



North American Division Treasurer/CFO Report

NAD YEAR-END MEETING
OCTOBER 30, 2017

Treasurers of the North American Division



TREASURERS



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NORTH AMERICAN DIVISION



North American Division Unaudited Consolidated Financial Statement

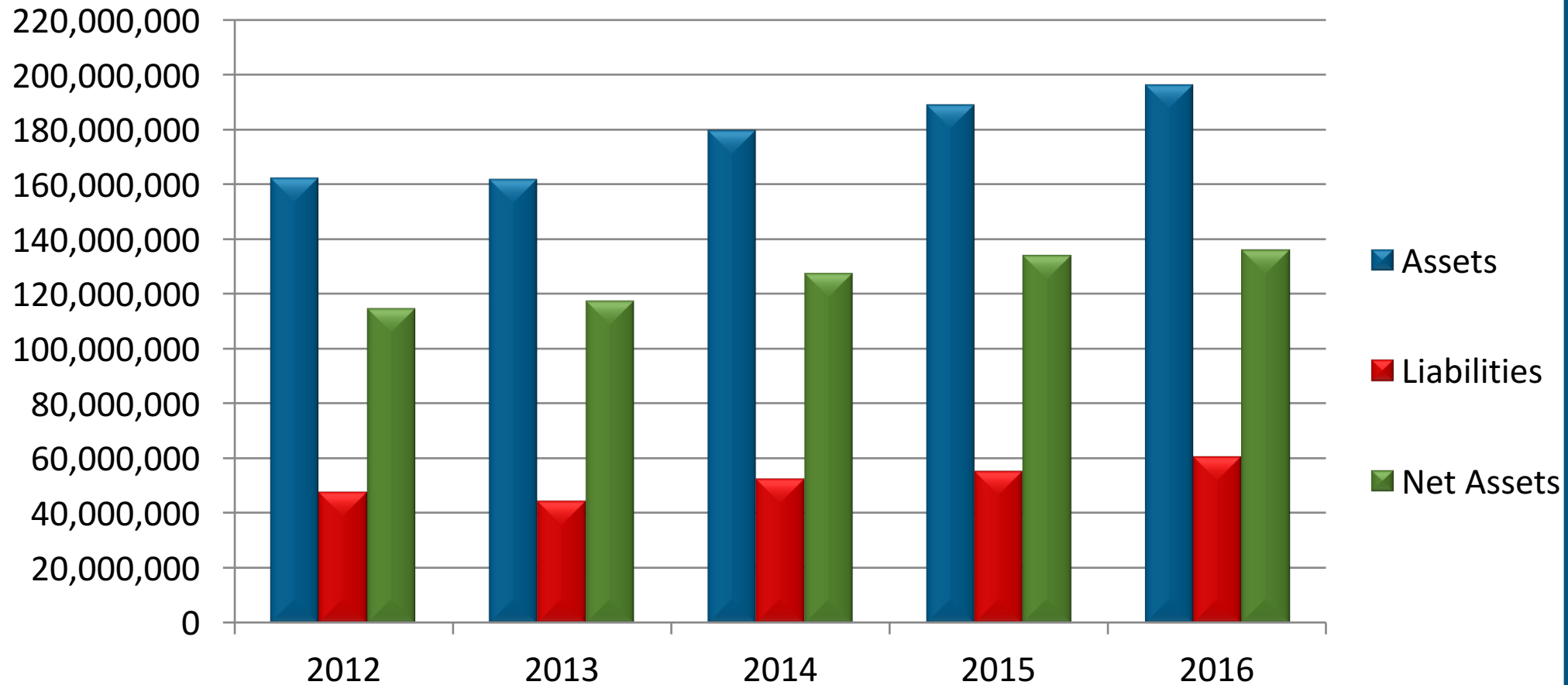
DECEMBER 31, 2016 AND 2015



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NAD Unaudited Consolidated Financial Statement 2012 - 2016



NAD Consolidated Financial Statement



North American Division

- Operations
- Plant Funds

Other Funds and Subsidiaries

- Adventist Community Services (ACS)
- Adventist Colleges Abroad (ACA)(June 30)
- Adventist Information Ministries (AIM)
- Adventist Media Center, Inc. (AMC)
- NAD Evangelism Institute (NADEI)
- Seminars Unlimited (SU)

NAD Consolidated Financial Statement

Adventist Media Ministries

- Adventist Media Ministries
Corporation – Silver Spring MD
- Adventist Media Ministries
Operations – Riverside CA
- Breath of Life – Huntsville AL
- Faith for Today – Riverside CA
- It is Written – Chattanooga TN
- Jesus 101 – Riverside CA
- La Voz de la Esperanza – Riverside CA
- Life Talk Radio – Riverside CA and TN
- Voice of Prophecy – Loveland CO



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2016 Consolidated Net Assets



Net Assets by Organization	Amount	Percent
North American Division Operating	\$69,227,070	50.91%
North American Division Plant	\$21,990,287	16.17%
Adventist Information Ministry	\$95,496	0.07%
Adventist Colleges Abroad	\$3,717,191	2.73%
Adventist Community Services	\$4,177,081	3.07%
Adventist Media Center	\$28,499,476	20.96%
NAD Evangelism Institute	\$1,613,183	1.19%
Seminars Unlimited	\$6,658,092	4.90%
Totals	\$135,977,876	100.00%



