graduation.

### **Ongoing Opportunities and Partnerships:**

1. North & South Dakota
2. Phoenix, AZ
3. Los Angeles, CA
4. Idaho
5. Clarkston, GA
6. New Orleans, LA
7. Buffalo, NY
8. Boston, MA
9. Vancouver, BC
10. Labrador/St. Johns, Canada
11. North Macedonia/Serbia/Kosovo
12. Poland
13. Indonesia
14. Germany
15. Thailand
16. United Kingdom
17. Oaxaca, Mexico
18. Japan



Missions Mobilization has additional connections where we are helping assist churches build relationships and share the gospel. The above examples have been selected to illustrate how Mississippi churches are engaging lostness. Please contact Chad McCord or Cassie Munn for further information: [cmccord@mbcb.org](mailto:cmccord@mbcb.org) or [cmunn@mbcb.org](mailto:cmunn@mbcb.org). More information and resources can also be found on our website at <https://mbcb.org/ministry/missions/mobilization/>.

## MULTICULTURAL MINISTRIES

**Paula Smith, Director**

**Janeth McIlwain, Ministry Assistant**

*“Go therefore and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, teaching them to observe all that I have commanded you. And behold, I am with you always, to the end of the age.”*  
*Matthew 28:19-20 (ESV)*

What a privilege it is to serve alongside churches and leaders who are committed to fulfilling Christ's Great Commission across Mississippi. As Jesus commanded us to "go and make disciples of all nations," we are witnessing God draw together people from diverse cultures, languages, and backgrounds for His glory. Through Multicultural Ministries, lives are being transformed by the Gospel, churches are being strengthened, and disciples are being equipped to share the hope of Christ with their communities and the world.

By God's grace, He has brought together a dedicated team of bi-vocational ministry leaders who faithfully serve as Contract Strategists. Though they come from different cultures, backgrounds, and experiences, they are united by one calling: to share the hope of Jesus Christ and advance His Kingdom throughout Mississippi. Each team member brings unique gifts, valuable cultural insight, and a genuine passion for seeing lives transformed by the Gospel.

- **Rev. Lowell Walker, African American** Contract Consultant Strategist, pastors Mt. Sinai Baptist Church in Tupelo.
- **Ms. Vickie Stuart, Deaf** Contract Consultant Strategist, serves as an interpreter for the Mississippi Department of Rehabilitation Services.
- **Rev. Rocky Tzib, Hispanic** Contract Consultant Strategist, ministers at Iglesia Bautista Cristo Vive in Pontotoc.
- **Dr. Ray Duplessie, Native American** Contract Consultant Strategist, preaches at Fernwood Baptist Church in Gulfport.
- **Mrs. Janeth McIlwain**, Ministry Assistant, has faithfully served Multicultural Ministries for nearly four years.
- **Ms. Paula Smith**, Director, has faithfully served in Multicultural Ministries for over 31 years through both the International Mission Board and MCB.

As we seek to fulfill Christ's command to make disciples of all nations, Mississippi Baptists continue to share the Gospel, strengthen churches, and serve diverse communities throughout our state. Through local congregations, ministry partnerships, and outreach efforts, we are witnessing God at work among people of many cultures, languages, and backgrounds.

Multicultural Ministries actively minister through:

- **56 African American churches**
- **4 Chinese-speaking churches**
- **4 Korean-speaking churches**
- **9 Native American churches**
- **20 Spanish-speaking churches**
- **Numerous weekly Bible studies** conducted in American Sign Language (ASL), Hindi, Arabic, Filipino, Persian, and other languages
- **19 churches with Deaf Ministry outreach**

These ministries represent opportunities to proclaim the Gospel, make disciples, and build Christ-centered communities throughout Mississippi. We praise God for the faithful pastors, church leaders, and volunteers who labor tirelessly to ensure that people from every background have the opportunity to hear and respond to the good news of Jesus Christ.

While Mississippi does not yet have a Deaf church, we continue to pray and work toward that vision. We ask the Lord of the harvest to raise up leaders, open doors for ministry, and prepare hearts to receive His Word. With faith and expectation, we trust God to expand His Kingdom and provide new opportunities to reach the Deaf community with the hope of the Gospel.

## **African American Ministries & Outreach**

### **African American Marriage Retreat (April 24–25)**

The African American Marriage Retreat, held April 24-25 at Lake Tiak-O'Khata Conference Center, provided a meaningful opportunity for couples to strengthen their marriages through biblical teaching, fellowship, and intentional time together.

The retreat was led by Brian Crawford, Lead Pastor of City Light Church in Vicksburg and President of Mission Mississippi, alongside his wife, Candi

Crawford, a Licensed Professional Counselor, National Certified Counselor, and Ph.D. Candidate at Colorado Christian University.

Drawing from years of biblical study, ministry experience, and conference resources, the Crawfords developed a marriage workbook entitled *Reflect/Refresh: A Marriage Journey*. This retreat marked the first time the workbook was used in a conference setting. Designed to encourage spiritual growth and relational renewal, the resource included fill-in-the-blank teaching notes, personal journaling exercises, group activities, commitment scorecards, and a post-retreat accountability component.

A unique feature of the workbook was its six-month follow-up process, which provides participants with opportunities to remain connected, strengthen their commitments, and encourage one another in applying biblical principles to their marriages long after the retreat concluded.

Fifteen couples representing various churches across Mississippi participated in the retreat. Through Christ-centered teaching, practical application of Scripture, and authentic fellowship, couples were encouraged to deepen their relationship with one another and grow together in their walk with the Lord. The retreat served as a valuable reminder that strong, God-honoring marriages are foundational to healthy families, thriving churches, and effective Gospel ministry.

### **Pastoral Roundtable Discussion (May 11)**

On **May 11**, thirteen African American pastors gathered at the beautiful and peaceful **Garaywa Camp & Conference Center** for a time of fellowship, encouragement, and meaningful discussion. The gathering provided an opportunity for pastors to connect with one another, share ministry experiences, discuss challenges and opportunities, and strengthen relationships among fellow servants of Christ.

The theme for the roundtable was centered on the call to encourage and strengthen one another in ministry, drawing from Hebrews 10:24 and 1 Thessalonians 5:11:

*"And let us consider how we may spur one another on toward love and good deeds. "Therefore, encourage one another and build each other up."*

These verses served as a reminder that pastors are called not only to lead their congregations but also to support and encourage one another as they faithfully serve the Lord.

Following lunch and a productive discussion around the table, the pastors joined together in prayer, lifting up one another, their churches, their communities, and the ongoing work of the Gospel across Mississippi. Participants expressed appreciation for the fellowship and collaboration, noting that the gathering was both encouraging and beneficial. Many shared that the opportunity to exchange ideas, pray together, and build relationships with fellow pastors strengthened their resolve to continue serving Christ faithfully and advancing His Kingdom.

**Upcoming Event:**

- **African American Fellowship, October 27 at Broadmoor Baptist Church, Madison**

**Spring Retreat 2026 Chinese Churches of Mississippi (March 13–15)**

Hosted by the Chinese Christian Church of Greater Jackson, the 2026 Spring Retreat brought together more than 100 Chinese Christians and family members from across Mississippi for a weekend of worship, biblical teaching, fellowship, and spiritual growth.

Participating churches included:

- Chinese Christian Church of Greater Jackson
- Chinese Grace Bible Church (Biloxi)
- Hattiesburg Chinese Christian Church
- Starkville Chinese Christian Church

Centered on the theme, "What Disciples Believe," the retreat focused on strengthening believers in their understanding of foundational Christian doctrine and encouraging them to grow as faithful disciples of Jesus Christ. Through worship, Bible teaching, and fellowship, attendees were challenged to deepen their faith and develop a greater appreciation for the truth of God's Word. English-speaking participants were warmly welcomed and actively included in the retreat experience.

**Choctaw Ministries and Outreach**

**Choctaw Youth Retreat (March 13-14)**

Held at the historic Seashore Methodist Assembly in Biloxi, Mississippi, the Choctaw Youth Retreat brought together students in grades 6 through 12 for a transformative weekend centered on faith, fellowship, and spiritual growth. Throughout the retreat, students participated in worship services, biblical

teaching, fellowship activities, and recreational opportunities designed to strengthen their relationship with Christ and encourage meaningful connections with one another. The weekend provided a Christ-centered environment where young people could grow in their understanding of God's Word while enjoying a fun and memorable retreat experience.

Elijah Ben led worship, guiding students in praising the Lord through music and worship gatherings. The lead speaker, Rev. Josh Leading Fox faithfully shared God's Word, challenging students to deepen their faith, pursue a personal relationship with Jesus Christ, and live boldly for Him in their schools, homes, and communities.

The retreat was a powerful opportunity for students to step away from the distractions of daily life and focus on their spiritual growth. Through worship, biblical teaching, prayer, and fellowship, participants were encouraged to build a firm foundation in Christ and to embrace God's purpose for their lives as the next generation of Christian leaders.

### **Choctaw Family Conference**

The First Annual Choctaw Family Conference focused on building a lasting legacy of faith and strengthening families according to God's design. Held April 17-18 at Hope Indian Baptist Church in Choctaw, Mississippi, the two-day event brought together families for a time of biblical teaching, encouragement, and spiritual growth.

Guest speaker Dr. Mark Custalow shared powerful messages on God's design for life, marriage, and family as revealed throughout Scripture. A former North American Mission Board missionary and a member of the Mattaponi and Chickahominy Eastern tribes, Dr. Custalow brought both personal insight and a deep passion for reaching Native American communities with the Gospel. While discussing the spiritual needs found throughout many Native communities, he also expressed gratitude for the strong Christian witness and faithful church presence among the Choctaw people.

Throughout the conference, Dr. Custalow emphasized God's perfect design for the family, highlighting how Scripture affirms both the equal value of men and women and their complementary roles within the home and the church. He reminded attendees that God's design reflects unity, purpose, and mutual support, strengthening families and advancing His Kingdom.

Recognizing the cultural challenges facing families today, Dr. Custalow encouraged parents and grandparents to intentionally pass their faith to the next generation. He stressed the importance of studying God's Word, leading family devotions, and creating opportunities for meaningful conversations about faith at home. By fostering an environment where children feel free to ask questions and discuss biblical truths without fear or shame, families can cultivate open communication and help build a strong spiritual foundation rooted in Christ.

The conference served as a meaningful reminder that strong families are essential to strong churches and healthy communities. Through biblical teaching, fellowship, and encouragement, attendees were challenged to remain faithful in their calling to disciple the next generation and leave a legacy that points others to Jesus Christ.

### **Choctaw Indian Fair (July 14-18)**

At the 76th Annual Choctaw Indian Fair, Dr. Ray Duplessie, Ms. Paula Smith, and dedicated lay leaders from the New Choctaw Baptist Association staffed an outreach booth to connect with members of the Choctaw community and share the hope of Jesus Christ. This ministry opportunity provided meaningful conversations, encouragement, and opportunities to demonstrate Christ's love while strengthening relationships within the community.

Volunteers from churches in the New Choctaw Association distributed:

- Pocket Bibles
- Gospel tracts
- Hand fans featuring invitations to attend one of the nine churches of the New Choctaw Baptist Association:
  - Bogue Chitto Baptist Church
  - Bogue Homa Baptist Church
  - Calvary Baptist Church
  - Hope Indian Baptist Church
  - Macedonia Baptist Church
  - Mt. Zion Baptist Church
  - Pearl River Community Baptist Church
  - Pine Bluff Baptist Church
  - Stonewall Baptist Church

The Choctaw Indian Fair continues to be a valuable opportunity for churches to engage the community, build relationships, and share the Gospel in a

welcoming and culturally meaningful setting. We are grateful for the faithful volunteers who served and for the opportunity to sow seeds of faith, encourage believers, and invite individuals and families to become connected with local churches where they can grow in their relationship with Christ. Through these efforts, we pray that lives will be transformed and that God's Kingdom will continue to grow among the Choctaw people.

#### **Upcoming event:**

- **Choctaw Ministry Leaders Conference, “Our Mission Mandate & ACP Information”, September 4 at Baptist Indian Center, Choctaw, MS.** An inspiring and practical gathering designed to strength congregation through biblical leadership. This conference will also provide hand on training for completing the Annual Church Profile (ACP) – a vital tool for ministry growth and accountability. Featured Speaker will be Dr. Emerson Falls and ACP Presenter Dr. Jon Martin, director of Strategist Ministry at MBCB

#### **Deaf Ministries**

Our fervent prayer is to plant a Deaf church in Mississippi. This is a bold and prayerful endeavor, and we ask the Lord to send laborers into this harvest field.

#### **Upcoming event:**

- **Mississippi Baptist Conference of the Deaf 2026**  
September 25–27 at Garaywa Camp & Conference Center, Clinton

#### **Hispanic Ministry and outreach**

##### **Hispanic Pastors & Wives Retreat**

In the beautiful Lake Tiak-O'Khata Conference Center, Louisville, Mississippi on March 6-7, 2026, by God's grace, twelve pastoral families from across Mississippi gathered for a time of spiritual renewal, encouragement, fellowship, and rest. Designed to strengthen those who faithfully shepherd God's people, the retreat focused on nurturing participants' walk with Christ, strengthening their marriages and families, and encouraging long-term faithfulness in ministry.

Pastor Richard Beal, alongside his wife Martha Beal, led three impactful sessions centered on key areas of life and ministry:



- Cuida tu Matrimonio y tu Familia (*Take Care of Your Marriage and Family*)
- Cuida tu Salud Física y tu Vida (*Take Care of Your Physical Health and Life*)
- Cuida tu Ministerio y Concluye tu Carrera con Fidelidad (*Take Care of Your Ministry and Finish Your Race Faithfully*)

Drawing from Scripture, personal experience, and practical ministry wisdom, the Beals encouraged pastors and their spouses to remain anchored in Christ and intentional in caring for the relationships and responsibilities God has entrusted to them. Special emphasis was given to God's definition of love as found in 1 Corinthians 13:4-7, reminding participants that effective ministry flows from a life transformed by Christ and a home grounded in biblical truth.

The sessions provided practical, biblical guidance that addressed the realities of ministry life while encouraging participants to pursue Christ-centered leadership, healthy family relationships, and faithful stewardship of their calling. Attendees consistently shared that the topics were timely, relevant, and highly beneficial to both their family life and ministry responsibilities.

The retreat also fostered meaningful fellowship among Hispanic pastors and their wives, creating opportunities for mutual encouragement, prayer, and the strengthening of ministry relationships across the state. Many participants expressed deep gratitude for the wisdom, transparency, and Christ-centered encouragement shared by Pastor Richard and Martha Beal.

A total of 42 participants attended the retreat. Feedback indicated that the experience was uplifting, biblically grounded, and spiritually enriching. Pastors and their wives expressed heartfelt appreciation for the investment made in their lives and voiced a desire for continued opportunities for fellowship, encouragement, and leadership development. The retreat served as a powerful reminder that healthy ministry begins with a vibrant relationship with Christ and a steadfast commitment to faithfully serve Him throughout life's journey and ministry calling.

### **Impact Education & Leadership Training (May 30)**

Hosted by Iglesia Bautista Cristo Vive in Pontotoc and led by Rev. Rocky Tzib, the Impact Education & Leadership Training brought together teachers, ministry leaders, and volunteers for a day of encouragement, equipping, and spiritual growth. Centered on the theme, "Teaching the Word of God with Passion," the training emphasized the vital role of faithfully proclaiming God's truth and

making disciples who impact their families, churches, and communities for Christ.

Designed to strengthen those serving in teaching and leadership roles, the event provided practical tools, biblical principles, and effective ministry strategies to help participants communicate God's Word with greater clarity, confidence, and enthusiasm. Through instruction and encouragement, attendees were challenged to approach their ministries with excellence, relying on the Holy Spirit to transform lives through the power of Scripture.

The goal of the training was to equip and empower servant leaders who are committed to advancing the Gospel, strengthening local churches, and raising up faithful disciples for the glory of God.

Guest Speakers:

- Dr. Edgar F. Trinidad
- María de los Ángeles Reina Mendoza
- Mayra Góngora Lorenzo
- Dr. Misael Rodríguez

Through their teaching and ministry experience, the speakers encouraged participants to deepen their commitment to God's Word, develop their leadership gifts, and serve more effectively within their churches. The training served as a valuable opportunity for leaders to grow spiritually, sharpen their skills, and renew their passion for teaching and living out the truth of God's Word.

**Upcoming events:**

- **Hispanic Men's Retreat on September 5–6 At Central Hills Baptist Retreat**, our theme this year is "God First: The Key to a Man's Impact." This retreat isn't just an event—it's a chance to renew strength, deepen their walk with Christ, and discover what it truly means to live with purpose. Men's will hear a powerful, practical message from our Pastor Rolando Ortiz that will challenge and encourage them to live with integrity and total surrender to God. Through worship, prayer, and real conversations, our goal is that they'll find the inspiration they need to become the man God created to be.
- **5<sup>th</sup> Hispanic Annual Convention "The Church That Teaches the Truth of Christ" is schedule on October 25.** For the third time held at Trace Ridge Baptist Church in Ridgeland, we are honored to welcome Dr.

Bruno Molina, Dr. Clara Molina & Bro. Samuel Ortiz, who will challenge and encourage our Hispanic churches to live out God's mission with passion and commitment. During the event, attendees will have the opportunity to participate in three breakout sessions designed to strengthen and equip every generation: Dr. Bruno Molina will lead the Men's Session, Dr. Clara Molina will lead the Women's Session, and Bro. Samuel Ortiz will lead the Young Adults Session. In addition, they will hear a special presentation on the Margaret Lackey State Offering and ACP by Dr. Jon Martin, highlighting the impact of this ministry across our state.

As we reflect on all that God has done through Multicultural Ministries this year, we are reminded that the Great Commission remains at the heart of our calling: to go, make disciples, teach God's Word, and reach all peoples with the Gospel of Jesus Christ. We are deeply grateful for the pastors, church leaders, volunteers, and ministry partners who faithfully serve across Mississippi, demonstrating Christ's love among diverse cultures, languages, and communities.

Thank you for your faithful leadership, your compassionate heart for people, and your steadfast commitment to the mission of Christ. Your labor in the Lord is making an eternal difference as lives are transformed, churches are strengthened, and disciples are equipped to share the hope of the Gospel.

As we move forward together, let us do so with confidence, knowing that the One who commanded us to make disciples of all nations has also promised, "I am with you always." May we continue to serve with faith, unity, and expectation as we seek to glorify God and fulfill His mission throughout Mississippi and beyond. For the glory of Christ and the advancement of His Kingdom, we remain committed to reaching every people group with the hope of the Gospel, one person, one family, and one church at a time.

## **WOMEN'S MINISTRIES/WOMAN'S MISSIONARY UNION**

**Terrie Harwood, President**  
**Braelyn Weaver, Interim Director**  
**Amy Massey, Ministry Assistant**

By embracing the WMU Mandate to "Make Disciples of Jesus Who Live on Mission" we have continued to emphasize "What Joy!" focusing on 1 Thessalonians 2:8 in 2025. This two-year theme has helped us to be passionate about the lost; compelled by love; generous in sharing; and to serve with great delight (or joy).

We continue to encourage Mississippi Baptists to give generously to the Annie Armstrong Easter Offering, the Edwina Robinson WMU Offering, the Margaret Lackey State Missions Offering and the Lottie Moon Christmas Offering. We use the MLSMO allocations to support Garaywa and to develop the compassion ministries of Literacy Missions and Christian Men/Women's Job Corps. Through the ERO, we encourage and support our missionaries and their families with special needs like travel to the MK Re-entry Retreat and transportation through Macedonian Call Foundation.

Again in 2025, it was our privilege to partner with the New Orleans Baptist Theological Seminary to sponsor the ABIDE Women's Conference (January 29-31). More than 1300 women attended this event designed to encourage and challenge women to live and lead well for Christ. On April 17-18, we partnered with Lifeway to provide the FEAST Women's Conference held at Broadmoor Baptist Church. More than 700 women participated from across the state.

In September 2025, a team of 7 women travelled to the Dakota Baptist Convention. While there, the team led a women's retreat and women's breakout sessions during the state's Annual Meeting. We are excited to continue our partnership with the Dakota Baptist Convention.

Our Executive Director-Treasurer, Dr. Tammy Anderson retired at the end of February after serving MS WMU for more than twenty-eight years. We celebrated Dr. Anderson's time with us during a reception given in her honor at Garaywa on March 7, 2025. Dr. Anderson continued her service with MBCB as the interim director from February through August 2026.

Two WMU Executive Board meetings were held at Garaywa during this church year. November 7-8, 2025, and May 1-2, 2026. During these meetings the MS WMU Executive Board committees met to conduct business. One decision that was made was the choosing of new bedspreads for Patterson Place Lodge. Libby Mahaffey, the president-elect of the National Baptist Nursing Fellowship shared a BNF update. She informed us that MS BNF has been revamped with updated bylaws and new officers selected.

On February 5-7, a National Certification Training for Level 1 & Level 2 for Christian Men/Women's Job Corps was held at the RISE CJC Site in Hattiesburg. There were a total of 15 participants with Level 1 having 9 and Level 2 having 6. Because of this training, a new site is being started on the MS Gulf Coast. Mississippi currently has seven active CJC sites.

WM/WMU provides opportunities to help hurting people while sharing the gospel through Compassion Ministries. Currently, there are six active CMJC/CWJC (CJC) sites and twenty-nine literacy missions sites in Mississippi. On July 30-August 1, 2026, MS CJC site leadership co-sponsored the State Literacy Missions & Christian Men/Women's Job Corps Workshops at Garaywa. Fifty-two people attended the training. Tonya Hancock (National Christian Job Corps Trainer) led the CJC Track. Ten new volunteers were trained in English as a Second Language. Seven new volunteers were trained in Adult Reading and Writing. Fourteen experienced volunteers participated in conferences to enhance ministry skills. Additional ESL and ARW Trainings for four new volunteers were held online.

Leadership development remains a priority for MS WMU. We've trained women across the state for their roles in the local church and association. Equipping Leaders Weekend and MS WMU Annual Meeting was held at Brandon Baptist Church on August 20-21, 2025. More than 200 participants were encouraged to share their faith and make disciples for Jesus. This event was co-sponsored by Sunday School/Discipleship, Women's Ministries/ WMU and Multicultural departments of the Mississippi Baptists Convention.

Missions Madness is a children's missions day that provides children and their leaders with a high-energy, hands-on interaction with mission activities. This year's theme was "Helping Hands, Healing Hearts." The scripture focus was on Colossians 3:12. Six compassion ministries were spotlighted: Pure Water/Pure Love, Christian Job Corp, Baptist Nursing Fellowship, Project Help: Mental

Health, WorldCrafts and Christmas in August (which was optional). More than 1000 children from across the state participated in five regional events.

### **GARAYWA Camp & Conference Center**

Roddy Reed, Manager

Hannah Counts, Program Director

Anna Irwin, Administrative Assistant

Dana Massey, Food Service Coordinator

Stan Stanford, Guest Services & Grounds

Garaywa Camp and Conference Center motto is ***Loving God, Making Disciples, Experiencing Missions, & Changing the World***. From August 12, 2025 – August 13, 2026, we had 4,691 guests. This does not include summer camps or Mother Daughters.

Our camp and conference center are used year-round for many different purposes, but all have one thing in common – glorifying God. This summer, we had 988 campers with 27 professions of faith and 5 rededications. Our total participation with staff and volunteers was 1048. The theme for this Summer was “The Greatest Story ever Told”. Scripture was 2 Corinthians 5:17. Throughout the year, we host three Mother/ Daughter weekends. We had a total of 496 mothers and daughters participate in the Fall 2025 and Spring 2026, with 1 profession of faith and 1 decision to be Baptized! The theme for this year’s Mother/Daughters is “The Harvest”, Scripture is Matthew 9:37-38.

Christian groups come from all over to train disciples, encourage God’s people, celebrate what Christ has done, and cultivate plans for spreading the Gospel to the ends of the earth. For more information on booking the conference center or to speak to someone about volunteering at Garaywa, contact Roddy Reed at [rreed@garaywa.org](mailto:rreed@garaywa.org) or Anna Irwin at [airwin@garaywa.org](mailto:airwin@garaywa.org). For more information on our Summer Camps & Mother/Daughters, contact Hannah Counts at [hcounts@garaywa.org](mailto:hcounts@garaywa.org). Thank you for the support of Mississippi Baptists across our state.

## COMMUNICATION SERVICES/BAPTIST RECORD

**Seth Price, Director**

**Megan Young, Editor of *The Baptist Record***

**Bart Lambright, Graphic Designer & Photographer**

**Hope Joy Owens, Graphic & Digital Media Designer**

**Lindsey Carraway, Writing Specialist**

**Judy Chen, Ministry Assistant**

The Communication Services department provides resources to our churches and associations toward our goal of equipping local churches to make disciples in Mississippi and around the world!

Along with the Director, the department includes two designers, ministry assistant, writing specialist, and Editor of The Baptist Record.

Resources for our churches and associations are:

- **Consultation Services**  
Communication Services department was able to regularly assist churches in any area of media. Churches have called for help with social media, websites, live production, and a variety of other specific areas.
- **Mississippi Worship and Media Conference**  
In February 2026, we again joined with the Worship Ministries department to host the Mississippi Worship and Media Conference at Morrison Heights Baptist Church in Clinton. Over 150 media and worship ministers gathered for a packed one-day event. Several vendor companies, colleges and other ministries were on hand. The schedule included large sessions and breakout sessions such as:
  - Effective Website Strategies
  - Mixing Audio
  - Using AI Tools
  - Church Branding
  - Church Media on a Budget
  - Video Production
  - Lighting Demo
  - Canva Basics

Avenues of Communications Branding – Continued working closely with the Executive Director-Treasurer and Administration to implement the branding strategy of the MBCB through all avenues of communications.

Mississippi Baptist e-News – A weekly newsletter goes out informing MS Baptists of all current events. The email includes a short overview of three feature events and then links to all events sponsored by Mississippi Baptists. Currently, over 6,000 emails receive this e-mail.

Through podcasting the department supported the Discipleship Department to produce the Young Adults And Podcast that paired with a workbook resource to help churches reach young adults in their communities. The department also supported Collegiate Ministries to produce The Ripp Podcast that discusses some of today's current issues for college students and hosted guests to talk about how God is moving in the lives of the next generation.

Social Media - You can find Mississippi Baptists on social media sites such as Vimeo ([vimeo.com/msbaptists](https://vimeo.com/msbaptists)); Facebook ([facebook.com/MississippiBaptists](https://facebook.com/MississippiBaptists)); Instagram (@MSBaptists); and YouTube (@MSBaptists). Through mid-August, the MBCB Facebook page has had 790,000 views across 12 months.

Website – MBCB.org is the home base for all information related to Mississippi Baptists. Through mid-August, there were recorded over 500,000 views of our website over a 12-month period. The most popular information includes: MBCB staff, ministry job board, events, camps, and pastoral information.

Production Services – The department continues to produce and assist other departments in their production needs. Numerous videos were produced such as the Monthly Update video by Dr. Shawn Parker, Margaret Lackey Videos, CP Videos, event highlights, promotional content, and much more. The designers have tackled well over 100 work orders from MBCB departments throughout the year. Also, the whole department worked together to produce the Mississippi Baptist CP Connections Magazine and the 2025 Impact Report.

A USB jump drive containing the 2025 Annual and Book of Reports of the Mississippi Baptist Convention Board in digital format was mailed to every church in our state. We are excited to serve our churches and associations in any way possible. Thank you for letting us come alongside you and make disciples.



This year The Baptist Record department merged with Communications Services to form one department. We believe this structure best positions our Communication Services team to support the work of the convention and communicate Mississippi Baptist life across our state. In December 2025, after 25 years of service, Tony Martin retired as Editor of The Baptist Record, and Megan Young, Associate Editor, became Editor in February 2026.

The Baptist Record, news journal of the Mississippi Baptist Convention, is fully digital. The Baptist Record can be accessed free of charge at any time at [thebaptistrecord.org](http://thebaptistrecord.org).

Freed from deadlines and physical constraints inherent in the printing process, The Baptist Record has been able to move from a weekly publication to a daily. This enables our staff to refresh subject matter more rapidly and frequently via the website. Our goal is to have fresh content on our site every weekday. We are striving to provide information and encouragement to all readers, with an emphasis on Mississippi Baptist life and good news stories of our people. From September 2025 through August 2026, there were over 340 articles published through the Baptist Record.

The digital Record contains stories of Mississippi Baptist life, breaking news from around the Baptist world, weekly Sunday School commentaries written by Mississippi Baptists, Magnolia Minds, a regular commentary that covers a variety of subjects and is written by Mississippi Baptists, Bibliocipher puzzles, church news (homecomings, anniversaries, VBS reports, local church happenings, etc.), obituaries, and Baptist college news.

For those who don't have access to a computer, anyone with a smartphone and cellular service can read the Record, anytime, anywhere, by using their browser and going to [thebaptistrecord.org](http://thebaptistrecord.org).

For those interested stories in print, our team produces the Mississippi Baptist CP Connections Magazine several times a year, which contains stories, all sourced from The Baptist Record. You can view previous issues and request a copy at [mbcb.org/magazine](http://mbcb.org/magazine).

## **COMPUTER INFORMATION SERVICES**

**Debbie Thomas, Director**

**Dale Bridges, Programmer/Analyst**

The Business Services division has overall responsibilities for the Computer Information Services (CIS). CIS supports every area of work at the Board by providing all computer services. These services include the support and monitoring of the MBCB computer network server and IBM Power Server S10 containing files and databases. CIS also manages the MBCB telephone system network and the security firewall.

CIS maintains a Windows PC Network of over 80 desktop pcs and laptops and 25 laser printers spanning all departments of the MBCB. Laptops are provided to each Board consultant for 24/7 local and remote access to their MBCB e-mail.

Custom written and other supported systems include General Ledger, Church Ledger, payroll, employee database, mail file, specialized Microsoft Access programs, and advertising for The Baptist Record. In addition, CIS manages historical data spanning over 50 years in house and SBC Workspace. Administration of MBCB databases includes various types of specialized reporting, mailing lists, etc.

## **FINANCIAL SERVICES**

**Ashley Herring, Director**

**Tim Ruth, Financial Services Representative**

**Gayla Thompson and Greg Kinsley, Accountants**

Our department is responsible for the financial transactions of the Mississippi Baptist Convention Board (MBCB). Mississippi Baptists continued their faithful pattern of generosity in financial support of missions during 2025. This was evidenced by our processing of over \$55.5 million given for mission efforts around the world.

We have internal controls in place to ensure that each gift is properly recorded and appropriately distributed. Among the controls related to the receipt of gifts are separation of duties of the personnel handling cash and verifying gift amounts, gift designations, and monthly acknowledgements to donors.

Distribution of funds is determined by the type of gift received. Designated gifts are distributed according to donor instructions. Cooperative Program (CP) gifts are distributed according to the CP budget. During 2025, approximately 13,000 checks and electronic payments were processed to disburse mission funds, pay vendors, and provide the services necessary for the ministries of the MBCB. The financial records of the MBCB are audited each year. A copy of the audited financial statements are included in both the Book of Reports and the Convention Annual.

The CP budget approval process begins when each MBCB department submits their budget request to Financial Services. We compile the requests and provide them to MBCB administration for review. Once approved by administration, those requests are part of a presentation to the Board's Budget Committee, which includes requests from our institutions and agencies. A recommended budget from the Budget Committee must be approved by the Executive Committee, the full 100-Member Board, and then voted on by Messengers at the annual Convention.

General business responsibilities include the maintenance of property and casualty insurance coverage, financial reporting, and our telecommunications systems.

We can assist churches with the planning of staff compensation packages and can provide information on employee insurance and retirement benefits offered through GuideStone Financial Resources. Contact Tim Ruth for more information on these services.

August 13, 2026

Executive Committee  
Mississippi Baptist Convention Board  
Jackson, Mississippi

We have audited the financial statements of Mississippi Baptist Convention Board for the year ended December 31, 2025, and we will issue our report thereon dated August 13, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 5, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Mississippi Baptist Convention Board are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies have not changed during 2025. We noted no transactions entered into by the Convention Board during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the depreciation calculation is based on estimated lives. We evaluated the key factors and assumptions used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allocation of costs for functional expense allocation is based on management's evaluation and estimates. We evaluated the key factors and assumptions used to develop the functional expense allocation in determining the functional expense allocation is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the equity and debt securities is based on quoted market prices and reported at fair value. We evaluated the key factors and assumptions used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the postretirement benefit obligation is based on actuarial valuation calculated by a third party. The funding is measured as the net of the benefit obligation over the fair market value of assets.



The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter August 13, 2026.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Convention Board's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Mississippi Baptist Convention Board's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

*Other Matters*

This information is intended solely for the use of the Executive Committee and management of Mississippi Baptist Convention Board and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*GranthamPoole PLLC*

GranthamPoole PLLC

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Audited Financial Statements**  
**December 31, 2025 and 2024**

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## INDEPENDENT AUDITORS' REPORT

The Executive Committee  
Mississippi Baptist Convention Board

### Opinion

We have audited the accompanying financial statements of Mississippi Baptist Convention Board (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Mississippi Baptist Convention Board as of December 31, 2025 and 2024, and its statements of activities, functional expenses and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mississippi Baptist Convention Board and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Mississippi Baptist Convention Board's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the



aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Mississippi Baptist Convention Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Mississippi Baptist Convention Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Grantham Poole PLLC*

Ridgeland, Mississippi  
August 13, 2026

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Statements of Financial Position**  
**December 31, 2025 and 2024**

|                                          | <u>2025</u>                 | <u>2024</u>                 |
|------------------------------------------|-----------------------------|-----------------------------|
| <b><u>ASSETS</u></b>                     |                             |                             |
| Assets:                                  |                             |                             |
| Cash and Cash Equivalents                | \$ 26,014,916               | \$ 25,682,912               |
| Prepaid Expenses and Other Assets        | 446,380                     | 250,676                     |
| Supplies Inventories                     | 27,887                      | 22,595                      |
| Investments                              | 20,831,194                  | 19,606,049                  |
| Notes and Other Receivable               | 260,290                     | 372,332                     |
| Property and Equipment, Net              | <u>12,652,178</u>           | <u>12,525,892</u>           |
| <b>Total Assets</b>                      | <b><u>\$ 60,232,845</u></b> | <b><u>\$ 58,460,456</u></b> |
| <b><u>LIABILITIES AND NET ASSETS</u></b> |                             |                             |
| Liabilities:                             |                             |                             |
| Accounts Payable                         | \$ 340,879                  | \$ 332,948                  |
| Cooperative Program Allocations Payable  | 2,689,720                   | 2,014,423                   |
| Designated Funds Payable                 | 409,538                     | 692,804                     |
| Postretirement Benefit Obligation        | 8,577,667                   | 9,022,761                   |
| Other Liabilities                        | <u>99,698</u>               | <u>98,065</u>               |
| <b>Total Liabilities</b>                 | <b><u>12,117,502</u></b>    | <b><u>12,161,001</u></b>    |
| Net Assets:                              |                             |                             |
| Net Assets without Donor Restrictions    | 33,438,117                  | 31,663,567                  |
| Net Assets with Donor Restrictions       | <u>14,677,226</u>           | <u>14,635,888</u>           |
| <b>Total Net Assets</b>                  | <b><u>48,115,343</u></b>    | <b><u>46,299,455</u></b>    |
| <b>Total Liabilities and Net Assets</b>  | <b><u>\$ 60,232,845</u></b> | <b><u>\$ 58,460,456</u></b> |

See accompanying notes to financial statements.

3

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Statement of Activities**  
**Year Ended December 31, 2025**

|                                                                                 | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b>         |
|---------------------------------------------------------------------------------|---------------------------------------|------------------------------------|----------------------|
| Support:                                                                        |                                       |                                    |                      |
| Cooperative Program                                                             | \$ 10,353,336                         | \$ 21,011,219                      | \$ 31,364,555        |
| Special Purpose Programs                                                        | 30,150                                | 1,358,315                          | 1,388,465            |
| State Missions                                                                  | -                                     | 2,380,807                          | 2,380,807            |
| Baptist Record                                                                  | 3,316                                 | -                                  | 3,316                |
| Central Hills Baptist Retreat Programs                                          | -                                     | 452,459                            | 452,459              |
| Garaywa Camp and Conference Center Programs                                     | -                                     | 440,764                            | 440,764              |
| Missions Mobilization                                                           | -                                     | 15,000                             | 15,000               |
| Other                                                                           | 649,830                               | 596,787                            | 1,246,617            |
| Other Additions:                                                                |                                       |                                    |                      |
| Dividend and Interest Income, Net of Expenses                                   | 1,749,998                             | 34,736                             | 1,784,734            |
| Realized Gain on Investments and Other Assets                                   | 530,775                               | 25,674                             | 556,449              |
| Unrealized Gain on Investments, Net                                             | 386,510                               | 19,177                             | 405,687              |
| Miscellaneous                                                                   | 280,602                               | (2,861)                            | 277,741              |
| Net Assets Released From Restrictions                                           | 26,290,739                            | (26,290,739)                       | -                    |
| <b>Total Support and Other Additions</b>                                        | <b>40,275,256</b>                     | <b>41,338</b>                      | <b>40,316,594</b>    |
| Expenses:                                                                       |                                       |                                    |                      |
| Program Services                                                                | 36,991,979                            | -                                  | 36,991,979           |
| Management and General                                                          | 1,400,960                             | -                                  | 1,400,960            |
| Fundraising Expenses                                                            | 178,823                               | -                                  | 178,823              |
| <b>Total Expenses</b>                                                           | <b>38,571,762</b>                     | <b>-</b>                           | <b>38,571,762</b>    |
| Postretirement - Related Changes Other Than<br>Net Periodic Postretirement Cost | 71,056                                | -                                  | 71,056               |
| <b>Change in Net Assets</b>                                                     | <b>1,774,550</b>                      | <b>41,338</b>                      | <b>1,815,888</b>     |
| <b>Net Assets, Beginning of Year</b>                                            | <b>31,663,567</b>                     | <b>14,635,888</b>                  | <b>46,299,455</b>    |
| <b>Net Assets, End of Year</b>                                                  | <b>\$ 33,438,117</b>                  | <b>\$ 14,677,226</b>               | <b>\$ 48,115,343</b> |

See accompanying notes to financial statements.

