

Financial Report for Kansas City 2015

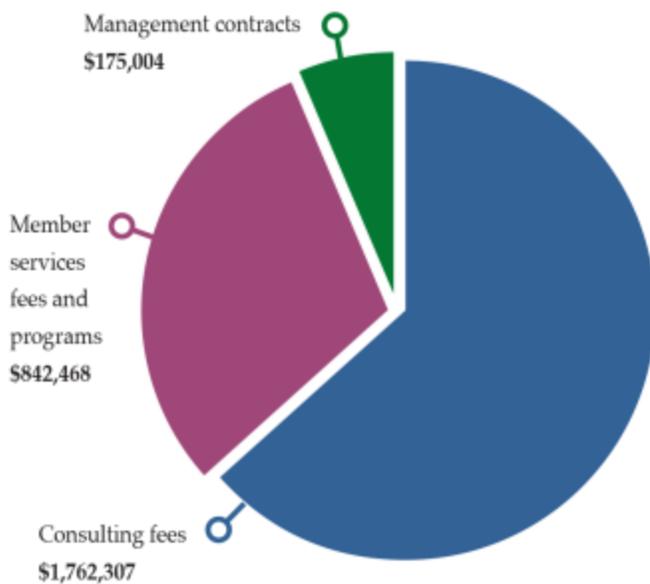
MHS has 76 member organizations in 17 states and Puerto Rico. These include an acute care hospital system, developmental disability services, mental health programs and healthcare and housing for seniors. Of these, 64 are affiliated with Mennonite Church USA.

MHS also works with organizations beyond our membership, offering consulting services for boards, leadership development, strategic direction and financial and market feasibility studies. Each year we assist about 80 organizations, including Mennonite or other Anabaptist nonprofits and denominational agencies, and faith-based ministries from other traditions.

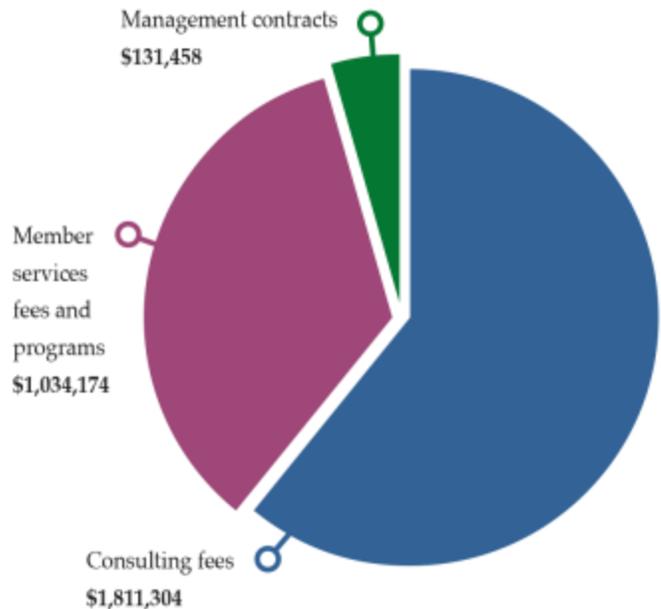
Financial health of MHS

For the year ending December 2014, MHS had total support and revenues of \$2,780,000. Membership and consulting fees continue to be the main source of revenue for the organization. Expenses totaled \$2,977,000. The net operating loss in 2014 was a result of staffing transitional costs and additional expenditures related to an increase in membership interactions with the CEO. MHS 2015 Budget anticipates a modest operating surplus as the membership interactions return to normal levels and staffing transitions stabilize.

2014 Revenue



2014 Expenses



Challenges and Opportunities

Leadership transition creates an ongoing need for new leaders who are committed to church-affiliated nonprofit health and human service. To support members with this challenge, MHS

has added a new resource in 2015, a website called ValuedLeadership.org. The website helps leaders explore what it means to be an Anabaptist organization today.

There is growing interest in international connections among health and human services organizations. We are evaluating the scope of our support for this work in order to allocate resources appropriately.

Member organizations serve increasingly diverse populations with diverse employees. We are exploring how to encourage and support intercultural competency, beginning with a survey of member organizations to gather baseline data on diversity of board and staff leadership, employees and clients/residents.

Further, some of our member organizations feel increased sense of anxiety as there are stresses and strains across the church. However, the boards and executives look to MHS on counsel on how to stay faithful to core convictions yet navigate in the face of great need and marketplace realities.

Support of Churchwide Priorities

Christian Community

- Providing services to people in need is an act of community. MHS members serve more than 300,000 people each year.
- Member organizations employ more than 15,000 people, with workplace climates that reflect Anabaptist/Mennonite stewardship and hospitality.

Holistic Christian Witness

- Thousands of leaders, professionals and volunteers support the work of MHS members.
- Through consulting services, we extend our reach to health and human services ministries beyond the Anabaptist family.

Stewardship

- Several member organizations have committed to sustainable building and facility management practices.
- Increasingly organizations are collaborating on measures to gain operating efficiencies.

Leadership Development

- We are a founding sponsor of the Values-based Leadership Program, providing administrative support and tuition grants.
- Our Executive Circle and Great Transitions programs provide a place for executives to encourage each other in the practice of faithful leadership and succession planning.

A strong and mutually beneficial relationship between church and institution is vitally important to the mission of MHS and our members – together being part of God's work of healing and hope in Christ Jesus.

Submitted by Rick Stiffney, President and CEO