North American Division Audited Unconsolidated Financial Statement

DECEMBER 31, 2016 AND 2015

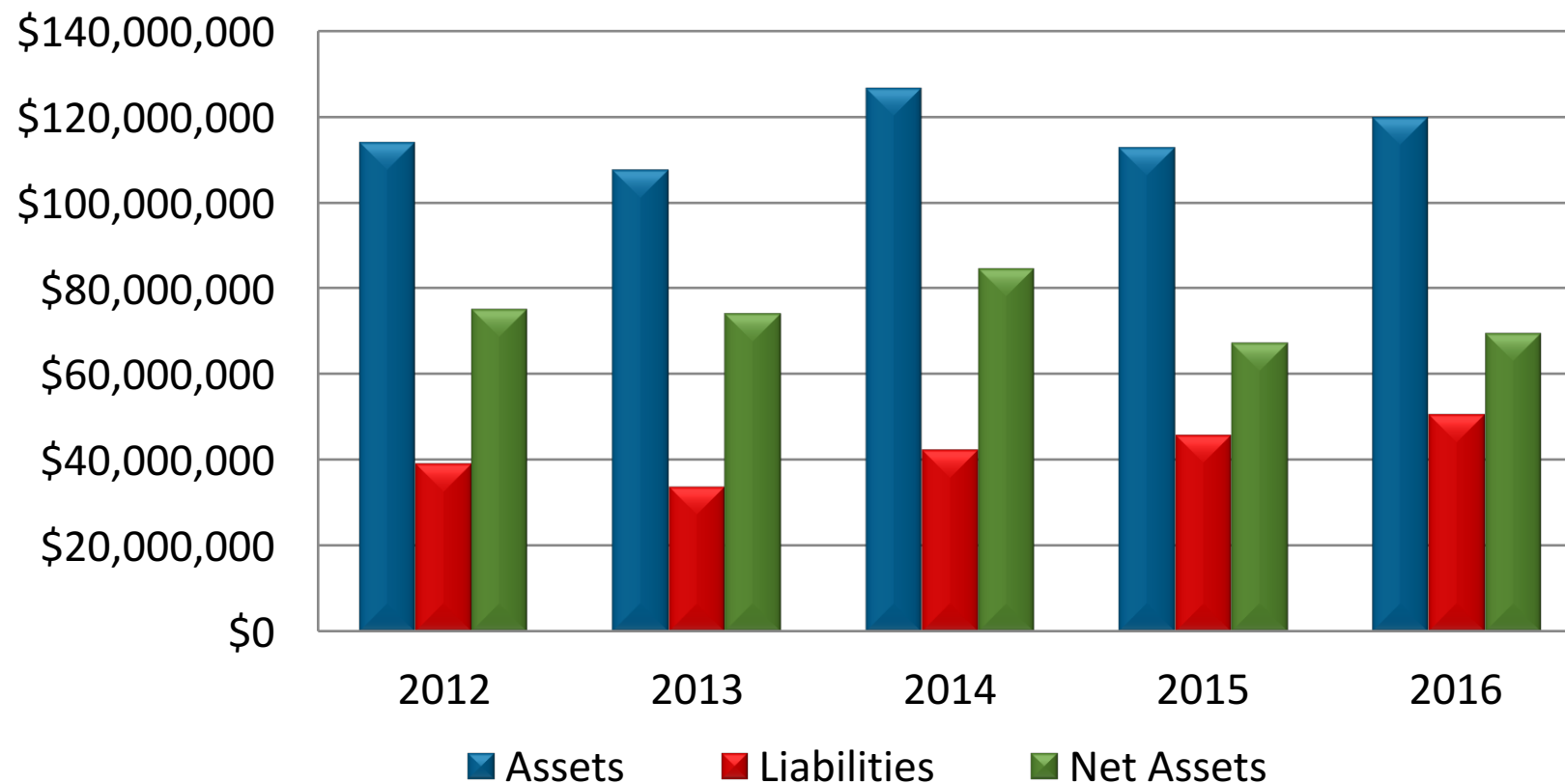


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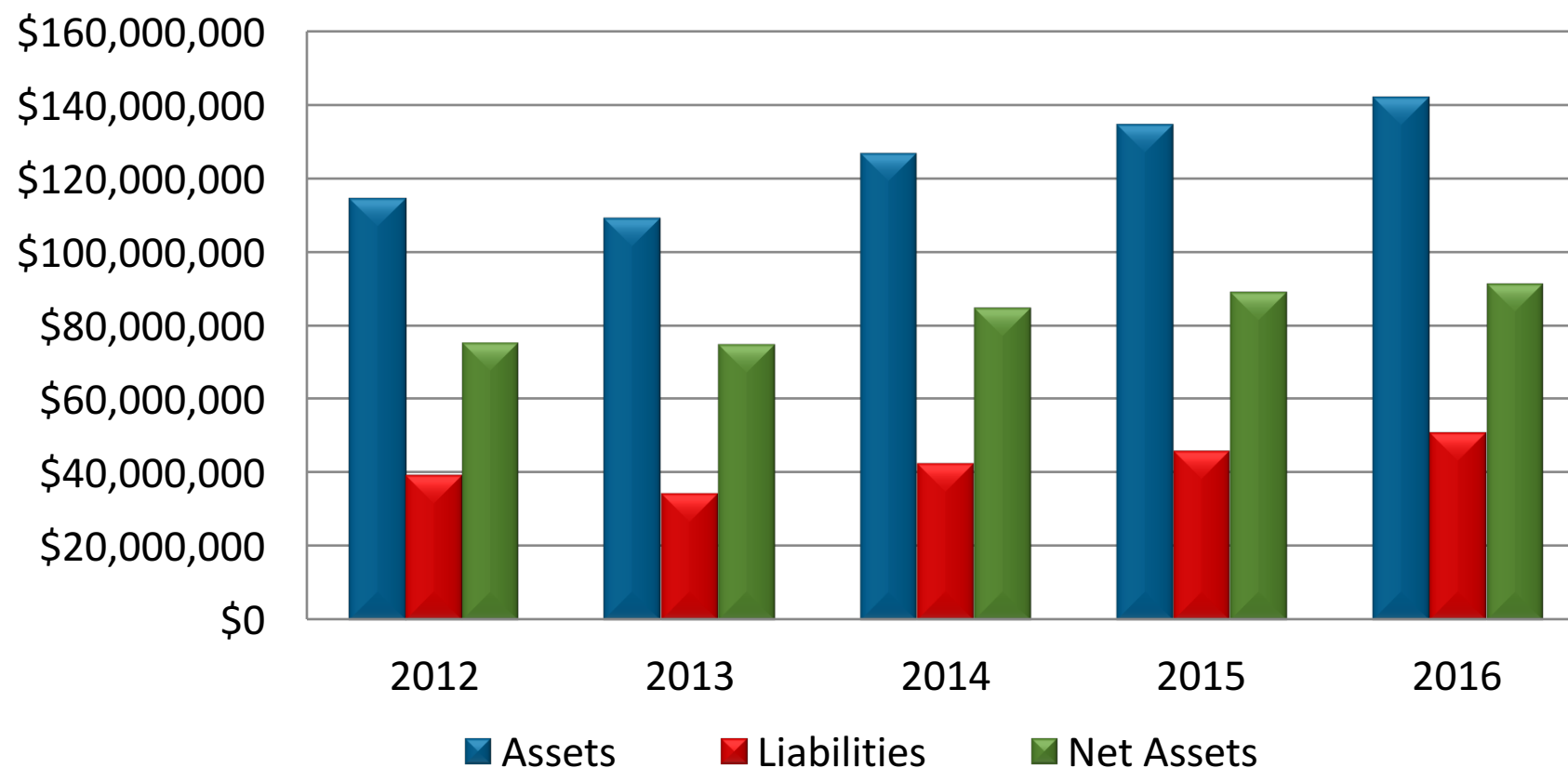
NORTH AMERICAN DIVISION

NAD Financial Statement – Operating

2012 - 2016



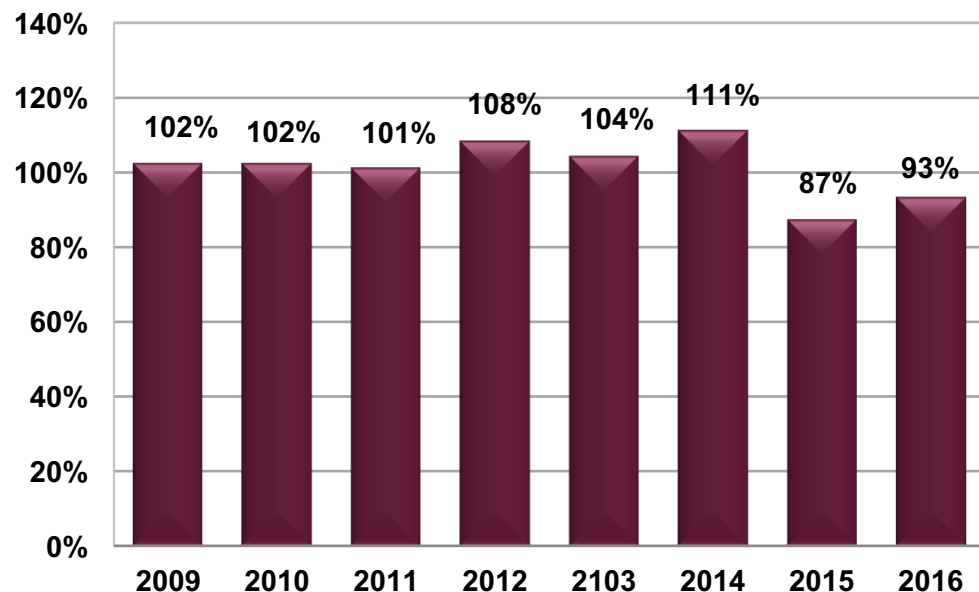
NAD Financial Statement - Operating & Plant 2012 – 2016