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**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Statement of Activities**  
**Year Ended December 31, 2024**

|                                                                                         | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b>         |
|-----------------------------------------------------------------------------------------|---------------------------------------|------------------------------------|----------------------|
| <b>Support:</b>                                                                         |                                       |                                    |                      |
| Cooperative Program                                                                     | \$ 10,115,937                         | \$ 20,604,040                      | \$ 30,719,977        |
| Special Purpose Programs                                                                | 61,942                                | 1,979,662                          | 2,041,604            |
| State Missions                                                                          | -                                     | 2,426,394                          | 2,426,394            |
| Baptist Record                                                                          | 3,250                                 | -                                  | 3,250                |
| Central Hills Baptist Retreat Programs                                                  | -                                     | 488,741                            | 488,741              |
| Garaywa Camp and Conference Center Programs                                             | -                                     | 428,577                            | 428,577              |
| Missions Mobilization                                                                   | -                                     | 15,000                             | 15,000               |
| Other                                                                                   | 539,114                               | 39,395                             | 578,509              |
| <b>Other Additions:</b>                                                                 |                                       |                                    |                      |
| Dividend and Interest Income, Net of Expenses                                           | 1,973,967                             | 32,520                             | 2,006,487            |
| Realized Gain (Loss) on Investments, Net                                                | 69,678                                | 4,976                              | 74,654               |
| Unrealized Gains on Investments                                                         | 533,608                               | 48,482                             | 582,090              |
| Miscellaneous                                                                           | 181,875                               | (11,750)                           | 170,125              |
| Net Assets Released From Restrictions                                                   | 25,238,415                            | (25,238,415)                       | -                    |
| <b>Total Support and Other Additions</b>                                                | <b>38,717,786</b>                     | <b>817,622</b>                     | <b>39,535,408</b>    |
| <b>Expenses:</b>                                                                        |                                       |                                    |                      |
| Program Services                                                                        | 35,782,295                            | -                                  | 35,782,295           |
| Management and General                                                                  | 1,438,402                             | -                                  | 1,438,402            |
| Fundraising Expenses                                                                    | 168,528                               | -                                  | 168,528              |
| <b>Total Expenses</b>                                                                   | <b>37,389,225</b>                     | <b>-</b>                           | <b>37,389,225</b>    |
| <b>Postretirement - Related Changes Other Than<br/>Net Periodic Postretirement Cost</b> | <b>140,581</b>                        | <b>-</b>                           | <b>140,581</b>       |
| <b>Change in Net Assets</b>                                                             | <b>1,469,142</b>                      | <b>817,622</b>                     | <b>2,286,764</b>     |
| <b>Net Assets, Beginning of Year</b>                                                    | <b>30,194,425</b>                     | <b>13,818,266</b>                  | <b>44,012,691</b>    |
| <b>Net Assets, End of Year</b>                                                          | <b>\$ 31,663,567</b>                  | <b>\$ 14,635,888</b>               | <b>\$ 46,299,455</b> |

See accompanying notes to financial statements.

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**MISSISSIPPI BAPTIST CONVENTION BOARD**  
Statement of Functional Expenses  
Year Ended December 31, 2025

|                                   | Program Services                  |                                     |                     |                                    |                                       |                      | Management and General | Fundraising       | Total                |
|-----------------------------------|-----------------------------------|-------------------------------------|---------------------|------------------------------------|---------------------------------------|----------------------|------------------------|-------------------|----------------------|
|                                   | Cooperative Program Distributions | Convention Board Operating Expenses | State Missions      | Special Purpose and Other Programs | Church Retirement and Protection Plan | Total Program        |                        |                   |                      |
| Church Insurance                  | \$ -                              | \$ -                                | \$ -                | \$ -                               | \$ 108,180                            | \$ 108,180           | \$ -                   | \$ -              | \$ 108,180           |
| Church Retirement Contributions   | -                                 | -                                   | -                   | -                                  | 353,100                               | 353,100              | -                      | -                 | 353,100              |
| Depreciation                      | -                                 | 627,261                             | -                   | -                                  | -                                     | 627,261              | 35,413                 | 3,747             | 666,421              |
| Direct Expenses                   | 20,536,916                        | 137,167                             | 881,931             | 1,553,736                          | -                                     | 23,109,750           | -                      | -                 | 23,109,750           |
| Disaster Relief Victim Assistance | -                                 | -                                   | 108,855             | -                                  | -                                     | 108,855              | -                      | -                 | 108,855              |
| Employee Travel                   | -                                 | 306,035                             | 12,423              | 21,458                             | -                                     | 339,916              | -                      | -                 | 339,916              |
| Guest Travel and Honorarium       | -                                 | 401,936                             | 57,577              | 188,638                            | -                                     | 648,151              | -                      | -                 | 648,151              |
| Office Supplies                   | -                                 | 37,052                              | 2,576               | 169                                | -                                     | 39,797               | -                      | -                 | 39,797               |
| Other Ministry Expenses           | -                                 | 969,958                             | 385,378             | 506,725                            | -                                     | 1,862,061            | 269,474                | 68,405            | 2,199,940            |
| Part Time Help and Seasonal Staff | -                                 | 42,886                              | 181,771             | 510                                | -                                     | 225,167              | -                      | -                 | 225,167              |
| Post Retirement Benefits          | -                                 | 260,540                             | -                   | -                                  | -                                     | 260,540              | 49,753                 | 4,518             | 314,811              |
| Printing and Postage              | -                                 | 559,040                             | 14,156              | 17,696                             | -                                     | 590,892              | -                      | -                 | 590,892              |
| Professional Services             | -                                 | 96,629                              | 165,809             | -                                  | -                                     | 262,438              | -                      | -                 | 262,438              |
| Property Insurance                | -                                 | 124,465                             | 178,997             | -                                  | -                                     | 303,462              | 30,783                 | 5,529             | 339,774              |
| Repairs and Maintenance           | -                                 | 1,145,920                           | 689,631             | -                                  | -                                     | 1,835,551            | -                      | -                 | 1,835,551            |
| Salary and Benefits               | -                                 | 5,285,085                           | 433,421             | -                                  | -                                     | 5,718,506            | 969,349                | 88,328            | 6,776,183            |
| Security Training                 | -                                 | -                                   | -                   | 45,146                             | -                                     | 45,146               | -                      | -                 | 45,146               |
| Utilities                         | -                                 | 280,260                             | 272,946             | -                                  | -                                     | 553,206              | 46,188                 | 8,296             | 607,690              |
| <b>Total</b>                      | <b>\$ 20,536,916</b>              | <b>\$ 10,274,234</b>                | <b>\$ 3,385,471</b> | <b>\$ 2,334,078</b>                | <b>\$ 461,280</b>                     | <b>\$ 36,991,979</b> | <b>\$ 1,400,960</b>    | <b>\$ 178,823</b> | <b>\$ 38,571,762</b> |

See accompanying notes to financial statements.

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
Statement of Functional Expenses  
Year Ended December 31, 2024

|                                   | Program Services                        |                                              |                     |                                             |                                                   |                      |                              |
|-----------------------------------|-----------------------------------------|----------------------------------------------|---------------------|---------------------------------------------|---------------------------------------------------|----------------------|------------------------------|
|                                   | Cooperative<br>Program<br>Distributions | Convention<br>Board<br>Operating<br>Expenses | State<br>Missions   | Special<br>Purpose and<br>Other<br>Programs | Church<br>Retirement<br>and<br>Protection<br>Plan | Total Program        | Management<br>and<br>General |
| Church Insurance                  | \$ -                                    | \$ -                                         | \$ -                | \$ -                                        | \$ 127,590                                        | \$ 127,590           | \$ -                         |
| Church Retirement Contributions   | -                                       | -                                            | -                   | -                                           | 358,200                                           | 358,200              | -                            |
| Depreciation                      | -                                       | 569,017                                      | -                   | -                                           | -                                                 | 569,017              | 37,542                       |
| Direct Expenses                   | 20,375,706                              | 126,026                                      | 681,001             | 1,107,370                                   | -                                                 | 22,290,103           | -                            |
| Disaster Relief/Victim Assistance | -                                       | -                                            | 318,607             | -                                           | -                                                 | 318,607              | -                            |
| Employee Travel                   | -                                       | 274,738                                      | 17,762              | 23,472                                      | -                                                 | 315,972              | -                            |
| Guest Travel and Honorarium       | -                                       | 406,971                                      | 56,296              | 452,829                                     | -                                                 | 916,096              | -                            |
| Office Supplies                   | -                                       | 36,755                                       | 50,702              | 1,031                                       | -                                                 | 88,488               | -                            |
| Other Ministry Expenses           | -                                       | 1,227,865                                    | 530,824             | 537,849                                     | -                                                 | 2,296,538            | -                            |
| Part Time Help and Seasonal Staff | -                                       | 40,069                                       | 223,536             | 735                                         | -                                                 | 264,340              | 64,884                       |
| Post Retirement Benefits          | -                                       | 263,415                                      | -                   | -                                           | -                                                 | 263,415              | -                            |
| Printing and Postage              | -                                       | 534,121                                      | 42,676              | 25,202                                      | -                                                 | 601,999              | 4,494                        |
| Professional Services             | -                                       | 61,302                                       | 243,523             | -                                           | -                                                 | 304,825              | -                            |
| Property Insurance                | -                                       | 107,739                                      | 133,551             | -                                           | -                                                 | 241,290              | -                            |
| Repairs and Maintenance           | -                                       | 794,342                                      | 157,992             | -                                           | -                                                 | 952,334              | -                            |
| Salary and Benefits               | -                                       | 4,942,507                                    | 358,580             | -                                           | -                                                 | 5,301,087            | 83,358                       |
| Security Training                 | -                                       | -                                            | -                   | 35,832                                      | -                                                 | 35,832               | -                            |
| Utilities                         | -                                       | 284,030                                      | 252,532             | -                                           | -                                                 | 536,562              | 4,153                        |
| <b>Total</b>                      | <b>\$ 20,375,706</b>                    | <b>\$ 9,668,897</b>                          | <b>\$ 3,067,582</b> | <b>\$ 2,184,320</b>                         | <b>\$ 485,790</b>                                 | <b>\$ 35,782,295</b> | <b>\$ 168,528</b>            |
|                                   |                                         |                                              |                     |                                             |                                                   |                      | <b>\$ 37,389,225</b>         |

See accompanying notes to financial statements.

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Statements of Cash Flows**  
**Years Ended December 31, 2025 and 2024**

|                                                       | <u>2025</u>          | <u>2024</u>          |
|-------------------------------------------------------|----------------------|----------------------|
| Cash Flows From Operating Activities:                 |                      |                      |
| Change in Net Assets                                  | \$ 1,815,888         | \$ 2,286,764         |
| Adjustments To Reconcile Change in Net Assets To      |                      |                      |
| Net Cash Provided By Operating Activities:            |                      |                      |
| Depreciation                                          | 666,421              | 610,116              |
| Net Periodic Postretirement Benefit Cost              | 314,811              | 316,883              |
| Net Realized and Unrealized Gains on Investments      |                      |                      |
| and Other Assets, Net                                 | (962,136)            | (644,480)            |
| Gain on Disposal of Assets                            | -                    | (12,264)             |
| Change In:                                            |                      |                      |
| Prepaid Expenses and Other Assets                     | (195,704)            | (50,658)             |
| Supplies Inventories                                  | (5,292)              | 2,728                |
| Accounts Payable and Other Liabilities                | 9,567                | (767,743)            |
| Cooperative Program Allocations Payable               | 675,297              | 142,097              |
| Designated Funds Payable                              | (283,266)            | 372,239              |
| Postretirement Benefit Obligation                     | (759,905)            | (865,449)            |
| <b>Net Cash Provided By Operating Activities</b>      | <u>1,275,681</u>     | <u>1,390,233</u>     |
| Cash Flows From Investing Activities:                 |                      |                      |
| Purchases of Investments                              | (7,845,991)          | (7,076,220)          |
| Proceeds from Sales and Maturities of Investments     | 7,582,979            | 7,263,926            |
| Collections of Notes Receivable                       | 542,923              | 549,596              |
| Advances on Notes Receivable                          | (430,881)            | (410,727)            |
| Purchases of Property, Plant and Equipment            | (792,707)            | (2,150,610)          |
| <b>Net Cash Used In Investing Activities</b>          | <u>(943,677)</u>     | <u>(1,824,035)</u>   |
| <b>Net Increase (Decrease) in Cash</b>                | 332,004              | (433,802)            |
| <b>Cash and Cash Equivalents at Beginning of Year</b> | <u>25,682,912</u>    | <u>26,116,714</u>    |
| <b>Cash and Cash Equivalents at End of Year</b>       | <u>\$ 26,014,916</u> | <u>\$ 25,682,912</u> |

See accompanying notes to financial statements.

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**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

The Mississippi Baptist Convention Board (the Board or the Convention Board) serves as the missions organization for Southern Baptists in Mississippi. The purpose of the Convention Board is to equip local churches to make disciples in Mississippi and around the world. Convention Board ministries are designed according to the Biblical model of Acts 1:8. By promoting and supporting Christian missions at the local church, throughout the state, and around the world, Southern Baptists in Mississippi work together in establishing and furthering God's Kingdom. The Convention Board coordinates its national and international mission efforts with the Southern Baptist Convention and acts in a fiduciary capacity for donations by member churches of the Mississippi Baptist Convention (the Convention). The Board is a nonprofit religious society.

Basis of Accounting

The financial statements of the Board are presented on the accrual basis in accordance with U.S. generally accepted accounting principles (GAAP).

Basis of Presentation

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. The general types of donations entrusted to the Board are as follows:

- (i) *Cooperative Program* - Pursuant to the budget adopted by the Convention, these are funds that are either (i) distributed by the Board to the various agencies and institutions affiliated with the Convention or (ii) used in operations and programs of the Board. Funds received by the Convention to be distributed to the various agencies and institutions affiliated with the Convention are recorded as net assets with donor restrictions until the funds are distributed. At that time, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Funds to be used for operations and programs of the Board are recorded as net assets without donor restrictions in accordance with GAAP.
- (ii) *Designated gifts* - In accordance with donor-imposed restrictions, these funds are either (i) gifts designated by donors to be forwarded to member associations, agencies or institutions for their specific use, which are recorded as liabilities of the Board until they are forwarded (Note 9) or (ii) non-Cooperative Program gifts designated by donors for Board programs that are recorded as net assets with donor restrictions until the funds are distributed. At that time, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Board designated funds are designated for specific purposes as determined by the Convention Board or the Executive Committee of the Board and are recorded as net assets without donor restrictions – Board Designated.

Net assets with donor restrictions are assets restricted by the donor for specific purposes and/or the passage of time. Donor restricted gifts for which restrictions are met within the same year as the gifts are received are reported as net assets with donor restrictions support and net assets released from restrictions in the statements of activities. To the extent that restricted resources from multiple donors are available for the same purpose, the Board expends such gifts on a first-in, first-out basis. Net assets required by donors to be held in

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Basis of Presentation (Continued)

perpetuity are shown as net assets with donor restrictions. However, the income on these assets is generally available to meet various ministry needs. In some cases, the income, or a portion thereof, is required to be reinvested in net assets with donor restrictions.

The Board reports gifts of property, plant and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Board reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Cash Equivalents

The Board considers temporary investments with an original maturity of three months or less to be cash equivalents.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value. Investments in common and collective trusts are reported at their redemption value as determined by the Mississippi Baptist Foundation (MBF), which is based on the fair value of the underlying assets. Donated gifts are recorded at the estimated fair value at the date of gift. Investment income, including realized and unrealized gains and losses, are included in support without donor restrictions unless the income is restricted by donor or law.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost, if purchased, or at acquisition date appraised value, if donated. Additions or betterments of \$2,500 or more are capitalized, while maintenance and repairs are charged to operations as incurred. Depreciation is calculated over the estimated useful lives of the assets using the straight-line method. Buildings are depreciated over 40 years. Useful lives on equipment and furniture range from 3 to 10 years.

The Board applies Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 360, Property, Plant and Equipment. ASC 360 addresses financial accounting and reporting for the impairment or disposal of long-lived assets. ASC 360 requires that long-lived assets, such as property, plant and equipment, be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized to the extent the carrying amount of the asset exceeds its fair value. Assets to be disposed of are separately presented in the statement of financial position and reported at the lower of the carrying amount or fair value less costs to sell and are no longer depreciated. The assets and liabilities of a disposal group classified as held for sale are presented separately in the asset and liability sections of the statement of financial position.

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Supplies Inventories

Supplies inventories are stated at the lower of cost or market.

Income Taxes

The Board is a tax-exempt entity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from Federal income taxes on related income pursuant to Section 501(a) of the Code. Management of the Board believes it has no material uncertain tax positions, and accordingly, it has not recognized any liability for unrecognized tax benefits.

Use of Estimates

The preparation of financial statements in conformity with 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 support and expenses during the reporting period. Actual results could differ from such estimates.

The Board has classified net assets as either with donor restrictions or without donor restrictions based on management's assessment of the donor's intention based on available documentation. In cases where documentation from the donor could not be located, nor could definitive evidence be obtained from other sources as to the appropriate category of net assets, management has used judgment to determine the appropriate classification.

In-Kind Contribution

In order to comply with FASB ASC 958-605, the Mississippi Baptist Convention Board reports donated in-kind contributions on the statement of activities in the period they are received at their estimated fair values. There were no in-kind contributions for the years ended December 31, 2025 and 2024.

Lease Standard

The Mississippi Baptist Convention Board elected to adopt FASB issued ASU 2016-02, Leases (Topic 842), which clarifies the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract. The Mississippi Baptist Convention Board did not have any leases recorded, therefore, the adoption of the new standard did not have a significant impact on the Mississippi Baptist Convention Board's financial statements.

Risks and Uncertainties

The Board's investments include funds which invest in various types of investment securities across a variety of markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the fair values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Board's financial statements.

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Functional Allocation of Expenses

The cost of providing the Board's programs and other activities have been summarized on a functional basis in the statement of activities. The schedule of functional expense presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program services, management and general and fundraising based on management's estimates.

Postretirement Benefits

The Board provides certain healthcare and life insurance benefits for retired employees. Covered employees become eligible for these benefits at retirement after meeting minimum age and service requirements. The plan is currently unfunded.

The Board applies the recognition and disclosure provisions of FASB ASC Topic 715, *Compensation - Retirement Benefits*.

Subsequent Events

The Board has evaluated subsequent events from the financial reporting date through August 13, 2026, the date on which the financial statements were available to be issued.

**NOTE 2      CASH, OTHER FINANCIAL ASSETS AND LIQUIDITY**

The Board manages its financial assets to provide sufficient liquidity for general expenditures within one year of the statement of financial position date. Financial assets available for general use within one year as of December 31, 2025 and 2024 were as follows:

|                                                | <u>2025</u>                | <u>2024</u>                |
|------------------------------------------------|----------------------------|----------------------------|
| Financial Assets at Year End:                  |                            |                            |
| Cash and Cash Equivalents                      | \$ 26,014,916              | \$ 25,682,912              |
| Investments                                    | <u>20,831,194</u>          | <u>19,606,049</u>          |
| <b>Total Financial Assets at Year End</b>      | <b>46,846,110</b>          | <b>45,288,961</b>          |
| Less Amounts With Limits On Usage:             |                            |                            |
| Spendable Net Assets With Donor Restrictions & |                            |                            |
| Endowment Investments Restricted in Perpetuity | (14,677,226)               | (14,635,888)               |
| Cooperative Program Allocations                | (2,689,720)                | (2,014,423)                |
| Designated Funds Payable                       | (409,538)                  | (692,804)                  |
| Spendable Net Assets With Board Designations,  |                            |                            |
| Inclusive of Unfunded Postretirement           |                            |                            |
| Benefit Obligation                             | <u>(19,374,398)</u>        | <u>(19,868,075)</u>        |
| <b>Total Financial Assets Available For</b>    |                            |                            |
| <b>General Use Within One Year</b>             | <b><u>\$ 9,695,228</u></b> | <b><u>\$ 8,077,771</u></b> |

The Board has a goal to maintain financial assets, which consist of cash and investments, on hand to meet 90 days of normal operating expenses which were approximately \$7,723,000 for the years ended December 31, 2025 and 2024.

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 3      NET ASSETS WITHOUT DONOR RESTRICTIONS**

Net assets without donor restrictions were comprised of the following as of December 31:

|                                              | <u>2025</u>          | <u>2024</u>          |
|----------------------------------------------|----------------------|----------------------|
| <b>Total Undesignated</b>                    | \$ 14,063,719        | \$ 11,795,492        |
| Designated By Board for the Following:       |                      |                      |
| Capital Needs                                | 8,571,313            | 8,535,559            |
| Spendable for Programs                       | 890,425              | 1,072,286            |
| <b>Total Board Designations</b>              | <u>9,461,738</u>     | <u>9,607,845</u>     |
| Quasi Endowment:                             |                      |                      |
| General Activities                           | 4,335,128            | 4,341,284            |
| Reserve for Salaries, Benefits, Retirees and |                      |                      |
| Unfunded Deferred Compensation               | 5,577,532            | 5,918,946            |
| <b>Total Quasi Endowment</b>                 | <u>9,912,660</u>     | <u>10,260,230</u>    |
| <b>Total Board Designated</b>                | <u>19,374,398</u>    | <u>19,868,075</u>    |
| <b>Total Net Assets Without</b>              |                      |                      |
| <b>Donor Restrictions</b>                    | <u>\$ 33,438,117</u> | <u>\$ 31,663,567</u> |

**NOTE 4      NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions were comprised of the following as of December 31:

|                                                 | <u>2025</u>          | <u>2024</u>          |
|-------------------------------------------------|----------------------|----------------------|
| Subject to Expenditure for Specific Purpose:    |                      |                      |
| State Mission Activities                        | \$ 6,922,728         | \$ 7,314,533         |
| Special Gifts                                   | 7,695,329            | 7,267,367            |
| <b>Total Purpose Restrictions</b>               | <u>14,618,057</u>    | <u>14,581,900</u>    |
| Perpetual Restriction                           | 59,169               | 53,988               |
| <b>Total Net Assets With Donor Restrictions</b> | <u>\$ 14,677,226</u> | <u>\$ 14,635,888</u> |

**NOTE 5      NET ASSETS RELEASED FROM DONOR RESTRICTIONS**

During the years ended December 31, 2025 and 2024, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

|                                       | <u>2025</u>          | <u>2024</u>          |
|---------------------------------------|----------------------|----------------------|
| Purpose of Restrictions Accomplished: |                      |                      |
| Cooperative Program Distributions     | \$ 20,109,910        | \$ 19,500,723        |
| State Missions                        | 3,385,471            | 3,067,582            |
| Special Purpose and Other Programs    | 2,334,078            | 2,184,320            |
| Church Annuity                        | 461,280              | 485,790              |
| <b>Total Net Assets Released from</b> |                      |                      |
| <b>Donor Restrictions</b>             | <u>\$ 26,290,739</u> | <u>\$ 25,238,415</u> |

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 6     INVESTMENTS**

FASB ASC Topic 820, *Fair Value Measurement*, 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 at the measurement date. ASC 820 also establishes a framework for measuring fair value and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. These inputs are summarized into three levels:

- Level 1 inputs are unadjusted quoted prices in active markets for identical securities.
- Level 2 inputs include quoted prices for similar securities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the investments. Such inputs include market interest rates, volatilities and yield curves.
- Level 3 inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement including the reporting entity's own assumptions in determining the fair value of the investment.

A summary of investments at fair value at December 31, 2025 and 2024 follows:

|                                                | <u>2025</u>                 | <u>2024</u>                 |
|------------------------------------------------|-----------------------------|-----------------------------|
| Investments Managed By:                        |                             |                             |
| Mississippi Baptist Foundation (MBF):          |                             |                             |
| General Fund                                   | \$ 4,383,845                | \$ 4,009,067                |
| Money Market Fund                              | 736,644                     | 574,872                     |
| Common Trust Fund                              | <u>367,828</u>              | <u>343,661</u>              |
|                                                | <u>5,488,317</u>            | <u>4,927,600</u>            |
| GuideStone Financial Resources (Mutual Funds): |                             |                             |
| Balanced Fund                                  | 2,861,028                   | 2,689,254                   |
| Conservative Fund                              | 2,782,220                   | 2,683,289                   |
| Growth Fund                                    | 2,965,578                   | 2,717,935                   |
| Other                                          | <u>2,985</u>                | <u>34,356</u>               |
|                                                | <u>8,611,811</u>            | <u>8,124,834</u>            |
| Regions (US Government):                       | <u>6,731,066</u>            | <u>6,553,615</u>            |
| <b>Total Investments</b>                       | <u><u>\$ 20,831,194</u></u> | <u><u>\$ 19,606,049</u></u> |

The investments managed by the Mississippi Baptist Foundation are common and collective trust funds and are classified as Level 2. The General Fund is allocated 30% to the Mississippi Baptist Foundation Equity Fund (Equity Fund) and 70% to the Mississippi Baptist Foundation Fixed Income Fund (Fixed Income Fund). The Equity Fund is primarily invested in U.S. and international stocks and the Fixed Income Fund is primarily invested in U.S. government securities, corporate bonds and international fixed income securities.

The investment funds managed by GuideStone Financial Resources are primarily invested in publicly traded, exchange-listed mutual funds and are classified as Level 1.

The investment funds managed by Regions, are primarily invested in fixed income (US Government funds) and are classified as Level 1.

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 6     INVESTMENTS (CONTINUED)**

The Mississippi Baptist Foundation and GuideStone Financial Resources of the Southern Baptist Convention are separate entities and are considered related parties.

The overall investment objective of the Board is to invest in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and increase investment value after inflation. The Board primarily invests in publicly traded, exchange listed mutual funds and common and collective trust funds.

**NOTE 7     NOTES AND OTHER RECEIVABLES**

On June 22, 2023, the Board advanced \$500,000 to Blue Mountain Christian University (BMCU) with repayment to be made over 60 months at \$8,334 per month from future Cooperative Program allocations to BMCU. The balance due was \$249,980 and \$349,988 at December 31, 2025 and 2024, respectively and is included in the total notes and other receivable in the statement of financial position at December 31, 2025 and 2024.

**NOTE 8     PROPERTY, PLANT AND EQUIPMENT**

A summary of property, plant and equipment at December 31, 2025 and 2024 follows:

|                                                 | <u>2025</u>                 | <u>2024</u>                 |
|-------------------------------------------------|-----------------------------|-----------------------------|
| Land and Improvements                           | \$ 3,963,013                | \$ 3,963,013                |
| Buildings                                       | 14,226,183                  | 12,650,049                  |
| Equipment and Furniture                         | 8,386,000                   | 8,130,590                   |
| Construction in Progress - Central Hills        | -                           | 1,441,993                   |
| <b>Total Property and Equipment</b>             | <b>26,575,196</b>           | <b>26,185,645</b>           |
| Less Accumulated Depreciation                   | <u>(13,923,018)</u>         | <u>(13,659,753)</u>         |
| <b>Total Property, Plant and Equipment, Net</b> | <b><u>\$ 12,652,178</u></b> | <b><u>\$ 12,525,892</u></b> |

**NOTE 9     DESIGNATED FUNDS**

Gifts for designated funds are in addition to Cooperative Program gifts and are treated as agency transactions and not reflected in the accompanying statements of activities. A summary of transactions in designated funds payable follows:

|                   | <u>Associational</u> | <u>North</u>     | <u>International</u> | <u>Miscellaneous</u> | <u>Total</u>      |
|-------------------|----------------------|------------------|----------------------|----------------------|-------------------|
|                   | <u>Missions</u>      | <u>American</u>  | <u>Missions</u>      |                      |                   |
|                   |                      | <u>Missions</u>  |                      |                      |                   |
| Balance,          |                      |                  |                      |                      |                   |
| December 31, 2023 | \$ 1,200             | \$ 48,275        | \$ 269,967           | \$ 1,123             | \$ 320,565        |
| Receipts          | 4,990,783            | 3,863,370        | 8,676,358            | 2,182,047            | 19,712,558        |
| Disbursements     | <u>4,990,289</u>     | <u>3,846,972</u> | <u>8,320,466</u>     | <u>2,182,592</u>     | <u>19,340,319</u> |
| Balance,          |                      |                  |                      |                      |                   |
| December 31, 2024 | 1,694                | 64,673           | 625,859              | 578                  | 692,804           |
| Receipts          | 5,132,144            | 3,938,630        | 8,588,621            | 2,240,990            | 19,900,385        |
| Disbursements     | <u>5,132,144</u>     | <u>3,946,341</u> | <u>8,863,947</u>     | <u>2,241,219</u>     | <u>20,183,651</u> |
| Balance,          |                      |                  |                      |                      |                   |
| December 31, 2025 | <u>\$ 1,694</u>      | <u>\$ 56,962</u> | <u>\$ 350,533</u>    | <u>\$ 349</u>        | <u>\$ 409,538</u> |

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 10    BENEFIT PLANS**

Postretirement Benefit Plan

The Board sponsors a postretirement benefit plan for eligible employees upon their retirement, which provides certain health care and life insurance benefits, as well as longevity gifts for retiring participants. Subject to a monthly cap, the Board pays 100% of the premiums related to providing the postretirement health care coverage for eligible participants, and in some cases, a portion of the premiums related to dependent's coverage. The Board also pays 100% of the premiums related to providing life insurance coverage for eligible participants. Eligibility for postretirement benefits is described and approved through established Board policy. At the time of retirement, the Board provides longevity gifts to certain retiring participants that are based on years of service.

The Board applies FASB ASC 715, *Compensation- Retirement Benefits*, which requires the recognition of the funded status of defined benefit pension and other postretirement plans as an asset or liability.

During the years ended December 31, 2025 and 2024, postretirement-related changes were recognized that increased (decreased) net assets without donor restrictions by \$71,056 and \$140,581, respectively, and were included in the accompanying statements of activities.

The postretirement benefit plan's benefit obligation, none of which is funded, (based upon a December 31 measurement date) and amounts recognized in the Board's financial statements follow:

|                                            | <u>2025</u>         | <u>2024</u>         |
|--------------------------------------------|---------------------|---------------------|
| Change in Accumulated Benefit Obligation:  |                     |                     |
| Accumulated Benefit Obligation at          |                     |                     |
| Beginning of Year                          | \$ 9,022,761        | \$ 9,571,327        |
| Service Cost                               | 9,116               | 12,398              |
| Interest Cost                              | 461,400             | 433,483             |
| Actuarial Gain (Loss) and                  |                     |                     |
| Change in Assumptions                      | (226,761)           | (269,580)           |
| Benefits Paid                              | <u>(688,849)</u>    | <u>(724,867)</u>    |
| Accumulated Benefit Obligation             |                     |                     |
| at End of Year                             | <u>\$ 8,577,667</u> | <u>\$ 9,022,761</u> |
| Amounts Recognized in Net Assets Without   |                     |                     |
| Donor Restrictions Other than Net Periodic |                     |                     |
| Postretirement Benefit Cost:               |                     |                     |
| Prior Service Cost                         | \$ 720,094          | \$ 837,462          |
| Net Gain                                   | <u>1,543,082</u>    | <u>1,354,658</u>    |
| <b>Total</b>                               | <u>\$ 2,263,176</u> | <u>\$ 2,192,120</u> |
| Components of Net Periodic                 |                     |                     |
| Postretirement Benefit Cost:               |                     |                     |
| Service Cost                               | \$ 9,116            | \$ 12,399           |
| Interest Cost                              | 461,400             | 433,483             |
| Amortization of Unrecognized               |                     |                     |
| Prior Service Cost                         | (117,368)           | (117,368)           |
| Actuarial Loss and Change in Assumptions   | <u>(38,337)</u>     | <u>(11,631)</u>     |
| Net Periodic Postretirement Benefit Cost   | <u>\$ 314,811</u>   | <u>\$ 316,883</u>   |



**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

**NOTE 10    BENEFIT PLANS (CONTINUED)**

*Postretirement Benefit Plan (Continued)*

The weighted average discount rate used to determine the benefit obligation and the net periodic postretirement cost was 5.02% and 5.33% as of December 31, 2025 and 2024, respectively.

Actual benefits paid on behalf of retired participants totaled \$688,849 and \$724,867 for the years ended December 31, 2025 and 2024, respectively. There were 107 retired participants at December 31, 2025 and 107 retired participants as of December 31, 2024, resulting in an annual average per participant cost of \$6,438 and \$6,774, respectively.

Based upon the number of expected retirees and the results of an actuarial analysis, the Board expects the benefits to be paid for the postretirement benefit plan in each year from 2026 to 2030 to be approximately \$809,400, \$828,200, \$860,700, \$804,600, and \$768,100, respectively. The aggregate benefits expected to be paid in the five years from 2031 to 2035 are approximately \$3,350,000. The expected benefits are based on the same assumptions used to measure the Board's benefit obligation at December 31, 2025.

The expected long-term healthcare trend rate used to value the accumulated postretirement benefit obligation was 9.30% (7.70% for post-65 ages) for medical and 11.00% (7.30% for post-65 ages) for prescription drugs as of December 31, 2025, and is assumed to decrease linearly to ultimate rates of 4.39% (4.39% for post-65 ages) and 4.89%, respectively, in 2033. The expected long-term healthcare trend rate used to value the accumulated postretirement benefit obligation was 7.90% (5.00% for post-65 ages) for medical and 11.40% (6.60% for post-65 ages) for prescription drugs as of December 31, 2024, and is assumed to decrease linearly to ultimate rates of 4.37% (4.37% for post-65 ages) and 4.87%, respectively, in 2032.

*Defined Contribution Plan*

The Board also sponsors a contributory savings plan covering all full-time employees. Participating employees may contribute up to 5% of their annual salary, subject to regulatory limits and length of service. The Board makes matching contributions of 100% of the employee's contribution and also makes an additional annual base contribution of 10% of the employee's salary. The Board contributed approximately \$608,000 and \$585,000 to this plan during the years ended December 31, 2025 and 2024, respectively.

**NOTE 11    COOPERATIVE PROGRAM SUPPORT**

A summary of the cooperative program allocation of support 2025 and 2024 follows:

|                                | <b>2025</b>          | <b>2024</b>          |
|--------------------------------|----------------------|----------------------|
| Southern Baptist Convention    | \$ 12,482,395        | \$ 12,131,242        |
| Christian Education            | 5,833,210            | 5,625,742            |
| Baptist Children's Village     | 748,121              | 737,306              |
| Board of Ministerial Education | 375,389              | 369,963              |
| Christian Action Commission    | 315,862              | 311,296              |
| Historical Commission          | 119,216              | 117,493              |
| Mississippi Baptist Foundation | 386,883              | 381,290              |
| Board Capital Needs            | 619,138              | 610,187              |
| Church Annuity                 | 419,290              | 486,153              |
| Associations                   | -                    | 137,095              |
| Board Programs                 | 9,817,422            | 9,568,162            |
| Missions Mobilization          | 247,629              | 244,048              |
|                                | <u>\$ 31,364,555</u> | <u>\$ 30,719,977</u> |

**MISSISSIPPI BAPTIST CONVENTION BOARD**  
**Notes to Financial Statements**  
**Years Ended December 31, 2025 and 2024**

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**NOTE 11    COOPERATIVE PROGRAM SUPPORT (CONTINUED)**

Cooperative Program gifts exceeding each fiscal year's budget are allocated through the Challenge portion of the budget adopted by Convention messengers. Total Challenge Funds received during the year ended December 31, 2025, were \$901,237 which were not included in the above allocation of support. Total Challenge Funds received during the year ended December 31, 2024, were \$704,636 which were not included in the above allocation of support.

**NOTE 12    SPECIAL PURPOSE PROGRAM SUPPORT**

A summary of special purpose program support 2025 and 2024 follows:

|                                                | <u>2025</u>         | <u>2024</u>         |
|------------------------------------------------|---------------------|---------------------|
| Disaster Relief                                | \$ 322,590          | \$ 754,631          |
| Special Funds                                  | 370,966             | 626,933             |
| Student Mission Funds                          | 133,564             | 166,741             |
| North American Mission Board Strategic Support | 300,000             | 300,000             |
| Missions Mobilization                          | 206,316             | 105,792             |
| Other - Without Donor Restrictions             | 30,150              | 61,942              |
| Other - With Donor Restrictions                | 24,879              | 25,565              |
|                                                | <u>\$ 1,388,465</u> | <u>\$ 2,041,604</u> |

**NOTE 13    CONCENTRATIONS OF RISK**

The Board has cash balances in accounts held by various banking institutions at December 31, 2025 and 2024 in excess of federally insured limits. These excess cash balances totaled \$1,769,550 on December 31, 2025 and \$4,803,595 on December 31, 2024. The Board mitigates this risk by using only high-quality financial institutions.

**NOTE 14    SUBSEQUENT EVENTS**

On April 14, 2025, the Convention Board entered into a purchase and sale agreement for the sale of the Henderson Point property for a purchase price of \$7,500,000. The agreement was subsequently amended on two occasions, with the most recent amendment dated October 6, 2025, revising the purchase price to \$7,000,000.

Under the terms of the amended agreement, the purchaser has the right to extend the inspection completion date up to four times for periods not exceeding 180 days each. As a result, the closing of the transaction may occur in 2026 or 2027.

# **BOARD of MINISTERIAL EDUCATION**

## **2026 OFFICERS**

*Jason Webb, President ..... Magee*  
*Lee Faler, Vice President ..... Collins*  
*Anne Albritton, Secretary ..... Madison*

## **BOARD MEMBERS**

*Austin Bahm ..... Hattiesburg*  
*Chris Cunningham ..... Clinton*  
*Melinda Gann ..... Oxford*  
*Jordan Keen ..... Brandon*  
*Chris Moore ..... New Albany*  
*Reid Stevens ..... Forest*  
*Louis Zinc ..... Oxford*

## **CAMPUS REPRESENTATIVES**

*Ronald Meeks ..... Blue Mountain Christian University*  
*David Champagne ..... Mississippi Christian University*  
*Joseph Bird ..... William Carey University*

## **BOARD OF MINISTERIAL EDUCATION**

**Rev. Jason Webb, President**  
**Rev. Lee Faler, Vice President**  
**Mrs. Anne Albritton, Secretary**

The Board of Ministerial Education was founded by the Mississippi Baptist Convention in 1885 for the purpose of assisting ministers to secure a college education. This Board originally assisted only licensed and ordained ministers. In 1987, an amendment to the MS Baptist Convention Constitution expanded the Board's work to include all qualified church-related vocational students who are enrolled in one of Mississippi's Baptist colleges. Ministerial Aid recipients must have made a documented public commitment to Southern Baptist ministry and be a member of a contributing Southern Baptist church, in addition to meeting other BME requirements. During the 2025-2026 academic year, the Board of Ministerial Education approved a total of \$380,500 in monthly grants to 201 ministerial students attending Blue Mountain Christian University, Mississippi College or William Carey University. The students received \$230/month during the academic year. It is always a privilege to serve the students in this way.

In 2020, the Board adopted a Vocational Ministry Covenant to be signed by the student when he or she applies for Ministerial Aid. This covenant reflects their desire to serve in full-time SBC ministry. Most serve a lifetime in ministry, and it's encouraging to see the future leaders of the church express their desire to choose this as their vocational path. In 2021, the Board faced the challenge of conducting interviews via Zoom technology due to the pandemic. The Board members had a wonderful experience interviewing students in person in the fall of 2022. It is a joy to watch these graduates go out into the world serving Christ. The majority of this year's graduates are in seminary, and many are also serving churches. Ministerial graduates of our Mississippi Baptist colleges are serving all over the United States and throughout the world carrying the gospel of Christ.

The Board of Ministerial Education also administers six scholarship funds which are in trust with the Mississippi Baptist Foundation. Annual scholarship awards of \$1,000 are made to seven deserving ministerial students from interest on these funds.

Approximately 94.5% of the Board of Ministerial Education's annual budget goes directly to student aid. We thank the Mississippi Baptist Convention for the privilege of assisting these students as they prepare for ministry.

# Board Of Ministerial Education

## Financial Report

For the period ended December 31, 2025

|                                             | 2025              | Month of<br>December  | Jan 1, 2025 -<br>Dec 31, 2025 |
|---------------------------------------------|-------------------|-----------------------|-------------------------------|
| <b>Funds Received</b>                       |                   |                       |                               |
| Miscellaneous - Prior Year Surplus          | 15,340.00         | \$ 0.00               | \$ 0.00                       |
| Special Scholarships Income                 | 0.00              | 0.00                  | 8,000.00                      |
| Designated Gift Income                      | 0.00              | 90.91                 | 1,335.07                      |
| Interest Income                             | 0.00              | 0.00                  | 0.00                          |
| Income from Repaid Grants                   | 0.00              | 0.00                  | 0.00                          |
| Cooperative Program Income                  | 380,500.00        | 31,708.33             | 380,499.96                    |
| <b>Total Income</b>                         | <b>395,840.00</b> | <b>31,799.24</b>      | <b>389,835.03</b>             |
| <b>Funds Disbursed</b>                      |                   |                       |                               |
| <b>Student Aid Disbursement</b>             |                   |                       |                               |
| Blue Mountain Christian University          | 58,900.00         | 4,500.00              | 46,750.00                     |
| Mississippi College                         | 166,600.00        | 19,125.00             | 160,910.00                    |
| William Carey University                    | 145,900.00        | 18,225.00             | 145,120.00                    |
| Blue Mt CU / Summer                         | 0.00              | 0.00                  | 0.00                          |
| Mississippi College / Summer                | 0.00              | 0.00                  | 0.00                          |
| William Carey University / Summer           | 0.00              | 0.00                  | 0.00                          |
| Special Aid                                 | 1,000.00          | 0.00                  | 8,000.00                      |
| Special Scholarships                        | 0.00              | 0.00                  | 0.00                          |
| Emergency Aid (net)                         | 0.00              | 0.00                  | 0.00                          |
| <b>Total to Students</b>                    | <b>372,400.00</b> | <b>41,850.00</b>      | <b>360,780.00</b>             |
| <b>Operational Expense</b>                  |                   |                       |                               |
| Board Secretary                             | 18,540.00         | 1,545.00              | 18,540.00                     |
| Office Supplies/Printing/Postage            | 600.00            | 35.70                 | 297.28                        |
| Board Members Meetings/Travel               | 4,000.00          | 0.00                  | 2,581.05                      |
| Board Members Annual Banquet                | 0.00              | 0.00                  | 0.00                          |
| Misc/Memorials/Gifts                        | 300.00            | 0.00                  | 60.48                         |
| <b>Total Operational Expense</b>            | <b>23,440.00</b>  | <b>1,580.70</b>       | <b>21,478.81</b>              |
| <b>Net of Income/Expenses</b>               | <b>0.00</b>       | <b>\$ (11,631.46)</b> | <b>\$ 7,576.22</b>            |
| <b>Beginning Cash Balance - Jan 1, 2025</b> |                   |                       | <b>220,545.89</b>             |
| <b>Current Balance</b>                      |                   |                       | <b>\$ 228,122.11</b>          |
| <b>Cash held in reserve</b>                 |                   |                       | <b>\$ 0.00</b>                |
| <b>Available cash</b>                       |                   |                       | <b>\$ 228,122.11</b>          |

# **REPORT of the EDUCATION COMMISSION**

## **2026 OFFICERS**

*Ken Hester, Chairman.....Pontotoc*  
*Billy Stewart, Vice Chairman .....Jackson*  
*Derrick Wilson, Secretary ..... Olive Branch*

## **OTHER MEMBERS**

*Shannon Aker ..... Brookhaven*  
*Byron Benson ..... Caledonia*  
*Mark Cooper..... Hattiesburg*  
*Brian McKee .....Summit*  
*Jeremy Nicholas..... Starkville*  
*Tom Prather .....Clinton*  
*Will Robbins ..... Madison*  
*Jason Wade .....Petal*  
*Pam Vayda ..... Collinsville*

***Blue Mountain Christian University***  
***Mississippi Christian University***  
***William Carey University***

## EDUCATION COMMISSION

**Dr. Ken Hester, Chairman**

The Education Commission serves as a liaison between the Mississippi Baptist Convention and the Mississippi Baptist institutions of higher learning. In particular, the Education Commission shall:

- (1) Cultivate the interest and financial assistance of Mississippi Baptists on behalf of Christian higher education;
- (2) Seek to strengthen the colleges/universities of Mississippi Baptists and unify the efforts of these institutions to fulfill the Great Commission through Christian higher education;
- (3) Make observations, through the Convention Board to the Convention, for the promotion and/or enhancement of the Convention's educational institutions;
- (4) Recommend to the Convention Board institutional apportionments or methods for determining these from the funds set aside by the Convention for Christian higher education.

Over the course of a year, we hear from our Baptist university presidents three different occasions as well as students from those campuses. Our university presidents Dr. Barbara McMillin (Blue Mountain Christian University), Dr. Blake Thompson (Mississippi Christian University), and Dr. Ben Burnett (William Carey University) are doing an excellent job in preparing men and women to make an eternal impact for the Kingdom. For example:

Blue Mountain Christian University has had its largest freshman class ever this past fall and will soon open the Center for Grace and Healing building in the school of Nursing. BMCU awarded 16 bi-vocational pastors certificates in the Pastor Training School and 50% of the Biblical Studies students are in paid positions in local churches.

Mississippi Christian University not only went through a name change, but they also celebrated their bicentennial. Dr. Joe Hamilton, nuclear physicist and MC Alumnus was the 200th commencement speaker. Dr. Hamilton discovered elements 113, 115, and 117. The Law School at MCU is not only the largest but they also have the state's highest bar passage rate.

William Carey University celebrated Bobby Halford being inducted in the Mississippi Sports Hall of Fame as the winningest college baseball coach ever in the state. WCU has 3 campus sites: Hattiesburg, Biloxi, and Baton Rouge, Louisiana. WCU's nursing program is ranked number one in the state according to [registerednursing.com](http://registerednursing.com) and has the largest medical school in the state.

The Education Commission got to visit with MCU students like James David Miller and Bree Pell. Mr. Miller is a Christians studies major and does the shot put on MCU's track and field team. Miss Pell also runs track at MCU and will attend dental school.

The Education Commission got to visit with WCU students like Ben Arnett and Heidi Hanberry. Mr. Arnett is a Christian studies major and is heading to seminary soon. Miss Hanberry is a biology major and is going to optometry school.

The Education Commission got to visit with BMCU students like Joseph Treadaway and Maddie Kirk. Mr. Treadaway has double major in Christian studies and History with plans to go to seminary. Miss Kirk is an education major who played both volleyball and basketball.

Each of these students are shining examples that Jesus Christ is alive and moving on all three of our state's Baptist universities. These students' lives also speak to the multigenerational impact that Christian higher education will have on our world.

At each of the meetings with the university presidents, the Education Commission has appreciated the presence of Dr. Shawn Parker. Mississippi and Mississippi Baptists are blessed to have our Executive Director-Treasurer to have such a good relationship with all three university presidents. Dr. Parker gives much needed insight and encouragement to the university presidents and guidance to the Education Commission.

In conclusion, the Education Commission would encourage Mississippi Baptist to:

- (1) Pray for our Baptist universities and their leadership. They are standing firm that a Biblical world view in higher education is a legitimate education in a world of increasing secular pressure.
- (2) Encourage students to pray about, visit, and attend one of our Mississippi Baptist universities.
- (3) Contribute to Mississippi Baptist universities through our Cooperative Program and through other means in addition to the Cooperative Program.



# BLUE MOUNTAIN CHRISTIAN UNIVERSITY

Barbara Childers McMillin, President

Founded in 1873 and affiliated with Mississippi Baptists since 1920, Blue Mountain Christian University is unapologetically Christian in its approach to teaching and learning. BMCU prepares students for leadership in their professions, churches, and communities through a student-centered environment marked by personal attention, high expectations, Christian faith, and a commitment to helping each student reach his or her God-given potential.

## ACCOMPLISHMENTS OF THE UNIVERSITY

- Spring 2026 enrollment totaled 911: 498 undergraduate, 50 graduate, and 363 dual-enrollment students. Dual-credit partnerships included area public and Christian schools as well as homeschool students.
- The 2025–26 May class included 134 graduates—88 women and 46 men—including 30 master’s recipients. Graduates represented 11 states and three foreign countries. Commencement brought BMCU’s total number of graduates to 9,009 and marked both the 9,000th undergraduate graduate and the 300th graduate-degree recipient.
- The Honors College enrolled 14 students, five of whom graduated. Honors students participated in academic programming, community service, campus leadership, and the Mississippi Honors Conference, where one BMCU student placed second.
- The Teaching and Learning Center recorded 3,494 visits and 632 coaching/tutoring sessions during 2025–26, providing supplemental instruction, academic coaching, tutoring, testing, and other academic support.
- Biblical Studies faculty remained actively engaged in Mississippi Baptist life. Dr. Ronald Meeks received the Blue Mountain Alumni Association “Faithful Servant” Award, published The Meeks Sermon Notes in Logos Bible Software, and provided preaching instruction and presentations for pastors and churches. Dr. Tim Mims served through conferences, revival, ministerial events, student counseling, and discipleship of new believers.
- The School of Nursing graduated 25 prelicensure students—15 traditional and the inaugural accelerated class of 10—as well as eight RN-to-BSN students. All graduates were employed in nursing, and all traditional graduates taking the 2025 licensure examination passed, for a 100% pass rate.
- The School of Education strengthened recruitment, retention, and innovation through participation in the Educators Rising National Conference,

expanded school-district partnerships, the Teacher Academy Consortium, an online Teacher Assistant-to-Teacher track, curriculum updates for CAEP and MDE expectations, and work toward special education and ESL endorsements.

- Academic programs and faculty recorded significant creative and scholarly activity. Fine Arts presented concerts, worship events, instrumental ensembles, and theatre productions while faculty served churches, schools, festivals, and community arts organizations. Business added accounting and Digital Marketing majors and a hybrid MBA option for international students. Language and Literature faculty supported CAEP preparation and presented or participated in professional conferences; faculty also published poetry, fiction, reviews, and scholarly work.
- The Office of Student Success and Career Services served more than 253 students through career-readiness services and helped develop the 2025–2030 Quality Enhancement Plan. Topper Connect involved 74 participants in eight groups and reported a 91.6% retention rate among participants; Spring-to-Fall 2026 retention for all non-graduates stood at 86.7%. The Office of Accommodation and Retention supported 41 students and provided targeted follow-up for attendance and injury-related needs.

### **DENOMINATIONAL SERVICE INVOLVEMENT**

Baptist Student Union students served on mission trips to Mission Arlington and Gulf Breeze, Florida. Eight students served as summer missionaries, two served at summer camps, and one served on the state BSU Student Mission Team.

### **SPECIAL RECOGNITIONS**

BMCU Athletics received the Southern States Athletic Conference (SSAC) School of Character Award and earned the NAIA Champions of Character Five-Star Gold Medal for the 26th consecutive year. Phillip Laney was named SSAC Coach of Character, and Men's Golf head coach Kevin Barefield was named SSAC Co-Coach of the Year. Athletic Director Curt Fowler was selected as the SSAC liaison for baseball athletic directors, and Assistant Athletic Director Brett Fowler was chosen for the inaugural SSAC Hall of Fame Committee.

Student-athletes earned numerous conference and national honors, including the SSAC LeRoy Walker Award; First- and Second-Team All-Conference recognition in women's and men's basketball, baseball, softball, cross country, track & field, volleyball, and women's tennis; a softball Gold Glove honor; NFCA All-Region recognition; SSAC Freshman of the Year honors in both women's cross country and outdoor track & field; SSAC Setter of the Year; NAIA national

qualifications in cross country; and BMCU's first-ever Second-Team All-America honors in men's golf.

Softball also received the SSAC Mayor Todd Strange Female Champions of Character Team Award, earned the program's first-ever NAIA Opening Round bid, and saw its coaching staff named NFCA Region I Coaching Staff of the Year. Women's Tennis earned a national ranking of No. 25, and Bass Fishing finished fifth in the Bass Pro Shops School of the Year standings.

Academic achievement remained a hallmark of the program: 56 student-athletes were named NAIA Scholar-Athletes, 69 received SSAC Athletic Solutions All-Academic recognition, and 13 BMCU teams qualified as NAIA Scholar Teams.

### **CAMPUS FACILITIES**

Numerous facility improvements were completed or begun during 2025–26. Major projects included beginning construction on the Center for Grace and Healing; constructing the 60-by-70-foot Jessie Mauney Center for nursing classes; installing a new HVAC system in Lowrey Administration Building; painting, re-flooring, and upgrading the Student Union Building; renovating men's and women's soccer dressing rooms and lockers; and building a Cross Country Pavilion and Locker Room.

Additional work included HVAC compressor replacements in Whitfield Dorm, the Student Union Building, and Fisher-Washburn; a new cooler and garbage disposal for Ray Dining Hall; painting and renovations at Southplex and Mountain Village; tree removal and trimming; a new soccer sound system; new smartboards for Education; recovery of the gym floor; and painting of rooms and bathrooms in Whitfield. These projects reflect continued attention to student learning, residential life, athletics, and campus stewardship.

### **BUDGET AND RESOURCES**

BMCU continues to be a faithful steward of funds received from the Mississippi Baptist Convention and of gifts from alumni and friends. During FY 2025–26, the University received \$861,169.61 from the Convention through the Cooperative Program as of June 30, 2026. The Board of Trustees adopted a revised income budget of \$15,289,226. Tuition was \$580 per semester hour for undergraduate students, \$552 for education graduate students, and \$665 for MBA graduate students.

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# MISSISSIPPI CHRISTIAN UNIVERSITY

**Blake Thompson, President**

## **Mississippi Christian University**

Founded in 1826, Mississippi Christian University, formerly Mississippi College, is the oldest institution of higher learning in Mississippi. Affiliated with the Mississippi Baptist Convention, MC is a comprehensive Christian university recognized for academic excellence and commitment to the cause of Christ. Offering undergraduate, graduate and professional programs, the university prepares students to lead lives of purpose and service.

## **Leadership**

During his presidency, Dr. Blake Thompson has guided the University through a period of renewed enrollment growth, announced an academic scholarship program unmatched in the state, introduced innovative programs of study, enhanced the historic Clinton campus, and led the largest renovation of the MC School of Law in two decades. The MC president has partnered with the City of Clinton to enhance economic development in the community, served a one-year term as president of the Mississippi Association of Colleges, and served as president of the Mississippi Association of Independent Colleges and Universities since 2020. Thompson is currently overseeing the University's 2026 Bicentennial Celebration, which marks the first 200th anniversary of an institution of higher learning in Mississippi.

## **Institutional Profile**

- Mississippi Christian University has been affiliated with the Mississippi Baptist Convention since 1850.
- Mississippi Christian University's undergraduate student/faculty ratio is 13:1.
- The average ACT score for incoming freshmen in fall 2025 is 26.

## **Performance Indicators**

- There were 3,869 students enrolled for fall 2025, with 428 of those being first-time, full-time freshmen.
- For the fourth year in a row, the passage rate for first-time MC Physician Assistant National Certifying Examination (PANCE) test takers was 100 percent. PA-Direct, MC's direct admissions program for undergraduate students, accepted its seventh group of candidates to the 30-month graduate program, which works with UMMC, federal clinics, hospitals, and other facilities to share educational resources, clinical rotations, and clerkship sites.

- For the second consecutive class, every nursing student who took the National Licensure Examination (NCLEX) passed within the first year.
- During 2025-26, 19 MC undergraduates and 94 graduate students completed School of Education licensure programs; 19 graduate students completed Counseling licensure programs; 49 undergraduate students completed School of Nursing licensure programs; and 31 students completed Physician Assistant licensure programs.

### **National Prominence**

- The Phi Theta Kappa Honor Society named MC to its 2025 and 2026 Transfer Honor Rolls in recognition of the University's efforts to develop and support dynamic, innovative pathways for community college transfer students.
- For the second year in a row, the Wall Street Journal/College Pulse named MC to its list of Best Colleges in the U.S. MC is the only private university in the state of Mississippi to appear on the 2026 list. MC is also the highest-ranked private university in Mississippi on U.S. News & World Report's 2026 Best National Universities list.
- In 2025, MC became the first university in the world to be inducted into the Fellowship of Christian Athletes' Ring of Honor. Just 120 Ring of Honor recipients have upheld FCA's core values of integrity, service, teamwork, and excellence and demonstrated a significant commitment to the ministry of FCA.
- Constructed in 1860, Provine Chapel, the oldest building on the MC campus, was formally included in the National Register of Historic Places in 2025.
- The Mortar Board chapter at MC received the 2025 Project Excellence in Service to Alma Mater award from the Mortar Board National College Honor Society for its outstanding Last Lecture series presentation by Ivan Parke, professor emeritus of Christian Studies and Philosophy, delivered in spring 2025.
- MC's undergraduate elementary teacher preparation program earned an A+ rating from the National Council on Teacher Quality for how well it prepares future teachers to teach reading to elementary students.
- MC earned distinctions across five online master's disciplines in 2026 by OnlineMasters.com, ranking No. 1 in Best Online Master's in Health Services Degree Programs, No. 2 in Best Online Master's in Educational Leadership Programs, No. 4 in Best Online Master's in Computer Forensics Degree Programs, No. 6 in Best Online Master's in Internet Security Degree Programs and No. 18 in Best Online Master's in Communications Degree Programs.

## **Bicentennial Celebration Events**

- On Aug. 11, 2025, the historic Hillman Bell rang 200 times to mark the opening of Mississippi Christian University's 200th academic session as part of Faculty and Staff Convocation, which featured leaders from the Mississippi Baptist Convention.
- Actress, comedian, and best-selling author Leanne Morgan headlined the MC Foundation's Celebration Gala on Sept. 18, 2025. Proceeds from the event benefited student scholarships and athletics.
- In January 2026, MC's Bicentennial Founders Week celebration featured a community-wide Worship Service, an alumni storytellers event, and an MC Day at the State Capitol, where both chambers of the Legislature formally recognized MC for its 200th birthday. The 200th Birthday Party and exhibition opening was postponed to February 12 due to winter weather.
- Six accomplished MC alumni celebrated the contributions of African American students during a Feb. 12 bicentennial panel discussion, which was hosted by Ellis Liddell '80, co-chair of MC's Bicentennial Celebration Committee.
- On Feb. 12, members of the MC family joined alumnus and internationally celebrated scientist Joseph H. Hamilton '54 to recreate a 1914 photograph of his father and classmates in front of Provine Chapel. The day also included the rescheduled 200th Birthday Party, the opening of "1826: The Exhibition," and a display of the University's Bicentennial Time Capsule.
- Hamilton, a member of the international scientific team that discovered element 117 on the Periodic Table, returned to MC as Commencement speaker on May 8. More than 500 graduates received their degrees.

## **Christian Commitment**

- We rejoice in the professions of faith of students during the 2025-26 academic year and at summer camps, where 90 students responded to the Gospel, 14 rededicated their lives to Christ, and 40 were called to the ministry.
- Under the direction of Tyler Kemp, the MC Department of Music's Christian performance ensemble, Worship Collective, continued its ministry of music, sharing the Gospel through authentic worship on campus and at local church events.
- Numerous MC faculty, staff, and students served local churches through pulpit supply, staffing and volunteering.
- Thirteen students participated in MC's Baptist Student Union-led Spring Break mission trip to St. Augustine, Florida. The BSU partnered with Daytona Beach House Church, One More Child, and JAX BCM throughout the week.
- In the 2025-26 academic year, 30 students served through BSU summer missions across five continents, 14 countries and 6 U.S. states. Students served

in partnerships through the North American Mission Board, the International Mission Board, and the Mississippi Baptist Convention Board.

- During the Christmas break, the MC BSU took 10 students to serve through a BSU mission trip, “Christmas in the Delta,” where they partnered with local churches and ministries to serve in the Mississippi Delta.

### **Athletics**

- Women’s Tennis completed the greatest season in program history with a 27-2 record, Gulf South Conference regular-season championship, and a run to the NCAA Division II National Semifinals, finishing No. 4 nationally. The Lady Choctaws also defeated defending national champion Barry in the NCAA South Regional.

- Softball finished 30-23-1 with four All-Gulf South Conference selections. Blakely Gill and Shelby Samples earned First Team All-GSC and Gold Glove honors, while Cam Bailey and Samples set multiple program career records.

- Women’s Cross Country captured its first Gulf South Conference Championship and finished No. 24 nationally. Lauren Wallace was named South Region Runner of the Year, and she and Taylor Benoit became the program’s first teammates to qualify individually for the NCAA Division II Championships.

- Track and Field qualified seven student-athletes for the NCAA Division II Outdoor Championships and earned six All-America honors. Bre Bell earned First Team All-America recognition, while Jake McMillan and Gabe Hodson received Gulf South Conference Athlete of the Year honors.

- Men’s Soccer advanced to the NCAA Division II Quarterfinals after upsetting defending national champion Lynn. The Choctaws became the first Gulf South Conference program since 2021 to reach the national quarterfinals.

### **Facilities**

- Various infrastructure improvements were completed on the MC Clinton campus during the summer of 2026, including updates to the first floor of Provine Chapel, comprising classroom and faculty office updates.

- MC’s Clinton campus installed new marquee and campus entrance lettering reflecting the new university name.

- MC Law continues a multimillion-dollar renovation that is transforming the Law School’s buildings into a modern, downtown campus. Updated spaces include the first-floor library, a reading room, study rooms, a new main entrance to the central classroom building, lobby and reception area, and renovated classrooms, teaching, meeting, and gathering spaces.



**Financial Strength**

- MC's economic impact in Clinton and metro Jackson is significant. The University's annual budget exceeds \$69 million, with net assets at the beginning of FY2026 of \$234 million and an endowment of more than \$105 million. The University employs more than 500 people. University leaders are thankful for major support from the Mississippi Baptist Convention and churches statewide to work towards its mission to achieve academic excellence and a commitment to the cause of Christ.

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# **WILLIAM CAREY UNIVERSITY**

**Ben Burnett, President**

## **A PLAN IN MOTION**

William Carey University made a series of improvements in 2025-26 to align the university for growth by maximizing strengths and becoming even more responsive to student needs.

## **ACADEMICS**

- WCU shifted from a trimester system to a semester system and held its first-ever winter commencement in December 2025.
- A new partnership between William Carey University and Howard Technology Solutions created new career paths for students. They now have access to a curriculum tailor-made to train them in the skills needed by one of the largest employers in the Pine Belt.
- WCU College of Osteopathic Medicine was granted accreditation for 10 years by the Commission on Osteopathic College Accreditation. This status is the most prestigious level awarded by COCA.
- WCU School of Education launched a PhD program in neurodiverse studies – the first program of its kind in the United States. It is led by Dr. Mark Yeager, the “Father of the Mississippi Autism Movement.” In the spring, WCU hosted the 5<sup>th</sup> Annual Neurodiversity Conference.
- WCU and Blue Mountain Christian University established new academic pathways for students who want to enter WCU’s College of Osteopathic Medicine or School of Pharmacy.
- Carey students who want to become attorneys can save time and expense through new partnerships with University of Mississippi School of Law and Mississippi College School of Law. These new programs enable WCU students to earn both a bachelor’s degree and a Juris Doctorate in six years.
- WCU School of Pharmacy launched a new student organization – the Mississippi Pharmacists Advocacy Council. Its purpose is to stay up-to-date on policies affecting pharmacy practice and develop advocates for their profession by engaging elected officials and other policy-makers.
- WCU School of Business hosted three events for high school students: Culinary Arts Competition; Collaboratory Biz Bridge; and CTE Case Study Competition. It also created a Professional Clothing Closet for students

who need to step up their wardrobe for job interviews or business meetings.

- WCU's elementary teacher education program earned an A+ from the National Council on Teacher Quality for how well it prepares future teachers to teach reading to elementary school students.
- The master's program in Health Informatics and Information Management achieved full accreditation – one of only 13 in the U.S. recognized by the Commission on Accreditation for Health Informatics and Information Management Education.
- Itawamba and Northeast Mississippi joined the community colleges who are partnering with William Carey University to make it easier for their graduates to transition smoothly to WCU.
- WCU School of Education was elevated to become the WCU College of Education in recognition of its long success in providing generations of children with a quality education – and partnering with school districts all over the state to fight the teacher shortage.
- WCU ranked first among Mississippi's four-year schools in Money.com's 2025 "Best Colleges in America" list.

## **FACILITIES**

- The College of Osteopathic Medicine cut the ribbon on the Charles W. Pickering Institute of Primary Care. The event also included this year's U.S. News & World Report national rankings: Tier 1 for Best Medical Schools for Primary Care; No. 1 for graduates practicing in primary care; No. 3 for graduates serving in rural areas; and No. 3 for graduates practicing in areas with doctor shortages.
- WCU-Tradition campus honored the late Dr. Joe Canizaro by dedicating the main administrative building in his honor. Canizaro donated part of the land to establish the Tradition campus.
- WCU-Tradition received a \$2.5 million grant from Gulf Coast Restoration Fund for student housing.
- WCU expanded and re-dedicated the Mississippi Woman's College Heritage Plaza.

## **LEADERSHIP**

- Dr. Mark Yeager was named vice president for institutional affairs.
- Dr. Brandon Hardin was named dean of the Winters School of Music.
- Tim Matheny was named dean of the School of Arts & Letters.

- Dr. Alicia Purvis was named dean of the College of Health Sciences.
- Dr. Robert Thompson was named dean of the School of Business.

## **ATHLETICS**

- After 44 seasons, Mississippi all-time winningest basketball coach Steve Knight announced his retirement – bringing to an end a remarkable career.
- Head baseball coach Bobby Halford was inducted into the Mississippi Sports Hall of Fame. Halford has more than 1,300 career wins, 19 conference titles, 26 national tournament appearances, and two NAIA World Series semi-final runs. He was named NAIA Coach of the Year in 2017.
- WCU won the 2025-26 SSAC Commissioner’s Cup for the 10th straight year with a clean sweep of the overall, men’s, and women’s divisions.

## **COMMUNITY & SERVICE**

- Pharmacy students at WCU-Tradition hosted 1<sup>st</sup> Annual “Tailgates & Tourniquets” blood drive.
- Brigadier General Mark Prine, a retiree of the Army National Guard, now heads WCU’s Office of Veteran and Military Affairs. In September, his department hosted the 1<sup>st</sup> Annual Crusader Classic JROTC Drill competition. More than 120 cadets from eight counties attended. The next month, cadets from eight school districts attended the 1<sup>st</sup> Annual JROTC Leadership Summit.
- WCU’s College of Osteopathic Medicine hosted the Pine Belt Heart Walk. Together, more than 300 walkers exceeded their goal, raising \$120,290 to fight heart disease.
- The 14<sup>th</sup> Annual Scholarship Gala was held at the Mississippi Gulf Coast Coliseum and Convention Center in Biloxi. The guest speaker was legendary quarterback Archie Manning.
- WCU hosted a town hall meeting with U.S. Rep. Mike Ezell of Mississippi.
- WCU welcomed 300 incoming fall students and their families to Carey Bound – an early registration event for first-time students. The Parent Engagement team sponsored fun activities like making custom hats and packing “goodie boxes” for delivery to their students during finals week.
- Dr. Samantha Odem and Dr. Dave Weldon accompanied 11 students from the School of Pharmacy on a week-long medical mission to rural Ecuador. Also in March, Carey BSU students joined others from around

the state for the annual “Beach Reach” mission to Panama City Beach, Fla.

- WCU-Tradition hosted the first-ever “Carey on the Coast” at Jones Park in Gulfport.
- WCU and Pearl River Community College invented Haircut Day! PRCC cosmetology/barbering students gave free haircuts to Carey people who wanted to look good for graduation.

## **OVER THE SUMMER**

- WCU announced its theme verse for the 2026-27 academic year: “Two are better than one, because they have a good return for their labor,” Ecclesiastes 4:9.
- Four construction projects were completed: 1) top-to-bottom renovation of Thomas Fine Arts Auditorium; 2) construction of a new, 6,400-square-foot home for the WCU Art Department; and 3) renovation of two dormitories originally opened in the 1960s.
- WCU’s Information Technology team completed the integration of a new student information system to enhance services in the admissions and financial aid offices.
- Twenty-eight students from WCU’s Baptist Student Union served as missionaries – eight in the U.S. and 20 overseas in England, Mexico, Peru, Thailand, South Korea, Panama and Malawi.
- WCU College of Education launched the “Investing in Teacher Assistants Initiative.”
- Carey Dinner Theatre celebrated its 52<sup>nd</sup> anniversary with “Country Is: The Music of Main Street.”
- The Office of Student Engagement celebrated its first year of ministering to students. During 2025-26, it hosted worship nights, renewal services, Bible studies, game nights, music nights, and athletic events. Its motto is, “Our passion is Jesus; our purpose is people.”

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***REPORTS and AUDITS***

***of other***

***INSTITUTIONS***

***and***

***AGENCIES***

***Baptist Children's Village and Family Ministries***

***Baptist Memorial Health Care System***

***Christian Action Commission, Inc.***

***Mississippi Baptist Foundation***

***Mississippi Baptist Historical Commission***



## **BAPTIST CHILDREN'S VILLAGE & FAMILY MINISTRIES**

**Sean A. Milner, Executive Director**

Your Baptist Children's Village & Family Ministries (BCV&FM) exists as part of the Mississippi Southern Baptist Church to take the good news of Jesus Christ to at-risk children and families. We do this by providing them with hope and a strong foundation for their future. This mission is accomplished through three (3) nonresidential ministries and three (3) residential ministries. Your nonresidential ministries are 1) In-Home Family Support Program (IHFSP); 2) Youth Detention Intervention Program (YDIP) and 3) Resource and Referral Program (RRP). Your residential ministries are 1) Residential Family Program (RFP); 2) Independent Living Program (ILP); and 3) Residential Child Caring Program (RCCP). This is your "continuum of care".

### **Nonresidential Programs**

Your In-Home Family Support Program (IHFSP) works to strengthen families in our state through the work of our case managers. Our case managers are full of good works and perform many acts of charity. They go into the homes and strengthen the families so they can stay together and not be disrupted. They teach parenting and home-making skills. They diagnose and address harmful patterns and inadequate abilities. In 2025 you ministered to 356 children from 129 families in all 82 counties.

Your Youth Detention Intervention Program (YDIP) works with the local church in areas with a youth detention facility. YDIP provides the local churches with support, curriculum, guidance training, and administration inside the youth detention facilities. Fifty-six (56) volunteers from the local churches engaged 1,430 detained youth in five (5) Mississippi youth detention facilities. One hundred forty-eight detainees made professions of faith.

Your Resource and Referral Program (RRP) helps pastors, social service agencies, families and laity who run into issues they may not know how to handle. They can call us for assistance, and we provide guidance, advice, and service to all that we can. If we cannot help them, we stay with them until we get them to someone who can.

## **Residential Programs**

Through your Residential Family Program (RFP) families are able to stay together as they get back on their feet. The mothers attend financial literacy classes and receive cooking lessons. Program staff seek to encourage the women to visualize a better future, set goals, and create a stable family environment with generational success. You ministered to 11 children and 6 mothers and families in 2025. One (1) resident made a profession of faith. All residents receive training to learn to be self-reliant as they raise their families.

Many young people in your Independent Living Program (ILP) are coming out of the foster care system needing help to become independent adults who are not dependent on government assistance. In 2025 you provided a home, education and the necessities of life to nine (9) youths. All residents have jobs, and all but one resident is enrolled in secondary education. All residents receive training and planning to succeed on their own.

You have seven campuses in your Residential Child Caring Program (RCCP) across the state of Mississippi. You received and ministered to sixty-one (61) children. Professions of Faith were made by eleven (11) children. Houseparent missionaries are the heroes of this ministry. Please pray to the Lord of the harvest for these heroic laborers.

One hundred percent (100%) of the children and families that you served were impacted with the gospel of Christ, and nine (9) made professions of faith in Christ. In addition to providing food, shelter, community, and education, you provided 252 medical appointments, 49 eye exams, and 120 dental appointments. The case managers you employ had 1245 interactions with the children and 1394 contacts and interactions with the parents/guardians of the children. Remember, to minister to the children you must minister to the children's families. You do so through BCV&FM Case Managers.

The service and ministries of the BCV&FM are paid for by the Mississippi Baptist Convention Board, the Baptist Churches, and people who give generously so that the gospel of Christ can be taken to at-risk children and families. The BCV&FM does not receive any money from the state of Mississippi or the federal government in exchange for the service and ministries we provide. The BCV&FM is licensed by the state of Mississippi so that it can minister to children in the state's custody, but the BCV&FM does not accept any money from the state for children they place in our care.

The BCV&FM is an evangelical arm of every Baptist church in Mississippi. Baptist churches have been sharing the gospel of Christ with children and families through the BCV&FM for 128 years. The BCV&FM continues to look for ways to reach at-risk children and families. The BCV&FM is currently looking throughout Mississippi and asking, "Where are they?" and, "How can we reach them?" Do you know where they are? Can you introduce us to them? Homeless moms and homeless dads are struggling. Children are being released from the state system with no skills, education, or place to go. Please pray for your BCV&FM as we seek what more God would call us to do for His glory and His Kingdom.



MATTHEWS  
CUTRER *and*  
LINDSAY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
JUNE 30, 2026 AND 2025**

*Ridgeland, Clinton, and Yazoo City,  
Mississippi*

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## **BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Baptist Children's Village and Family Ministries  
Ridgeland, MS

### **Opinion**

We have audited the financial statements of Baptist Children's Village and Family Ministries, which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Baptist Children's Village and Family Ministries as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Baptist Children's Village and Family Ministries and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Baptist Children's Village and Family Ministries' ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Baptist Children's Village and Family Ministries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Baptist Children's Village and Family Ministries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



## Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental data on page 20 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 audit 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.

A handwritten signature in black ink, reading "Matthews, Carter & Lindberg, P.A." in a cursive script.

Ridgeland, Mississippi  
September 9, 2026

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**STATEMENTS OF FINANCIAL POSITION  
AT JUNE 30, 2026 AND 2025**

|                                          | <u>2026</u>          | <u>2025</u>          |
|------------------------------------------|----------------------|----------------------|
| <b>CURRENT ASSETS</b>                    |                      |                      |
| Cash and cash equivalents                | \$ 1,482,510         | \$ 1,981,407         |
| Accounts receivable                      | 548,542              | 505,996              |
| Investments                              | <u>8,361,662</u>     | <u>11,057,039</u>    |
|                                          | <u>10,392,714</u>    | <u>13,544,442</u>    |
| <br><b>LONG TERM INVESTMENTS</b>         |                      |                      |
| Endowment investments                    | 11,803,358           | 11,455,972           |
| Other long term investments              | <u>144,162</u>       | <u>144,162</u>       |
|                                          | <u>11,947,520</u>    | <u>11,600,134</u>    |
| <br><b>PROPERTY, PLANT AND EQUIPMENT</b> |                      |                      |
| Land                                     | 834,740              | 834,740              |
| Building, furnishings and equipment, net | <u>6,487,615</u>     | <u>3,233,151</u>     |
|                                          | <u>7,322,355</u>     | <u>4,067,891</u>     |
|                                          | <u>\$ 29,662,589</u> | <u>\$ 29,212,467</u> |
| <br><b>LIABILITIES AND NET ASSETS</b>    |                      |                      |
| <br><b>CURRENT LIABILITIES</b>           |                      |                      |
| Accounts payable                         | \$ 75,954            | \$ 58,006            |
| Accrued expenses                         | <u>30,443</u>        | <u>50,509</u>        |
|                                          | <u>106,397</u>       | <u>108,515</u>       |
| <br><b>NET ASSETS</b>                    |                      |                      |
| Without donor restrictions               | 17,590,973           | 17,457,001           |
| With donor restrictions                  | <u>11,965,219</u>    | <u>11,646,951</u>    |
|                                          | <u>29,556,192</u>    | <u>29,103,952</u>    |
|                                          | <u>\$ 29,662,589</u> | <u>\$ 29,212,467</u> |

See notes to financial statements.

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2026**

|                                                                     | Activities<br>without donor<br>restrictions | Activities<br>with donor<br>restrictions | Total                |
|---------------------------------------------------------------------|---------------------------------------------|------------------------------------------|----------------------|
| <b>REVENUE AND OTHER SUPPORT</b>                                    |                                             |                                          |                      |
| Contributed income                                                  | \$ 6,646,523                                | \$ 35,882                                | \$ 6,682,405         |
| Interest and dividends                                              | 441,569                                     | 437,693                                  | 879,262              |
| Gain on sale of securities                                          | 1,451,948                                   | 346,600                                  | 1,798,548            |
| Gain on sale of assets                                              | 16,206                                      | -                                        | 16,206               |
| In-kind contribution                                                | 90,358                                      | -                                        | 90,358               |
| Net assets released from restrictions                               | 506,101                                     | (506,101)                                | -                    |
|                                                                     | <u>9,152,705</u>                            | <u>314,074</u>                           | <u>9,466,779</u>     |
| <b>EXPENSES</b>                                                     |                                             |                                          |                      |
| Program                                                             | 5,399,199                                   | -                                        | 5,399,199            |
| Management and general                                              | 1,564,671                                   | -                                        | 1,564,671            |
| Fundraising                                                         | 912,099                                     | -                                        | 912,099              |
|                                                                     | <u>7,875,969</u>                            | <u>-</u>                                 | <u>7,875,969</u>     |
| <b>EXCESS OF REVENUES<br/>OVER EXPENSES</b>                         | 1,276,736                                   | 314,074                                  | 1,590,810            |
| <b>CHANGE IN NET UNREALIZED GAINS<br/>AND LOSSES ON INVESTMENTS</b> | <u>(1,142,764)</u>                          | <u>4,194</u>                             | <u>(1,138,570)</u>   |
| <b>CHANGE IN NET ASSETS</b>                                         | 133,972                                     | 318,268                                  | 452,240              |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                                | <u>17,457,001</u>                           | <u>11,646,951</u>                        | <u>29,103,952</u>    |
| <b>NET ASSETS, END OF YEAR</b>                                      | <u>\$ 17,590,973</u>                        | <u>\$ 11,965,219</u>                     | <u>\$ 29,556,192</u> |

See notes to financial statements.