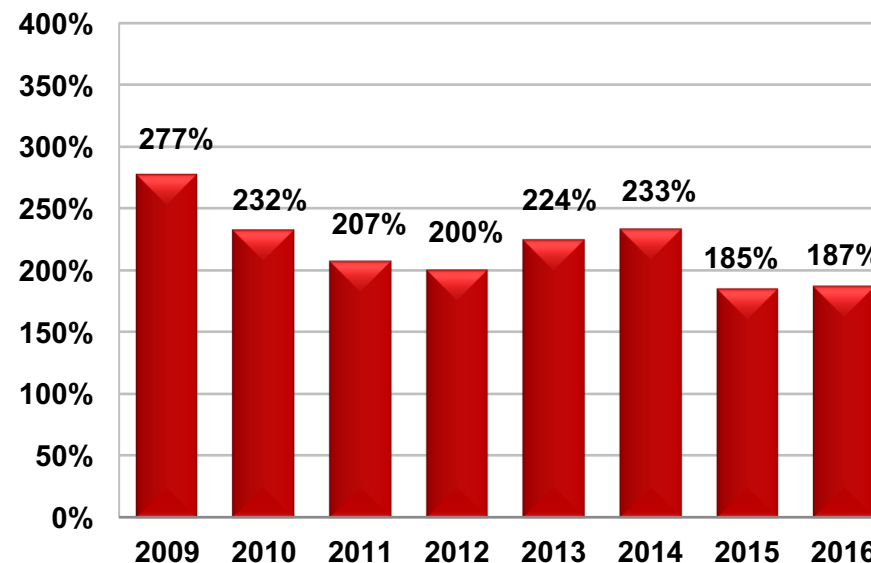


Division Office Finances

Working Capital and Liquidity



■ Recommended Working Capital



■ Liquidity

Some Additional Facts



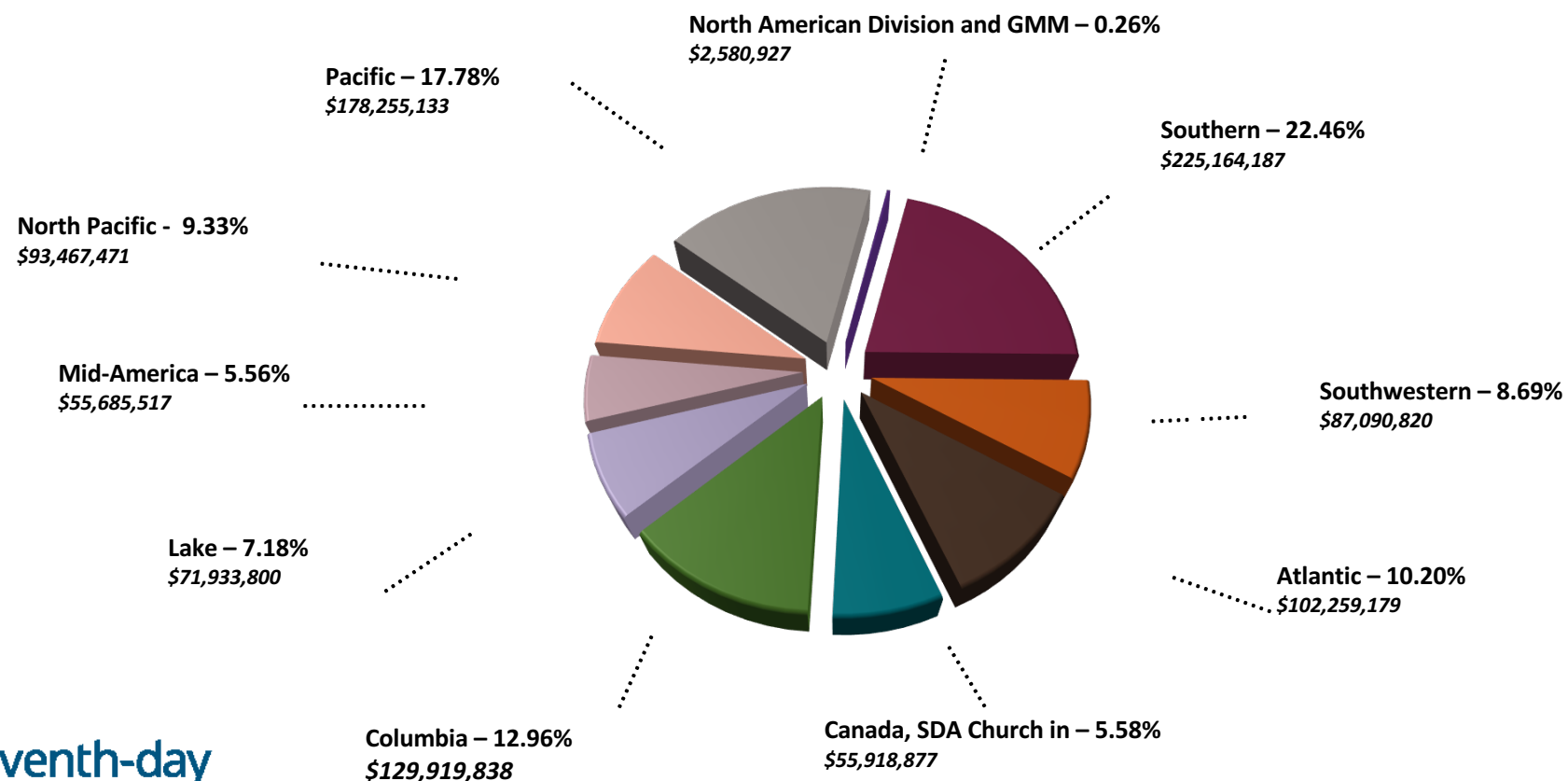
Year	Expenses per day for 365 days	Days Cash on Hand
2009	\$270,869	204
2010	\$266,222	223
2011	\$261,296	229
2012	\$275,589	208
2013	\$286,766	201
2014	\$289,063	277
2015	\$310,412	213
2016	\$318,816	221



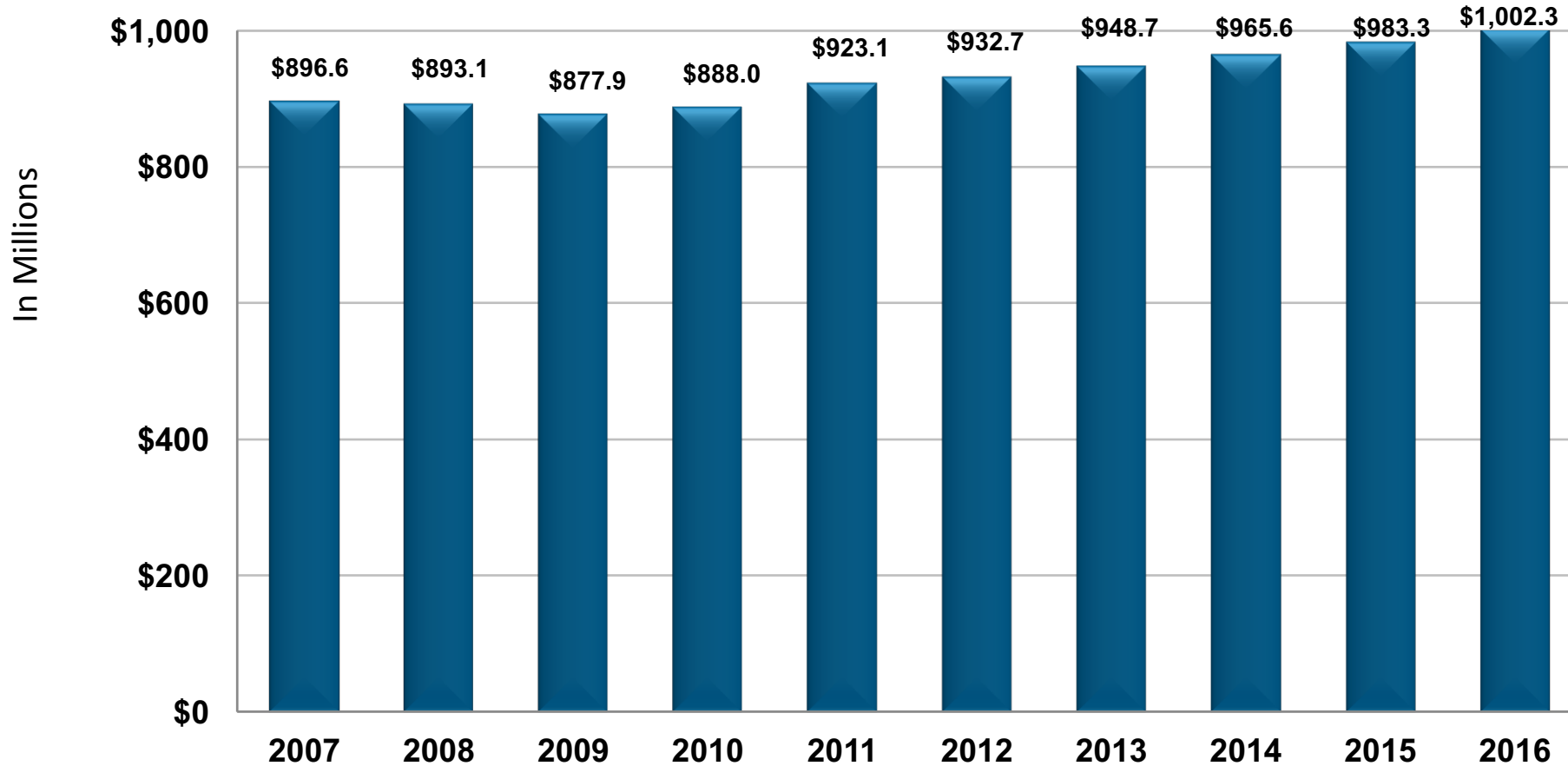
North American Division Tithe

2015 Total Tithe - \$983,252,924 – Avg. \$18,908,710 per/wk. for 52 wk.

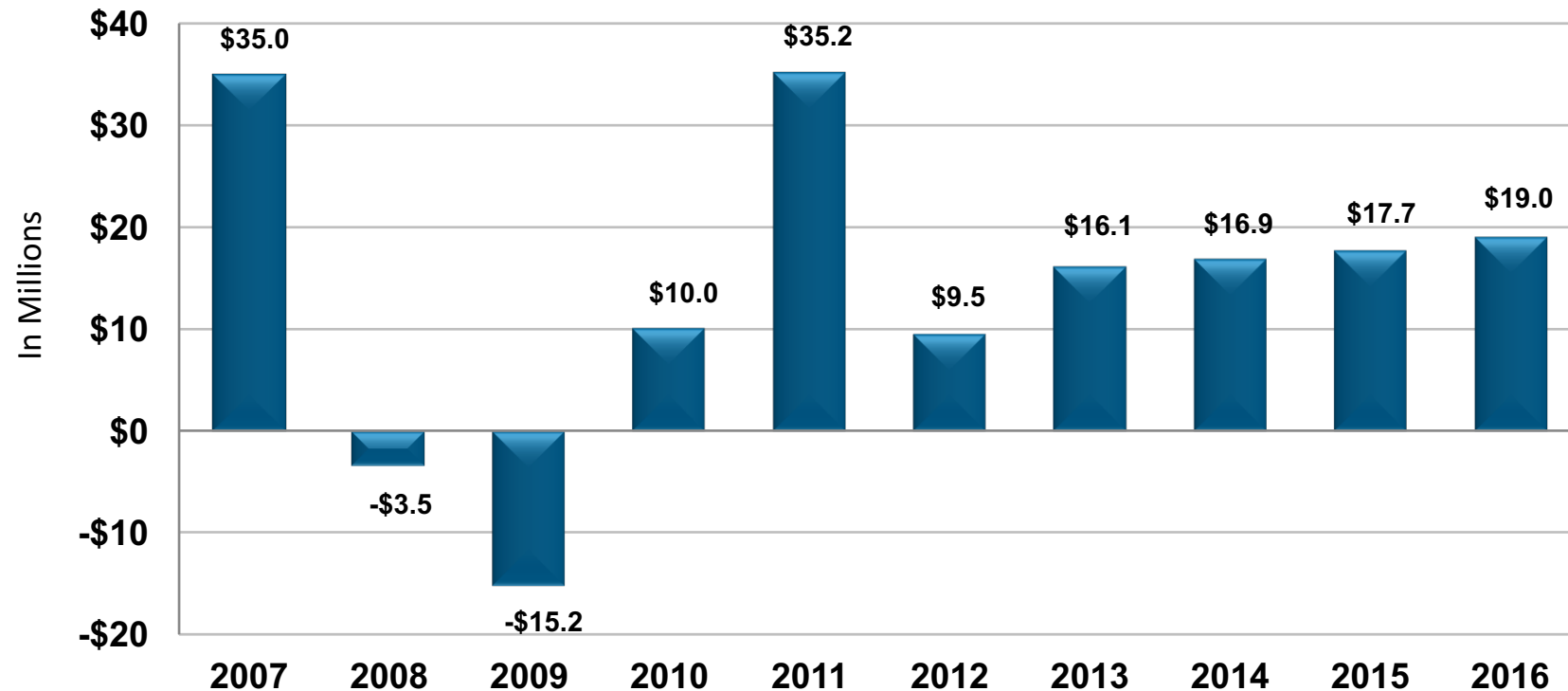
2016 Total Tithe - \$1,002,275,749 – Avg. \$18,910,863 per/wk. for 53 wk.



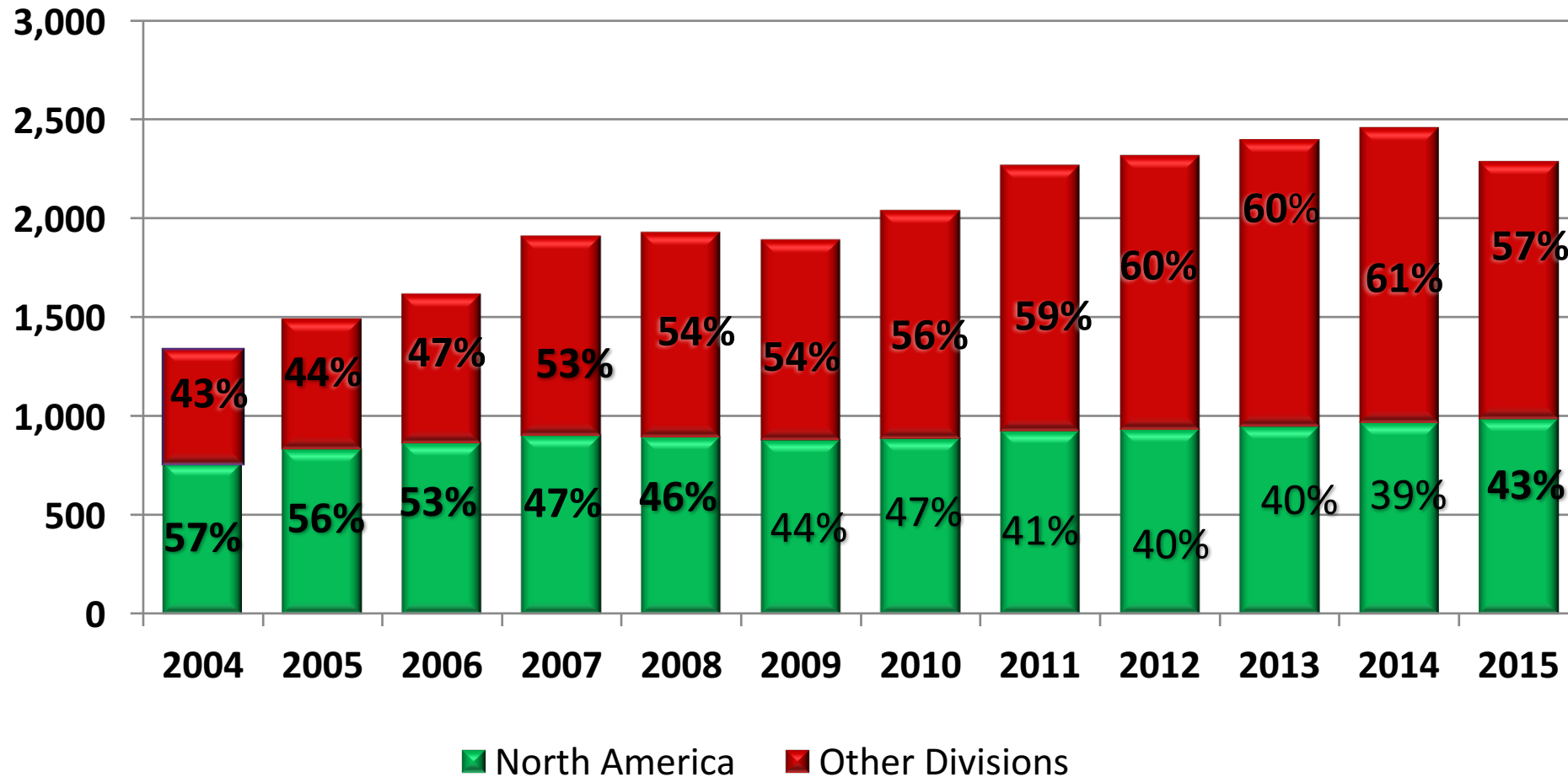
North American Division Tithe (in millions) For Past 10 Years



North American Division Tithe Gain (Loss) for 10 Years in Dollars

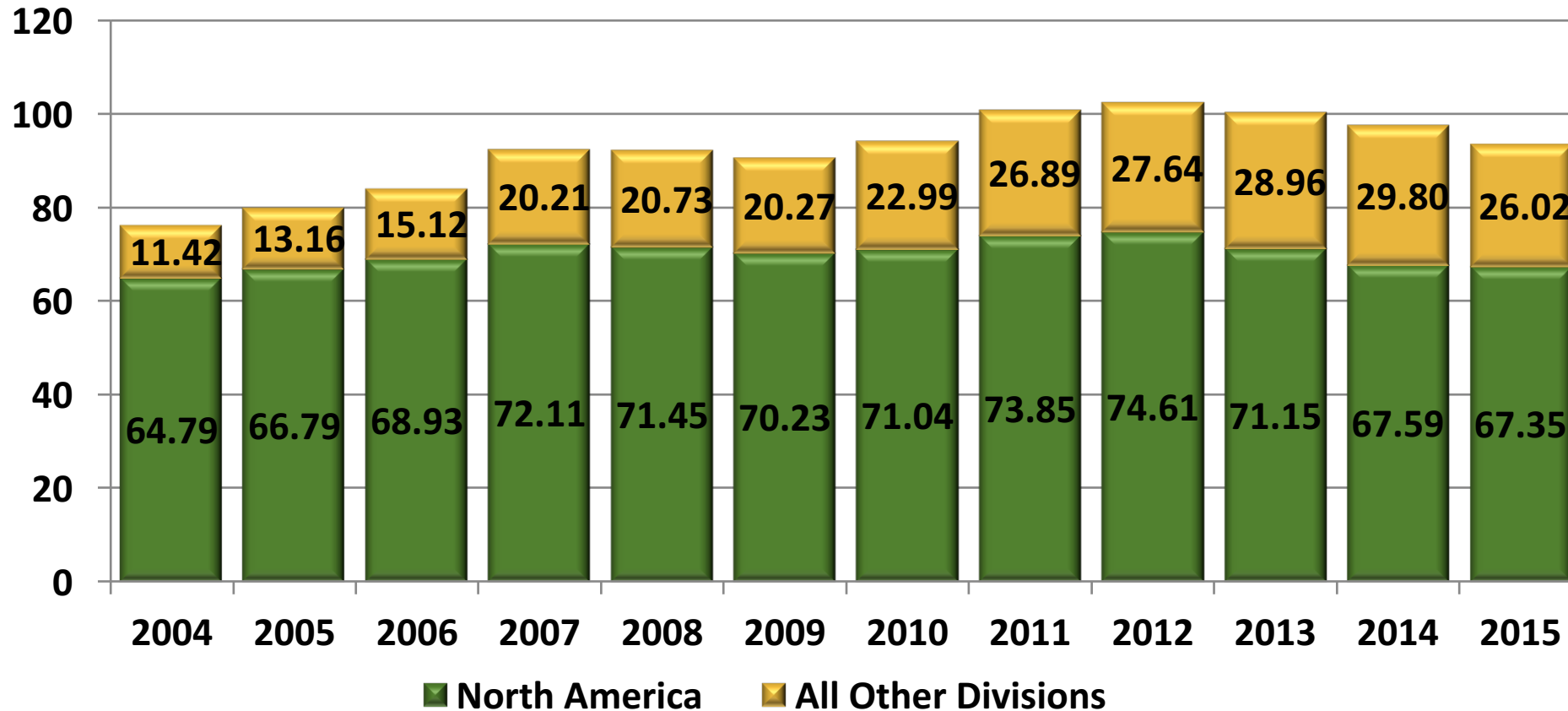


Worldwide Tithe - 2004 through 2015 (in Millions)



Worldwide Tithe To GC - 2004 through 2015 (in Millions)

Official (GC Archives)





Tithe Percentage from NAD to GC

Background

- 2000–2005 Phase in of Adjustment
- 10.72% to 8.00% of Tithe

Voted % Action by GC – Estimated Tithe Dollars

- | | | | |
|--------|-------|-----|------------------------------|
| • 2012 | 8.00% | | |
| • 2013 | 7.50% | .50 | \$4.65 million |
| • 2014 | 7.00% | .50 | 9.30 million |
| • 2015 | 6.85% | .15 | 10.70 million – Oakwood .15% |
| • 2016 | 6.85% | .15 | 10.70 million |
| • 2017 | 6.60% | .25 | 13.05 million |
| • 2018 | 6.35% | .25 | 15.38 million |
| • 2019 | 6.10% | .25 | 17.72 million |
| • 2020 | 5.85% | .25 | 20.05 million |



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Conference Tithe Distribution to GC/NAD & Retirement