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

|                                                                     | <u>Activities<br/>without donor<br/>restrictions</u> | <u>Activities<br/>with donor<br/>restrictions</u> | <u>Total</u>                |
|---------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------|-----------------------------|
| <b>REVENUE AND OTHER SUPPORT</b>                                    |                                                      |                                                   |                             |
| Contributed income                                                  | \$ 6,984,657                                         | \$ 44,800                                         | \$ 7,029,457                |
| Interest and dividends                                              | 475,490                                              | 407,923                                           | 883,413                     |
| Gain on sale of securities                                          | 423,126                                              | 80,726                                            | 503,852                     |
| Gain on sale of assets                                              | 39,750                                               | -                                                 | 39,750                      |
| In-kind contribution                                                | 14,274                                               | -                                                 | 14,274                      |
| Net assets released from restrictions                               | <u>445,066</u>                                       | <u>(445,066)</u>                                  | <u>-</u>                    |
|                                                                     | <u>8,382,363</u>                                     | <u>88,383</u>                                     | <u>8,470,746</u>            |
| <b>EXPENSES</b>                                                     |                                                      |                                                   |                             |
| Program                                                             | 5,863,027                                            | -                                                 | 5,863,027                   |
| Management and general                                              | 1,371,559                                            | -                                                 | 1,371,559                   |
| Fundraising                                                         | <u>779,397</u>                                       | <u>-</u>                                          | <u>779,397</u>              |
|                                                                     | <u>8,013,983</u>                                     | <u>-</u>                                          | <u>8,013,983</u>            |
| <b>EXCESS OF REVENUES<br/>OVER EXPENSES</b>                         | 368,380                                              | 88,383                                            | 456,763                     |
| <b>CHANGE IN NET UNREALIZED GAINS<br/>AND LOSSES ON INVESTMENTS</b> | <u>1,222,039</u>                                     | <u>813,786</u>                                    | <u>2,035,825</u>            |
| <b>CHANGE IN NET ASSETS</b>                                         | 1,590,419                                            | 902,169                                           | 2,492,588                   |
| <b>NET ASSETS, BEGINNING OF YEAR</b>                                | <u>15,866,582</u>                                    | <u>10,744,782</u>                                 | <u>26,611,364</u>           |
| <b>NET ASSETS, END OF YEAR</b>                                      | <u><u>\$ 17,457,001</u></u>                          | <u><u>\$ 11,646,951</u></u>                       | <u><u>\$ 29,103,952</u></u> |

See notes to financial statements.

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2026**

|                               | Program<br>Services | Management<br>and General | Fundraising       | Total               |
|-------------------------------|---------------------|---------------------------|-------------------|---------------------|
| Activities                    | \$ 71,790           | \$ 5,546                  | \$ 151            | \$ 77,487           |
| Administration                | 38,200              | 246,237                   | 36,065            | 320,502             |
| Allowance                     | 12,849              | -                         | -                 | 12,849              |
| Audit and legal               | -                   | 27,903                    | -                 | 27,903              |
| Buildings and grounds         | 159,648             | 54,024                    | 102               | 213,774             |
| Christmas                     | 6,998               | 31,047                    | 170               | 38,215              |
| Clothing                      | 20,780              | -                         | -                 | 20,780              |
| Conferences and conventions   | 63,083              | 25,282                    | 10,091            | 98,456              |
| Development                   | 13,780              | 3,060                     | 245,798           | 262,638             |
| Food service                  | 122,241             | 15,632                    | 4,934             | 142,807             |
| Insurance                     | 692,607             | 173,152                   | 96,196            | 961,955             |
| Medical and dental            | 52,955              | 1,205                     | -                 | 54,160              |
| Miscellaneous                 | 65,467              | 18,594                    | 364               | 84,425              |
| Repair and replacement        | 30,686              | 21                        | -                 | 30,707              |
| Retirement                    | 296,284             | 74,071                    | 41,151            | 411,506             |
| Salaries                      | 2,775,592           | 710,425                   | 386,405           | 3,872,422           |
| School                        | 94,838              | 600                       | -                 | 95,438              |
| Taxes                         | 207,794             | 51,948                    | 28,860            | 288,602             |
| Utilities                     | 212,074             | 30,587                    | 2,730             | 245,391             |
| Vehicle                       | 171,413             | 22,807                    | 18,788            | 213,008             |
|                               | <u>5,109,079</u>    | <u>1,492,141</u>          | <u>871,805</u>    | <u>7,473,025</u>    |
| Depreciation and amortization | <u>290,120</u>      | <u>72,530</u>             | <u>40,294</u>     | <u>402,944</u>      |
|                               | <u>\$ 5,399,199</u> | <u>\$ 1,564,671</u>       | <u>\$ 912,099</u> | <u>\$ 7,875,969</u> |
|                               | 68%                 | 20%                       | 12%               |                     |

See notes to financial statements.

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2025**

|                               | Program<br>Services | Management<br>and General | Fundraising       | Total               |
|-------------------------------|---------------------|---------------------------|-------------------|---------------------|
| Activities                    | \$ 100,133          | \$ 6,409                  | \$ 90             | \$ 106,632          |
| Administration                | 40,706              | 185,138                   | 20,270            | 246,114             |
| Allowance                     | 25,513              | -                         | -                 | 25,513              |
| Audit and legal               | 249                 | 32,546                    | -                 | 32,795              |
| Buildings and grounds         | 238,914             | 43,246                    | -                 | 282,160             |
| Christmas                     | 9,165               | 29,623                    | -                 | 38,788              |
| Clothing                      | 32,290              | -                         | -                 | 32,290              |
| Conferences and conventions   | 38,135              | 20,305                    | 7,149             | 65,589              |
| Development                   | 6,034               | 2,448                     | 251,171           | 259,653             |
| Food service                  | 155,085             | 7,925                     | 4,559             | 167,569             |
| Insurance                     | 607,080             | 137,605                   | 64,755            | 809,440             |
| Medical and dental            | 42,694              | 3,802                     | -                 | 46,496              |
| Miscellaneous                 | 200,864             | 9,029                     | -                 | 209,893             |
| Repair and replacement        | 72,750              | 1,415                     | -                 | 74,165              |
| Retirement                    | 255,737             | 57,967                    | 27,279            | 340,983             |
| Salaries                      | 3,055,889           | 675,689                   | 328,966           | 4,060,544           |
| School                        | 53,163              | -                         | -                 | 53,163              |
| Taxes                         | 229,916             | 52,114                    | 24,524            | 306,554             |
| Utilities                     | 254,518             | 23,819                    | 3,064             | 281,401             |
| Vehicle                       | <u>179,387</u>      | <u>22,456</u>             | <u>19,324</u>     | <u>221,167</u>      |
|                               | 5,598,222           | 1,311,536                 | 751,151           | 7,660,909           |
| Depreciation and amortization | <u>264,805</u>      | <u>60,023</u>             | <u>28,246</u>     | <u>353,074</u>      |
|                               | <u>\$ 5,863,027</u> | <u>\$ 1,371,559</u>       | <u>\$ 779,397</u> | <u>\$ 8,013,983</u> |
|                               | 73%                 | 17%                       | 10%               |                     |

See notes to financial statements.

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025**

|                                                                                         | <u>2026</u>         | <u>2025</u>         |
|-----------------------------------------------------------------------------------------|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES                                                    |                     |                     |
| Change in net assets                                                                    | \$ 452,240          | \$ 2,492,588        |
| Adjustments to reconcile change in net assets<br>to net cash used in operating expenses |                     |                     |
| Depreciation and amortization                                                           | 402,944             | 353,074             |
| Net unrealized and realized gain on investment                                          | (659,978)           | (2,539,677)         |
| Contributions received for long-term purposes                                           | (23,582)            | (17,500)            |
| Interest and dividends restricted for long-term purposes                                | (437,693)           | (407,923)           |
| Gain on sale of securities restricted for long-term purposes                            | (346,600)           | (80,726)            |
| Gain on sale of assets                                                                  | (16,206)            | (39,750)            |
| (Increase) decrease in                                                                  |                     |                     |
| Accounts receivable                                                                     | (42,546)            | 25,437              |
| Other current assets                                                                    | -                   | 20,696              |
| Increase (decrease) in                                                                  |                     |                     |
| Accounts payable                                                                        | 17,948              | 264                 |
| Accrued expenses                                                                        | (20,066)            | 12,675              |
| NET CASH USED IN OPERATING ACTIVITIES                                                   | <u>(673,539)</u>    | <u>(180,842)</u>    |
| CASH FLOWS FROM INVESTING ACTIVITIES                                                    |                     |                     |
| Purchase of equipment and improvements                                                  | (3,659,202)         | (675,904)           |
| Proceeds from sale of assets                                                            | 18,000              | 43,476              |
| Decrease in endowment investments                                                       | 3,408               | 10,161              |
| (Increase) decrease in investments                                                      | 3,004,561           | (118,743)           |
| Investment in permanent endowment                                                       | 23,582              | 17,500              |
| Interest and dividends restricted for permanent reinvestment                            | 437,693             | 407,923             |
| Gain on sale of securities restricted<br>for permanent reinvestment                     | 346,600             | 80,726              |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES                                     | <u>174,642</u>      | <u>(234,861)</u>    |
| NET DECREASE IN CASH AND CASH EQUIVALENTS                                               | (498,897)           | (415,703)           |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR                                            | <u>1,981,407</u>    | <u>2,397,110</u>    |
| CASH AND CASH EQUIVALENTS, END OF YEAR                                                  | <u>\$ 1,482,510</u> | <u>\$ 1,981,407</u> |
| SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES                                           |                     |                     |
| In-kind contributions                                                                   | <u>\$ 90,358</u>    | <u>\$ 14,274</u>    |

See notes to financial statements.

## **BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

### **NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2026 AND 2025**

#### **NOTE 1 – NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING ACTIVITIES**

##### Nature of Organization

Baptist Children's Village and Family Ministries (The Village) is a residential childcare ministry, operating as a nonprofit corporation under the statutes of the State of Mississippi. It is an official agency of the Mississippi Baptist Convention.

##### Method of Accounting

The financial statements of the Village have been prepared on the accrual basis.

##### Financial Statement Presentation

The financial statements of the Village have been prepared in accordance with the U.S. generally accepted accounting principles ("U.S. GAAP"), which require the Village to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets without donor restrictions include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as board designation.

Net assets with donor restrictions: Net assets with donor restrictions include those net assets whose use is subject to donor-imposed restrictions. Donor restrictions may be for a specified time or purpose limitation, or the donor may specify that the corpus of their original and certain subsequent gifts be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

##### Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

##### Contributions

Contributions received, including unconditional promises to give, are recognized as revenue in the period received. Contributions are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restrictions.



## BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES

### NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

#### NOTE 1 – NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING ACTIVITIES – CONTINUED

##### Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with gains and losses included in the statement of activities.

##### Credit and Market Risk

Credit risk: Financial instruments that potentially subject the Village to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At June 30, 2026 and 2025, the Village had balances in the banks that exceeded the federally insured limits by approximately \$1,281,380 and \$1,761,090, respectively.

Market value risk: The Village invests in a professionally managed portfolio that contains various types of marketable securities. Such investments are exposed to market and credit risks and may be subject to significant fluctuations in fair value. As a result, the investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

##### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### Contributed Services

The Village recognizes the estimated fair value of those contributed services that meet the requirements for recognition in the financial statements.

##### Property, Plant and Equipment

Property, plant and equipment are stated at cost. Properties acquired by gift are stated at market value on the date of acquisition. Depreciation and amortization are provided using the straight-line method at rates based on the following estimated useful lives:

|                            | <u>Years</u> |
|----------------------------|--------------|
| Buildings and improvements | 10 - 40      |
| Furnishings and equipment  | 5 - 10       |
| Vehicles                   | 5            |
| Software                   | 3            |

## BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES

### NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

#### NOTE 1 – NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING ACTIVITIES – CONTINUED

##### Income Taxes

The Village is exempt from Federal income taxes, under Section 501(c)(3) of the Internal Revenue Code of 1986, and state income taxes.

##### Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited.

##### Leases

The Village determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets could also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Village does not report ROU asset and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line over the lease term.

#### NOTE 2 – FAIR VALUE MEASUREMENTS

FASB ASC 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Village 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 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 correlation or other means.

# BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES

## NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

### NOTE 2 – FAIR VALUE MEASUREMENTS – CONTINUED

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Valuation methodologies used for assets measured at fair value are: shares of registered investment companies and bonds are valued at quoted market prices which represent the net asset value of shares held by the Village at year-end; and participant notes receivable are valued at cost which approximates fair value. There have been no changes in the methodologies used at June 30, 2026.

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

The Village's unrestricted investments at fair value by level as of June 30, 2026 are:

|                         | <u>Level 1</u>      | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>        |
|-------------------------|---------------------|----------------|----------------|---------------------|
| Short-term investments: |                     |                |                |                     |
| Cash and equivalents    | \$ 567,885          | \$ -           | \$ -           | \$ 567,885          |
| Common trusts           | 7,565,408           | -              | -              | 7,565,408           |
| Corporate stock         | 228,369             | -              | -              | 228,369             |
|                         | <u>\$ 8,361,662</u> | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ 8,361,662</u> |

The Village's unrestricted investments at fair value by level as of June 30, 2025 are:

|                         | <u>Level 1</u>       | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>         |
|-------------------------|----------------------|----------------|----------------|----------------------|
| Short-term investments: |                      |                |                |                      |
| Cash and equivalents    | \$ 437,537           | \$ -           | \$ -           | \$ 437,537           |
| Common trusts           | 10,420,695           | -              | -              | 10,420,695           |
| Corporate stock         | 198,807              | -              | -              | 198,807              |
|                         | <u>\$ 11,057,039</u> | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ 11,057,039</u> |

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025**

**NOTE 2 – FAIR VALUE MEASUREMENTS – CONTINUED**

The Village's long-term investments at fair value by level as of June 30, 2026 are:

|                                  | <u>Level 1</u>       | <u>Level 2</u>   | <u>Level 3</u> | <u>Total</u>         |
|----------------------------------|----------------------|------------------|----------------|----------------------|
| Long-term investments            |                      |                  |                |                      |
| Cash and equivalents             | \$ 192,666           | \$ -             | \$ -           | \$ 192,666           |
| Common trusts                    | 11,658,554           | -                | -              | 11,658,554           |
| Real estate and mineral interest | -                    | 96,300           | -              | 96,300               |
|                                  | <u>\$ 11,851,220</u> | <u>\$ 96,300</u> | <u>\$ -</u>    | <u>\$ 11,947,520</u> |

The Village's long-term investments at fair value by level as of June 30, 2025 are:

|                                  | <u>Level 1</u>       | <u>Level 2</u>   | <u>Level 3</u> | <u>Total</u>         |
|----------------------------------|----------------------|------------------|----------------|----------------------|
| Long-term investments            |                      |                  |                |                      |
| Cash and equivalents             | \$ 163,925           | \$ -             | \$ -           | \$ 163,925           |
| Common trusts                    | 11,339,909           | -                | -              | 11,339,909           |
| Real estate and mineral interest | -                    | 96,300           | -              | 96,300               |
|                                  | <u>\$ 11,503,834</u> | <u>\$ 96,300</u> | <u>\$ -</u>    | <u>\$ 11,600,134</u> |

Long-term investments consist of deferred compensation investments and endowment investments. Endowment investments are net assets with donor restrictions and are restricted to investment in perpetuity, with only the income from the investments to be utilized for support.

**NOTE 3 – PROPERTY, PLANT AND EQUIPMENT**

A summary of the depreciable assets and the related accumulated depreciation at June 30, 2026 and 2025 is presented below:

|                                | <u>2026</u>         | <u>2025</u>         |
|--------------------------------|---------------------|---------------------|
| Building and improvements      | \$ 9,958,140        | \$ 6,480,961        |
| Furnishings and equipment      | 890,101             | 854,959             |
| Software                       | 255,994             | 255,994             |
| Vehicles                       | <u>1,393,247</u>    | <u>1,286,487</u>    |
|                                | 12,497,482          | 8,878,401           |
| Less: Accumulated depreciation | <u>(6,009,867)</u>  | <u>(5,645,250)</u>  |
|                                | <u>\$ 6,487,615</u> | <u>\$ 3,233,151</u> |

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025**

**NOTE 3 – PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

Depreciation expense for the years ended June 30, 2026 and 2025 was \$402,944 and \$353,074, respectively. Construction in progress of \$304,381 is included in Building and Improvements.

**NOTE 4 – RETIREMENT PLAN CONTRIBUTIONS**

The Village and its employees participate in a retirement plan administered by the Southern Baptist Annuity Board. Employer contributions to the plan are based on a percentage of compensation. The Village's contribution to this plan for the years ended June 30, 2026 and 2025 amounted to \$411,506 and \$340,983 respectively.

**NOTE 5 – LIQUIDITY**

The following reflects the Village's financial assets as of June 30, 2026 reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions. Amounts not available include amounts set aside as Board designated net assets that could be drawn upon if the governing board approves that action.

|                                                                                        |                     |
|----------------------------------------------------------------------------------------|---------------------|
| Cash and cash equivalents                                                              | \$ 1,482,510        |
| Investments                                                                            | 20,309,182          |
| Accounts receivable                                                                    | <u>548,542</u>      |
| Financial assets available                                                             | 22,340,234          |
| Less those unavailable for general expenditures within one year due to:                |                     |
| Investments held in perpetuity                                                         | 11,947,520          |
| Subject to expenditure for specified purpose                                           | 17,699              |
| Board designated net assets                                                            | <u>578,727</u>      |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 9,796,288</u> |

The Village does not maintain an operating reserve account to cover the average monthly operating costs, excluding depreciation, in-kind, and other noncash expenses. However, the average monthly cost was approximately \$615,000 for the year ended June 30, 2026. The Village had approximately 16 months of financial assets available to meet its average monthly operating cost for the year ended June 30, 2026. The Village does not have a policy regarding the investment of cash in excess of daily requirements.

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025**

**NOTE 6 – NET ASSETS WITHOUT DONOR RESTRICTIONS**

An analysis of the net assets without donor restrictions for the years of June 30, 2026 and 2025 is presented below:

|                            | <u>2026</u>          | <u>2025</u>          |
|----------------------------|----------------------|----------------------|
| Board Designated           |                      |                      |
| Capital Needs Fund         | \$ 578,727           | \$ 459,624           |
| Without donor restrictions | <u>17,012,246</u>    | <u>16,997,377</u>    |
|                            |                      |                      |
|                            | <u>\$ 17,590,973</u> | <u>\$ 17,457,001</u> |

**NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS**

A summary of the net assets with donor restrictions for the years ended June 30, 2026 and 2025 is presented below:

|                                                                | <u>2026</u>          | <u>2025</u>          |
|----------------------------------------------------------------|----------------------|----------------------|
| Cash and cash equivalents                                      | \$ 4,176             | \$ 4,176             |
| Investments administered by the Mississippi Baptist Foundation | 11,668,638           | 11,333,011           |
| Investments administered by the Southern Baptist Foundation    | 134,720              | 122,961              |
| Funds held in trust by others                                  | 43,686               | 43,686               |
| Real estate and mineral interests                              | 96,300               | 96,300               |
| Donor restricted contributions                                 | <u>17,699</u>        | <u>46,817</u>        |
|                                                                | <u>\$ 11,965,219</u> | <u>\$ 11,646,951</u> |

## BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES

### NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

#### NOTE 8 – ENDOWMENT NET ASSETS WITH DONOR RESTRICTIONS

The Village's net assets with donor restrictions are held in perpetuity. The Village's Board of Directors has interpreted the law that underlies the Village's net asset classification of donor-restricted endowment funds as requiring the preservation of the fair value of the original gift. As a result of the interpretation, the Village classifies as net assets with donor restrictions held in perpetuity (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument.

The Village has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by the endowment funds while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Village must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a balanced portfolio comprised of cash, fixed income securities, and equities. To satisfy its long-term objectives, the Village relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

|                                         |                      |
|-----------------------------------------|----------------------|
| Endowment net assets, beginning of year | \$ 11,455,972        |
| Investment return                       |                      |
| Investment income                       | 437,693              |
| Net appreciation                        | <u>350,794</u>       |
| Total investment return                 | 788,487              |
| Contributions                           | 23,582               |
| Net assets released                     | <u>(464,683)</u>     |
| Endowment net assets, end of year       | <u>\$ 11,803,358</u> |

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Village to retain as a fund of perpetual duration. As of December 31, 2026, deficiencies of this nature exist in donor-restricted endowment funds, which together have an original gift value of \$446,492, a current fair value of \$442,576, and a deficiency of \$3,916. As of December 31, 2025, the donor-restricted endowment funds with deficiencies have an original gift value of \$331,214, a current fair value of \$325,715, and a deficiency of \$5,499. These deficiencies resulted from unfavorable market conditions during the year.

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025**

**NOTE 9 – IN-KIND CONTRIBUTIONS**

The Village recognizes revenues from donated property or goods at the estimated value of the good at the time of the donation. The Village received donated property valued at \$13,524 and \$1,805 for the years ended June 30, 2026 and 2025.

For the years ended June 30, 2026 and 2025, investment assets were contributed with a fair market value of \$76,834 and \$12,469 respectively.

**NOTE 10 – SUBSEQUENT EVENTS**

In accordance with the FASB Accounting Standards Codification Topic 855, Subsequent Events, the Village has evaluated subsequent events through September 9, 2026, which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of September 9, 2026, have been incorporated into these financial statements.



## **SUPPLEMENTAL DATA**

**BAPTIST CHILDREN'S VILLAGE AND FAMILY MINISTRIES**

**SCHEDULE OF CONTRIBUTED INCOME  
FOR THE YEARS ENDED JUNE 30, 2026 AND 2025**

|                                             | <u>2026</u>         | <u>2025</u>         |
|---------------------------------------------|---------------------|---------------------|
| CONTRIBUTED INCOME                          |                     |                     |
| Cooperative program                         | \$ 760,648          | \$ 761,296          |
| Mother's day                                | 120,591             | 116,825             |
| Christmas                                   | 179,304             | 178,726             |
| Easter                                      | 45,362              | 46,492              |
| Back to school                              | 102,177             | 149,216             |
| Parental support                            | -                   | 100                 |
| Children's Promise Act                      | 570,589             | 530,000             |
| Eligible Transitional Home Organization Act | 1,103,704           | 472,750             |
| General gifts                               | 3,522,329           | 3,147,754           |
| Bequests                                    | 75,888              | 1,495,323           |
| Giving Tuesday                              | 68,419              | 46,862              |
| Champions Heart                             | 42,947              | 39,524              |
| Thanksgiving                                | 35,434              | 22,625              |
| Other                                       | <u>55,013</u>       | <u>21,964</u>       |
|                                             | <u>\$ 6,682,405</u> | <u>\$ 7,029,457</u> |



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## **BAPTIST MEMORIAL HEALTH CARE SYSTEM**

**Memphis, Tennessee**  
**Jason Little, President and CEO**

Baptist Memorial Health Care began as a 150-bed hospital in downtown Memphis in 1912. It was formed by the Southern Baptist Conventions of Tennessee, Mississippi and Arkansas because they recognized a tremendous need for a health care facility in this part of the country. The hospital eventually grew to become the largest private hospital in the world.

The Baptist Memorial Health Care system was created in 1981 to provide an integrated health care delivery system offering a full continuum of care to communities throughout the Mid-South. Today, a total of 25 hospitals in Arkansas, Tennessee and Mississippi; an 1,500-member physician group; and dozens of other entities are affiliated with Baptist.

Baptist Memorial Health Care's staff chaplains are a part of the health care team. Patients, family members and employees know they can ask for a chaplain at any time to augment our health care with spiritual or emotional care.

The Rev. Jimmy Terry Preaching Series, hosted by Baptist's Pastoral Care Department, observed its seventh anniversary this year. The series, named in memory of a beloved member of Baptist's Board of Trustees and the founder of Tabernacle Baptist Church in Clarksville, Tennessee, welcomes a speaker each month to deliver an evangelical message from Baptist's flagship hospital. Video recordings of each event are posted on our Facebook page. They have been viewed more than 98,000 times in the past year.

Baptist Memorial Health Care welcomed Baptist Memorial Hospital-Oktibbeha County to its organization with a special celebration at the hospital. Baptist Oktibbeha County team members wore their "Caring is our Calling" Baptist t-shirts as they met with senior Baptist leaders. Baptist's system director of pastoral care also unveiled a special gift: a prayer cross that can hold prayer requests from team members, patients and visitors. A chaplain will collect these requests on a regular basis and pray over them.

The Rankin County, Mississippi, Board of Supervisors unanimously voted to assign the lease for Merit Health Rankin hospital to Baptist Memorial Health Care. Under the new agreement, Baptist will assume operations of the 134-bed

hospital. Merit Health Rankin offers diagnostic, emergency, inpatient and geriatric behavioral health services.

Baptist recently celebrated the opening of Baptist Memorial Rehabilitation Hospital-Madison, located outside of Jackson, Mississippi. The 56,000-square-foot, 40-bed facility is the first hospital in Madison. It is jointly owned by Baptist and Lifepoint Rehabilitation and offers many advanced features and technology.

Mississippi Baptist Medical Center has been named to Becker's Hospital Review's "Great Hospitals in America" list. This list honors the country's top 100 hospitals for their devotion to optimizing health care locally and nationwide and recognizes hospitals for delivering excellent clinical care; prioritizing patient safety; and driving innovation through research, education and continuous improvement.

The Leapfrog Group awarded spring 2026 "A" Hospital Safety Grades to Baptist Memorial Hospital-Golden Triangle, Baptist Memorial Hospital-North Mississippi and Baptist Memorial Hospital-Union County. This is Baptist Union County's 16th consecutive "A" grade.

Healthgrades has awarded Baptist Union County the 2026 Patient Safety Excellence Award and the Outstanding Patient Experience Award. Baptist Union County is among the top 10% of hospitals in the country for patient safety and is the only hospital in Mississippi to receive this recognition.

## **Baptist Memorial Health Care Corporation and Affiliates**

Combined Financial Statements as of and for the  
Years Ended September 30, 2025 and 2024, and  
Independent Auditor's Report

**BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Baptist Memorial Health Care Corporation  
Memphis, Tennessee

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the combined financial statements of Baptist Memorial Health Care Corporation (a Tennessee nonprofit corporation) and affiliates (collectively, BMHCC), all of which are under common ownership and common management, which comprise the combined balance sheets as of September 30, 2025 and 2024, and the related combined statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of BMHCC as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BMHCC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about BMHCC's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit 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 BMHCC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BMHCC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

December 18, 2025

# BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

## COMBINED BALANCE SHEETS AS OF SEPTEMBER 30, 2025 AND 2024 (Amounts in thousands)

|                                                | 2025               | 2024               |
|------------------------------------------------|--------------------|--------------------|
| <b>ASSETS</b>                                  |                    |                    |
| CURRENT ASSETS:                                |                    |                    |
| Cash and cash equivalents                      | \$ 526,118         | \$ 201,022         |
| Short-term investments                         | 33,798             | 20,016             |
| Patient accounts receivable—net                | 675,998            | 633,461            |
| Other receivables—net                          | 33,822             | 17,965             |
| Inventory                                      | 80,954             | 80,758             |
| Prepaid expenses                               | 114,607            | 101,751            |
| Other current assets                           | 12,392             | 12,276             |
| Estimated settlements with third parties       | 14,088             | 15,194             |
| Total current assets                           | 1,491,777          | 1,082,443          |
| INVESTMENTS                                    | 1,091,872          | 1,114,123          |
| ASSETS WHOSE USE IS LIMITED                    | 95,745             | 90,360             |
| RIGHT-OF-USE ASSET—Operating                   | 167,404            | 168,163            |
| RIGHT-OF-USE ASSET—Financing                   | 18,217             | 16,104             |
| PROPERTY AND EQUIPMENT—Net                     | 1,316,735          | 1,330,792          |
| GOODWILL                                       | 10,777             | 10,674             |
| OTHER INTANGIBLE ASSETS                        | 7,806              | 8,046              |
| OTHER LONG-TERM ASSETS                         | 85,680             | 84,938             |
| TOTAL                                          | <u>\$4,286,013</u> | <u>\$3,905,643</u> |
| <b>LIABILITIES AND NET ASSETS</b>              |                    |                    |
| CURRENT LIABILITIES:                           |                    |                    |
| Current portion of long-term debt              | \$ 85,564          | \$ 6,415           |
| Current portion of lease liability—operating   | 33,788             | 32,704             |
| Current portion of lease liability—financing   | 7,344              | 6,439              |
| Accounts payable                               | 114,599            | 99,520             |
| Accrued expenses and other                     | 367,481            | 311,590            |
| Estimated settlements with third parties       | 39,699             | 29,951             |
| Total current liabilities                      | 648,475            | 486,619            |
| LONG-TERM DEBT                                 | 972,155            | 1,004,664          |
| LONG-TERM PORTION OF LEASE LIABILITY—Operating | 140,912            | 141,950            |
| LONG-TERM PORTION OF LEASE LIABILITY—Financing | 12,435             | 11,781             |
| OTHER LONG-TERM LIABILITIES                    | 192,650            | 205,508            |
| COMMITMENTS AND CONTINGENCIES (Note 20)        |                    |                    |
| NET ASSETS:                                    |                    |                    |
| Without donor restrictions                     | 2,036,186          | 1,804,122          |
| With donor restrictions                        | 283,200            | 250,999            |
| Total net assets                               | 2,319,386          | 2,055,121          |
| TOTAL                                          | <u>\$4,286,013</u> | <u>\$3,905,643</u> |

See notes to combined financial statements.

# BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

## COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024 (Amounts in thousands)

|                                                             | 2025             | 2024             |
|-------------------------------------------------------------|------------------|------------------|
| REVENUE AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS:       |                  |                  |
| Net patient service revenues                                | \$ 4,729,277     | \$ 4,174,114     |
| Other revenue                                               | <u>248,880</u>   | <u>262,155</u>   |
| Total revenue and other support without donor restrictions  | <u>4,978,157</u> | <u>4,436,269</u> |
| EXPENSES:                                                   |                  |                  |
| Salaries and benefits                                       | 2,326,960        | 2,136,131        |
| Supplies and drugs                                          | 1,274,744        | 1,106,220        |
| Purchased services and other                                | 726,321          | 704,842          |
| Gain on sale of assets                                      | (676)            | (160)            |
| Professional fees                                           | 301,538          | 245,204          |
| Depreciation and amortization                               | 149,984          | 146,279          |
| Interest                                                    | <u>43,479</u>    | <u>32,768</u>    |
| Total expenses                                              | <u>4,822,350</u> | <u>4,371,284</u> |
| INCOME FROM OPERATIONS                                      | <u>155,807</u>   | <u>64,985</u>    |
| NONOPERATING INCOME:                                        |                  |                  |
| Interest and dividend income from investments               | 33,832           | 27,986           |
| Net unrealized gain on investments—equity                   | 2,085            | 88,145           |
| Net realized gains on investments                           | 24,759           | 15,158           |
| Inherent contribution from acquisition                      | -                | 52,063           |
| Equity in investments                                       | 7,863            | 6,232            |
| Gain (loss) from change in fair value of interest rate swap | 1,929            | (3,637)          |
| Noncontrolling interest                                     | (6,235)          | (4,003)          |
| Other                                                       | <u>14,939</u>    | <u>12,307</u>    |
| Total nonoperating income                                   | <u>79,172</u>    | <u>194,251</u>   |
| REVENUE IN EXCESS OF EXPENSES                               | <u>234,979</u>   | <u>259,236</u>   |

(Continued)

# BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

## COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

(Amounts in thousands)

|                                                     | 2025                | 2024                |
|-----------------------------------------------------|---------------------|---------------------|
| NET ASSETS WITHOUT DONOR RESTRICTIONS:              |                     |                     |
| Revenue in excess of expenses                       | \$ 234,979          | \$ 259,236          |
| Net unrealized gain on investments—debt             | (1,132)             | 18,344              |
| Postretirement—related changes                      | 554                 | 274                 |
| Other                                               | <u>(2,337)</u>      | <u>2,252</u>        |
| Change in net assets without donor restrictions     | <u>232,064</u>      | <u>280,106</u>      |
| NET ASSETS WITH DONOR RESTRICTIONS:                 |                     |                     |
| Net unrealized gain on investments                  | 4,225               | 32,230              |
| Contributions and other                             | 38,681              | 29,582              |
| Inherent contribution from acquisition (see Note 2) | -                   | 1,439               |
| Net assets released from restrictions               | <u>(10,705)</u>     | <u>(14,775)</u>     |
| Change in net assets with donor restrictions        | <u>32,201</u>       | <u>48,476</u>       |
| CHANGE IN NET ASSETS                                | 264,265             | 328,582             |
| NET ASSETS—Beginning of year                        | <u>2,055,121</u>    | <u>1,726,539</u>    |
| NET ASSETS—End of year                              | <u>\$ 2,319,386</u> | <u>\$ 2,055,121</u> |

See notes to combined financial statements.

(Concluded)

## BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

### COMBINED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024 (Amounts in thousands)

|                                                                                                                               | 2025              | 2024              |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES AND NONOPERATING INCOME:                                                                 |                   |                   |
| Change in net assets                                                                                                          | \$ 264,265        | \$ 328,582        |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities and nonoperating income: |                   |                   |
| Depreciation and amortization                                                                                                 | 149,984           | 146,279           |
| Bond premium amortization                                                                                                     | (4,744)           | (3,949)           |
| Inherent contributions                                                                                                        | -                 | (53,502)          |
| Change in fair value of interest rate swaps                                                                                   | (1,880)           | 3,650             |
| ROU asset—operating amortization                                                                                              | 35,369            | 33,835            |
| Equity in earnings of investments in affiliates                                                                               | (6,133)           | (6,259)           |
| Distributions from investments in affiliates                                                                                  | 7,550             | 6,050             |
| Realized gain on sales of investments, fixed assets, and other                                                                | (38,521)          | (28,018)          |
| Loss on impairment of investments                                                                                             | 1,730             | -                 |
| Unrealized gain on investments                                                                                                | (6,414)           | (137,753)         |
| Changes in operating assets and liabilities:                                                                                  |                   |                   |
| Net patient accounts receivable                                                                                               | (42,537)          | (116,104)         |
| Other receivable                                                                                                              | (15,857)          | 18,210            |
| Inventory                                                                                                                     | (196)             | (943)             |
| Prepaid expenses                                                                                                              | (12,856)          | (17,515)          |
| Other current assets                                                                                                          | (2,081)           | 11,117            |
| Accounts payable, accrued expenses, and other liabilities                                                                     | 46,787            | 1,287             |
| Other long-term liabilities                                                                                                   | (11,167)          | 6,877             |
| Net cash provided by (used in) operating activities and nonoperating income                                                   | <u>363,299</u>    | <u>191,844</u>    |
| CASH FLOWS FROM INVESTING ACTIVITIES:                                                                                         |                   |                   |
| Capital expenditures                                                                                                          | (128,543)         | (117,361)         |
| Proceeds from sales of fixed assets                                                                                           | 1,522             | 2,705             |
| Purchases of long-term investments                                                                                            | (280,755)         | (449,405)         |
| Sales of long-term investments                                                                                                | 334,395           | 261,091           |
| Sales of short-term investments                                                                                               | -                 | 10,142            |
| Change in assets whose use is limited                                                                                         | (5,385)           | (37,866)          |
| Investment in affiliates                                                                                                      | (2,113)           | (9,487)           |
| Proceeds from sale of joint ventures                                                                                          | -                 | 1,145             |
| Cash acquired through acquisition                                                                                             | -                 | 5,125             |
| Other                                                                                                                         | (12)              | (2,823)           |
| Net cash (used in) provided by investing activities                                                                           | <u>(80,891)</u>   | <u>(336,734)</u>  |
| CASH FLOWS FROM FINANCING ACTIVITIES:                                                                                         |                   |                   |
| Proceeds from issuance of debt                                                                                                | 106,545           | 314,280           |
| Principal payments on debt and capital lease obligations                                                                      | (54,212)          | (178,638)         |
| Bond issuance costs                                                                                                           | (957)             | (2,735)           |
| Premium on bonds                                                                                                              | 3,408             | 26,393            |
| Principal payments on ROU liability—financing                                                                                 | (12,096)          | (5,550)           |
| Net cash provided by (used in) financing activities                                                                           | <u>42,688</u>     | <u>153,750</u>    |
| NET CHANGE IN CASH AND CASH EQUIVALENTS                                                                                       | 325,096           | 8,860             |
| CASH AND CASH EQUIVALENTS—Beginning of year                                                                                   | <u>201,022</u>    | <u>192,162</u>    |
| CASH AND CASH EQUIVALENTS—End of year                                                                                         | <u>\$ 526,118</u> | <u>\$ 201,022</u> |
| CASH PAID FOR INTEREST DURING THE YEAR                                                                                        | <u>\$ 42,402</u>  | <u>\$ 31,434</u>  |

See notes to combined financial statements.

# BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

## NOTES TO COMBINED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Affiliation and Combination**—Baptist Memorial Health Care Corporation (the “Corporation”) is a nonprofit corporation. The accompanying combined financial statements include the financial statements of the Corporation and its affiliates under common ownership and common management (collectively, BMHCC). The Corporation is the member (parent) organization of most of the not-for-profit affiliates that comprise BMHCC. Such affiliates include hospitals offering both inpatient and outpatient services, as well as surgery centers, physician practices, and other ancillary businesses. All intercompany accounts and transactions have been eliminated. Investments in 50%- or less-owned companies and partnerships are generally accounted for using the equity method.

**Estimates**—The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates.

**Cash and Cash Equivalents**—For purposes of the combined statements of cash flows, BMHCC considers certificates of deposit, overnight reverse repurchase agreements, and other highly liquid investments, such as treasury bills, with original maturities of less than three months to be cash equivalents.

**Revenues and Accounts Receivable**—BMHCC reports revenues from patient services at its hospitals and affiliated facilities at the amounts that reflects the consideration to which BMHCC expects to be entitled in exchange for providing patient care. These amounts are due from patients, governmental programs and third-party payors such as Medicare, Medicaid, health maintenance organizations, preferred provider organizations, private insurers and others, and include variable consideration for retroactive revenue adjustments due to settlements of audits, reviews and investigations. Generally, BMHCC bills the patient and third-party payors several days after the services are performed or after the patient is discharged. Revenue is recognized as the performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by BMHCC. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges for services anticipated to be provided. BMHCC believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in BMHCC’s hospitals receiving inpatient acute care services. BMHCC measures the performance obligation from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided and BMHCC does not believe it is required to provide additional goods or services to the patient.



BMHCC determines the transaction price based on standard billing rates for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients and patient responsibility after insurance in accordance with BMHCC's policy, and/or implicit price concessions provided to uninsured patients and patient responsibility after insurance. BMHCC determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies and historical experience. BMHCC determines its estimate of implicit price concessions based on its historical collection experience with this portfolio of patients.

**Third-Party Payors**—A summary of the payment arrangements with major third-party payors is as follows:

**Medicare**—Payment for inpatient services and most outpatient services is generally based on prospectively determined rates.

**Arkansas Medicaid**—Payment for inpatient services is generally based on prospectively determined daily rates subject to cost report settlements. Payment for outpatient services is generally based on prospectively determined rates.

**Mississippi Medicaid**—Payment for inpatient and outpatient services is generally based on prospectively determined rates.

**TennCare**—TennCare covers the medical needs of Tennessee's indigent and uninsured population and is administered by state-approved managed care organizations who enroll eligible participants and contract with Providers (both physicians and hospitals) for medical services. Payment for inpatient and outpatient services is based on prospectively determined rates.

**Blue Cross**—Inpatient services are reimbursed at prospectively determined daily rates.

BMHCC has also entered into payment agreements with numerous commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to BMHCC under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

The final settlement of amounts to be paid to or from BMHCC by the Medicare program is subject to audit and adjustment by the respective programs. Estimated settlements to or from represent the difference between interim payments and tentative settlements received and estimated reimbursable costs.

During 2025 and 2024, BMHCC adjusted its estimates of settlement of prior years' cost reports and other revenue recognition estimates. The revised estimates reflect filings of the 2025 and 2024 cost reports, final settlement of previously filed cost reports, and reopening or appeal of past cost report filings, as well as other changes in revenue recognized for prior years' services. The net effect of these adjustments increased net patient service revenue by approximately \$6,767,000 for the year ended September 30, 2025 and decreased net patient service revenue by approximately \$2,022,000 for the year ended September 30, 2024.

Currently, each of the states in which BMHCC operates participates in supplemental reimbursement programs for the purpose of providing reimbursement to providers to offset a portion of the cost of providing care to Medicaid patients. These programs are designed with input from the Centers for Medicare and Medicaid Services (CMS) and are funded with a combination of state and federal resources, including, in certain instances, fees or taxes levied on the providers. BMHCC recognizes

revenue and related expenses in the period in which amounts are estimable and collection is reasonably assured. During 2024, the State of Mississippi increased their state supplemental pool by \$700 million to meet two initiatives. For the first initiative, Mississippi Hospital Access Program (MHAP) increased hospital direct payments up to an average commercial rate. These direct payments were made to hospitals serving patients in the Mississippi Medicaid managed care delivery system. The second initiative supplemented the Medicaid base payment rate for hospitals by reimbursing inpatient and outpatient hospital services in the fee-for-service system up to the Medicare upper payment limit (UPL). To minimize the recurring impact of state general fund expenditures, hospital assessments were increased to finance the non-federal share of the directed and supplemental payments. Reimbursement received via these programs, as reflected in net patient service revenues, was approximately \$460,018,000 and \$380,810,000 for the years ended September 30, 2025 and 2024, respectively. Fees and tax assessments relative to such programs were approximately \$159,140,000 and \$136,342,000 for the years ended September 30, 2025 and 2024, respectively, and are recorded as purchased services and other in the accompanying combined statements of operations and changes in net assets. As these programs are approved for a defined period of time (one year or multiple years), future receipts of reimbursement under such supplemental reimbursement programs are not guaranteed.

**Charity Care**—BMHCC provides care to uninsured and indigent patients (those patients with a demonstrated inability to pay) at either no charge or at substantially reduced rates. For indigent patients, no effort is made to pursue collection of any amounts charged after the determination of indigency of the patient has been made. Discounts are granted to uninsured patients who do not meet the requirements for indigency. Since management does not expect payment for charity care, the charges forgone are excluded from net patient service revenue. The amount of charity care provided at BMHCC's established rates, inclusive of discounts for uninsured patients based upon charges foregone, was approximately \$846,395,000 and \$770,849,000 in 2025 and 2024, respectively. BMHCC estimates the cost of charity care by calculating a ratio of cost to gross charges and applying that ratio to the gross uncompensated charges associated with providing care to patients who qualify for charity care. The estimated cost of charity care provided in 2025 and 2024 was approximately \$191,135,000 and \$171,347,000, respectively (see Note 3).

**Investments**—Investments classified as current assets are available to BMHCC entities for current working capital needs. Investments are managed under BMHCC's investment policy and are reported at fair value. Investment income or loss (including realized gains and losses on investments, unrealized gains and losses on equity securities, interest, and dividends) is included in the excess of revenues over expenses, unless the income or loss is restricted by donor or law. Unrealized gains and losses on debt securities are excluded from the excess of revenues over expenses and are reflected in changes in net assets.

**Assets Whose Use is Limited**—Assets whose use is limited include assets held by trustees under indenture and assets restricted as to use by the board of directors.

**Financial Instruments and Hedging**—BMHCC occasionally uses derivative financial instruments to manage movements in interest rates. Interest rate swaps are contractual agreements between two parties for the exchange of interest payments on a notional principal amount at agreed-upon fixed or floating rates for defined periods. BMHCC does not enter into derivative instruments for trading purposes. These financial instruments are not designated as hedges and are presented at estimated fair market value in the accompanying combined balance sheet. BMHCC recognizes changes in the fair values of derivatives as nonoperating gains or losses in the combined statements of operations and



changes in net assets. The cash settlements resulting from these interest rate swaps are reported as interest expense in the combined statements of operations and changes in net assets.

**Inventory**—Inventory is stated at the lower of cost (weighted-average method) or net realizable value.

**Property and Equipment**—Property and equipment are recorded at cost when purchased or at fair market value when received by donation. Property and equipment are depreciated on a straight-line basis over their estimated useful life. Property and equipment held under capital leases are amortized evenly over the lesser of the lease term or their estimated useful life.

Property and equipment also consist of capitalized software costs, which are amortized on a straight-line basis over the estimated useful life of the software that ranges from three to eight years. As of September 30, 2025 and 2024, capitalized software costs included in property and equipment are approximately \$83,666,000 and \$97,725,000, respectively, and accumulated amortization on those costs is approximately \$79,105,000 and \$93,818,000, respectively.

BMHCC capitalizes interest on borrowings during the active construction period of major capital projects. Capitalized interest is added to the cost of underlying assets and is amortized over the useful lives of the assets. There were no material amounts of interest capitalized in 2025 and 2024.

**Right-of-Use Asset/Lease Liabilities**—In accordance with Accounting Standards Codification (ASC) 842, *Leases*, BMHCC recognizes a lease liability for the obligation to make lease payments and a right-of-use (ROU) asset for the right to use the underlying asset for all leases with terms of more than 12 months. Expenses related to leases determined to be operating leases are recognized on a straight-line basis, while expenses related to leases determined to be financing leases are recognized based on an effective interest method in which interest and amortization are presented separately in the statement of operations and changes in net assets. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As most of BMHCC's leases do not provide an implicit rate, BMHCC uses an estimated incremental borrowing rate, which is derived from information available at the lease commencement date, in determining the present value of lease payments. BMHCC uses the implicit rate when readily determinable. BMHCC recognized \$167,404,000 and \$168,163,000 of ROU assets and \$174,700,000 and \$174,654,000 of lease liabilities associated with operating leases as of September 30, 2025 and 2024, respectively.

**Goodwill**—Goodwill is included in the accompanying combined balance sheets and represents the excess of costs over the fair value of assets of businesses acquired. In accordance with Financial Accounting Standards Board (FASB) ASC Topic 958, *Not-for-Profit Entities*, BMHCC performs an annual impairment assessment of goodwill. BMHCC performs the impairment test at the reporting unit level at least annually or when events occur that require an evaluation to be performed at an interim date. If BMHCC determines the carrying value of goodwill is impaired, or if the carrying value of a business that is to be sold or otherwise disposed of exceeds its fair value, then management reduces the carrying value, including any allocated goodwill, to fair value. Estimates of fair value are based on appraisals, established market prices for comparative assets, or internal estimates of future net cash flows. BMHCC has selected June 30 as the date on which it will perform its annual impairment assessment. There was no impairment of goodwill during the years ended September 30, 2025 and 2024. There can be no assurance that future goodwill impairment tests will not result in a charge to operations.

**Impairment of Long-Lived Assets**—BMHCC evaluates the carrying value of its long-lived assets under the provisions of FASB ASC Topic 360, *Property, Plant, and Equipment*. Under FASB ASC Topic 360, when events, circumstances, or operating results indicate that the carrying value of property and equipment

assets may be impaired, BMHCC prepares projections of the undiscounted future cash flows expected to result from the use of the assets and their eventual disposition. If the projections identify impairment, BMHCC compares the assets' current carrying value to the assets' fair value. Fair value is based on current market values or discounted future cash flows. No impairment charge was recorded for the years ended 2025 and 2024.

**Asset Retirement Obligations**—BMHCC recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which it is incurred if a reasonable estimate of the fair value of the obligation can be made. When a liability is initially recorded, BMHCC capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the combined statements of operations and changes in net assets. Asset retirement obligations of approximately \$2,877,000 and \$2,771,000 relating to hospitals in Mississippi are included in other long-term liabilities in the accompanying combined balance sheets as of September 30, 2025 and 2024, respectively.

**Classification of Net Assets**—Net assets are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

**Net Assets without Donor Restrictions**—Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

**Net Assets with Donor Restrictions**—Amounts subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the passage of time or purpose. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds to be maintained in perpetuity.

Net assets with donor restrictions as of September 30, 2025 and 2024, are restricted to the following (in thousands):

|                                     | 2025              | 2024              |
|-------------------------------------|-------------------|-------------------|
| Educational activities              | \$ 156,868        | \$ 138,715        |
| Charitable and religious activities | 86,158            | 77,334            |
| Capital additions                   | 27,318            | 23,441            |
| Science and research                | 11,173            | 9,899             |
| Charitable remainder trust          | <u>1,683</u>      | <u>1,610</u>      |
| Total                               | <u>\$ 283,200</u> | <u>\$ 250,999</u> |

**Income Taxes**—The majority of BMHCC is a nonprofit corporation and has been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. Certain affiliates are subject to income taxes. Such activities and income taxes are not significant to the combined financial statements.

As of September 30, 2025, BMHCC had not identified any uncertain tax positions under FASB ASC Topic 740, *Income Taxes*, requiring adjustments to its combined financial statements. In the event BMHCC were to recognize interest and penalties related to uncertain tax positions, it would be

recognized in the combined financial statements as interest expense. Generally, BMHCC is no longer subject to income tax examinations for tax years prior to 2021 (fiscal year ended September 30, 2022).

**Business Combinations**—BMHCC follows the authoritative guidance contained in ASC Topic 958-805, *Not-for-Profit Entities—Business Combinations*. This guidance establishes principles and requirements for how an acquirer: (a) recognizes and measures in its combined financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree; (b) recognizes and measures the goodwill acquired in a business combination, gain from a bargain purchase; or inherent contribution; and (c) determines what information to disclose to enable users of the combined financial statements to evaluate the nature and the financial effects of the business combination.

**Fair Value Measurements**—BMHCC follows the authoritative guidance contained in FASB ASC Topic 820, *Fair Value Measurements and Disclosures*. Fair value is generally defined as the exit price at which an asset or liability could be exchanged in a current transaction between willing unrelated parties, other than in a forced liquidation or sale. The guidance establishes a fair value hierarchy, giving the highest priority to quoted prices in active markets and the lowest priority to unobservable data, and requires disclosures for assets and liabilities measured at fair value based on their level in the hierarchy.

The fair value framework requires the categorization of assets and liabilities into a hierarchy of inputs based upon the assumptions used to value the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The hierarchy is defined as follows:

**Level 1**—Unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

**Level 2**—Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

**Level 3**—Unobservable inputs reflecting management's own assumption about the inputs used in pricing the asset or liability at the measurement date.

**Net Asset Value (NAV)**—For these assets, FASB Accounting Standard Update (ASU) No. 2015-07, *Fair Value Measurement: Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*, eliminated the requirement that investments for which fair value is measured at NAV per share (or its equivalent) using the practical expedient be categorized in the fair value hierarchy.

Most investments classified within the NAV category consist of the shares/units (or equivalent ownership interest in partner's capital) in investment funds rather than direct ownership in the funds' underlying assets.

Assets measured at fair value based on the fair value framework include investments, assets whose use is limited, long-lived assets acquired in a business combination, and goodwill.

**Cloud Computing Arrangements**—BMHCC capitalizes implementation costs in a cloud computing arrangement service contract in accordance with ASU No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract*. Eligible costs associated with cloud computing arrangements, such as software business applications used in the normal course of business, are capitalized in accordance with ASC 350, *Intangibles—Goodwill and*

*Other.* These costs are recognized on a straight-line basis in the combined statements of operations and changes in net assets as the expense for fees for the associated cloud computing arrangement, over the term of the arrangement, plus reasonably certain renewals. As of September 30, 2025 and 2024, cloud computing arrangement costs capitalized included in prepaid expenses were \$22,166,000 and \$19,074,000, respectively. These costs are amortized over 10 years, with amortization expense of \$1,162,000 and \$257,000 recognized during the fiscal years ended September 30, 2025 and 2024, respectively.

**No Surprises Act (NSA)**—Effective January 1, 2022, the No Surprises Act (NSA) enacted as part of the Consolidated Appropriations Act (CAA) provides protection against surprise medical bills by prohibiting plans and providers from balance billing patients for emergency care performed by out-of-network providers as well as non-emergency and ancillary services performed by out-of-network providers at in-network facilities, subject to certain notice and consent exceptions for non-emergency and ancillary services. The NSA also grants additional patient protections, including requiring providers to send a good faith estimate of the expected charges for furnishing items or services to an insured patient's health plan (or directly to an uninsured patient) before such items or services are delivered (including items or services reasonably expected to be provided in conjunction with scheduled items or services or that are reasonably expected to be delivered by another provider). NSA also provides a dispute resolution process in the event the actual charges for such items and services are substantially higher than the plan's estimate and will prohibit providers from charging patients an amount beyond the in-network cost sharing amount for services rendered by out-of-network providers, subject to certain exceptions. Several states have also enacted comprehensive balance billing or surprise billing laws and the CAA defers to existing state requirements with respect to state-established payment amounts. Such state laws vary in their approach, resulting in different impacts on the healthcare system as a whole.

**340b Final Rule**—On November 2, 2023, in light of the Supreme Court's decision in *American Hospital Association v. Becerra* (142 S. Ct. 1896 (2022)) and the district court's remand to the agency, CMS issued a final rule outlining the remedy for the 340B-acquired drug payment policy for calendar years 2018 through 2022. CMS published the final rule to remedy the payment rates the Court held were invalid aspects of their past policy and will affect nearly all hospitals paid under the Outpatient Prospective Payment System (OPPS). BMHCC received \$101 million in February 2024, which was recognized in the combined statement of operations and changes in net assets as other revenue, as a result of this final ruling to remedy for the invalidated OPPS 340B-acquired drug payment policy for calendar years 2018 through 2022.

In order to comply with budget neutrality requirements as required by statute, CMS has reduced the future non-drug item and service payments by adjusting the OPPS conversion factor by minus 0.5% starting in calendar year 2026 and continuing for 16 years. This reduction to payment rates is not anticipated to have a material impact on our results of operations.

## 2. ACQUISITIONS

On January 1, 2024, BMHCC and Anderson Regional Health System, a Mississippi nonprofit corporation (ARHS), executed and consummated the terms and conditions set forth in the shared mission agreement pursuant to which BMHCC became the sole member of ARHS. Management of BMHCC and ARHS believe that they can advance and strengthen their shared ministry strategically by:

- (a) strengthening and expanding the reach of BMHCC in the southern region of the United States,
- (b) combining resources and expertise to enrich the health of the community and ensure ongoing access to high-quality and advanced medical services throughout East Central Mississippi and West



Central Alabama, (c) common vision and values, and (d) cost savings expected for ARHS from operating under BMHCC's operating model and implementing Epic electronic health records system.

The transaction was accounted for as an acquisition under ASC 958-805, *Not-for-Profit Entities—Business Combinations*. The acquisition did not involve consideration and resulted in an excess of assets acquired over liabilities assumed, reported as an inherent contribution of net assets from ARHS to BMHCC, of approximately \$53,502,000. The unrestricted portion of the inherent contribution of approximately \$52,063,000 is included in net nonoperating gain (loss) in the accompanying combined statement of operations and changes in net assets for the year ended September 30, 2024. Approximately \$1,439,000 of the remaining inherent contribution was restricted and is recorded in net assets with donor restrictions in the combined statement of operations and changes in net assets for the year ended September 30, 2024. The results of operations of ARHS since January 1, 2024, are included in BMHCC's 2024 combined statement of operations and changes in net assets. The fair value allocation of the ARHS assets acquired and liabilities recognized at the acquisition date of January 1, 2024, is as follows:

|                                               |                  |
|-----------------------------------------------|------------------|
| Cash and cash equivalents                     | \$ 5,125         |
| Patients accounts receivable—net              | 24,497           |
| Other current assets                          | 11,033           |
| Property and equipment—net                    | 62,938           |
| Investments                                   | 100              |
| Assets whose use is limited                   | 6,313            |
| Other long-term assets                        | 6,632            |
| Right-of-use asset—operating                  | 1,408            |
| Right-of-use asset—financing                  | 595              |
| Acquired intangibles                          | 960              |
| Other current liabilities                     | (34,487)         |
| Debt                                          | (5,822)          |
| Other long-term liabilities                   | <u>(25,790)</u>  |
| Inherent contribution of net assets from ARHS | <u>\$ 53,502</u> |

BMHCC finalized the fair value allocation during the year ended September 30, 2024.

ARHS had net operating revenue and changes in net assets without donor restrictions and net assets with donor restrictions for the period from the date of acquisition to September 30, 2024, as follows (in thousands):

|                                                 | <b>Period from January 1, 2024<br/>through September 30, 2024</b> |
|-------------------------------------------------|-------------------------------------------------------------------|
| Operating revenue                               | \$ 227,682                                                        |
| Expenses in excess of revenues                  | (9,945)                                                           |
| Change in net assets without donor restrictions | (9,753)                                                           |
| Change in net assets with donor restrictions    | -                                                                 |

BMHCC's operating revenue and changes in net assets without donor restrictions, and net assets with donor restrictions for the years ended September 30, 2025 and 2024, as if the acquisition had occurred at October 1, 2022, are as follows (in thousands):

| <b>(Unaudited)<br/>Supplemental Pro Forma Information for:</b>  |  | <b>2024</b>  |
|-----------------------------------------------------------------|--|--------------|
| Operating revenue                                               |  | \$ 4,490,400 |
| Revenues in excess of expenses/(expenses in excess of revenues) |  | 254,927      |
| Change in net assets without donor restrictions                 |  | 353,019      |
| Change in net assets with donor restrictions                    |  | 49,914       |

### 3. COMMUNITY BENEFIT

A summary of the costs (estimated using applicable cost-to-charge ratio) of certain of BMHCC's community services provided to the indigent and to the broader community for the years ended September 30, 2025 and 2024, is as follows (in thousands):

|                                                       | <b>2025</b>       | <b>2024</b>       |
|-------------------------------------------------------|-------------------|-------------------|
| Benefits for the indigent:                            |                   |                   |
| Traditional charity care—at cost                      | \$ 191,135        | \$ 171,347        |
| (Benefit) Unpaid costs of Medicaid/TennCare programs  | <u>(155,385)</u>  | <u>(96,741)</u>   |
| Total benefits for the indigent                       | <u>35,750</u>     | <u>74,606</u>     |
| Benefits for the broader community:                   |                   |                   |
| Uncompensated care—uninsured and underinsured—at cost | 66,519            | 58,758            |
| Unpaid costs of Medicare programs                     | <u>197,435</u>    | <u>248,428</u>    |
| Total benefits for the broader community              | <u>263,954</u>    | <u>307,186</u>    |
| Total benefits for the indigent and broader community | <u>\$ 299,704</u> | <u>\$ 381,792</u> |

This summary of community services costs above does not include impact of assessment programs (see Note 1 for additional disclosures).

Benefits for the indigent include services provided to persons who cannot afford health care because of inadequate resources and/or who are uninsured. This includes the cost of providing traditional charity care and the unpaid costs of treating Medicaid/TennCare beneficiaries. Services provided to traditional charity care patients are not reported as patient revenue in the accompanying combined statements of operations and changes in net assets.

Benefits for the broader community include the cost of services provided for which a fee has been assessed but not collected or only a portion of the cost of the rendered service has been recovered and unpaid costs in excess of government payments for treating Medicare beneficiaries.

BMHCC provides many educational programs and activities, including professional and technical schools, a graduate medical education program, and numerous continuing education programs for doctors, nurses, and other staff. BMHCC also broadly participates in medical research activities.

BMHCC engages in numerous health promotion and other community service activities. It sponsors health fairs and screenings, including inner city health screenings for cancer detection and prevention, diabetes, and high blood pressure. It also works through other community organizations, such as United Way, Goals for Memphis, and charitable foundations, for medical research, such as the American Cancer Society, American Heart Association, and Kidney Foundation, among others.

The value of BMHCC's overall charitable, educational, health promotion, and community services is not readily determinable.

#### 4. NET PATIENT SERVICE REVENUE

The following represents the components of net patient service revenue presented net of implicit and explicit price concessions for the years ended September 30, 2025 and 2024 (in thousands):

|                             | 2025                | 2024                |
|-----------------------------|---------------------|---------------------|
| Medicare                    | \$ 2,122,002        | \$ 1,796,948        |
| Medicaid                    | 721,808             | 619,629             |
| Blue Cross                  | 860,948             | 768,571             |
| Commercial and managed care | 928,034             | 738,384             |
| Other                       | <u>96,485</u>       | <u>250,582</u>      |
| Total                       | <u>\$ 4,729,277</u> | <u>\$ 4,174,114</u> |

#### 5. BUSINESS AND CREDIT CONCENTRATIONS

BMHCC provides health care services through both inpatient and outpatient care facilities in Tennessee, Mississippi, and Arkansas. The hospitals grant credit to patients, substantially all of whom are local area residents. The hospitals generally do not require collateral or other security in extending credit to patients; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits from Medicare, Medicaid, Blue Cross, health maintenance organizations, and commercial insurance policies or similar insurance programs or policies.

The mix of accounts receivable, net of implicit and explicit price concessions from patients and third-party payors, as of September 30, 2025 and 2024, is as follows:

|                          | 2025         | 2024         |
|--------------------------|--------------|--------------|
| Medicare                 | 16 %         | 17 %         |
| Medicaid                 | 7            | 7            |
| Blue Cross               | 18           | 16           |
| Other third-party payors | 53           | 52           |
| Patients (self-pay)      | <u>6</u>     | <u>8</u>     |
| Total                    | <u>100 %</u> | <u>100 %</u> |

#### 6. INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value in the combined balance sheets.

The composition of investments as of September 30, 2025 and 2024, is as follows (in thousands):

|                                | 2025                | 2024                |
|--------------------------------|---------------------|---------------------|
| Cash and cash equivalents      | \$ 190,537          | \$ 74,824           |
| US government debt obligations | 32,851              | 38,385              |
| Corporate obligations          | 161,015             | 195,148             |
| Municipal obligations          | 55,137              | 59,772              |
| Common stocks                  | 555,036             | 582,638             |
| Mutual funds                   | 315,735             | 253,526             |
| Private equity funds           | 2,321               | 2,752               |
| Real estate funds              | <u>3,575</u>        | <u>1,918</u>        |
| Total                          | 1,316,207           | 1,208,963           |
| Less: Cash                     | (190,537)           | (74,824)            |
| Less: Short-term investments   | <u>(33,798)</u>     | <u>(20,016)</u>     |
| Total long term investments    | <u>\$ 1,091,872</u> | <u>\$ 1,114,123</u> |

The composition of net investment income for the marketable investment portfolio for the years ended September 30, 2025 and 2024, is as follows (in thousands):

|                                          | 2025             | 2024              |
|------------------------------------------|------------------|-------------------|
| Without donor restrictions:              |                  |                   |
| Interest and dividend income             | \$ 33,832        | \$ 27,986         |
| Unrealized gain on equity securities—net | 2,085            | 88,145            |
| Net realized gains on investments        | <u>24,759</u>    | <u>15,158</u>     |
| Total                                    | <u>\$ 60,676</u> | <u>\$ 131,289</u> |
| With donor restrictions:                 |                  |                   |
| Interest and dividend income             | \$ 3,107         | \$ 2,560          |
| Unrealized gain on equity securities—net | 4,716            | 29,603            |
| Net realized gains on investments        | <u>13,204</u>    | <u>6,410</u>      |
| Total                                    | <u>\$ 21,027</u> | <u>\$ 38,573</u>  |

There were no significant investments with an allowance for credit losses as of September 30, 2025 and 2024.

**Marketable Equity Securities**—BMHCC believes the stocks owned represent financially sound companies and, over time, will experience growth in earnings and dividends resulting in long-term price appreciation. BMHCC intends to hold the remaining common stocks for a period of time sufficient to experience the recovery of fair value.



## 7. FAIR VALUE MEASUREMENTS

BMHCC's assets and liabilities by asset class and fair value hierarchy level as of September 30, 2025, are presented in the following table (in thousands):

| Description                     | Quoted Prices in<br>Active Markets<br>for Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Net<br>Asset<br>Value | Total               |
|---------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|-----------------------|---------------------|
| Assets—investments:             |                                                                            |                                                           |                                                    |                       |                     |
| Cash and cash equivalents       | \$ 190,537                                                                 | \$ -                                                      | \$ -                                               | \$ -                  | \$ 190,537          |
| US government obligations       | -                                                                          | 32,851                                                    | -                                                  | -                     | 32,851              |
| Corporate obligations           | -                                                                          | 161,015                                                   | -                                                  | -                     | 161,015             |
| Municipal obligations           | -                                                                          | 55,137                                                    | -                                                  | -                     | 55,137              |
| Common stocks                   | 555,036                                                                    | -                                                         | -                                                  | -                     | 555,036             |
| Mutual funds                    | 315,735                                                                    | -                                                         | -                                                  | -                     | 315,735             |
| Private equity funds            | -                                                                          | -                                                         | -                                                  | 2,321                 | 2,321               |
| Real estate funds               | -                                                                          | -                                                         | -                                                  | 3,575                 | 3,575               |
| Total assets—investments        | <u>\$ 1,061,308</u>                                                        | <u>\$ 249,003</u>                                         | <u>\$ -</u>                                        | <u>\$ 5,896</u>       | <u>\$ 1,316,207</u> |
| Other assets—interest rate swap | <u>\$ -</u>                                                                | <u>\$ 50</u>                                              | <u>\$ -</u>                                        | <u>\$ -</u>           | <u>\$ 50</u>        |
| Liabilities—interest rate swap  | <u>\$ -</u>                                                                | <u>\$ (6,436)</u>                                         | <u>\$ -</u>                                        | <u>\$ -</u>           | <u>\$ (6,436)</u>   |

BMHCC's assets and liabilities by asset class and fair value hierarchy level as of September 30, 2024, are presented in the following table (in thousands):

| Description                     | Quoted Prices in<br>Active Markets<br>for Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Net<br>Asset<br>Value | Total               |
|---------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|-----------------------|---------------------|
| Assets—investments:             |                                                                            |                                                           |                                                    |                       |                     |
| Cash and cash equivalents       | \$ 74,824                                                                  | \$ -                                                      | \$ -                                               | \$ -                  | \$ 74,824           |
| US government obligations       | -                                                                          | 38,385                                                    | -                                                  | -                     | 38,385              |
| Corporate obligations           | -                                                                          | 195,148                                                   | -                                                  | -                     | 195,148             |
| Municipal obligations           | -                                                                          | 59,772                                                    | -                                                  | -                     | 59,772              |
| Common stocks                   | 582,638                                                                    | -                                                         | -                                                  | -                     | 582,638             |
| Mutual funds                    | 253,526                                                                    | -                                                         | -                                                  | -                     | 253,526             |
| Private equity funds            | -                                                                          | -                                                         | -                                                  | 2,752                 | 2,752               |
| Real estate funds               | -                                                                          | -                                                         | -                                                  | 1,918                 | 1,918               |
| Total assets—investments        | <u>\$ 910,988</u>                                                          | <u>\$ 293,305</u>                                         | <u>\$ -</u>                                        | <u>\$ 4,670</u>       | <u>\$ 1,208,963</u> |
| Other assets—interest rate swap | <u>\$ -</u>                                                                | <u>\$ (231)</u>                                           | <u>\$ -</u>                                        | <u>\$ -</u>           | <u>\$ (231)</u>     |
| Liabilities—interest rate swap  | <u>\$ -</u>                                                                | <u>\$ (8,084)</u>                                         | <u>\$ -</u>                                        | <u>\$ -</u>           | <u>\$ (8,084)</u>   |

Common and preferred stock and mutual funds are valued using quoted prices in principal active markets for identical assets as if the valuation date were used (Level 1).

Certain government and corporate debt securities are valued using either the yields currently available on comparable securities of issuers with similar credit ratings or using a discounted cash flows approach that utilizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks (Level 2). The impact of such unobservable inputs is not significant to the overall fair value measurement.

BMHCC uses fund NAV as a practical expedient to estimate the fair value of all investments that (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The following table lists investments in investment companies by major category (in thousands):

| Category of Investment              | Investment Strategy | Fair Value Determined Using NAV at September 30, 2025 | Unfunded Commitments (Approximate) | Remaining Life | Redemption Frequency | Redemption Notice |
|-------------------------------------|---------------------|-------------------------------------------------------|------------------------------------|----------------|----------------------|-------------------|
| Private equity funds <sup>(a)</sup> | Special situations  | \$ 161                                                | \$ 542                             | 1 year         | N/A                  | N/A               |
| Private equity funds <sup>(b)</sup> | Fund of funds       | 2,160                                                 | 1,215                              | 2 years        | N/A                  | N/A               |
| Real estate funds <sup>(c)</sup>    | Diversified         | 90                                                    | 820                                | 3 years        | Monthly              | N/A               |
| Real estate funds <sup>(a)</sup>    | Real estate         | 3,841                                                 | 1,175                              | 8 years        | N/A                  | N/A               |

| Category of Investment              | Investment Strategy | Fair Value Determined Using NAV at September 30, 2024 | Unfunded Commitments (Approximate) | Remaining Life | Redemption Frequency | Redemption Notice |
|-------------------------------------|---------------------|-------------------------------------------------------|------------------------------------|----------------|----------------------|-------------------|
| Private equity funds <sup>(a)</sup> | Special situations  | \$ 342                                                | \$ 542                             | 2 years        | N/A                  | N/A               |
| Private equity funds <sup>(b)</sup> | Fund of funds       | 2,410                                                 | 1,215                              | 2 years        | N/A                  | N/A               |
| Real estate funds <sup>(c)</sup>    | Diversified         | 107                                                   | 820                                | 1 year         | Monthly              | N/A               |
| Real estate funds <sup>(a)</sup>    | Real estate         | 1,811                                                 | 3,050                              | 10 years       | N/A                  | N/A               |

There is approximately \$6,252,000 across four funds that are undergoing full redemption.

<sup>(a)</sup> Includes investments in funds and private equity companies that invest in assets focused on real estate, energy, healthcare, industrial, financial services or retail/consumer, and other private equity-related investments.

<sup>(b)</sup> Includes investments in global and domestic closed-end private equity funds. These closed-end funds consist of those that are established to take advantage of investment opportunities arising from financial distress via purchase of distressed debt, and to build a diversified portfolio comprised primarily of investments in real estate and real estate-related debt.

<sup>(c)</sup> Includes real estate-related investments primarily consisting of debt instruments secured by real estate or issued by real estate-related entities and similar preferred equity instruments, which may include equity or equity derivatives, such as warrants, options, common stock or convertible debt, special or distressed investments, instruments, assets or liabilities.

The fair value of the interest rate swap agreement is primarily determined using valuation techniques consistent with the market approach. Significant observable inputs to the valuation model include interest rates, US Treasury yields, and credit spreads (Level 2).

The carrying amounts of cash and cash equivalents, accounts receivable, inventory, prepaids, other assets, accounts payable, and accrued expenses approximate fair value based on their short-term nature.

## 8. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, as of September 30, 2025, comprise the following (in thousands):

|                                                                         |                     |
|-------------------------------------------------------------------------|---------------------|
| Financial assets at year-end:                                           |                     |
| Cash and cash equivalent                                                | \$ 526,118          |
| Short-term investments                                                  | 33,798              |
| Patient receivable—net                                                  | <u>675,998</u>      |
| Financial assets available to meet general expenditures within one year | <u>\$ 1,235,914</u> |

BMHCC manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due. In addition, cash in excess of daily requirements are invested in short-term investments and money market funds. BMHCC holds \$1,126,996,000 of investments that can be sold to cover operational needs, if required.

## 9. ASSETS WHOSE USE IS LIMITED

These assets whose use is limited are invested as of September 30, 2025 and 2024, in the following (in thousands):

| Description                                                                       | September 30, 2025                                                            |                                                           |                                                    | Total            |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|------------------|
|                                                                                   | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |                  |
| Baptist Memorial Foundation scholarships:                                         |                                                                               |                                                           |                                                    |                  |
| US government obligations                                                         | \$ -                                                                          | \$ 26                                                     | \$ -                                               | \$ 26            |
| Corporate obligations                                                             | -                                                                             | 142                                                       | -                                                  | 142              |
| Municipal obligations                                                             | -                                                                             | 38                                                        | -                                                  | 38               |
| Common stocks                                                                     | 688                                                                           | -                                                         | -                                                  | 688              |
| Mutual funds                                                                      | <u>404</u>                                                                    | <u>-</u>                                                  | <u>-</u>                                           | <u>404</u>       |
| Total Baptist Memorial Foundation scholarships                                    | 1,092                                                                         | 206                                                       | -                                                  | 1,298            |
| Real estate property                                                              | -                                                                             | -                                                         | 672                                                | 672              |
| Assets held by trustee for construction project-cash and cash equivalents         | 41,205                                                                        | -                                                         | -                                                  | 41,205           |
| Assets held by trustee for higher education requirement—cash and cash equivalents | 46,964                                                                        | -                                                         | -                                                  | 46,964           |
| Assets held by trustee for self-insurance funding—cash and cash equivalents       | <u>5,606</u>                                                                  | <u>-</u>                                                  | <u>-</u>                                           | <u>5,606</u>     |
| Total assets whose use is limited                                                 | <u>\$ 94,867</u>                                                              | <u>\$ 206</u>                                             | <u>\$ 672</u>                                      | <u>\$ 95,745</u> |

| Description                                                                          | September 30, 2024                                                            |                                                           |                                                    |                  |
|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|------------------|
|                                                                                      | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Total            |
| Baptist Memorial Foundation scholarships:                                            |                                                                               |                                                           |                                                    |                  |
| US government obligations                                                            | \$ -                                                                          | \$ 30                                                     | \$ -                                               | \$ 30            |
| Corporate obligations                                                                | -                                                                             | 187                                                       | -                                                  | 187              |
| Municipal obligations                                                                | -                                                                             | 47                                                        | -                                                  | 47               |
| Common stocks                                                                        | 831                                                                           | -                                                         | -                                                  | 831              |
| Mutual funds                                                                         | <u>372</u>                                                                    | <u>-</u>                                                  | <u>-</u>                                           | <u>372</u>       |
| Total Baptist Memorial Foundation<br>scholarships                                    | 1,203                                                                         | 264                                                       | -                                                  | 1,467            |
| Real estate property                                                                 | -                                                                             | -                                                         | 672                                                | 672              |
| Assets held by trustee for construction<br>project-cash and cash equivalents         | 35,900                                                                        | -                                                         | -                                                  | 35,900           |
| Assets held by trustee for higher education<br>requirement—cash and cash equivalents | 44,976                                                                        | -                                                         | -                                                  | 44,976           |
| Assets held by trustee for self-insurance<br>funding—cash and cash equivalents       | <u>7,345</u>                                                                  | <u>-</u>                                                  | <u>-</u>                                           | <u>7,345</u>     |
| Total assets whose use is limited                                                    | <u>\$ 89,424</u>                                                              | <u>\$ 264</u>                                             | <u>\$ 672</u>                                      | <u>\$ 90,360</u> |

#### 10. PROPERTY AND EQUIPMENT

The composition of property and equipment as of September 30, 2025 and 2024, is as follows (in thousands):

|                               | Useful Lives | 2025                | 2024                |
|-------------------------------|--------------|---------------------|---------------------|
| Land and land improvements    | 3–25 years   | \$ 277,466          | \$ 280,070          |
| Buildings and improvements    | 5–47 years   | 1,703,833           | 1,741,497           |
| Equipment                     | 2–25 years   | 1,290,129           | 1,440,576           |
| Construction in progress      |              | <u>76,016</u>       | <u>24,760</u>       |
| Total property and equipment  |              | 3,347,444           | 3,486,903           |
| Less accumulated depreciation |              | <u>(2,030,709)</u>  | <u>(2,156,111)</u>  |
| Property and equipment—net    |              | <u>\$ 1,316,735</u> | <u>\$ 1,330,792</u> |

Depreciation expense for the years ended September 30, 2025 and 2024, was \$141,518,000 and \$139,118,000, respectively. BMHCC has property and equipment expenditures totaling \$1,722,000 and \$1,976,000 accrued in accounts payable in the accompanying consolidated balance sheets as of September 30, 2025 and 2024, respectively, and has excluded these amounts in determining cash flows.