Conference Tithe Distribution to GC/NAD and Retirement

Conference Income	2015	2016	2017	2018	2019	2020
Tithe	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Conference Remittance:						
To Union	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
To NAD/GC	<u>16.00%</u>	<u>16.00%</u>	<u>15.50%</u>	<u>15.35%</u>	<u>15.15%</u>	<u>15.00%</u>
Total Remittance to NAD	25.00%	25.00%	24.50%	24.35%	24.15%	24.00%
Conference Retirement Costs:						
Defined Benefit Retirement Funding	8.10%	8.10%	8.10%	8.10%	8.10%	8.10%
Retiree Health Costs	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Special Funding			<u>0.30%</u>	<u>0.30%</u>	<u>0.30%</u>	<u>0.30%</u>
Total Remitted for Retirement	11.10%	11.10%	11.40%	11.40%	11.40%	11.40%
Total Remitted-NAD & Retirement	<u>36.10%</u>	<u>36.10%</u>	<u>35.90%</u>	<u>35.75%</u>	<u>35.55%</u>	<u>35.40%</u>
NAD Use of it's Portion of Remittance:						
NAD to General Conference	7.00%	6.85%	6.60%	6.35%	6.10%	5.85%
NAD Retains before Reversions	<u>9.00%</u>	<u>9.15%</u>	<u>8.90%</u>	<u>9.00%</u>	<u>9.05%</u>	<u>9.15%</u>
	<u>16.00%</u>	<u>16.00%</u>	<u>15.50%</u>	<u>15.35%</u>	<u>15.15%</u>	<u>15.00%</u>

2016 - NAD receives from the GC .15% which GC was paying to for Oakwood University

2017 - NAD keeps .05% of the first .25% from the GC and transfers the .30% to conferences to pay retirement

2018 - NAD keeps .10% of the next .25% from the GC

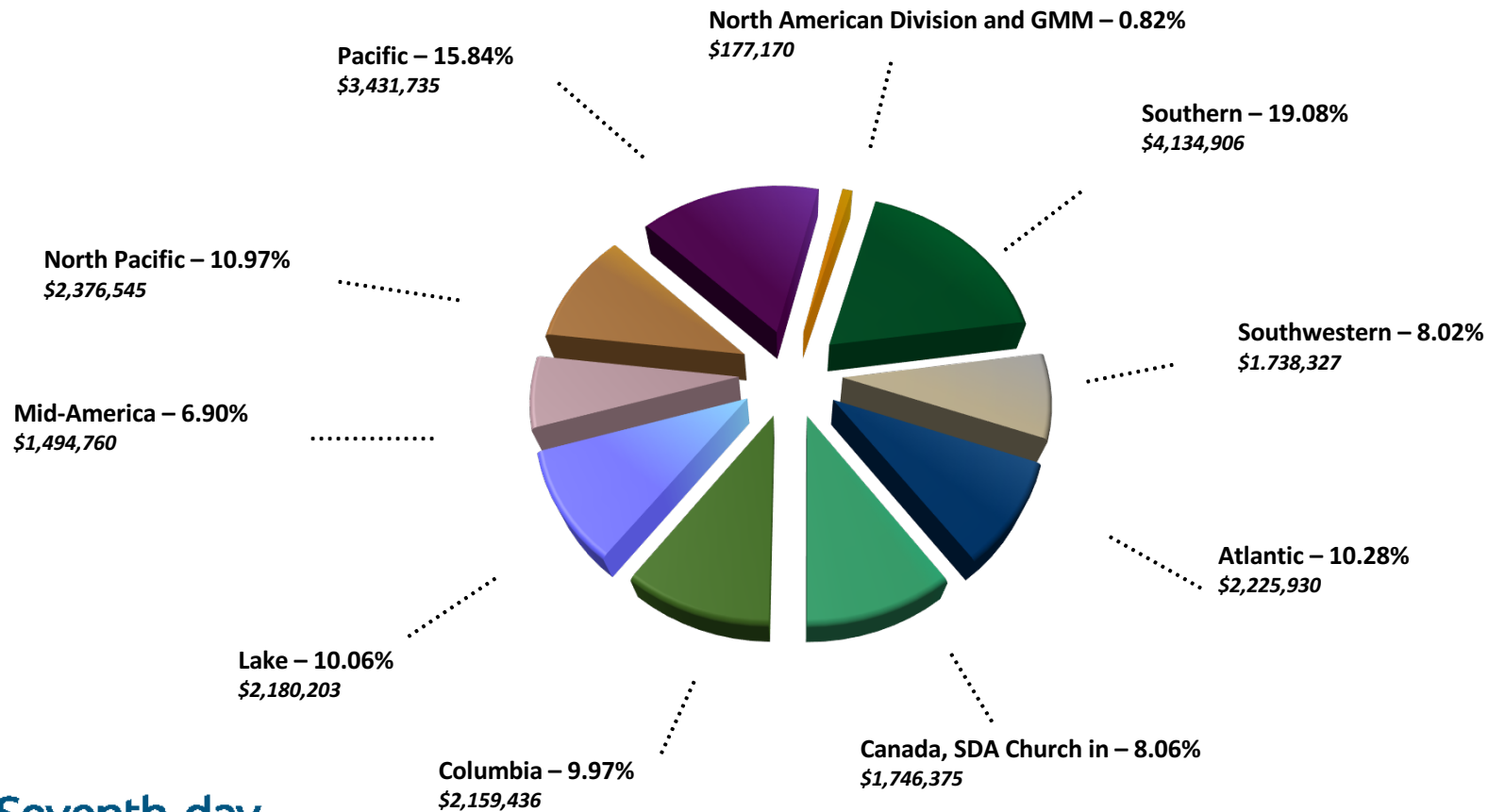
2019 - NAD keeps .5% of the next .25% from the GC

2020 - NAD keeps .10% of the next .25% from the GC

North American Division Missions

2015 Total Missions - \$21,883,004 – Avg. \$420,827 per/wk. 52 wk.

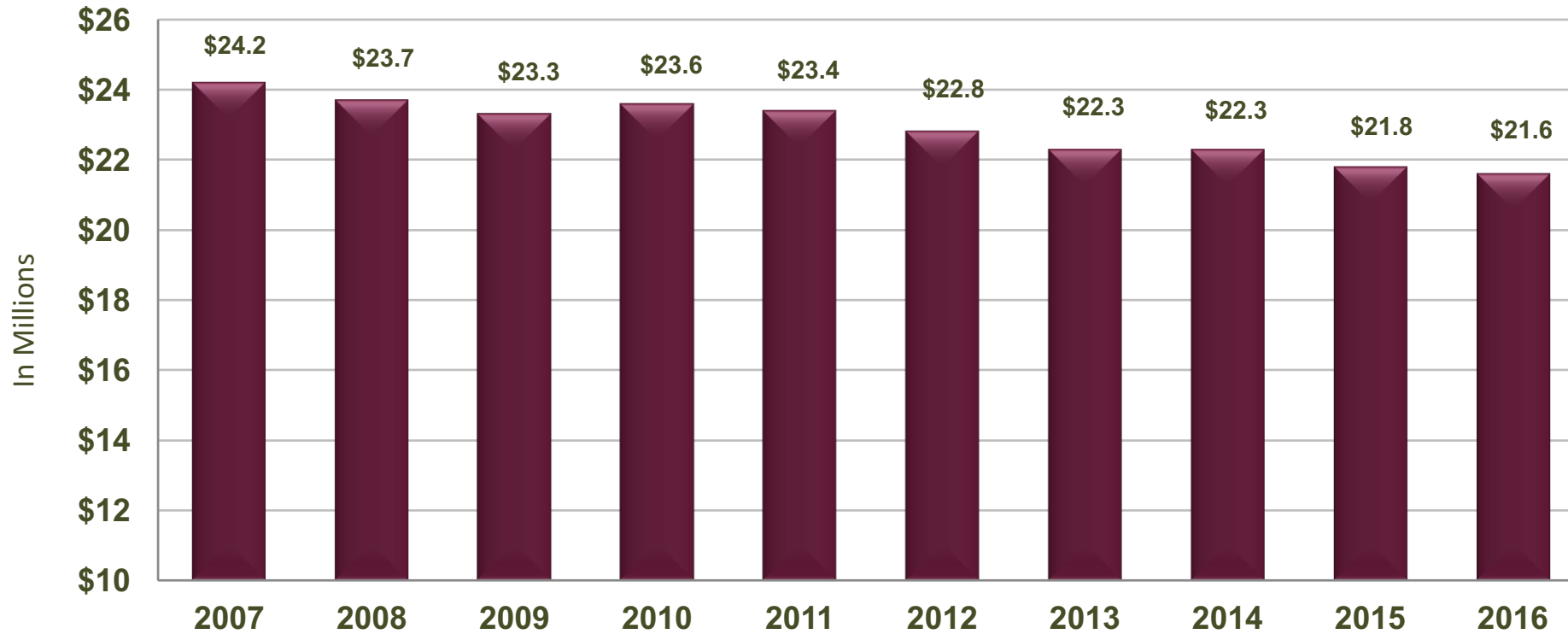
2016 Total Missions - \$21,665,387 – Avg. \$408,781 per/wk. 53 wk.