## 11. GOODWILL

Information on changes in the carrying value of goodwill, which is included in the accompanying combined balance sheets, as of September 30, 2025 and 2024, is as follows (in thousands):

|                            |                  |
|----------------------------|------------------|
| Balance—September 30, 2023 | \$ 10,674        |
| Other                      | <u>-</u>         |
| Balance—September 30, 2024 | 10,674           |
| Other                      | <u>103</u>       |
| Balance—September 30, 2025 | <u>\$ 10,777</u> |

## 12. OTHER LONG-TERM ASSETS

The composition of other assets as of September 30, 2025 and 2024, is as follows (in thousands):

|                                        | 2025             | 2024             |
|----------------------------------------|------------------|------------------|
| Investments in affiliates              | \$ 56,140        | \$ 57,380        |
| Land held for investment               | 17,739           | 15,476           |
| Deferred compensation (Note 18)        | 7,188            | 7,413            |
| Notes receivable                       | 813              | 1,159            |
| Interest rate swap receivable          | 50               | -                |
| Cash surrender value of life insurance | 930              | 792              |
| Deferred charges and other assets      | <u>2,820</u>     | <u>2,718</u>     |
| Total                                  | <u>\$ 85,680</u> | <u>\$ 84,938</u> |

Included in Investments in affiliates, BMHCC has ownership interests between 20% and 50% in certain joint ventures, which generally are accounted for under the equity method.

### 13. LONG-TERM DEBT

A summary of long-term debt as of September 30, 2025 and 2024, is as follows (in thousands):

|                                                                 | Maturing<br>Through | Coupon<br>Rates | Unpaid Principal  |                     |
|-----------------------------------------------------------------|---------------------|-----------------|-------------------|---------------------|
|                                                                 |                     |                 | 2025              | 2024                |
| System trust indenture debt:                                    |                     |                 |                   |                     |
| Fixed rate:                                                     |                     |                 |                   |                     |
| Series 2025A revenue bonds                                      | 2055                | 7.50 %          | \$ 62,240         | \$ -                |
| Series 2025B revenue bonds                                      | 2044                | 5.00            | 44,305            | -                   |
| Series 2024A revenue bonds                                      | 2034                | 5.25            | 50,000            | 50,000              |
| Series 2024A revenue bonds                                      | 2039                | 5.25            | 99,605            | 99,605              |
| Series 2024B revenue bonds                                      | 2049                | 5.00            | 164,675           | 164,675             |
| Series 2022A revenue bonds                                      | 2044                | 5.88            | 47,705            | 49,975              |
| Series 2020A1 revenue bonds                                     | 2044                | 5.00            | -                 | 45,970              |
| Series 2020B1 revenue bonds                                     | 2044                | 5.00            | 136,400           | 136,400             |
| Series 2020B2 revenue bonds                                     | 2044                | 5.00            | 44,840            | 44,840              |
| Series 2016A revenue bonds                                      | 2046                | 5.00            | 212,030           | 212,030             |
| Series 2016B revenue bonds                                      | 2026                | 3.72            | 75,000            | 75,000              |
| Series 2011 special obligation bonds                            | 2036                | 5.54            | 3,960             | 4,220               |
| Notes payable to banks and others                               | 2027                | 2.27            | 13,681            | 14,427              |
| Total fixed rate                                                |                     |                 | <u>954,441</u>    | <u>897,142</u>      |
| Variable rate—                                                  |                     |                 |                   |                     |
| Series 2015B4 revenue bonds                                     | 2044                | 4.33            | 47,730            | 50,000              |
|                                                                 |                     |                 | <u>-</u>          | <u>-</u>            |
| Unpaid principal-system trust indenture                         |                     |                 | 1,002,171         | 947,142             |
| Unamortized premium—net                                         |                     |                 | 62,316            | 67,724              |
| Unamortized debt issuance costs                                 |                     |                 | <u>(7,323)</u>    | <u>(7,038)</u>      |
| System trust indenture debt—including premium and discounts—net |                     |                 | 1,057,164         | 1,007,828           |
| Other long-term debt—notes payable to banks and others          | 2036                |                 | <u>555</u>        | <u>3,251</u>        |
| Total debt                                                      |                     |                 | 1,057,719         | 1,011,079           |
| Less current portion                                            |                     |                 | <u>(85,564)</u>   | <u>(6,415)</u>      |
| Long-term debt                                                  |                     |                 | <u>\$ 972,155</u> | <u>\$ 1,004,664</u> |

Included in the foregoing table are notes and bonds with a principal balance outstanding as of September 30, 2025 and 2024, of approximately \$1,002,171,000 and \$947,142,000, respectively, that are part of a system trust indenture dated as of September 1, 2004, with US Bank, as trustee, as

amended and supplemented thereto, as of August 15, 2017 (System Trust Indenture). The System Trust Indenture permits BMHCC and certain hospitals and affiliated corporations (the "Obligated Group") to finance certain activities. All members of the Obligated Group are jointly and severally liable for obligations due under the System Trust Indenture.

Obligations under the System Trust Indenture are secured by pledge of the gross revenue of each member of the Obligated Group. The System Trust Indenture includes certain covenants and restrictions with which the Obligated Group must comply.

In August 2025, BMHCC issued Series 2025A and Series 2025B revenue bonds totaling approximately \$106,545,000. The bonds were issued with a premium of \$3,408,000. Proceeds totaling \$108,996,000 were used to pay down the Series 2020A-1 revenue bond and fund capital improvements and \$957,000 was used to pay certain expenses incurred in connection with the issuance of the bonds. BMHCC recorded a gain on extinguishment of debt of \$3,753,000.

In June 2024, BMHCC issued Series 2024A and Series 2024B revenue bonds totaling approximately \$314,280,000. The bonds were issued with a premium of \$26,393,000. Proceeds totaling \$337,938,000 were used to pay down Series 2020A-2, Series 2017A, Series 2007A revenue bonds, retire Commercial Paper, fund capital improvements and \$2,735,000 were used to pay certain expenses incurred in connection with the issuance of the bonds.

In 2009, BMHCC established a \$150,000,000 commercial paper program ("Commercial Paper"). The Commercial Paper is available to be drawn for any corporate purpose. Each note issued from the Commercial Paper will mature on a business day not later than 270 days after the date of issuance of such note. Interest on a note is payable at maturity and the notes are not subject to redemption prior to their maturity date. The notes are general obligations of BMHCC and treated as short-term debt for accounting purposes. In June 2024, a portion of the proceeds from the issuance of the bonds were used to retire Commercial paper. There were no outstanding balance under this program for the year ended September 30, 2025. There were no outstanding balance under this program for the year ended September 30, 2024.

The scheduled maturities of long-term debt subsequent to September 30, 2025, are as follows (in thousands):

| <b>Years Ending<br/>September 30</b>  | <b>Long-Term<br/>Debt</b>  |
|---------------------------------------|----------------------------|
| 2026                                  | \$ 85,564                  |
| 2027                                  | 10,386                     |
| 2028                                  | 12,038                     |
| 2029                                  | 12,442                     |
| 2030                                  | 12,846                     |
| Thereafter                            | <u>869,450</u>             |
| <b>Total</b>                          | <b>1,002,726</b>           |
| Plus net unamortized premium on bonds | 62,316                     |
| Less deferred debt issuance costs     | <u>(7,323)</u>             |
| <b>Total</b>                          | <b><u>\$ 1,057,719</u></b> |



#### 14. LEASES

BMHCC enters into operating leases for real estate, including medical office buildings, corporate and other administrative offices, medical equipment and vehicle. BMHCC's finance leases consist primarily of administrative offices and medical equipment. ROU assets obtained in exchange for new operating lease liabilities during the years ended were \$33,668,000 and \$54,912,000 for the years ended September 30, 2025 and 2024, respectively. ROU assets and related liability terminated during the years ended were \$716,600 and \$27,282,000 for the years ended September 30, 2025 and 2024, respectively.

The following table provides summary of the components of lease costs for the years ended September 30, 2025 and 2024 (in thousands):

|                                     | <b>Classification in Combined<br/>Statements of Operations<br/>and Changes in Net Assets</b> | <b>2025</b>      | <b>2024</b>      |
|-------------------------------------|----------------------------------------------------------------------------------------------|------------------|------------------|
| Operating lease costs:              |                                                                                              |                  |                  |
| Operating lease cost                |                                                                                              | \$ 46,463        | \$ 43,615        |
| Variable lease cost                 |                                                                                              | 12,500           | 12,231           |
| Short-term rent expense             |                                                                                              | <u>10,231</u>    | <u>9,044</u>     |
| Total operating lease costs         | Purchased services and other                                                                 | <u>\$ 69,194</u> | <u>\$ 64,890</u> |
| Finance lease costs:                |                                                                                              |                  |                  |
| Amortization of right-of-use assets | Depreciation and amortization                                                                | \$ 7,636         | \$ 6,524         |
| Interest on lease liabilities       | Interest                                                                                     | <u>799</u>       | <u>544</u>       |
| Total finance lease costs           |                                                                                              | <u>\$ 8,435</u>  | <u>\$ 7,068</u>  |

The following table provides the weighted-average lease terms and discount rates used for BMHCC's operating and finance leases for the years ended September 30, 2025 and 2024:

|                                                | <b>2025</b> | <b>2024</b> |
|------------------------------------------------|-------------|-------------|
| Weighted-average remaining lease term (years): |             |             |
| Operating leases                               | 6.8         | 3.4         |
| Finance leases                                 | 3.0         | 3.7         |
| Weighted-average discount rate:                |             |             |
| Operating leases                               | 3.9 %       | 3.8 %       |
| Finance leases                                 | 4.1         | 3.9         |



The following table provides supplemental cash flow information related to leases for the years ended September 30, 2025 and 2024 (in thousands):

|                                                                | 2025      | 2024      |
|----------------------------------------------------------------|-----------|-----------|
| Cash paid for amounts in the measurement of lease liabilities: |           |           |
| Operating cash flows from operating leases                     | \$ 34,886 | \$ 33,835 |
| Operating cash flows from finance leases                       | 872       | 534       |
| Financing cash flows from finance leases                       | 8,344     | 5,550     |

The following table provides a summary of lease liability maturities for the next five years and thereafter as of September 30, 2025 (in thousands):

| Years Ending<br>September 30      | Operating<br>Leases | Finance<br>Leases |
|-----------------------------------|---------------------|-------------------|
| 2026                              | \$ 40,816           | \$ 8,015          |
| 2027                              | 35,654              | 6,085             |
| 2028                              | 28,503              | 3,594             |
| 2029                              | 23,191              | 1,943             |
| 2030                              | 17,686              | 374               |
| Thereafter                        | <u>54,385</u>       | <u>984</u>        |
| Total lease payments              | 200,235             | 20,995            |
| Less imputed interest             | <u>25,535</u>       | <u>1,216</u>      |
| Total lease obligations           | 174,700             | 19,779            |
| Less current portion              | <u>33,788</u>       | <u>7,344</u>      |
| Total long-term lease obligations | <u>\$ 140,912</u>   | <u>\$ 12,435</u>  |

Certain affiliate hospitals are obligated to their respective counties under finance leases. The initial lease terms range from 30 to 35 years. On May 1, 2024, BMHCC amended its agreement with Union County, Mississippi to lease and operate the Union County General Hospital for a maximum additional term of fifteen years. It was determined that there exists a continuing need for adequate medical and nursing care for the inhabitants of Union County and surrounding areas and that financial and operational conditions set forth from the initial agreement were satisfied in full.

#### 15. DERIVATIVE FINANCIAL INSTRUMENTS

BMHCC has executed derivative financial instruments in the normal course of its business. As a component of the debt portfolio, BMHCC entered into interest rate swap and total return swap agreements that effectively convert certain fixed-rate debt to variable rates and variable-rate debt to fixed rates. BMHCC's derivatives are not designated as hedging instruments for the years ended September 30, 2025 and 2024.

The following table summarizes the general terms for each of BMHCC's interest rate and total return swap agreements as of September 30, 2025 (in thousands):

| Effective Date  | Notional Amount | BMHCC Pays        | BMHCC Receives        | Expiration Date |
|-----------------|-----------------|-------------------|-----------------------|-----------------|
| August 28, 2025 | \$ 62,240       | SIFMA, plus 0.65% | 7.50%                 | August 28, 2030 |
| May 15, 2022    | 80,000          | 3.602%            | 67% of one month SOFR | August 15, 2036 |
| July 1, 2022    | 47,705          | SIFMA, plus 0.89% | 5.88 %                | July 1, 2029    |

On August 28, 2025, BMHCC entered into a total return swap agreement in relation to the issuance of the Series 2025A revenue bond.

In relation to repayment of Series 2007A revenue bonds completed in June 2024, total return swap was terminated. Accordingly, no gain or loss was recognized in the combined statements of operations and changes in net assets.

The following table summarizes BMHCC's derivatives as of September 30, 2025 and 2024 (in thousands):

| Effective Date  | 2025              |                 | 2024              |                   |
|-----------------|-------------------|-----------------|-------------------|-------------------|
|                 | Fair Value        | Gain (Loss)     | Fair Value        | Gain (Loss)       |
| August 28, 2025 | \$ 231            | \$ 231          | \$ -              | \$ -              |
| August 16, 2017 | -                 | -               | -                 | (16)              |
| August 16, 2017 | -                 | -               | -                 | (15)              |
| May 15, 2022    | (6,436)           | 1,648           | (8,084)           | (3,621)           |
| July 1, 2022    | (181)             | 50              | (231)             | 15                |
|                 | -                 | -               | -                 | -                 |
| Total           | <u>\$ (6,386)</u> | <u>\$ 1,929</u> | <u>\$ (8,315)</u> | <u>\$ (3,637)</u> |

The fair value of BMHCC's interest rate and total return swaps is recorded in other assets in the combined balance sheet. The fair value of interest rate swap liabilities is recorded in other liabilities in the combined balance sheet. The gain (loss) on the interest rate swap effective May 15, 2022 is included in interest expense in the combined statements of operations and changes in net assets. The gain (loss) on the other total return swaps are included in nonoperating gain/(loss) in the combined statements of operations and changes in net assets.

The aggregate fair value of all derivative instruments with credit-risk-related contingent features that are in a liability position was approximately \$6,436,000 and \$8,084,000 as of September 30, 2025 and 2024, respectively. Under certain circumstances, the swaps are subject to termination prior to the scheduled termination date or BMHCC may be required to post collateral to secure obligations that would be owed to the counterparty under such transaction if terminated, regardless of whether such transaction is actually terminated. BMHCC has complied with these provisions as required. BMHCC was not required to post collateral to secure the obligation for the years ended September 30, 2025 and 2024. BMHCC does not anticipate nonperformance by its counterparties.

#### 16. ACCRUED EXPENSES AND OTHER

The composition of accrued expenses and other as of September 30, 2025 and 2024, is as follows (in thousands):

|                                                        | 2025              | 2024              |
|--------------------------------------------------------|-------------------|-------------------|
| Compensation and benefits                              | \$ 182,193        | \$ 163,873        |
| Health claims incurred but not reported                | 22,060            | 15,760            |
| Other                                                  | 111,013           | 109,357           |
| Other current liabilities                              | 50,600            | 20,819            |
| Current portion of postretirement health care benefits | <u>1,615</u>      | <u>1,781</u>      |
| Total                                                  | <u>\$ 367,481</u> | <u>\$ 311,590</u> |

#### 17. OTHER LONG-TERM LIABILITIES

The composition of other long-term liabilities as of September 30, 2025 and 2024, is as follows (in thousands):

|                                                                         | 2025              | 2024              |
|-------------------------------------------------------------------------|-------------------|-------------------|
| Reserve for self-insurance                                              | \$ 122,061        | \$ 129,293        |
| Postretirement benefit obligations and supplemental retirement benefits | 20,152            | 22,991            |
| Interest rate swap liability                                            | 6,436             | 8,316             |
| Noncontrolling interests                                                | 13,296            | 11,522            |
| Liabilities under deferred compensation agreements                      | 7,188             | 7,413             |
| Asset retirement obligation                                             | 2,877             | 2,771             |
| Other                                                                   | <u>20,640</u>     | <u>23,202</u>     |
| Total                                                                   | <u>\$ 192,650</u> | <u>\$ 205,508</u> |

#### 18. EMPLOYEE RETIREMENT PLANS

**Defined Contribution Plan**—Certain BMHCC entities sponsor a Section 403(b) defined contribution employee benefit plan administered through Guidestone Financial Resources of the Southern Baptist Convention. For those entities, employees who are at least 21 years of age and have completed 1,000 hours of service during a 12-month period are eligible to participate. Participants may make matched tax-deferred contributions of 2% to 5% of eligible earnings, as defined. These contributions are then matched on a graduated scale based on years of service from 50% of eligible contributions up to 150% of eligible contributions by BMHCC, up to 5% of the participants' annual base salaries. Participants may also make unmatched tax-deferred contributions up to applicable Internal Revenue Service limitations. Participants vest in BMHCC's matching contributions 20% after two years of service, with subsequent annual increases of 20% to 100% after six years of service. During 2025 and 2024, BMHCC's matching contribution approximated \$47,426,000 and \$43,042,000, respectively, and was recorded in salaries and benefits within the combined statements of operations and changes in net assets.

The BMHCC retirement program offers participants access to diversified investment lineups that typically include options such as a stable value/guaranteed account, bond, equity, and asset allocation

funds. The BMHCC retirement plan utilizes institutional share classes in the retirement plans unless participants can receive access to a lower net cost by utilizing an alternative share class. If an investment share class is used that provides revenue sharing, BMHCC will have the record keeper credit all revenue sharing back to participants.

**Deferred Compensation**—Certain BMHCC entities and employees have entered into a deferred compensation agreement whereby employees may defer all or a portion of their compensation, up to the Internal Revenue Service statutory limits. BMHCC, directed by the employee, invests the deferred compensation amounts in various types of investments. These investments are reported at fair value as other assets in the accompanying combined balance sheets. Also, BMHCC may make discretionary contributions to the accounts under the plan described in the preceding paragraph. No significant amounts were expensed for the years ended September 30, 2025 and 2024.

**Postretirement Health Care Benefits**—BMHCC provides medical and dental benefits to certain retirees of BMHCC. Employees are generally eligible for postretirement benefits upon retirement and completion of a specified number of years of credited service. Participation in this plan is currently frozen to those employees having met these requirements in prior years. The plan is contributory, with retiree payments based on the year of retirement, age at retirement, and years of employment. BMHCC does not prefund these benefits and has the right to modify or terminate the plan in the future.

Net periodic postretirement benefit cost for the years ended September 30, 2025 and 2024, includes the following components (in thousands):

|                                                                | 2025          | 2024          |
|----------------------------------------------------------------|---------------|---------------|
| Service cost                                                   | \$ 278        | \$ 291        |
| Interest cost on accumulated postretirement benefit obligation | 853           | 1,066         |
| Net amortizations                                              | -             | -             |
| Recognized actuarial loss                                      | <u>(392)</u>  | <u>(363)</u>  |
| Total                                                          | <u>\$ 739</u> | <u>\$ 994</u> |

The change in benefit obligation and reconciliation of funded status as of September 30, 2025 and 2024, is as follows (in thousands):

|                                      | 2025                      | 2024                      |
|--------------------------------------|---------------------------|---------------------------|
| Benefit obligation—beginning of year | \$ 19,353                 | \$ 20,208                 |
| Service cost                         | 278                       | 291                       |
| Interest cost                        | 853                       | 1,066                     |
| Plan participants' contributions     | 1,260                     | 1,308                     |
| Actuarial gain                       | (1,309)                   | (273)                     |
| Benefits paid                        | (3,478)                   | (3,395)                   |
| Retiree drug subsidy reimbursement   | <u>-</u>                  | <u>148</u>                |
| Benefit obligation—end of year       | 16,957                    | 19,353                    |
| Plan assets                          | <u>-</u>                  | <u>-</u>                  |
| Funded status                        | <u><u>\$ (16,957)</u></u> | <u><u>\$ (19,353)</u></u> |

Amounts recognized in the combined balance sheets as of September 30, 2025 and 2024, consist of the following (in thousands):

|                        | 2025     | 2024     |
|------------------------|----------|----------|
| Current liabilities    | \$ 1,615 | \$ 1,781 |
| Noncurrent liabilities | 15,342   | 17,572   |

Amounts recognized as changes in unrestricted net assets arising from a postretirement benefit plan, but not yet included in net periodic benefit cost as of September 30, 2025 and 2024, consist of the following (in thousands):

|                    | 2025              | 2024              |
|--------------------|-------------------|-------------------|
| Net gain           | \$ (4,830)        | \$ (3,913)        |
| Prior service cost | -                 | -                 |
| Total              | <u>\$ (4,830)</u> | <u>\$ (3,913)</u> |

**Other Changes in Plan Assets and Benefits**—Obligations recognized in unrestricted net assets as of September 30, 2025 and 2024, are as follows (in thousands):

|                                                                             | 2025              | 2024            |
|-----------------------------------------------------------------------------|-------------------|-----------------|
| Net gain                                                                    | \$ (1,309)        | \$ (274)        |
| Recognized actuarial (gain)/loss                                            | -                 | 363             |
| Amortization of prior service cost                                          | -                 | -               |
| Total recognized in unrestricted net assets                                 | <u>\$ (1,309)</u> | <u>\$ 89</u>    |
| Total recognized in net periodic cost (benefit) and unrestricted net assets | <u>\$ (570)</u>   | <u>\$ 1,083</u> |

The estimated prior-service cost for the postretirement benefit plan that will be amortized from accumulated unrestricted net assets into net periodic benefit cost over the next fiscal year is not material to the combined financial statements.

Benefit payments, net of plan participants' contributions, are expected to be paid as of September 30, 2025, are as follows (in thousands):

**Years Ending  
September 30**

|           |          |
|-----------|----------|
| 2026      | \$ 1,615 |
| 2027      | 1,694    |
| 2028      | 1,751    |
| 2029      | 1,749    |
| 2030      | 1,746    |
| 2031–2035 | 7,497    |

Weighted-average assumptions used to determine net periodic benefit cost for the years ended September 30, 2025 and 2024, consist of the following:

|               | 2025          | 2024          |
|---------------|---------------|---------------|
| Discount rate | <u>4.62 %</u> | <u>5.54 %</u> |

Weighted-average assumptions used to determine benefit obligations as of September 30, 2025 and 2024, consist of the following:

|               | 2025          | 2024          |
|---------------|---------------|---------------|
| Discount rate | <u>4.94 %</u> | <u>4.62 %</u> |

Assumed health care cost trend rates as of September 30, 2025 and 2024, consist of the following:

|                                                                           | 2025   | 2024   |
|---------------------------------------------------------------------------|--------|--------|
| Post-65 health care cost trend rate assumed for next year                 | 7.50 % | 7.50 % |
| Rate to which the cost trend rate is assumed to (the ultimate trend rate) | 4.50   | 4.50   |
| Year that the rate reaches the ultimate trend rate                        | 2036   | 2035   |

BMHCC expects to contribute approximately \$1,615,000 to its postretirement benefit plan in 2025.

In 2006, eligible retirees of BMHCC had available to them the Medicare Part D prescription drug plan. BMHCC has chosen to continue to offer comparable prescription drug coverage, which the organization believes to be actuarially equivalent to the Medicare Part D coverage and, as a result, receives a direct subsidy of 28% of eligible plan expenses from the federal government.

#### 19. ENDOWMENT FUNDS—WITH DONOR RESTRICTION

BMHCC's endowment consists of approximately 158 individual funds established for a variety of purposes. Its endowment includes only donor-restricted endowment funds. There are no board-designated endowment funds.

Net assets associated with endowment funds, including funds designated by BMHCC's board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. All permanently restricted net assets as of September 30, 2025 and 2024, are donor-restricted endowments.

Changes in endowment funds, for the years ended September 30, 2025 and 2024, consisted of the following (in thousands):

|                                        | 2025              | 2024              |
|----------------------------------------|-------------------|-------------------|
| Endowment net assets—beginning of year | \$ 110,576        | \$ 91,410         |
| Contributions and bequests             | 1,225             | 365               |
| Transfers                              | 62                | 374               |
| Interest and dividends                 | 43                | 41                |
| Net realized and unrealized gain       | <u>9,682</u>      | <u>18,385</u>     |
| Endowment net assets—end of year       | <u>\$ 121,588</u> | <u>\$ 110,575</u> |



## 20. COMMITMENTS AND CONTINGENCIES

On October 1, 2016, BMHCC entered into a lease agreement with Calhoun County, Mississippi, to lease a hospital and nursing home located in Calhoun City, Mississippi. The leased assets will be used for the business of a critical access hospital and a nursing home and other health-related activities ancillary to the operation of those businesses. The initial lease term commenced on October 1, 2016, and will continue for 30 consecutive years, expiring on September 30, 2046 ("Primary Term"); however, BMHCC shall have the option to extend the lease for two consecutive 10-year terms. BMHCC has the right to terminate the lease if certain negative operating or financial conditions occur and a mutually acceptable modification cannot be made with the lessor. In lieu of rent for the leased assets, BMHCC shall make capital improvements to the hospital and nursing home totaling \$30,000,000 over the course of the Primary Term.

**Liabilities for Self-Insurance**—The entities comprising BMHCC participate in a pooled risk program managed by the Corporation. Premiums are assessed by the Corporation to BMHCC entities based on their claims history and other factors. Except as provided below, BMHCC is self-insured for general and professional liability, employee health and workers' compensation risks.

**Professional and General Liability**—BMHCC accrues an estimated liability for its uninsured exposure and self-insured retention based on historical loss patterns and actuarial projections.

**Physician Professional Liability**—Effective June 1, 2019, BMHCC elected to self-insure its Physician Professional Liability exposure which was previously insured by State Volunteer Mutual Insurance Company (SVMIC). BMHCC is responsible for claims reported after June 1, 2019, and would also include incidents occurring prior to June 1, 2019, incurred but not reported (IBNR), or tail coverage. SVMIC will remain responsible for claims reported prior to June 1, 2019.

BMHCC also has approximately 160 physicians, all located in the state of Mississippi, who purchase first dollar professional liability insurance from Mutual Assurance Company of Mississippi.

BMHCC also has approximately 40 physicians associated with the Stern Cardiology group, who purchase first dollar professional liability insurance from State Volunteer Mutual Insurance.

**Employee Health**—BMHCC offers subsidized health insurance to its employees through a self-insured plan.

**Workers' Compensation**—BMHCC is self-insured for workers compensation liability for the states of Arkansas, Mississippi and Tennessee and purchases excess coverage to meet the statutory limit for each state.

**Employers Practices Liability**—BMHCC purchases employers practices liability (EPL), in conjunction with the directors and officers liability policy.

**Physician Commitments**—BMHCC has committed to provide certain financial assistance pursuant to recruiting agreements with various physicians practicing in the communities it serves. In consideration for a physician relocating to one of its communities and agreeing to engage in private practice for the benefit of the respective community, BMHCC may provide loans to those physicians, normally over a period of one year, to assist in the establishment of the physician's practice. The actual amount of such commitments to be advanced to physicians often depends upon the financial results of a physician's private practice during the term of the agreement. The maximum potential amount of future payments under these commitments were approximately \$922,000 and \$1,466,000 as of September 30, 2025 and

2024, respectively. A portion of such payments is recoverable by BMHCC from physicians who do not fulfill their commitment period, which varies by contract, to the respective community.

**Other Industry Risks**—The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters, such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for amounts previously received for patient services. BMHCC believes it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing that would have a material impact on its combined financial position or results of operations. Compliance with these and other laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

21. FUNCTIONAL EXPENSES

BMHCC provides both inpatient and outpatient services, as well as surgery centers, physician practices, and other ancillary businesses. The cost of providing these services and supporting activities has been summarized on a functional basis in the table below. As summarized below, the expenses are directly attributable to a specific activity and only general and administrative expenses are allocated based on the time and effort spent in supporting the operations.

| Expense Category                | Method of Allocation                 |
|---------------------------------|--------------------------------------|
| Nonphysician salaries and wages | Actual salaries and wages            |
| Physician salaries and wages    | Actual salaries and wages            |
| Employee benefits               | Actual cost of benefits              |
| Supplies and drugs              | Actual supplies and drugs            |
| Purchased services and other    | Actual purchased services and other  |
| Professional fees               | Actual professional fees             |
| Depreciation and amortization   | Actual depreciation and amortization |
| Interest                        | Actual interest                      |
| Gain (loss) on sale of assets   | Actual gain loss on sale of assets   |

The functional expenses related to BMHCC’s operations as of September 30, 2025 and 2024, are as follows (in thousands):

|                                 | For the Year Ended September 30, 2025 |                   |                 |                     |                     |                 |                     |
|---------------------------------|---------------------------------------|-------------------|-----------------|---------------------|---------------------|-----------------|---------------------|
|                                 | Health Care Services                  |                   |                 | Support Services    |                     |                 | Total               |
|                                 | Hospital                              | Physician         | Research        | Administrative      | Student Instruction | Fund-Raising    |                     |
| Nonphysician salaries and wages | \$ 714,195                            | \$ 171,620        | \$ 3,135        | \$ 708,898          | \$ 16,399           | \$ 1,281        | \$ 1,615,528        |
| Physician salaries and wages    | 11,769                                | 232,757           | -               | 92,783              | -                   | -               | 337,309             |
| Employee benefits               | 150,381                               | 62,865            | 715             | 156,743             | 3,096               | 322             | 374,122             |
| Supplies and drugs              | 741,111                               | 44,459            | 49              | 487,092             | 1,955               | 77              | 1,274,743           |
| Purchased services and other    | 328,095                               | 57,783            | 128             | 332,633             | 4,136               | 3,546           | 726,321             |
| Professional fees               | 175,618                               | (15,873)          | 5               | 140,777             | (794)               | 1,808           | 301,541             |
| Depreciation and amortization   | 69,736                                | 7,236             | 69              | 71,428              | 1,513               | 1               | 149,983             |
| Interest                        | 19,045                                | 104               | -               | 24,262              | -                   | 67              | 43,478              |
| Gain (loss) on sale of assets   | 54                                    | (622)             | -               | (107)               | -                   | -               | (675)               |
| Total                           | <u>\$ 2,210,004</u>                   | <u>\$ 560,329</u> | <u>\$ 4,101</u> | <u>\$ 2,014,509</u> | <u>\$ 26,305</u>    | <u>\$ 7,102</u> | <u>\$ 4,822,350</u> |



| For the Year Ended September 30, 2024 |                      |                  |                |                    |                     |                |                    |
|---------------------------------------|----------------------|------------------|----------------|--------------------|---------------------|----------------|--------------------|
|                                       | Health Care Services |                  |                | Support Services   |                     |                | Total              |
|                                       | Hospital             | Physician        | Research       | Administrative     | Student Instruction | Fund-Raising   |                    |
| Nonphysician salaries and wages       | \$ 640,289           | \$197,603        | \$2,847        | \$ 637,753         | \$13,376            | \$1,512        | \$1,493,380        |
| Physician salaries and wages          | 35,976               | 188,091          | 3              | 71,005             | -                   | -              | 295,075            |
| Employee benefits                     | 142,490              | 61,113           | 669            | 140,379            | 2,668               | 357            | 347,676            |
| Supplies and drugs                    | 636,652              | 52,928           | 45             | 414,723            | 1,788               | 84             | 1,106,220          |
| Purchased services and other          | 296,223              | 53,215           | 87             | 350,758            | 2,063               | 2,496          | 704,842            |
| Professional fees                     | 144,690              | (24,363)         | 189            | 123,168            | 132                 | 1,388          | 245,204            |
| Depreciation and amortization         | 67,977               | 6,756            | 71             | 70,420             | 1,054               | 1              | 146,279            |
| Interest                              | 17,098               | 130              | -              | 15,413             | -                   | 127            | 32,768             |
| Gain (loss) on sale of assets         | 359                  | (566)            | -              | 47                 | -                   | -              | (160)              |
| Total                                 | <u>\$1,981,754</u>   | <u>\$534,907</u> | <u>\$3,911</u> | <u>\$1,823,666</u> | <u>\$21,081</u>     | <u>\$5,965</u> | <u>\$4,371,284</u> |

## 22. SUBSEQUENT EVENTS

Management has evaluated events and transactions that have occurred through December 18, 2025 which is the date that the combined financial statements were issued for possible recognition or disclosure in the combined financial statements and concluded that other than the subsequent events noted above, no other subsequent events have occurred that would require recognition or disclosure in its combined financial statements other than the one disclosed above.

BMHCC acquired Oktibbeha County Hospital ("OCH") Regional Medical Center located in Starkville, MS. The date of closing for this transaction was October 1, 2025. The value of the underlying assets acquired, and liabilities will be allocated based upon their estimated fair values at the date of acquisition and is subject to change as we complete our analysis of their fair values during the measurement period not to exceed one year as permitted under FASB ASC 958-805, *Not-for-Profit Entities-Business Combinations*.

\* \* \* \* \*

## **CHRISTIAN ACTION COMMISSION, INC.**

**Kenny Digby, Executive Director-Treasurer**

**Rebekah Peavy, Executive Assistant**

While Mississippi Baptists may live in the buckle of the Bible belt, a majority of the people we are surrounded by every day have no concept of a genuine “Bible world view.” As your emissaries across the street (at the Capitol) and across the state, the trustees and staff of your Christian Action Commission work to defend Biblical truth as we address social, moral and ethical issues – just as this agency was commissioned to do back in 1963.

Your 15 Mississippi Baptist Convention messenger-elected trustees, currently led by Chairman Freddy Harrell of Brandon, come from towns and counties across Mississippi to represent a variety of churches and associations. Fall 2026 marks Dr. Kenny Digby’s tenth year of service as executive director-treasurer of the Christian Action Commission. We are thankful for every dollar allocated to us from Cooperative Program funds that allows us to continue this unique facet of Mississippi Baptists’ state-wide impact.

While there is not space enough to detail every element of the reach you have through the ministry of the CAC, please receive the following list as a highlight reel of our efficacy over the past year.

- Last year’s awards to pro-life centers across our state brought the overall total of grant dollars issued from the Memorial to the Missing to more than \$270,500. We rejoice as these funds that originated with the “House of Pennies” go to support the hubs where staff and volunteers are serving women and families tirelessly, encouraging them to choose life. While awards are made for a vast variety of requests submitted by Centers for Pregnancy Choices, a selection of this year’s allocations were made to: assist in facility repairs; sponsor accredited ultrasound training for a registered nurse serving a brand-new center; furnish two new classroom spaces where parents are given instruction and encouragement on how to provide care for their children; provide baby items and office supplies for an “Earn While You Learn” program for parents; procure part of a security system for a center that was vandalized; and to furnish a children’s area for use while parents receive counseling. You and your church can partner with us in these efforts by

calling up or stopping by your local CPC and encouraging them to apply for funds from the Memorial to the Missing. We will be glad to guide them through the simple process if they contact our office by calling 601-292-3329.

- Our annual Legislative Prayer Breakfast drew its largest crowd ever. Legislators were eager to step across the street and join us to hear featured speaker Sean Milner, executive director of your Baptist Children's Village. For more information you can find an article featuring the event with quotes from attendees by searching The Baptist Record online, or seeking out a copy of Mississippi Baptists' Spring 2026 edition of "Connections," available at [mbcb.org/magazine](http://mbcb.org/magazine).
- Kye Webb is an alumnus of our Christian Leadership Institute and a great example of the impact the CLI has had, encouraging leadership-minded students. On his college campus Kye has been elected president of his branch of a national organization of students who desire to lead through government. He has rolled up his sleeves alongside legislators campaigning for state offices, making connections with officials at all levels of state government. Kye is also actively involved in a local Mississippi Baptist church. Teddy Haffey, now 18 years old, was licensed to preach at age 15 by Trinity Baptist Church in Fulton. Beginning at age 13, Teddy earned the top CLI scholarship award four years in a row by utilizing his knowledge of the Bible, theology, history, government, the Southern Baptist Convention, and other related miscellanea to earn the top spot among his peers. Hayes Carver, another CLI scholarship recipient, is currently working on the reelection campaign of a government official who represents Mississippi at the national level. Simultaneously, Hayes is supporting others as they run for state office. These three young men embody well what we have hoped to accomplish through the CLI, and we are proud to point to them as outstanding alumni.
- One of the highlights of 2025 was our debut Public Policy Preview event, where we welcomed in Mississippi Baptists from across the state who were equipped to anticipate what might be brought to the floor in the 2026 legislative session. Participants returned to their churches and communities with a clearer understanding of the legislative process, better equipped to pray for our leadership and ready to contact their elected leaders to encourage Biblical stands on issues of consequence.

- Dr. Chuck Kelley served as our featured speaker for the 2026 Christian Action Lecture Series, hosted on the campus of Blue Mountain Christian University, to great response from our attendees. Now, we are thrilled to announce that Dr. Evan Lenow, the newly-elected leader of our Southern Baptist Ethics and Religious Liberty Commission, has been confirmed as our speaker for the 2027 lecture. Please make a note in your calendar to join us next year, March 1-2, back at BMCU. We would love to have you be part of this special event.

In closing, please allow us to reiterate the sentiment that comes from our staff and every one of our trustees: we have the greatest appreciation for your support of the work of the Christian Action Commission. We could not do what we do without the Cooperative Program funding that undergirds every one of the ministries listed above, as well as others we did not have room to address in this report.

One of Dr. Digby's favorite privileges is to speak to church groups, so please feel free to invite the Christian Action Commission into your church on a Sunday morning or evening, or for a specially scheduled emphasis. We are blessed to have the assignment of addressing social, moral, and ethical issues from a "Bible world view," and would love to feature and unpack any issue on our current landscape with your folks.

**MISSISSIPPI BAPTIST CHRISTIAN ACTION COMMISSION, INC.  
OF THE MISSISSIPPI BAPTIST CONVENTION  
FINANCIAL STATEMENTS  
DECEMBER 31, 2025**

**BARLOW & COMPANY, PLLC  
CERTIFIED PUBLIC ACCOUNTANTS  
BRANDON, MISSISSIPPI**

**MISSISSIPPI BAPTIST CHRISTIAN ACTION COMMISSION, INC.  
OF THE MISSISSIPPI BAPTIST CONVENTION  
FINANCIAL STATEMENTS  
DECEMBER 31, 2025**

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### INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Jackson, MS

#### Opinion

We have audited the accompanying financial statements of the Mississippi Baptist Christian Action Commission, Inc. of the Mississippi Baptist Convention (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mississippi Baptist Christian Action Commission, Inc. of the Mississippi Baptist Convention as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mississippi Baptist Christian Action Commission, Inc. of the Mississippi Baptist Convention and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Mississippi Baptist Christian Action Commission, Inc. of the Mississippi Baptist Convention's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



The CPA, Never Underestimate The Value.®

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Mississippi Baptist Christian Action Commission, Inc. of the Mississippi Baptist Convention's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Mississippi Baptist Christian Action Commission, Inc. of the Mississippi Baptist Convention's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Comparative Schedule of Actual Revenues and Expenses with Budgeted Revenues and Expenses on page 12 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 audit 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.

*Barbara S. Gentry, PLLC*

Brandon, Mississippi  
August 10, 2026



Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Statement of Financial Position  
December 31, 2025

|                                          |                   |
|------------------------------------------|-------------------|
| CURRENT ASSETS                           |                   |
| Due from the MS Baptist Convention Board | \$ 51,944         |
| Prepaid insurance                        | <u>3,827</u>      |
| TOTAL CURRENT ASSETS                     | <u>55,771</u>     |
| INVESTMENTS                              | 808,538           |
| EQUIPMENT, NET                           | <u>882</u>        |
| TOTAL ASSETS                             | <u>865,191</u>    |
| NET ASSETS                               |                   |
| Net assets without donor restrictions    | 413,092           |
| Net assets with donor restrictions       | <u>452,099</u>    |
| TOTAL NET ASSETS                         | <u>\$ 865,191</u> |

See accompanying notes to financial statements

Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Statement of Activities  
For the Year Ended December 31, 2025

|                                       | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total             |
|---------------------------------------|-------------------------------|----------------------------|-------------------|
| <b>SUPPORT AND REVENUE</b>            |                               |                            |                   |
| Cooperative program receipts          | \$ 320,162                    | \$ -                       | \$ 320,162        |
| Contributions                         | 19,874                        | 5,578                      | 25,452            |
| Interest and dividends                | 14,995                        | 16,531                     | 31,526            |
| Net investment income                 | 10,722                        | 16,159                     | 26,881            |
| Miscellaneous receipts                | 2,612                         | -                          | 2,612             |
| Net assets releases from restrictions | 2,990                         | (2,990)                    | -                 |
| <b>TOTAL SUPPORT AND REVENUE</b>      | <u>371,355</u>                | <u>35,278</u>              | <u>406,633</u>    |
| <b>EXPENSES</b>                       |                               |                            |                   |
| Program                               | 299,881                       | -                          | 299,881           |
| Management and general                | 64,898                        | -                          | 64,898            |
| <b>TOTAL EXPENSES</b>                 | <u>364,779</u>                | <u>-</u>                   | <u>364,779</u>    |
| <b>CHANGE IN NET ASSETS</b>           | <u>6,576</u>                  | <u>35,278</u>              | <u>41,854</u>     |
| Net Assets, Beginning of Year         | 406,516                       | 416,821                    | 823,337           |
| <b>Net Assets, End of Year</b>        | <u>\$ 413,092</u>             | <u>\$ 452,099</u>          | <u>\$ 865,191</u> |

See accompanying notes to financial statements

Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Statement of Functional Expenses  
For the Year Ended December 31, 2025

|                                                      | Program           | Support Services        |             |                   |
|------------------------------------------------------|-------------------|-------------------------|-------------|-------------------|
|                                                      |                   | Management &<br>General | Fundraising | Total             |
| Full time salaries                                   | \$ 126,170        | \$ 31,543               | \$ -        | \$ 157,713        |
| Payroll taxes                                        | 2,415             | 604                     | -           | 3,019             |
| Annuity                                              | 15,592            | 3,898                   | -           | 19,490            |
| Medical insurance                                    | 38,526            | 9,631                   | -           | 48,157            |
|                                                      | <u>182,703</u>    | <u>45,676</u>           | <u>-</u>    | <u>228,379</u>    |
| Audit                                                | -                 | 7,500                   | -           | 7,500             |
| Basic department operation                           | 1,347             | -                       | -           | 1,347             |
| Christian Leadership Institute - travel and supplies | 6,307             | -                       | -           | 6,307             |
| Commissions meetings - travel and supplies           | 8,441             | -                       | -           | 8,441             |
| Depreciation                                         | 445               | 111                     | -           | 556               |
| Ethical/social issues - travel and supplies          | 30,482            | -                       | -           | 30,482            |
| Insurance                                            | 4,494             | 1,123                   | -           | 5,617             |
| Legislative prayer breakfast - travel and supplies   | 1,209             | -                       | -           | 1,209             |
| Memorial to the Missing                              | 4,361             | -                       | -           | 4,361             |
| Research                                             | 380               | -                       | -           | 380               |
| Reserve disbursements                                | 14,326            | -                       | -           | 14,326            |
| SBC program - travel and supplies                    | 3,305             | -                       | -           | 3,305             |
| Space allocation                                     | 36,190            | 9,048                   | -           | 45,238            |
| Statewide programs - travel and supplies             | 133               | -                       | -           | 133               |
| Support services                                     | 291               | 73                      | -           | 364               |
| Telephone services                                   | 2,272             | 568                     | -           | 2,840             |
| Web support                                          | 3,195             | 799                     | -           | 3,994             |
|                                                      | <u>117,178</u>    | <u>19,222</u>           | <u>-</u>    | <u>136,400</u>    |
|                                                      | <u>\$ 299,881</u> | <u>\$ 64,898</u>        | <u>\$ -</u> | <u>\$ 364,779</u> |

See accompanying notes to financial statements

Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Statement of Cash Flows  
For the Year Ended December 31, 2025

|                                                                                                       |                    |
|-------------------------------------------------------------------------------------------------------|--------------------|
| <b>Cash flows from operating activities</b>                                                           |                    |
| Change in net assets                                                                                  | \$ 41,854          |
| Adjustments to reconcile change in net assets to net cash provided<br>(used) by operating activities: |                    |
| Depreciation                                                                                          | 556                |
| Realized and unrealized (gain) loss on investments                                                    | (26,881)           |
| Change in:                                                                                            |                    |
| Due from MS Baptist Convention                                                                        | 2,840              |
| Prepaid insurance                                                                                     | 48                 |
| Net cash provided (used) by operating activities                                                      | <u>18,417</u>      |
| <b>Funds provided (used) by investing activities:</b>                                                 |                    |
| Purchase of investments                                                                               | (39,604)           |
| Proceeds from sale of investments                                                                     | <u>21,187</u>      |
| Net cash provided (used) by investing activities                                                      | <u>(18,417)</u>    |
| Net increase (decrease) in cash and cash equivalents                                                  | <u>-</u>           |
| Cash and cash equivalents at beginning of year                                                        | <u>-</u>           |
| Cash and cash equivalents at end of year                                                              | <u><u>\$ -</u></u> |

See accompanying notes to financial statements

Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Notes to the Financial Statement  
December 31, 2025

**Note 1 - Nature of Operations and Summary of Significant Accounting Policies**

***Nature of Operations***

Mississippi Baptist Christian Action Commission, Inc. ("the Commission") is a nonprofit organization and was established by the Mississippi Baptist Convention Board (MSBCB) to emphasize the biblical teaching that relates to various areas of work including: alcohol and drugs, church-state relations, Christian citizenship, Christian home life, pornography, human relations, and other moral and social problems. The Commission provides aids, materials and services to assist the churches to be informed of facts, trends and conditions related to the areas of work assigned to them. When feasible, the Commission shall work with existing Convention agencies, institutions and departments of Baptist work. The Commission is supported primarily by the Mississippi Baptist Convention Board. Support is determined annually and approved by the board members at the convention.

***Basis of Accounting***

The Commission prepares its financial statements on the accrual basis of accounting.

***Use of Estimates***

The Commission prepares its financial statements in accordance with accounting principles generally accepted in the United States, which require that management make estimates and assumptions that affect the reported amounts. Actual amounts could differ from those results. In the opinion of management, such differences would not be significant.

***Financial Statement Presentation***

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Commission to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Commission's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Commission or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

***Cash and Cash Equivalents***

For purposes of the statement of cash flows, the Commission considers all investments with an original maturity of three months or less to be cash equivalents.

***Investments***

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the combined statement of financial position. Unrealized gain or loss on investments is reflected in the statement of activities. The valuations of the Commission's investments according to the fair value hierarchy are all Level 2.

The hierarchy is broken down into three levels based on the reliability of inputs as follows:

Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Notes to the Financial Statement  
December 31, 2025

- Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities that the Commission has the ability to access. Valuation adjustments are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.
- Level 2 - Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.
- Level 3 - Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

***Equipment***

All equipment is reported at cost, if purchased, or fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful life of the assets, primarily five years.

***Income Taxes***

The Commission is exempt from federal income taxes, under a group exemption granted to the MSBCB, which is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from Federal and State income taxes pursuant to Section 501(a) of the Code. MSBCB is not classified as a private foundation for income tax purposes.

***Contributions***

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purposed restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

***Functional Allocation of Expenses***

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Note 2 - Equipment**

Equipment at December 31, 2025 is summarized below:

|                               | 2025     |
|-------------------------------|----------|
| Equipment                     | \$ 4,621 |
| Less Accumulated Depreciation | (3,739)  |
| Total                         | \$ 882   |

Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Notes to the Financial Statement  
December 31, 2025

**Note 3 - Investments**

Investments in marketable securities are recorded at fair value using level 2 fair value measurement methodology. Investments are maintained in several accounts managed by the Mississippi Baptist Foundation. Investment return is recognized in the statement of activities as interest and dividends and net investment income.

The cost and fair value of the Commission's investments are summarized as follows:

|                           | 2025              |                         |                           |
|---------------------------|-------------------|-------------------------|---------------------------|
|                           | Cost              | Fair Value -<br>Level 2 | Unrealized<br>Gain (Loss) |
| Memorial to the Missing   |                   |                         |                           |
| Cash and cash equivalents | \$ 17,868         | \$ 17,868               | \$ -                      |
| Common trust funds        | <u>322,463</u>    | <u>349,961</u>          | <u>27,498</u>             |
|                           | <u>340,331</u>    | <u>367,829</u>          | <u>27,498</u>             |
| Austin Lee Digby Memorial |                   |                         |                           |
| Cash and cash equivalents | 10,219            | 10,219                  | -                         |
| Common trust funds        | <u>47,721</u>     | <u>54,465</u>           | <u>6,744</u>              |
|                           | <u>57,940</u>     | <u>64,684</u>           | <u>6,744</u>              |
| Reserve Fund              |                   |                         |                           |
| Cash and cash equivalents | 106,301           | 106,301                 | -                         |
| Common trust funds        | <u>237,667</u>    | <u>250,136</u>          | <u>12,469</u>             |
|                           | <u>343,968</u>    | <u>356,437</u>          | <u>12,469</u>             |
| Christian Action Lecture  |                   |                         |                           |
| Cash and cash equivalents | 1,713             | 1,713                   | -                         |
| Common trust funds        | <u>15,245</u>     | <u>17,875</u>           | <u>2,630</u>              |
|                           | <u>16,958</u>     | <u>19,588</u>           | <u>2,630</u>              |
| Total                     | <u>\$ 759,197</u> | <u>\$ 808,538</u>       | <u>\$ 49,341</u>          |

Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Notes to the Financial Statement  
December 31, 2025

**Note 4 - Retirement Plan Contributions**

The Commission and its employees participate in a retirement plan administered by the Southern Baptist Annuity Board. An employee is eligible to join immediately upon employment and receives a 10% employer contribution. However, after 3 years of service, the employee can receive up to a maximum of 5% match in addition to the employer contribution. During the year ended December 31, 2025, the Commission's contributions to the plan totaled \$19,490.

**Note 5 - Liquidity**

The following reflects the Commission's financial assets as of December 31, 2025 reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions.

|                                                                                        | <u>2025</u>       |
|----------------------------------------------------------------------------------------|-------------------|
| Financial assets available:                                                            |                   |
| Due from MSBCB                                                                         | \$ 51,944         |
| Investments                                                                            | <u>808,538</u>    |
|                                                                                        | <u>860,482</u>    |
| Less those unavailable for general expenditures within one year:                       |                   |
| Financial assets with donor restrictions                                               | <u>(452,099)</u>  |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 408,383</u> |

The Commission does maintain an operating reserve account to cover the average monthly operating costs, excluding depreciation and other noncash expenses. The balance of the reserve account at December 31, 2025 is \$356,438 and is included in investments on the statement of financial position and in investments in the above liquidity schedule.

The average monthly costs of the Commission were approximately \$30,000 a month for the year ended December 31, 2025. The Commission has roughly 12 months of financial assets available within the reserve fund to meet its average monthly operating costs for the year ended December 31, 2025.



Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Notes to the Financial Statement  
December 31, 2025

**Note 6 - Net Assets with Donor Restrictions**

The net assets with donor restrictions of the Commission are contributions with donor-imposed stipulations. These stipulations are removed when the Commission expends the funds for the purposes specified or returns the money to the donor. The restrictions consist of the following:

|                           | <u>2025</u>       |
|---------------------------|-------------------|
| Memorial to the Missing   | \$ 367,828        |
| Austin Lee Digby Memorial | 64,684            |
| Christian Action Lecture  | <u>19,587</u>     |
|                           | <u>\$ 452,099</u> |

**Note 7 - Related Party Transactions**

The Commission functions as a mission organization of the Mississippi Baptist Convention Board. MSBCB handles the Commission's receipts and disbursements in its business office and provides an allocation of the MSBCB's Cooperative Program receipts as well as charges an allocation cost for use of office space and other resources. The allocation of cost for office space and other resources for 2025 amounted to \$45,238 and there are amounts due to the Commission by MSBCB in the amount of \$51,944.

**Note 8 - Concentrations**

The Commission receives most of its support from the MSBCB. Cooperative program allocations amounted to \$320,162 for the year ended December 31, 2025.

**Note 9 - Subsequent Events**

In accordance with FASB Accounting Standards Codification Topic 855, Subsequent Events, the Commission has evaluated subsequent events through August 10, 2026, which is the date the financial statements were available to be issued. No subsequent events requiring accrual or disclosure were noted.

Mississippi Baptist Christian Action Commission, Inc.  
of the Mississippi Baptist Convention  
Comparative Schedule of Actual Revenues  
and Expenses with Budgeted Revenues and Expenses  
For the Year Ended December 31, 2025

|                                                       | Budget              | Actual           | Variance<br>Favorable<br>(Unfavorable) |
|-------------------------------------------------------|---------------------|------------------|----------------------------------------|
| REVENUE                                               |                     |                  |                                        |
| Cooperative program receipts                          | \$ -                | \$ 320,162       | \$ 320,162                             |
| Contributions                                         | -                   | 25,452           | 25,452                                 |
| Christian Leadership Institute receipts               | -                   | -                | -                                      |
| Interest and dividends                                | -                   | 31,526           | 31,526                                 |
| Net investment income                                 | -                   | 26,881           | 26,881                                 |
| Miscellaneous receipts                                | -                   | 2,612            | 2,612                                  |
|                                                       | <u>-</u>            | <u>406,633</u>   | <u>406,633</u>                         |
| EXPENSES                                              |                     |                  |                                        |
| Basic department operation                            | 10,530              | 1,481            | 9,049                                  |
| Ethical/social issues                                 | 18,086              | 30,482           | (12,396)                               |
| SBC program                                           | 2,040               | 3,305            | (1,265)                                |
| State-wide programs                                   | 1,326               | -                | 1,326                                  |
| Affiliate programs                                    | 1,530               | -                | 1,530                                  |
| Research                                              | 510                 | 380              | 130                                    |
| Support services                                      | 1,284               | 364              | 920                                    |
| Church support materials                              | 1,020               | -                | 1,020                                  |
| Legislative prayer breakfast                          | 2,130               | 1,209            | 921                                    |
| Christian Leadership Institute                        | 1,530               | -                | 1,530                                  |
| CAC area banquets                                     | 1,020               | -                | 1,020                                  |
| Lamplighter conference                                | 1,020               | -                | 1,020                                  |
| Commission meetings                                   | 5,100               | 8,441            | (3,341)                                |
| Depreciation                                          | -                   | 556              | (556)                                  |
| Audit                                                 | 6,120               | 7,500            | (1,380)                                |
| Full-time salaries                                    | 153,214             | 157,713          | (4,499)                                |
| Payroll taxes                                         | 3,545               | 3,019            | 526                                    |
| Medical insurance                                     | 44,957              | 48,157           | (3,200)                                |
| Annuity                                               | 20,381              | 19,490           | 891                                    |
| Insurance                                             | 6,120               | 5,617            | 503                                    |
| Space allocation                                      | 60,445              | 45,238           | 15,207                                 |
| Telephone services                                    | 2,320               | 2,840            | (520)                                  |
| Web support                                           | 6,120               | 3,994            | 2,126                                  |
| Memorial to the Missing                               | -                   | 4,361            | (4,361)                                |
| Reserve                                               | -                   | 14,326           | (14,326)                               |
| Other                                                 | -                   | 2,962            | (2,962)                                |
| Christian Leadership Institute                        | -                   | 3,344            | (3,344)                                |
|                                                       | <u>350,348</u>      | <u>364,779</u>   | <u>(14,431)</u>                        |
| Excess of budgeted expenses<br>over budgeted revenues | \$ <u>(350,348)</u> | \$ <u>41,854</u> | \$ <u>392,202</u>                      |

See accompanying notes to financial statements

**MISSISSIPPI BAPTIST CHRISTIAN ACTION COMMISSION, INC.  
OF THE MISSISSIPPI BAPTIST CONVENTION  
515 MISSISSIPPI ST.  
JACKSON, MS 39201**

August 10, 2026

Barlow & Company, PLLC  
Post Office Box 150  
Brandon, Mississippi 39043

This representation letter is provided in connection with your audit of the financial statements of Mississippi Baptist Christian Action Commission, Inc. of the Mississippi Baptist Convention will comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to whether the financial statement is presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of August 10, 2026, the following representations made to you during your audit.

**Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 19, 2026, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 8) We are in agreement with the adjusting entries you proposed, and they have been posted to the Commission's account. Management is not aware of any uncorrected misstatements.

- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Significant estimates and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- 11) Guarantees, whether written or oral, under which the Commission is contingently liable, have been properly recorded or disclosed in accordance with the U.S. GAAP.

**Information Provided**

- 12) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the Commission from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have no knowledge of any fraud or suspected fraud that affects the Commission and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the Commission's financial statements communicated by employees, former employees, grantors, regulators, or others.
- 17) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- 18) We are not aware of any actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements, and we have not consulted an attorney in regards to potential litigation.
- 19) We have disclosed to you the identity of the Commission's related parties and all the related-party relationships and transactions of which we are aware, including any side agreements.
- 20) The Commission has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 22) Mississippi Baptist Christian Action Commission, Inc. of the Mississippi Baptist Convention is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. All required filings with tax authorities are up-to-date.
- 23) We acknowledge our responsibility for presenting the supplementary information, the "Comparative Schedule of Actual Revenues and Expenses with Budgeted Revenues and Expenses," in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

  
\_\_\_\_\_  
Signature  
CAC Executive Director-Treasurer  
\_\_\_\_\_  
Title

JOURNAL ENTRY APPROVAL FORM

TO: Barlow & Company, PLLC

DATE: August 10, 2026

RE: Journal Entries

CLIENT: Mississippi Baptist Christian Action Commission, Inc.

SERVICE: 12/31/2025 Audit

BALANCE SHEET DATE: December 31, 2025

We approve all the journal entries proposed in the attached schedule for our financial statements referred to above.

Rebekah Peavy  
Name

Executive Assistant to Dr. Digby  
Title

Rebekah Peavy  
Signature

Client: 09220.001 - Mississippi Baptist Christian Action Commission, Inc.  
Engagement: 09220.001 - MS Baptist Christian Action Commission, Inc.  
Period Ending: 12/31/2025  
Trial Balance: 3001 - Trial Balance  
Worksheet: 3701 - Combined Journal Entries Report

| Account                                                | Description                       | W/P Ref | Debit             | Credit            |
|--------------------------------------------------------|-----------------------------------|---------|-------------------|-------------------|
| <b>Adjusting Journal Entries</b>                       |                                   |         |                   |                   |
| <b>Adjusting Journal Entries JE # 1</b>                |                                   |         |                   |                   |
| To adjust prepaid insurance to actual                  |                                   |         |                   |                   |
| 6-372-0057-0206                                        | Other - Liability Insurance       |         | 48.08             | 48.08             |
| 1-372-0060-0001                                        | Prepaid Insurance                 |         | <u>48.08</u>      | <u>48.08</u>      |
| Total                                                  |                                   |         |                   |                   |
| <b>Adjusting Journal Entries JE # 4</b>                |                                   |         |                   |                   |
| To adjust opening balances to actual                   |                                   |         |                   |                   |
| 1-372-0050-0000                                        | Computer                          | 4175    | 4,621.00          |                   |
| 1-372-0060-0001                                        | Prepaid Insurance                 |         | 3,875.00          |                   |
| 1-372-0050-0001                                        | Accumulated Depreciation          |         |                   | 3,183.00          |
| 3-372-0000-3000                                        | Unrestricted Net Assets           |         | <u>8,496.00</u>   | <u>5,313.00</u>   |
| Total                                                  |                                   |         |                   |                   |
| <b>Adjusting Journal Entries JE # 5</b>                |                                   |         |                   |                   |
| To record depreciation                                 |                                   |         |                   |                   |
| 8-372-0000-0000                                        | Depreciation                      | 4151    | 556.00            |                   |
| 1-372-0050-0001                                        | Accumulated Depreciation          |         | <u>556.00</u>     | <u>556.00</u>     |
| Total                                                  |                                   |         |                   |                   |
| <b>Adjusting Journal Entries JE # 6</b>                |                                   |         |                   |                   |
| To adjust net assets with donor restrictions to actual |                                   |         |                   |                   |
| 3-372-0000-3000                                        | Unrestricted Net Assets           | 6001    | 108,438.00        | 108,438.00        |
| 3-372-0000-3100                                        | Temporarily Restricted Net Assets |         | <u>108,438.00</u> | <u>108,438.00</u> |
| 3-372-0000-3200                                        | Permanently Restricted Net Assets |         | <u>117,538.08</u> | <u>117,538.08</u> |
| Total                                                  |                                   |         |                   |                   |
| Total Adjusting Journal Entries                        |                                   |         | <u>117,538.08</u> | <u>117,538.08</u> |
| Total All Journal Entries                              |                                   |         | <u>117,538.08</u> | <u>117,538.08</u> |

## MISSISSIPPI BAPTIST FOUNDATION

**Daniel C. Hall, Ph.D., Executive Director**  
**Hal Fisher, Director of Finance/Operations**  
**Amy Reed, Accounting/Operations**  
**Cherri Kirk, Ministry Advancement/Donor Relations**

*"The earth is the LORD's and everything in it, the world, and all who live in it."  
Psalm 24:1 (NIV)*

### **Our Ministry**

The Mississippi Baptist Foundation serves as the trust agency of the Mississippi Baptist Convention, offering a means whereby Mississippi Baptists can provide perpetual support for Mississippi Baptist and Southern Baptist causes until our Lord and Savior, Jesus Christ returns.

The Mississippi Baptist Foundation promotes Christian estate stewardship and receives, invests, and manages endowment gifts. Additionally, the Foundation distributes earnings from these endowments to many Baptist ministries. In essence, the Mississippi Baptist Foundation serves as a money-management partner for Mississippi Baptist churches, institutions, and agencies. The Mississippi Baptist Foundation ministers under the direction of a Board of Trustees elected by the Mississippi Baptist Convention and the Foundation receives significant funding through a Cooperative Program allocation. As a Mississippi Baptist agency, the Mississippi Baptist Foundation desires to advance the goal of "helping bring Mississippi and the World to Jesus."

### **Our Goals**

To maximize God-given resources intended for the perpetual support of Baptist ministries through good stewardship of the assets entrusted to the Mississippi Baptist Foundation;

To be a resource for Mississippi Baptists for estate stewardship information and assistance;

To encourage every adult Mississippi Baptist to have a Last Will and Testament and to favor Baptist causes with at least a tithe of their estate;

To provide money-management services for Mississippi Baptist churches, institutions, and agencies;



To offer unsurpassed Christian service in an effort to benefit Kingdom ministries through enhanced donor relations.

### **The Year in Review**

***Historical Reflections*** have held center stage during 2026 as America the beautiful celebrated 250 years as an independent country. Events celebrating and reflecting on America's two-and-a-half centuries of formal existence have been held from sea-to-shining-sea throughout the year.

Closer to home, 2026 marks 200 years of existence as a Christian institution of higher learning for Mississippi College (now Mississippi Christian University). The university has celebrated this milestone with a variety of special events throughout the year. MC graduates have been, are, and will continue to be leaders in industry, enterprise, government service, vocational ministry, and countless other endeavors that provide opportunities to have a Kingdom impact and influence on people and in places where they live and work.

Twenty-five years ago, our nation was rocked by the September 11, 2001 terrorist attacks on American soil. While certainly not a celebratory kind of event as the two aforementioned birthdays, Americans across our land remember the sacrifice of so many of our citizenry who lost their lives during the actual attacks or in the aftermath and response to the tragedy. Following the 9/11 attacks, former president George W. Bush declared, *"Terrorists attacks can shake the foundations of our biggest buildings, but they cannot touch the foundation of America."*

***Purposeful Connections*** have been the norm for the Mississippi Baptist Foundation during 2026. Even as Henry Blackaby presented in Experiencing God: Knowing and Doing the Will of God how *"God is always at work around you (and) He invites you to join Him in his work,"* the MBF has been "laborers together with God" by joining Him where He is at work. As such, members of the MBF team have made purposeful connections with churches, associations, institutions, the MBCB, Baptist Student Union summer missionaries, students at our Mississippi Baptist universities and Southern Baptist seminaries, and both the International Mission Board and the North American Mission Board.

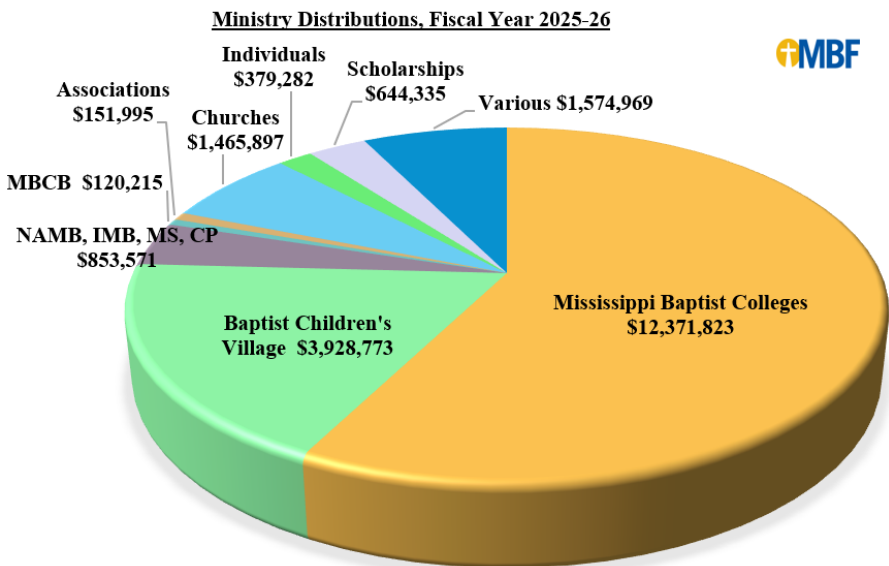
The many and varied purposeful connections before and during 2026 have resulted in an outpouring of generosity from faithful Christian stewards across our state as contributions totaling more than \$10.3 million were received by the MBF during fiscal year 2026. Total assets under management increased slightly to \$231.06 million while distributions for Kingdom ministry through Baptist causes totaled \$21.491 million during FY2026. *(The graph below illustrates these distributions.)*

***Spiritual Direction*** has been the goal and practice of the Mississippi Baptist Foundation since 1943. Moving forward, we will continue to seek

wisdom from above while also promoting Kingdom stewardship and providing resources to and for Mississippi Baptists. During this past fiscal year, approximately 20 families completed the estate planning process with the present value of potential future gifts exceeding \$4.5 million.

With an intentional focus on estate planning and legacy giving, the Foundation will continue to encourage individuals and families to include God’s will in their will as they make plans for the future. In addition, the MBF will encourage pastors and other church leaders to establish an estate stewardship ministry for the church and congregation that they serve. The Mississippi Baptist Foundation is available to offer insight and direction in this important area of discipleship.

For the past 83 years, your Mississippi Baptist Foundation has followed the truth of Proverbs 3:5-6 by trusting and acknowledging God in everything while having full assurance that He will provide the proper and best direction for our ministry. Over the past 25 years alone, the tangible blessing of following spiritual direction is evident through the \$170 million increase in assets being administered by the Foundation for Kingdom purposes, the \$150 million contributed through the MBF by Mississippi Baptists, the nearly \$150 million in estate gifts received or projected, and the \$151.5 million distributed by the MBF for ministry and missions throughout Mississippi, our country, and around the globe.



### **Investment Options**

The Mississippi Baptist Foundation provides money management services for Mississippi Baptist churches, institutions, agencies, and for other Foundation accounts. Available Foundation investment services include the following:

- MBF Equity Fund – This growth stock fund is designed for capital appreciation with little emphasis on income. Invested in stock offerings of U.S. and international corporations, the Fund is managed by six outside professional money managers.
- MBF Fixed Income Fund – This bond fund is designed to produce income with little attention given to capital appreciation. This Fund, which is managed by three outside professional money managers, includes U.S. government securities, corporate bonds, and international investments.
- MBF Short Term Cash Fund – This fund is a money market-type fund which is designed to out-perform both the current yields associated with six- and twelve-month certificates of deposits and the 91-day Treasury bill rate. With this approach, the Short-Term Cash Fund matches a competitive rate of return with full liquidity. The Fund is managed by the Southern Baptist Foundation.
- MBF General Endowment Fund – The General Endowment Fund is designed to address the long-term investment objectives of perpetual endowment accounts. The Endowment Fund seeks to provide income while guarding against the effects of inflation. The Endowment Fund is invested in stocks and bonds according to a preset allocation. The current investment allocation of the Endowment Fund is approximately 40% in equities (MBF Equity Fund and MBF Dividend Growth Fund) and 60% in fixed income investments inclusive of the MBF Fixed Income Fund, the MBF MLP Fund and the MBF REIT Fund.
- Other investment options include the MBF Dividend Growth Fund (equities), the MBF MLP Fund (Master Limited Partnerships), and the MBF REIT Fund (investment in real estate).

### Services Offered

- Estate Stewardship/Legacy Planning - The Mississippi Baptist Foundation promotes estate stewardship by offering seminars that focus on Last Will and Testament, Investments, and the nature, method, and benefits of making Financial Gifts. While the format of each seminar is appropriate for Discipleship Training sessions, group luncheons, and other gatherings, we can also offer these informational/educational opportunities through a technology-driven approach as may be desired. We would be happy to participate with your church or association in a virtual “lunch and learn” or through other opportunities.
- Cash Management -The Mississippi Baptist Foundation assists churches and associations administer their available funds through the MBF Short-Term Fund (see above), national market certificates of deposit, and other opportunities.
- Charitable Giving Fund – The Mississippi Baptist Foundation assists individuals achieve their current stewardship goals through the MBF Charitable Giving Fund. Administered as a Donor-Advised Fund, the Foundation’s CGF offers flexibility in charitable giving.
- Ministry Accounting – *“Go, make disciples...and leave the accounting to us”* is our slogan intended to encourage churches to enlist the MBF to handle their accounting needs so the church can focus on what really counts.

Please call the Mississippi Baptist Foundation at (601) 292-3210 for assistance in fulfilling your stewardship, funds administration, ministry accounting, and estate planning goals.



# FINANCIAL REPORT

MISSISSIPPI BAPTIST FOUNDATION

JACKSON, MISSISSIPPI

JUNE 30, 2026

Presented by: Harper, Rains, Knight & Company, P.A.  
1052 Highland Colony Parkway, Suite 100  
Ridgeland, Mississippi 39157  
601-605-0722  
[www.hrkcpa.com](http://www.hrkcpa.com)

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The Board of Trustees  
Mississippi Baptist Foundation  
Jackson, Mississippi

Independent Auditors' Report

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of Mississippi Baptist Foundation (the "Foundation"), which comprise the statement of financial position as of June 30, 2026 and the related statements of activities, cash flows and functional expenses for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Prior Period Financial Statements Audited by a Predecessor Auditor***

The financial statements of the Foundation for the year ended June 30, 2025, were audited by another auditor who expressed an unmodified opinion on those statements on October 29, 2025.

***Responsibilities of Management 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, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Certified Public Accountants · Consultants · [hrkcpa.com](http://hrkcpa.com)**

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***Responsibilities of Management for the Financial Statements (continued)***

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.



***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of changes in investments held for others 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 audit 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.

*Harpur, Raina, Knight & Company, P.A.*

September 14, 2026  
Ridgeland, Mississippi

MISSISSIPPI BAPTIST FOUNDATION  
STATEMENTS OF FINANCIAL POSITION  
June 30, 2026 and 2025

| ASSETS                                      |                           |                           |
|---------------------------------------------|---------------------------|---------------------------|
|                                             | <u>2026</u>               | <u>2025</u>               |
| Cash and cash equivalents                   | \$ 12,565,897             | \$ 12,220,734             |
| Accrued interest receivable                 | <u>407,343</u>            | <u>531,777</u>            |
| Investments                                 |                           |                           |
| U.S. Government and agency securities       | 36,740,852                | 15,968,459                |
| Corporate and municipal bonds               | 15,943,601                | 21,412,576                |
| Corporate stocks                            | 115,032,103               | 123,886,368               |
| Mutual funds                                | 35,552,228                | 39,424,658                |
| Southern Baptist Foundation Short Term Fund | 9,870,882                 | 9,515,622                 |
| Real estate                                 | 250,000                   | 250,000                   |
| Certificates of deposits and other assets   | <u>4,699,625</u>          | <u>5,120,796</u>          |
| Total investments                           | <u>218,089,291</u>        | <u>215,578,479</u>        |
| <br>Total assets                            | <br><u>\$ 231,062,531</u> | <br><u>\$ 228,330,990</u> |
| LIABILITIES AND NET ASSETS                  |                           |                           |
| Liabilities                                 |                           |                           |
| Investments held for others                 | <u>\$ 180,470,279</u>     | <u>\$ 180,468,348</u>     |
| Net assets                                  |                           |                           |
| Net assets without donor restrictions       | 20,393,368                | 19,430,121                |
| Net assets with donor restrictions          | <u>30,198,884</u>         | <u>28,432,521</u>         |
| Total net assets                            | <u>50,592,252</u>         | <u>47,862,642</u>         |
| <br>Total liabilities and net assets        | <br><u>\$ 231,062,531</u> | <br><u>\$ 228,330,990</u> |

The Notes to Financial Statements are an integral part of these statements.

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MISSISSIPPI BAPTIST FOUNDATION

STATEMENT OF ACTIVITIES

Year Ended June 30, 2026

|                                                 | Without<br>Donor<br>Restrictions | With<br>Donor<br>Restrictions | Total                |
|-------------------------------------------------|----------------------------------|-------------------------------|----------------------|
| Revenue and support                             |                                  |                               |                      |
| Contributions                                   | \$ 1,386,081                     | \$ 616,678                    | \$ 2,002,759         |
| Cooperative program allocation                  | 393,360                          | -                             | 393,360              |
| Ministry accounting                             | 44,787                           | -                             | 44,787               |
| Fees for asset management and<br>administration | 849,573                          | -                             | 849,573              |
| Interest and dividends                          | 713,328                          | 1,039,829                     | 1,753,157            |
| Investment income                               | 523,243                          | 750,918                       | 1,274,161            |
| Net assets released from restrictions           | <u>641,062</u>                   | <u>(641,062)</u>              | <u>-</u>             |
| Total revenues and support                      | <u>4,551,434</u>                 | <u>1,766,363</u>              | <u>6,317,797</u>     |
| Expenses                                        |                                  |                               |                      |
| Program services                                | 3,005,322                        | -                             | 3,005,322            |
| Supporting activities                           | <u>582,865</u>                   | <u>-</u>                      | <u>582,865</u>       |
| Total expenses                                  | <u>3,588,187</u>                 | <u>-</u>                      | <u>3,588,187</u>     |
| Change in net assets                            | 963,247                          | 1,766,363                     | 2,729,610            |
| Net assets, beginning                           | <u>19,430,121</u>                | <u>28,432,521</u>             | <u>47,862,642</u>    |
| Net assets, ending                              | <u>\$20,393,368</u>              | <u>\$ 30,198,884</u>          | <u>\$ 50,592,252</u> |

The Notes to Financial Statements are an integral part of this statement.

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MISSISSIPPI BAPTIST FOUNDATION

STATEMENT OF ACTIVITIES

Year Ended June 30, 2025

|                                                 | Without<br>Donor<br>Restrictions | With<br>Donor<br>Restrictions | Total                |
|-------------------------------------------------|----------------------------------|-------------------------------|----------------------|
| Revenue and support                             |                                  |                               |                      |
| Contributions                                   | \$ 1,515,820                     | \$ 210,712                    | \$ 1,726,532         |
| Cooperative program allocation                  | 393,696                          | -                             | 393,696              |
| Ministry accounting                             | 32,500                           | -                             | 32,500               |
| Fees for asset management and<br>administration | 806,520                          | -                             | 806,520              |
| Interest and dividends                          | 667,193                          | 979,527                       | 1,646,720            |
| Investment income                               | 1,537,078                        | 1,922,424                     | 3,459,502            |
| Net assets released from restrictions           | <u>750,742</u>                   | <u>(750,742)</u>              | <u>-</u>             |
| Total revenues and support                      | <u>5,703,549</u>                 | <u>2,361,921</u>              | <u>8,065,470</u>     |
| Expenses                                        |                                  |                               |                      |
| Program services                                | 2,997,179                        | -                             | 2,997,179            |
| Supporting activities                           | <u>582,114</u>                   | <u>-</u>                      | <u>582,114</u>       |
| Total expenses                                  | <u>3,579,293</u>                 | <u>-</u>                      | <u>3,579,293</u>     |
| Change in net assets                            | 2,124,256                        | 2,361,921                     | 4,486,177            |
| Net assets, beginning                           | <u>17,305,865</u>                | <u>26,070,600</u>             | <u>43,376,465</u>    |
| Net assets, ending                              | <u>\$19,430,121</u>              | <u>\$ 28,432,521</u>          | <u>\$ 47,862,642</u> |

The Notes to Financial Statements are an integral part of this statement.