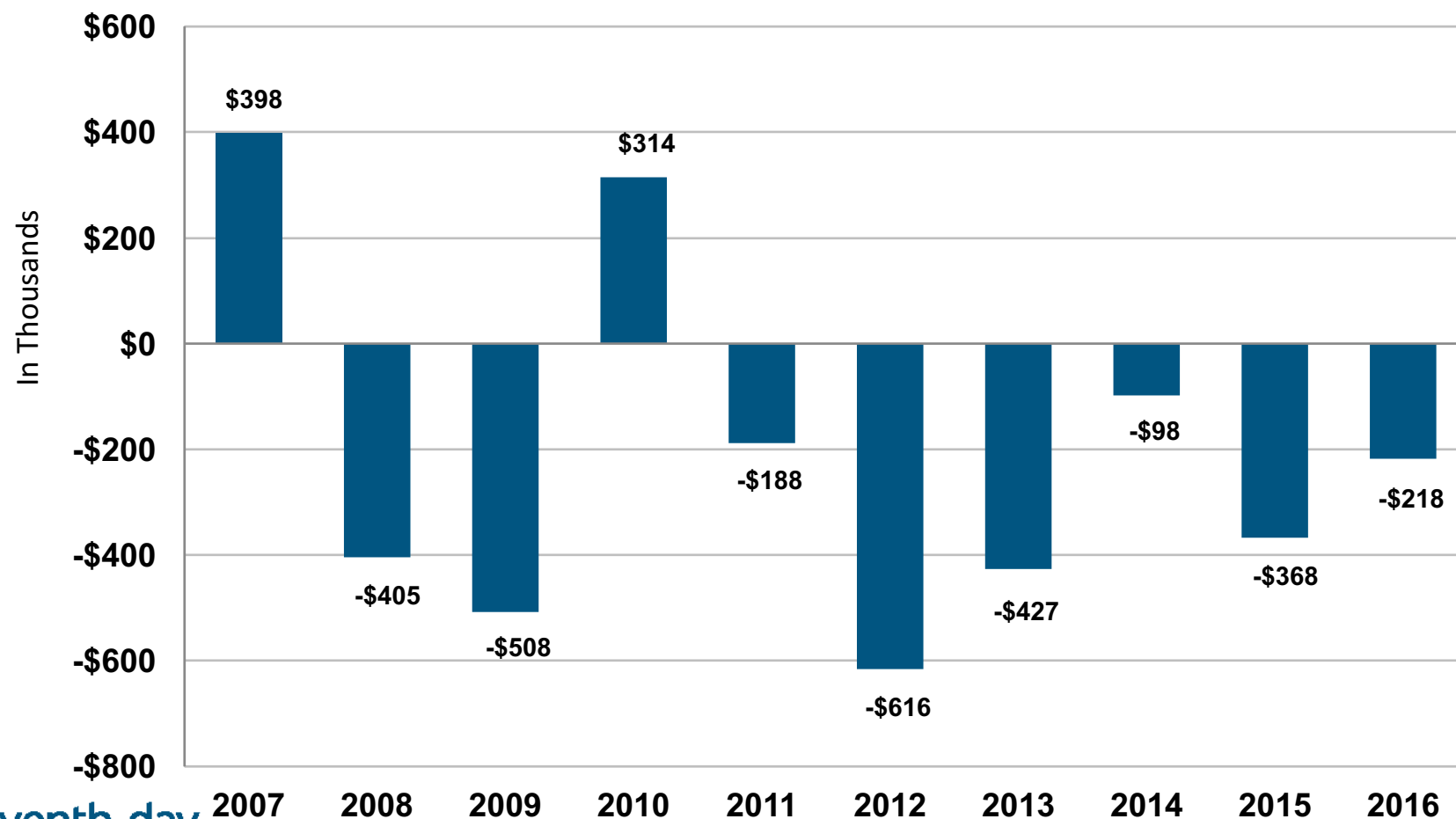
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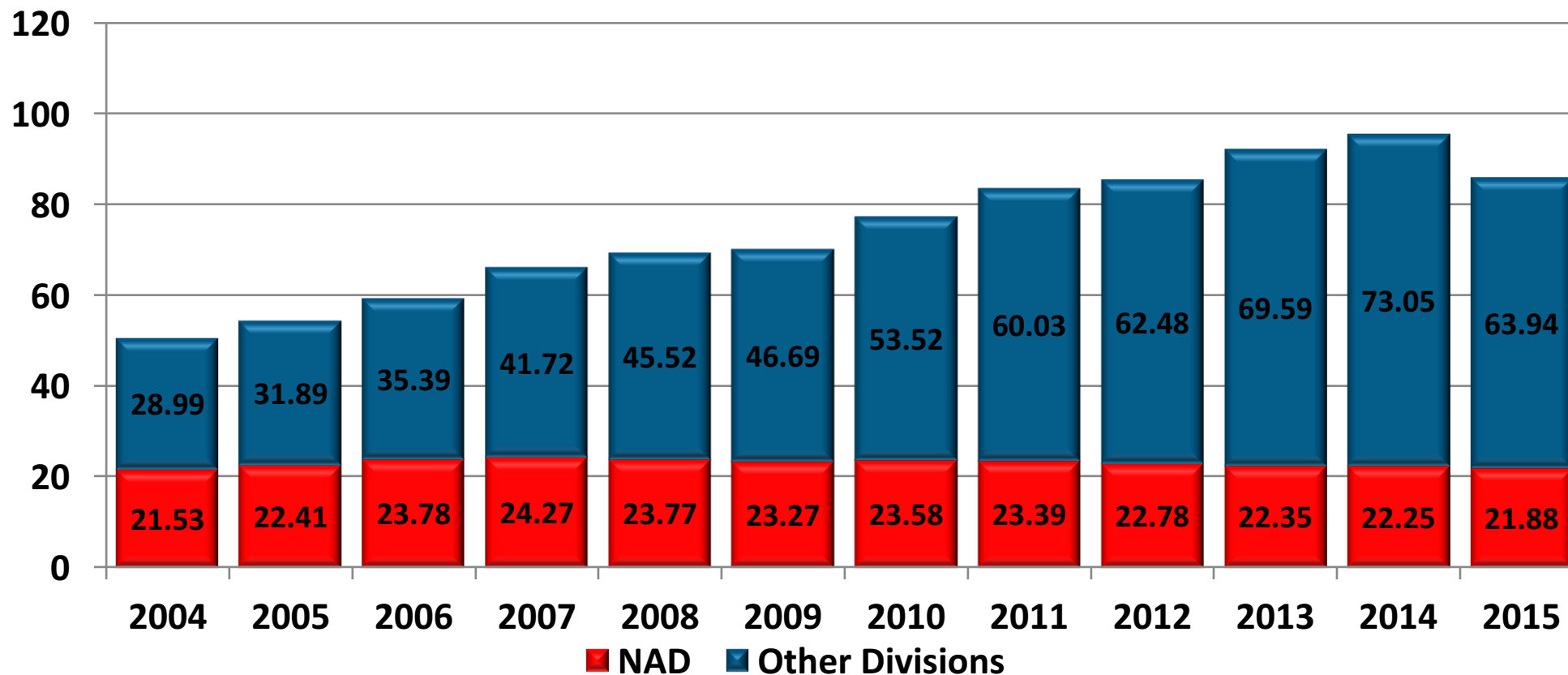
North American Division Missions (in millions) For Past 10 Years



North American Division Tithe Gain (Loss) for 10 Years in Dollars



Worldwide Mission Offering 2004 through 2015 in Millions



Other Funding by NAD to other Organizations



**Adventist World
Radio**

ADRA

Share Him

Hope
International

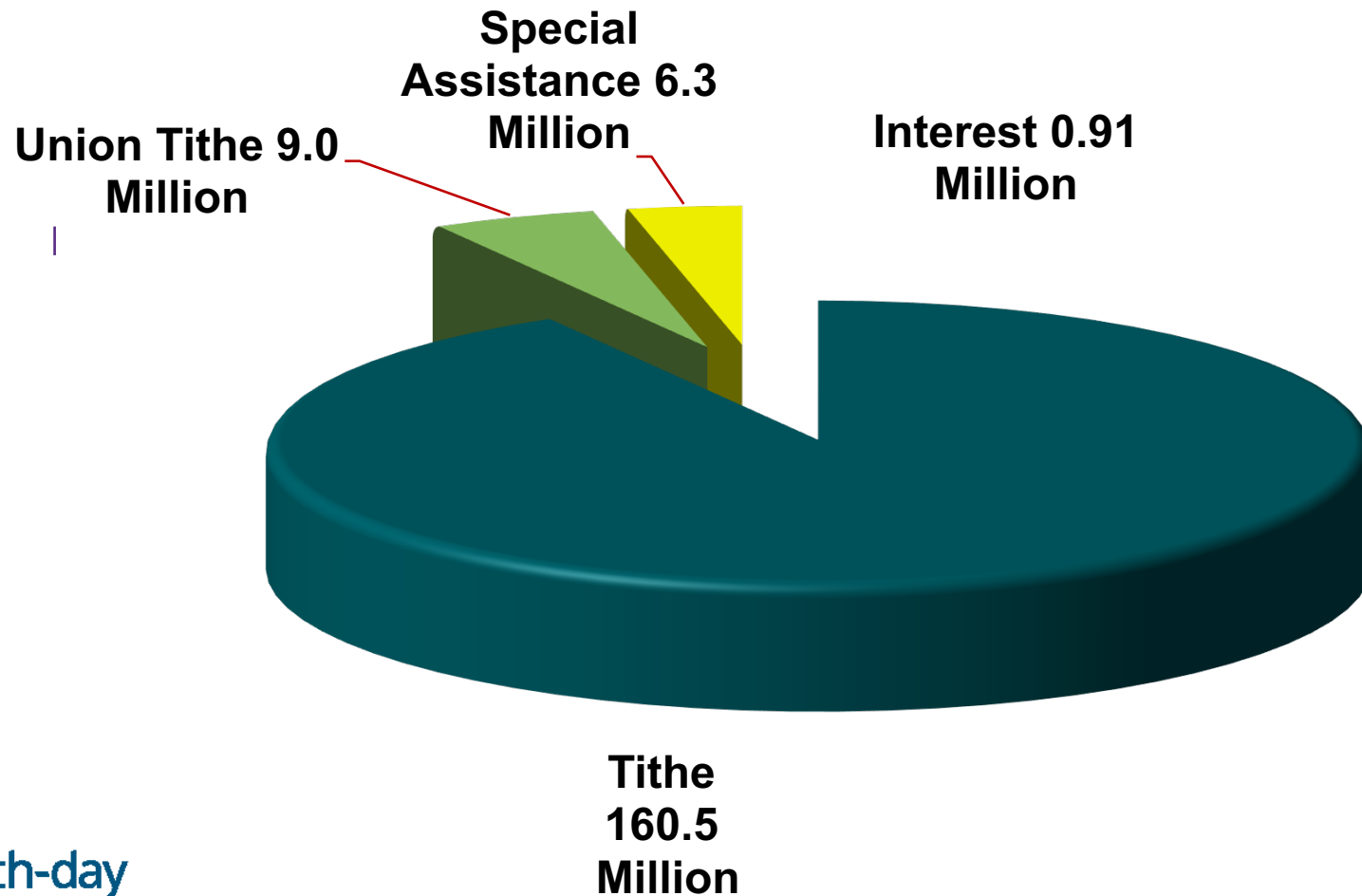
Hong Kong
Mission

3ABN
Broadcasting

Many, Many ASI
Organizations

**Direct Overseas
Operations**

Income – 2016 Unallocated Tithe and Non-Tithe - \$176,750,213



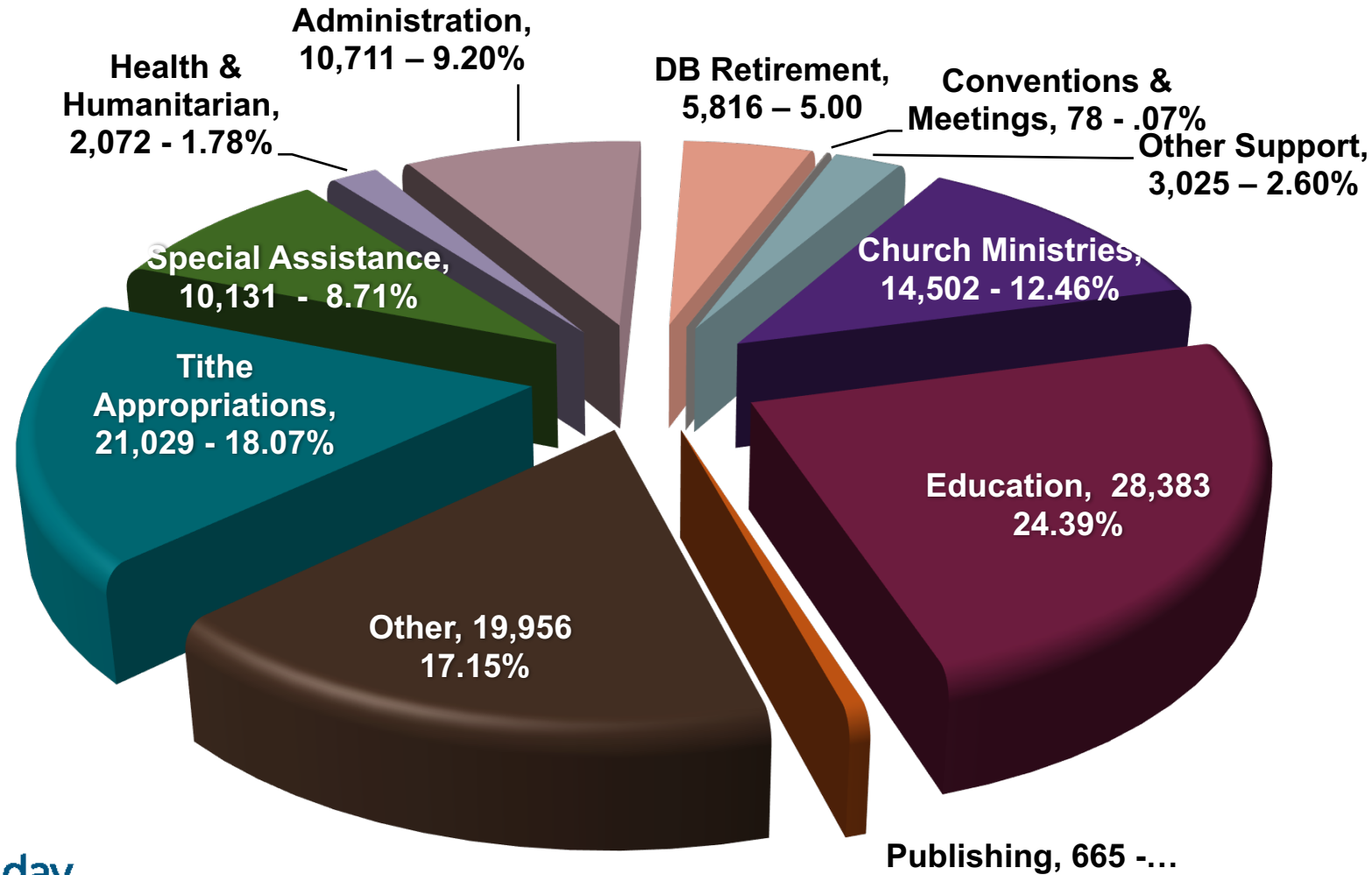
2016 GC/NAD Tithe Income Distribution

\$169,557,384

- \$68,655,889
- GC Portion
- \$100,901,495
- NAD Portion



NAD 2016 Expenses - \$116,367,925



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Relevant Events Of the Past Year

Election

Jobs Increasing

Stronger Dollar
Impacting GC Budget

Housing Market
Getting Stronger

Politics – Gridlock

Low Interest Rates

NAD Continues With A
Balanced Budget

Move to New NAD
Office Building

Unrest Around The
World



Ongoing Development



**NAD
Membership
Continues to
Growth**

**New Initiative for
Communication
to Members**

**eAdventist
Giving Rewrite**

**APS.Net in Beta
Testing at NAD**

**Future
Publishing
Director**

**NAD Moves to
New Location**

**Continued
Subsidy for
Women in
Ministry**

**Media Center
Ministries
Stabilizing At
New Locations**



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New Office Building Costs



9705 Patuxent Woods Way:			
Purchase Price	\$19,800,000.00		
Loan Payoff Fee	\$1,335,319.95		
Rental Income	(\$945,311.45)		
Venable Legal Expenses	\$50,000.00		
Cost to Date	\$20,240,008.50		
From Above-Cost to Date	\$20,240,008.50		
Construction	\$9,828,418.00		
IT	\$912,000.00		
Total Expected Cost	\$30,980,426.50		



Investment Report - Tim Aka GC Associate Treasurer for Investments

Show Slides



Trials and temptations may come; but the child of God, whether minister or layman, knows that Jesus is his helper. Although we may be weak and helpless in ourselves, all the forces of heaven are at the command of the believing child of God, and the hosts of hell cannot make him depart from the right course if he will cling to God by living faith. Temptation is no sin; the sin is in yielding to temptation. “Count it all joy,” says the apostle James, “when ye fall into divers temptations; knowing this, that the trying of your faith worketh patience. {GW92 441.2}

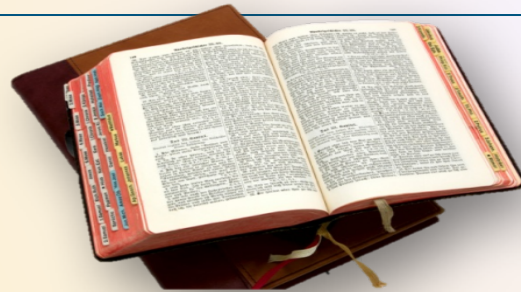
This Day with God – Giving as we Receive - E G White



We should feel an intense interest in the advancement of the work of God. This work has already grown to large proportions, but it is to advance still more rapidly. We need many more laborers, and there must be with all a spirit of self-denial, in order to provide facilities for the carrying forward of the message into new fields. In many places the work has been greatly retarded because of a scarcity of means. The rebuke of God will rest upon those who do not come up to His help. . . . {TDG 349.5}



So he answered and said to me: This is the word of the Lord to Zerubbabel: 'Not by might nor by power, but by My Spirit,' Says the Lord of hosts.
Zechariah 4:6



Rejoice in the Lord always: and again I say, Rejoice.

Philippians 4:4

Treasury Staff and Support

Treasury

Tom Evans, Treasurer/CFO
Mike Jamieson, Undertreasurer
Carol Pack, Executive Assistant
Sharon Mabena, Associate Treasurer
David Baer, Controller
Lynette Montoute, Assistant Treasurer
Mayda Santos, Chief Accountant
Shawna Conrad, Accountant
Carol Patten, Accounting Clerk

Adventist Accounting System International

Michael Park, Director
Rose Ortiz, Implementation and Training Specialist
Jeff Fogelquist, Implementation and Training Specialist
Sheyla LaPierre, Implementation and Training Specialist
Jorge Ayala, Development and Implementation
Nathan Traxler, Implementation and Training Specialist

Adventist Retirement

Ray Jimenez, Administrator
Edwin Romero, Treasurer/CFO
Lyn Wick, Associate Administrator
Lisa Turpen, Associate Administrator and
SHARP Manager - RN
Beth Roberts, Assistant Administrator
other support staff





Report of the Audit Committee

DAVID WEIGLEY



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VOTED: To recommend acceptance of December 31, 2016 Unaudited Consolidated Financial Statement of the General Conference of Seventh-day Adventists North American Division.