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MISSISSIPPI BAPTIST FOUNDATION

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2026 and 2025

|                                                                                                   | <u>2026</u>          | <u>2025</u>          |
|---------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Cash flows from operating activities:                                                             |                      |                      |
| Change in net assets                                                                              | \$ 2,729,610         | \$ 4,486,177         |
| Adjustments to reconcile change in net assets<br>to net change in cash from operating activities: |                      |                      |
| Realized and unrealized gains on investments                                                      | (5,379,574)          | (18,946,090)         |
| Change in:                                                                                        |                      |                      |
| Accrued interest receivable                                                                       | <u>124,434</u>       | <u>(10,723)</u>      |
| Net change in cash from operating activities                                                      | <u>(2,525,530)</u>   | <u>(14,470,636)</u>  |
| Cash flows from investing activities:                                                             |                      |                      |
| Purchase of investments                                                                           | (67,381,880)         | (37,333,464)         |
| Sales and maturities of investments                                                               | <u>70,250,642</u>    | <u>32,031,256</u>    |
| Net change in cash from investing activities                                                      | <u>2,868,762</u>     | <u>(5,302,208)</u>   |
| Cash flows from financing activities:                                                             |                      |                      |
| Investment income on assets held for others                                                       | 4,023,338            | 13,719,743           |
| Contributions to assets held for others                                                           | 8,305,229            | 4,897,994            |
| Interest and dividends on assets held for others                                                  | 6,834,436            | 6,500,246            |
| Mineral receipts                                                                                  | 14,035               | 13,876               |
| Distributions to or on behalf of beneficial owners                                                | <u>(19,175,107)</u>  | <u>(7,999,874)</u>   |
| Net change in cash from financing activities                                                      | <u>1,931</u>         | <u>17,131,985</u>    |
| Net change in cash and cash equivalents                                                           | 345,163              | (2,640,859)          |
| Cash and cash equivalents, beginning                                                              | <u>12,220,734</u>    | <u>14,861,593</u>    |
| Cash and cash equivalents, ending                                                                 | <u>\$ 12,565,897</u> | <u>\$ 12,220,734</u> |

The Notes to Financial Statements are an integral part of these statements.

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MISSISSIPPI BAPTIST FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2026

|                                            | Program<br>Services | Supporting activities         |                   |                                | Total<br>Expenses   |
|--------------------------------------------|---------------------|-------------------------------|-------------------|--------------------------------|---------------------|
|                                            |                     | General and<br>Administrative | Development       | Total Supporting<br>Activities |                     |
| Salaries and benefits                      | \$ 442,058          | \$ 357,409                    | \$ 141,082        | \$ 498,491                     | \$ 940,549          |
| Disbursements for beneficiaries and others | 2,315,753           | -                             | -                 | -                              | 2,315,753           |
| Accounting and technology                  | 113,576             | -                             | -                 | -                              | 113,576             |
| Insurance                                  | -                   | -                             | 12,977            | 12,977                         | 12,977              |
| Legal and professional services            | 59,299              | -                             | -                 | -                              | 59,299              |
| Ministry and mission support               | 74,636              | -                             | -                 | -                              | 74,636              |
| Promotion and development                  | -                   | -                             | 12,073            | 12,073                         | 12,073              |
| Rent and space allocation                  | -                   | -                             | 51,076            | 51,076                         | 51,076              |
| Telephone and internet                     | -                   | -                             | 8,248             | 8,248                          | 8,248               |
|                                            | <u>\$ 3,005,322</u> | <u>\$ 357,409</u>             | <u>\$ 225,456</u> | <u>\$ 582,865</u>              | <u>\$ 3,588,187</u> |

The Notes to Financial Statements are an integral part of this statement.

MISSISSIPPI BAPTIST FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2025

|                                            | Program<br>Services | Supporting activities         |                   |                   | Total supporting<br>Activities | Total<br>Expenses |
|--------------------------------------------|---------------------|-------------------------------|-------------------|-------------------|--------------------------------|-------------------|
|                                            |                     | General and<br>Administrative | Development       |                   |                                |                   |
| Salaries and benefits                      | \$ 450,952          | \$ 364,599                    | \$ 143,921        | \$ 508,520        | \$ 959,472                     |                   |
| Disbursements for beneficiaries and others | 2,302,073           | -                             | -                 | -                 | 2,302,073                      |                   |
| Accounting and technology                  | 101,155             | -                             | -                 | -                 | 101,155                        |                   |
| Insurance                                  | -                   | -                             | 11,755            | 11,755            | 11,755                         |                   |
| Legal and professional services            | 72,500              | -                             | -                 | -                 | 72,500                         |                   |
| Ministry and mission support               | 70,499              | -                             | -                 | -                 | 70,499                         |                   |
| Promotion and development                  | -                   | -                             | 12,435            | 12,435            | 12,435                         |                   |
| Rent and space allocation                  | -                   | -                             | 42,119            | 42,119            | 42,119                         |                   |
| Telephone and internet                     | -                   | -                             | 7,285             | 7,285             | 7,285                          |                   |
|                                            | <u>\$ 2,997,179</u> | <u>\$ 364,599</u>             | <u>\$ 217,515</u> | <u>\$ 582,114</u> | <u>\$ 3,579,293</u>            |                   |

The Notes to Financial Statements are an integral part of this statement.

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

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NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies which have been followed by (hereafter referred to as the "Foundation"), in preparing the accompanying financial statements are set forth below.

Organization and Nature of Activities

The Mississippi Baptist Foundation (the "Foundation") was established and incorporated in 1943 as the trust agency of the Mississippi Baptist Convention, offering a means whereby Mississippi Baptists can provide perpetual support for Mississippi Baptist and Southern Baptist causes.

As the trust agency, the Foundation promotes Christian estate stewardship, receives, invests, and manages endowment gifts, and distributes earnings, as specified by donors, to Baptist ministries. The Foundation serves as a money manager for Baptist churches, institutions, and agencies.

The Foundation is directed by a Board of Trustees elected and approved annually by the Mississippi Baptist Convention.

Funds administered by the Foundation are managed according to the Investment Policy instituted by the Trustees. With the goal of receiving maximum returns on investments with minimized risk and volatility, the Foundation utilizes supplementary active investment managers. These active managers also assist the Foundation in avoiding investments with companies whose primary products or services are inconsistent with traditional Christian principles and values. Supplementary active managers are selected and evaluated at least annually based on strategy, method, and performance by the Trustees. These managers are monitored by the Foundation staff and Investment Committee.

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America using the accrual method of accounting.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of money market and checking accounts, some of which may or may not be federally insured. Investments with original maturities of three months or less are considered cash equivalents. The Foundation has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk.



MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

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NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments in marketable debt and equity securities are stated at fair value based on available market quotations. Real estate held for investment is stated at fair value based on best available market information. Fair value of certificates of deposit is estimated to be at face value of the certificates. Cash surrender value of life insurance policies are carried at the cash surrender value as reported by the issuer of the policy. Investments at the Southern Baptist Foundation are carried at estimated fair value.

Pooled funds – Investments of the various funds under management of the Foundation are primarily held in pooled investments. Investments consist of domestic equities, international equities, fixed income instruments and alternative investment pools. Trust and custodial accounts participate in the respective pools based upon investment models and are designed for current income or capital appreciation. Entry or withdrawal from the pools is based upon the market value of a pool unit. Market value of a pool unit is determined by dividing the total assets by the total units outstanding. The pooled investments are exempt from federal securities laws registration requirements according to the exemption provided by the Philanthropy Protection Act of 1995 (P.L. 104-62) for collective investment funds and similar funds maintained by charitable organizations.

Following is a summary of the various pooled funds under management of the Foundation:

Mississippi Baptist Foundation Fixed Income Fund

The Foundation maintains a pooled fund with the investment objective of income production. Assets of the fund include U.S. Government securities and corporate bonds, fixed income mutual funds and other fixed income instruments and cash equivalents.

Mississippi Baptist Foundation Equity Fund

The Foundation maintains a pooled fund with the investment objective of long-term growth. Assets of this fund include common stocks and cash equivalents.

Mississippi Baptist Foundation Endowment Fund

The Foundation maintains a pooled fund designed to meet long term investment objectives of a perpetual endowment account. The fund utilizes a pre-determined asset allocation between the MBF Equity Fund and the MBF Fixed Income Fund.

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

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NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Mississippi Baptist Foundation Endowment Total Return Fund

The Foundation maintains a pooled fund designed to meet long term investment objectives of perpetual endowment accounts. The Fund follows a distribution policy approach as approved by the Trustees. The current distribution policy is 4.75 percent of a moving sixteen (16) quarter market value of investments. The Board reviews the distribution policy rate and makes adjustments annually given investment returns and economic conditions.

The Foundation paid \$1,632,283 and \$1,415,409 in investment management and custodial fees to various institutional investment managers for the years ended June 30, 2026 and 2025, respectively. These fees were paid from the earnings of the various investments.

Office Furniture and Equipment

Expenditures for office furniture and equipment are capitalized at cost. The Foundation has established a minimum capitalization threshold of \$5,000 and a useful life in excess of one year. Depreciation of property and equipment is provided over the estimated useful lives on a straight-line basis. No provision is made for depreciation on properties carried as investments.

Accrued Interest Receivable and Allowance for Credit Losses

Accrued interest receivable is reported at net realizable value. The Foundation recognizes an allowance for credit losses for receivables to present the net amount expected to be collected as of the statement of financial position date. Such an allowance is based on the credit losses expected to arise over the life of the asset. Receivables are written off when the Foundation determines that such receivables are deemed uncollectible. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, not to exceed the aggregate of the amount previously written off, are included in determining the necessary reserve at the statement of financial position date.

The Foundation pooled its receivables based on similar risk characteristics in estimating its expected credit losses. In situations where a receivable does not share the same risk characteristics with other receivables, the Foundation measures those receivables individually. The Foundation continuously evaluates such pooling decisions and adjusts as needed from period to period as risk characteristics change. Based on management's review, no allowance for credit losses was considered necessary at June 30, 2026 and 2025.

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

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NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accrued Interest Receivable and Allowance for Credit Losses (continued)

The opening and closing balances of accrued interest receivable as of June 30, 2026 and 2025 is as follows:

|                                                | 2026       | 2025       |
|------------------------------------------------|------------|------------|
| Accrued interest receivable, beginning of year | \$ 531,777 | \$ 521,054 |
| Accrued interest receivable, end of year       | 407,343    | 531,777    |

Compensated Absences

The Foundation allows employees to receive compensation for vacation and sick leave. Compensated absences for vacation and sick pay have not been accrued since they are not considered material, but are expensed as incurred.

Investments Held for Others

Investments held for others include resources held and managed by the Foundation in a fiduciary capacity for their respective beneficiaries. The Foundation is authorized to serve as trustee or agent for any institution or agency affiliated directly or indirectly with the Mississippi Baptist Convention. In addition, the Foundation serves as trustee for certain charitable trusts through which, for a period of time, trust income is distributed to the grantor or other non-charitable beneficiaries and all, or a predetermined percentage, of the trust assets are designated for a qualified charitable purpose. The Foundation also serves as executor for various estates and custodial accounts that provide for a portion or all, of the estate's assets to be given to an institution or agency affiliated directly or indirectly with the Mississippi Baptist Convention, the Foundation, or any other organization which has a primary purpose that is consistent with the purpose of the Convention or Foundation. Distributions of assets to the Foundation, if any, received through these estates are recorded as contributions at fair value when the estate is declared valid. The Foundation does not have variance power over these assets. Activity within investments held for others is summarized in the accompanying supplementary information as schedule of changes in investments held for others.

Financial Statement Presentation

The Foundation reports contributions held for specified beneficiaries for which the Foundation has not been granted variance power as an asset and a liability. In addition, the Foundation reports information regarding its financial position and activities according to two classes of net assets, either net assets without donor restrictions or net assets with donor restrictions.

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

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NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Presentation (continued)

*Net assets without donor restrictions* - those currently available at the direction of the Board of management for use in the Foundation's operations.

*Net assets with donor restrictions* - are those with donor stipulations for specific purposes, time restrictions or requirements to be held in perpetuity.

Contributions to Foundation Assets

Contributions to the Foundation are recorded when unconditional promises to give are made and are invested according to donor designations. If no designation is given, funds are invested at the discretion of the Foundation.

Income from Investments

Income from investments in the pooled funds is normally distributed to participants' funds monthly to the extent income cash is available. The Foundation uses the "market value unit method" to allocate income to individual funds. Under this method the amount of income allocated to participating funds is determined by the number of units owned by each fund at the beginning of each month. The initial unit ownership (established as of July 1, 1993) was based on ratios using individual fund balances, the total of all fund balances, and the market value of the investment portfolio. Interest income from debt securities is recorded as earned. Dividend income from stocks and mutual funds is recorded as received, which method does not differ materially from the accrual method. Income from investments is shown net of external and internal investment expenses.

Related Party Transactions

The Foundation's office space and certain furnishings are owned by the Mississippi Baptist Convention Board and are rented to the Foundation on a month-to-month basis. Rent expense for the years ended June 30, 2026 and 2025 was \$51,076 and \$42,119, respectively.

Income Taxes

The Foundation is recognized as a religious organization exempt from federal income taxes under 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for taxes have been made in the accompanying financial statements. The Foundation believes that it has appropriate support for any tax positions taken and does not have any uncertain tax positions requiring recognition or disclosure in the financial statements.

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

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NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value of Financial Instruments

All financial instruments are carried at fair value in the accompanying financial statements.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and expenses during the reporting period. Significant estimates used in preparing these financial statements include those assumed in determining the fair value of investments at year-end and the allocation of expenses to the functional categories. It is at least reasonably possible that the significant estimates used will change within the next year.

Revenue Recognition

The Foundation recognizes revenue from fees for asset management and administrative services at a specific time. Services are considered complete at the end of each quarter and are reported at net realizable value. The Foundation's contracts have a single performance obligation as the promise to transfer the services is not separately identifiable from other promises in the contract.

Concentration of Credit Risk

The Foundation maintains various investment accounts with investment firms to facilitate the investment, trading, and safekeeping of various Foundation assets. In management's opinion, the safekeeping of these assets is adequately insured by the Securities Investor Protection Corporation ("SIPC") and through supplemental insurance provided by the investment firms.

Functional Expenses

The Foundation allocates its expenses on a functional basis among their various programs and supporting services. Expenses that can be identified with a specific program or supporting service are allocated directly according to their natural expenditure classification.

Reclassifications

Certain prior year amounts were reclassified for consistency with current year presentation. These reclassifications had no material effect on the reported results of the changes in net assets.

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2026 and 2025

NOTE 1 • SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent Events

Subsequent events were evaluated by the Foundation through June 30, 2026, which is the date the financial statements were available to be issued.

NOTE 2 • LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Foundation's financial assets at June 30, 2026 and 2025, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date:

|                                                         | <u>2026</u>          | <u>2025</u>          |
|---------------------------------------------------------|----------------------|----------------------|
| Financial assets at year-end:                           |                      |                      |
| Cash and cash equivalents                               | \$ 12,565,897        | \$ 12,220,734        |
| Accrued interest income                                 | 407,343              | 531,777              |
| Investments                                             | <u>217,839,291</u>   | <u>215,328,479</u>   |
| Total financial assets                                  | <u>230,812,531</u>   | <u>228,080,990</u>   |
| Less those unavailable for general expenditures         |                      |                      |
| within one year due to:                                 |                      |                      |
| Investment held for others                              | (180,470,279)        | (180,468,348)        |
| Board designated net assets                             | (9,526,721)          | (8,678,441)          |
| Net assets with donor restrictions                      | <u>(30,198,884)</u>  | <u>(28,432,521)</u>  |
| Financial assets available to meet general expenditures |                      |                      |
| over the next twelve months                             | <u>\$ 10,616,647</u> | <u>\$ 10,501,680</u> |

As a Mississippi Baptist agency, the Foundation receives partial funding from an allocation of the Cooperative Program of the Mississippi Baptist Convention. Additional revenue to support Foundation operations and ministries is provided by a Cost Recovery Assessment for asset management and program revenue.

NOTE 3 • PENSION PLAN

All employees of the Foundation are eligible to participate in a defined contribution pension plan administered by the Guidestone Financial Resources of the Southern Baptist Convention. The Foundation contributes an amount equal to 10 percent of participating employees' salaries and matches voluntary employee contributions based on years of service up to a maximum of 5 percent

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

NOTE 3 • PENSION PLAN (continued)

of the employee's eligible compensation. Total pension expense for the years ended June 30, 2026 and 2025 was \$78,844 and \$90,203, respectively.

NOTE 4 • OFFICE FURNITURE AND EQUIPMENT

The following is a summary of office furniture and equipment at June 30, 2026 and 2025:

|                                | 2026        | 2025        |
|--------------------------------|-------------|-------------|
| Office furniture and equipment | \$ 18,126   | \$ 18,126   |
| Computer equipment             | 100,244     | 100,244     |
|                                | 118,370     | 118,370     |
| Less accumulated depreciation  | (118,370)   | (118,370)   |
|                                | <u>\$ -</u> | <u>\$ -</u> |

There was no depreciation expense charged to operations for the years ended June 30, 2026 and 2025.

NOTE 5 • INVESTMENTS

Investments at June 30, 2026 and 2025 are summarized as follows:

|                                             | Investments as of June 30, 2026 |                       |                                              |
|---------------------------------------------|---------------------------------|-----------------------|----------------------------------------------|
|                                             | Cost                            | Market                | Unrealized<br>appreciation<br>(depreciation) |
| U.S Government and agency securities        | \$ 37,224,914                   | \$ 36,740,852         | (484,062)                                    |
| Corporate and municipal bonds               | 15,979,662                      | 15,943,601            | (36,061)                                     |
| Corporate stocks                            | 87,463,876                      | 115,032,103           | 27,568,227                                   |
| Mutual funds                                | 34,634,125                      | 35,552,228            | 918,103                                      |
| Pooled investments, at NAV                  |                                 |                       |                                              |
| Southern Baptist Foundation Short Term Fund | 9,870,882                       | 9,870,882             | -                                            |
| Real estate                                 | -                               | 250,000               | 250,000                                      |
| Certificates of deposit and other assets    | 4,704,831                       | 4,699,625             | (5,206)                                      |
|                                             | <u>\$ 189,878,290</u>           | <u>\$ 218,089,291</u> | <u>\$ 28,211,001</u>                         |

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

NOTE 5 • INVESTMENTS (continued)

Investments as of June 30, 2025

|                                             | Cost                  | Market                | Unrealized<br>appreciation<br>(depreciation) |
|---------------------------------------------|-----------------------|-----------------------|----------------------------------------------|
| U.S Government and agency securities        | \$ 16,497,710         | \$ 15,968,459         | \$ (529,251)                                 |
| Corporate and municipal bonds               | 21,601,260            | 21,412,576            | (188,684)                                    |
| Corporate stocks                            | 92,639,670            | 123,886,368           | 31,246,698                                   |
| Mutual funds                                | 40,468,784            | 39,424,658            | (1,044,126)                                  |
| Pooled investments, at NAV                  |                       |                       |                                              |
| Southern Baptist Foundation Short Term Fund | 9,515,622             | 9,515,622             | -                                            |
| Real estate                                 | -                     | 250,000               | 250,000                                      |
| Certificates of deposit and other assets    | 5,120,779             | 5,120,796             | 17                                           |
|                                             | <u>\$ 185,843,825</u> | <u>\$ 215,578,479</u> | <u>\$ 29,734,654</u>                         |

NOTE 6 • FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification ASC 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgement used in measuring fair value. In the absence of actively quoted prices and observable inputs, the Foundation estimates prices based on available historical data and near-term future pricing information that reflects its market assumptions. The statement requires that assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 - Quote market prices in active markets for identical assets and liabilities.
- Level 2 - Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3 - Unobservable inputs that are not corroborated by market data.



MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

NOTE 6 • FAIR VALUE MEASUREMENTS (continued)

Fair values of assets measured on a recurring basis at June 30, 2026 and 2025 are as follows:

Investments as of June 30, 2026

|                                             | Level 1               | Level 2              | Level 3           | Investments at<br>NAV | Total                 |
|---------------------------------------------|-----------------------|----------------------|-------------------|-----------------------|-----------------------|
| U.S Government and agency securities        | \$ -                  | \$ 36,740,852        | \$ -              | \$ -                  | \$ 36,740,852         |
| Corporate and municipal bonds               | -                     | 15,943,601           | -                 | -                     | 15,943,601            |
| Corporate stocks                            | 115,032,103           | -                    | -                 | -                     | 115,032,103           |
| Mutual funds                                | 35,552,228            | -                    | -                 | -                     | 35,552,228            |
| Pooled investments, at NAV                  | -                     | -                    | -                 | -                     | -                     |
| Southern Baptist Foundation Short Term Fund | -                     | -                    | -                 | 9,870,882             | 9,870,882             |
| Real estate                                 | -                     | -                    | 250,000           | -                     | 250,000               |
| Certificates of deposit and other assets    | -                     | 4,699,625            | -                 | -                     | 4,699,625             |
|                                             | <u>\$ 150,584,331</u> | <u>\$ 57,384,078</u> | <u>\$ 250,000</u> | <u>\$ 9,870,882</u>   | <u>\$ 218,089,291</u> |

Investments as of June 30, 2025

|                                             | Level 1               | Level 2              | Level 3           | Investments at<br>NAV | Total                 |
|---------------------------------------------|-----------------------|----------------------|-------------------|-----------------------|-----------------------|
| U.S Government and agency securities        | \$ -                  | \$ 15,968,459        | \$ -              | \$ -                  | \$ 15,968,459         |
| Corporate and municipal bonds               | -                     | 21,412,576           | -                 | -                     | 21,412,576            |
| Corporate stocks                            | 123,886,368           | -                    | -                 | -                     | 123,886,368           |
| Mutual funds                                | 39,424,658            | -                    | -                 | -                     | 39,424,658            |
| Pooled investments, at NAV                  | -                     | -                    | -                 | -                     | -                     |
| Southern Baptist Foundation Short Term Fund | -                     | -                    | -                 | 9,515,622             | 9,515,622             |
| Real estate                                 | -                     | -                    | 250,000           | -                     | 250,000               |
| Certificates of deposit and other assets    | -                     | 5,120,796            | -                 | -                     | 5,120,796             |
|                                             | <u>\$ 163,311,026</u> | <u>\$ 42,501,831</u> | <u>\$ 250,000</u> | <u>\$ 9,515,622</u>   | <u>\$ 215,578,479</u> |

Investment securities

Fair value of investment securities is determined by reference to quoted market prices and other relevant information generated by market transactions.

Southern Baptist Foundation Short Term Fund

The estimated fair value of the Foundation's alternative investments was determined by applying net asset value (NAV) as a practical expedient. Investments in funds that invest in common and collective trust has the ability to shift investments between categories and value strategies. The fair value of these investments have been estimated using net asset value per share. The entire value of investments in this class has no redemption restrictions and can be redeemed. The lifespan of the fund is indefinite.

Real estate

Fair value of real estate held for investment purposes is determined the best information available which may include market values reported by appraisers, property tax assessors and purchase and sale agreements.

MISSISSIPPI BAPTIST FOUNDATION

NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2026 and 2025

NOTE 6 • FAIR VALUE MEASUREMENTS (continued)

Certificates of deposits and other assets

Fair value of certificates of deposit is estimated to be at face value of the certificate and life insurance is valued at cash surrender value as reported by the issuer of the policy.

NOTE 7 • BOARD DESIGNATED NET ASSETS

The Foundation's governing Board has designated from net assets without restrictions for the following purposes at June 30, 2026 and 2025.

|                          | 2026                | 2025                |
|--------------------------|---------------------|---------------------|
| MBF Ministries           | \$ 2,444,402        | \$ 2,142,310        |
| MBF Founders Ministry    | 6,243,955           | 5,741,637           |
| MBF Depreciation Reserve | 78,612              | 88,192              |
| MBF Operating Reserve    | 561,566             | 527,349             |
| MBF Special Reserve      | 198,186             | 178,953             |
|                          | <u>\$ 9,526,721</u> | <u>\$ 8,678,441</u> |

NOTE 8 • NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were restricted for the following purposes at June 30, 2026 and 2025:

|                            | 2026                 | 2025                 |
|----------------------------|----------------------|----------------------|
| Scholarships               | \$ 22,475,952        | \$ 21,523,490        |
| Missions                   | 5,655,916            | 5,110,275            |
| Churches                   | 798,453              | 761,355              |
| Colleges and seminaries    | 468,686              | 457,913              |
| Baptist Children's Village | 195,318              | 191,644              |
| Cemetery care              | 156,021              | 152,921              |
| Other                      | 448,538              | 234,923              |
|                            | <u>\$ 30,198,884</u> | <u>\$ 28,432,521</u> |

# MISSISSIPPI BAPTIST FOUNDATION

## NOTES TO FINANCIAL STATEMENTS Years Ended June 30, 2026 and 2025

### NOTE 9 • THE MISSISSIPPI MISSION ENDOWMENT CAMPAIGN

The Mississippi Baptist Foundation holds funds for the benefit of Mississippi College, William Carey University, Blue Mountain Christian University and the Baptist Children's Village which were given by institutions and individuals during the Mississippi Mission Endowment Campaign. The income is distributed from these funds according to the donor's designation or terms of the campaign agreement. These funds had a market value of \$11,410,288 and \$11,202,563 at June 30, 2026 and 2025, respectively.

The following presents the activity in the endowment funds, which are a component of net assets with donor restrictions.

|                                                           |                      |
|-----------------------------------------------------------|----------------------|
| Endowment net assets as of June 30, 2024                  | \$ 10,378,325        |
| Investment returns:                                       |                      |
| Interest and dividends                                    | 383,267              |
| Net realized and unrealized gains (losses) on investments | <u>899,438</u>       |
| Total investment return                                   | 1,282,705            |
| Disbursements for beneficiaries and others                | <u>(458,467)</u>     |
| Endowment net assets as of June 30, 2025                  | 11,202,563           |
| Investment returns:                                       |                      |
| Interest and dividends                                    | 402,549              |
| Net realized and unrealized gains (losses) on investments | <u>298,468</u>       |
| Total investment return                                   | 701,017              |
| Disbursements for beneficiaries and others                | <u>(493,292)</u>     |
| Endowment net assets as of June 30, 2026                  | <u>\$ 11,410,288</u> |

### NOTE 10 • CONCENTRATIONS AND CREDIT RISKS

The Foundation maintains cash and cash equivalent balances at multiple financial institutions. Some of these accounts are secured by the Federal Deposit Insurance Corporation. Balances regularly exceed federal insured limits. The Foundation has not experienced any losses in these accounts. Management believes that the Foundation is not exposed to any significant credit risk with respect to its cash and cash equivalents.

The Foundation's investments include domestic and foreign equities, U.S. government securities, corporate and municipal debt instruments, corporate stocks, mutual funds and various alternative investments. Investment securities, in general, are subject to various risks such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

MISSISSIPPI BAPTIST FOUNDATION

STATEMENTS OF CHANGES IN INVESTMENTS HELD FOR OTHERS  
Years ended June 30, 2026 and 2025

|                                                | <u>2026</u>                  | <u>2025</u>                  |
|------------------------------------------------|------------------------------|------------------------------|
| Revenue and other support                      |                              |                              |
| Contributions                                  | \$ 8,305,229                 | \$ 4,897,994                 |
| Interest and dividends                         | 6,834,436                    | 6,500,246                    |
| Investment income                              | 4,023,338                    | 13,719,743                   |
| Mineral receipts                               | 14,035                       | 13,876                       |
| Total revenue and other support                | <u>\$ 19,177,038</u>         | <u>\$ 25,131,859</u>         |
| Expenses                                       |                              |                              |
| Program services                               | <u>19,175,107</u>            | <u>7,999,874</u>             |
| Change in investment held for others           | 1,931                        | 17,131,985                   |
| Investments held for others, beginning of year | <u>180,468,348</u>           | <u>163,336,363</u>           |
| Investments held for others, end of year       | <u><u>\$ 180,470,279</u></u> | <u><u>\$ 180,468,348</u></u> |

See accompanying Independent Auditors' Report.

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## MISSISSIPPI BAPTIST HISTORICAL COMMISSION

Dr. Rory Lee, Executive Director  
Heather Moore, Assistant Director  
Mary Margaret Long, Associate  
Jessica Washington, Assistant  
[mc.libguides.com/mbhc](http://mc.libguides.com/mbhc)

The year 2026 marks the 138<sup>th</sup> year that the Mississippi Baptist Historical Commission and/or Historical Society has been actively involved in collecting and preserving the history of Mississippi Baptists.

### **Baptist History Book**

We have distributed copies of *Mississippi Baptists: A History of Southern Baptists in the Magnolia State* to all but four counties in the state. Enough books for each church in the associations were left with a representative from each association. If your church has not received your copy of the book, please contact your association.

Visit the Historical Commission website for information on how to get your own copy, or to download the e-book version for free:

<https://mc.libguides.com/mbhc/historybook>.

### **Church Anniversaries**

Forty-nine churches had significant anniversaries in 2026, two celebrated 200 years, two celebrated 180 years, seven celebrated 175 years, fourteen celebrated 150 years, one celebrated 140 years, sixteen celebrated 125 years and ten celebrated 100 years. We prepared History Highlights for 23 churches to cover a total of 2,775 years' worth of Baptist church history.

### **Church Anniversary Workshops**

We hosted two church anniversary workshops at the beginning of the year. One was at our office in Clinton and the other was at the Calhoun Co. Associational office. We invited churches that had significant anniversaries in 2026-2028 to attend and learn about what others have done, and how we can help them discover their history. Both were well attended and we look forward to hosting them again in 2028.

### **Digitization**

We have digitized records for 77 associations and 195 churches. We scanned

associational minutes from 31 associations in the spring. These were from huge bound volumes where the minutes were falling apart. This will allow us to take the bound volume apart and just use the digital minutes.

### **Church Record Inventories**

We have inventoried all our digital records and posted an updated list on our website. We are currently working on our microfilm and physical records inventory lists.

### **Other Activities**

- We provided research assistance to over 920 individuals in person, or through phone and email services.
- We helped gather and preserve materials from two churches that had closed their doors.
- We hosted an open house during MC's homecoming.

The Mississippi Baptist Historical Commission has accumulated a valuable collection of source material on Baptist life in Mississippi. Among these treasures is a complete collection of the minutes of the Mississippi Baptist Convention, an extensive collection of the minutes of the associations, and the minutes and membership records of more than 350 churches. We also have biographical files on Mississippi Baptists, including pastors, missionaries, and Baptist leaders, and a near complete collection of The Baptist Record (1877-2020) along with an index to all of these years. All the materials in the Commission have been donated by churches themselves or by private donors. To find out what materials we have for your church, contact our office. If we do not have any materials on your church, then we would love to work with you to preserve your church's history. Our offices are located in the Leland Speed Library on the campus of Mississippi Christian University.

[mc.libguides.com/mbhc](http://mc.libguides.com/mbhc)

[mbhc@mc.edu](mailto:mbhc@mc.edu)

601-925-3434

***FACTS  
CONCERNING  
  
MISSISSIPPI  
  
and  
  
MISSISSIPPI  
BAPTISTS***

# **STATISTICAL FACTS CONCERNING MISSISSIPPI AND MISSISSIPPI BAPTISTS**

Census Bureau total estimated population in Mississippi for 2025....2,954,160

## **SUMMARY OF MISSISSIPPI CHURCHES 2025**

|                                                              |               |
|--------------------------------------------------------------|---------------|
| Associations .....                                           | 66            |
| Churches .....                                               | 2,014         |
| Total churches reporting* .....                              | 1,544         |
| Weekly Worship Attendance* .....                             | 168,404       |
| Baptisms* .....                                              | 9,299         |
| Other Additions* .....                                       | 9,923         |
| Total Members* .....                                         | 503,540       |
| Sunday School Enrollment* .....                              | 216,035       |
| Sunday School/Bible Study/Small Group Average Attendance* .. | 120,744       |
| Men's Ministry Enrollment* .....                             | 9,599         |
| WMU Enrollment* .....                                        | 13,938        |
| Cooperative Program Gifts** .....                            | \$31,791,562  |
| Associational Missions Gifts* .....                          | \$7,211,484   |
| Total Designated/Undesignated Gifts* .....                   | \$560,567,532 |

**\* Statistics were taken from the 2025 Annual Church Profile.**

**\*\* Cooperative Program total taken from MBCB church receipts January-December, 2025**



|                                                                            |
|----------------------------------------------------------------------------|
| <b>TEN YEARS OF MISSISSIPPI BAPTISTS GIVING TO THE COOPERATIVE PROGRAM</b> |
|----------------------------------------------------------------------------|

|            |               |
|------------|---------------|
| 2025 ..... | \$ 31,791,562 |
| 2024 ..... | \$ 31,594,960 |
| 2023 ..... | \$ 30,513,081 |
| 2022 ..... | \$ 30,296,438 |
| 2021 ..... | \$ 33,757,572 |
| 2020 ..... | \$ 31,044,999 |
| 2019 ..... | \$ 31,478,702 |
| 2018 ..... | \$ 32,454,559 |
| 2017 ..... | \$ 31,288,656 |
| 2016 ..... | \$ 31,772,716 |

**Ten-year total (2016 – 2025) - \$ 315,993,245**

|                                                         |
|---------------------------------------------------------|
| <b>NUMBER OF CHURCHES BY SIZE OF TOTAL MEMBERSHIP *</b> |
|---------------------------------------------------------|

| <u>Size</u>       | <u>2024</u> | <u>2025</u> |
|-------------------|-------------|-------------|
| 1-49.....         | 175 .....   | 192         |
| 50-99.....        | 251 .....   | 256         |
| 100-149.....      | 213 .....   | 217         |
| 150-199.....      | 147 .....   | 142         |
| 200-299.....      | 207 .....   | 221         |
| 300-399.....      | 148 .....   | 139         |
| 400-499.....      | 96 .....    | 86          |
| 500-749.....      | 123 .....   | 129         |
| 750-999.....      | 49 .....    | 52          |
| 1,000 and up..... | 84 .....    | 83          |

\* Statistics were taken from the 2024 and 2025 Annual Church Profile.

|                                                           |
|-----------------------------------------------------------|
| <b>TOP TEN MISSISSIPPI BAPTIST CHURCHES IN BAPTISMS *</b> |
|-----------------------------------------------------------|

| <b>2025</b> | <b>Church</b>                        | <b>Pastor</b>        | <b>Baptisms</b> |
|-------------|--------------------------------------|----------------------|-----------------|
|             | Pinelake Church, Brandon .....       | Chip Henderson ..... | 914             |
|             | Temple BC, Hattiesburg.....          | David Whitten.....   | 182             |
|             | Crossgates BC, Brandon .....         | Kyle Reno .....      | 163             |
|             | Emmanuel BC, Greenville .....        | Chris Vowell .....   | 119             |
|             | Hickory Ridge BC, Florence.....      | Terry Fant.....      | 98              |
|             | Longview Point BC, Hernando .....    | Wade Stevens .....   | 87              |
|             | Northcrest BC, Meridian.....         | Wade Phillips .....  | 85              |
|             | Green Valley BC, Pontotoc .....      | Brian Sansing.....   | 64              |
|             | CenterPoint Church, Brookhaven ..... | Chris James .....    | 59              |
|             | Broadmoor BC, Madison .....          | Josh Braddy.....     | 55              |

| <b>2024</b> | <b>Church</b>                         | <b>Pastor</b>        | <b>Baptisms</b> |
|-------------|---------------------------------------|----------------------|-----------------|
|             | Pinelake Church, Brandon .....        | Chip Henderson ..... | 728             |
|             | Crossgates BC, Brandon .....          | Kyle Reno .....      | 210             |
|             | Hickory Ridge BC, Florence.....       | Terry Fant.....      | 173             |
|             | Temple BC, Hattiesburg.....           | David Whitten.....   | 127             |
|             | Northcrest BC, Meridian.....          | Wade Phillips .....  | 70              |
|             | Longview Point BC, Hernando .....     | Wade Stevens .....   | 66              |
|             | Ingomar BC, New Albany.....           | Thomas Magers .....  | 56              |
|             | Jacobs Well Inc, Pass Christian ..... | Bill Warren .....    | 55              |
|             | Broadmoor BC, Madison .....           | Josh Braddy.....     | 55              |
|             | Vertical Church, Madison .....        | Ben Derrick .....    | 55              |

- Statistics were taken from the 2024 and 2025 Annual Church Profile.

## SUMMARY OF AUDITS

### **Mississippi Baptist Convention Board Audit (Year Ended 12/31/25)**

|                   |                     |
|-------------------|---------------------|
| Income -----      | \$60,216,979        |
| Expenditures----- | <u>\$58,684,357</u> |
|                   | \$1,532,622         |

### **Board of Ministerial Education Financial Report (Year Ended 12/31/25)**

|                   |                  |
|-------------------|------------------|
| Income -----      | \$389,835        |
| Expenditures----- | <u>\$382,259</u> |
|                   | \$7,576          |

### **Blue Mountain Christian University Audit (Year Ended 6/30/26)**

Will be printed in 2027 Book of Reports

### **Mississippi College Audit (Year Ended 5/31/26)**

Will be printed in 2027 Book of Reports

### **William Carey University Audit (Year Ended 6/30/26)**

Will be printed in 2027 Book of Reports

### **Baptist Memorial Health Care Corporation and Affiliates Audit (Year Ended 9/30/25)**

|                   |                        |
|-------------------|------------------------|
| Income -----      | \$5,096,010,000        |
| Expenditures----- | <u>\$4,831,745,000</u> |
|                   | \$264,265,000          |

### **Mississippi Baptist Christian Action Commission, Inc. Audit (Year Ended 12/31/25)**

|                   |                  |
|-------------------|------------------|
| Income -----      | \$406,633        |
| Expenditures----- | <u>\$364,779</u> |
|                   | \$41,854         |

### **Mississippi Baptist Foundation Audit (Year Ended 6/30/26)**

|                   |                      |
|-------------------|----------------------|
| Income -----      | \$25,494,835         |
| Expenditures----- | <u>\$ 22,763,294</u> |
|                   | \$2,731,541          |

### **The Baptist Children's Village Audit (Year Ended 6/30/26)**

|                   |                    |
|-------------------|--------------------|
| Income -----      | \$8,328,209        |
| Expenditures----- | <u>\$7,875,969</u> |
|                   | \$452,240          |









# MISSISSIPPI BAPTISTS

## **MISSISSIPPI BAPTIST CONVENTION BOARD**

Shawn Parker, Executive Director-Treasurer

515 Mississippi Street, 39201

P.O. Box 530

Jackson, MS 39205

(601) 968-3800

*A Ministry of the Cooperative Program*