VOTED: To recommend acceptance of December 31, 2016 Audited Unconsolidated Financial Statement of the General Conference of Seventh-day Adventists North American Division.

VOTED: To recommend acceptance of the December 31, 2016 Management's responses to the items noted in the Report for Governance

VOTED: To recommend the acceptance of the December 31, 2015 Repot for Governance (Policy Compliance and Audit Communication Letter).

NOTED: The audit committee met with the auditor without management.



Budget - 2018



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North American Division of Seventh-day Adventists

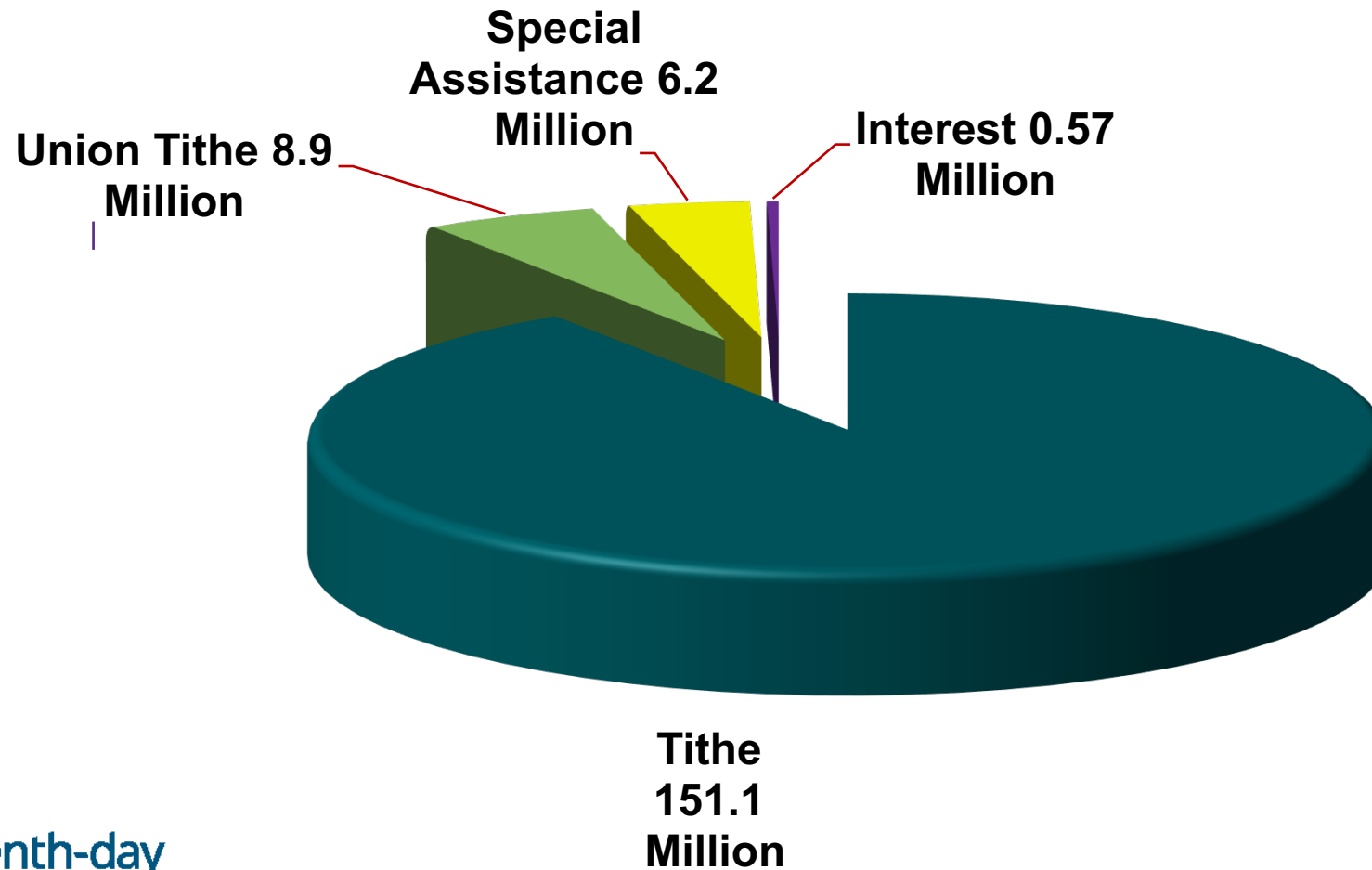
2018 OPERATING BUDGET ASSUMPTIONS
BUDGET E-MAILED TO EXECUTIVE COMMITTEE

2016 Adjusted Gross Tithe used for the 2018 Tithe Budget



\$983,364,886

Income – 2018 Unallocated Tithe and Non-Tithe - \$166,722,808



2018 GC/NAD Tithe Income

Projected Distribution

\$159,983,830

- \$62,443,670
- GC Portion
- \$97,540,160
- NAD Portion



2018 Payroll Assumptions Remuneration Factor



January – June 2018
\$4,433
RF Actual – 1%
USA

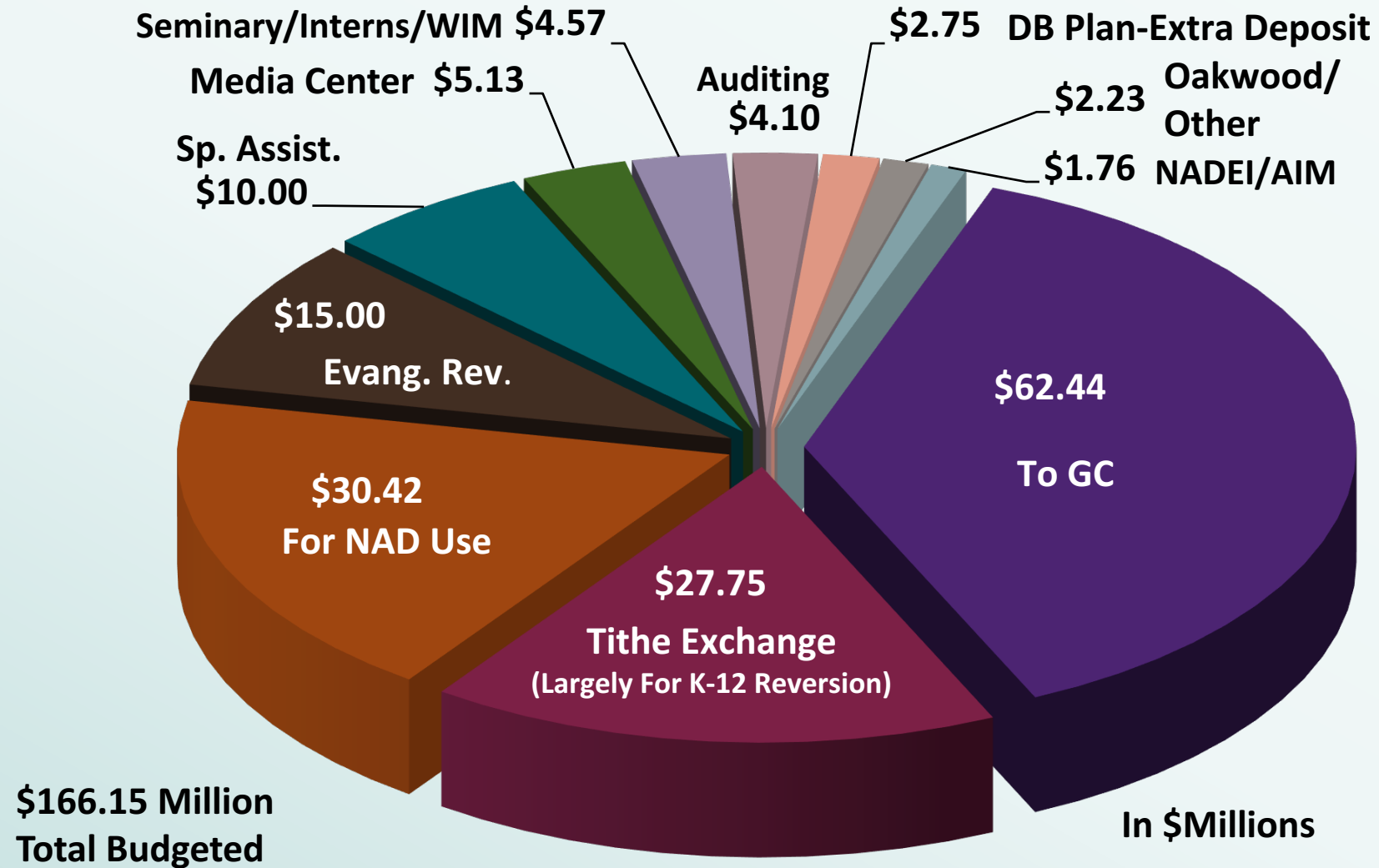
July – December 2018
\$4,504
RF Proposed – 1.6%
USA

January – Sept 2018
\$4,961
RF Actual – 1.5%
Canada

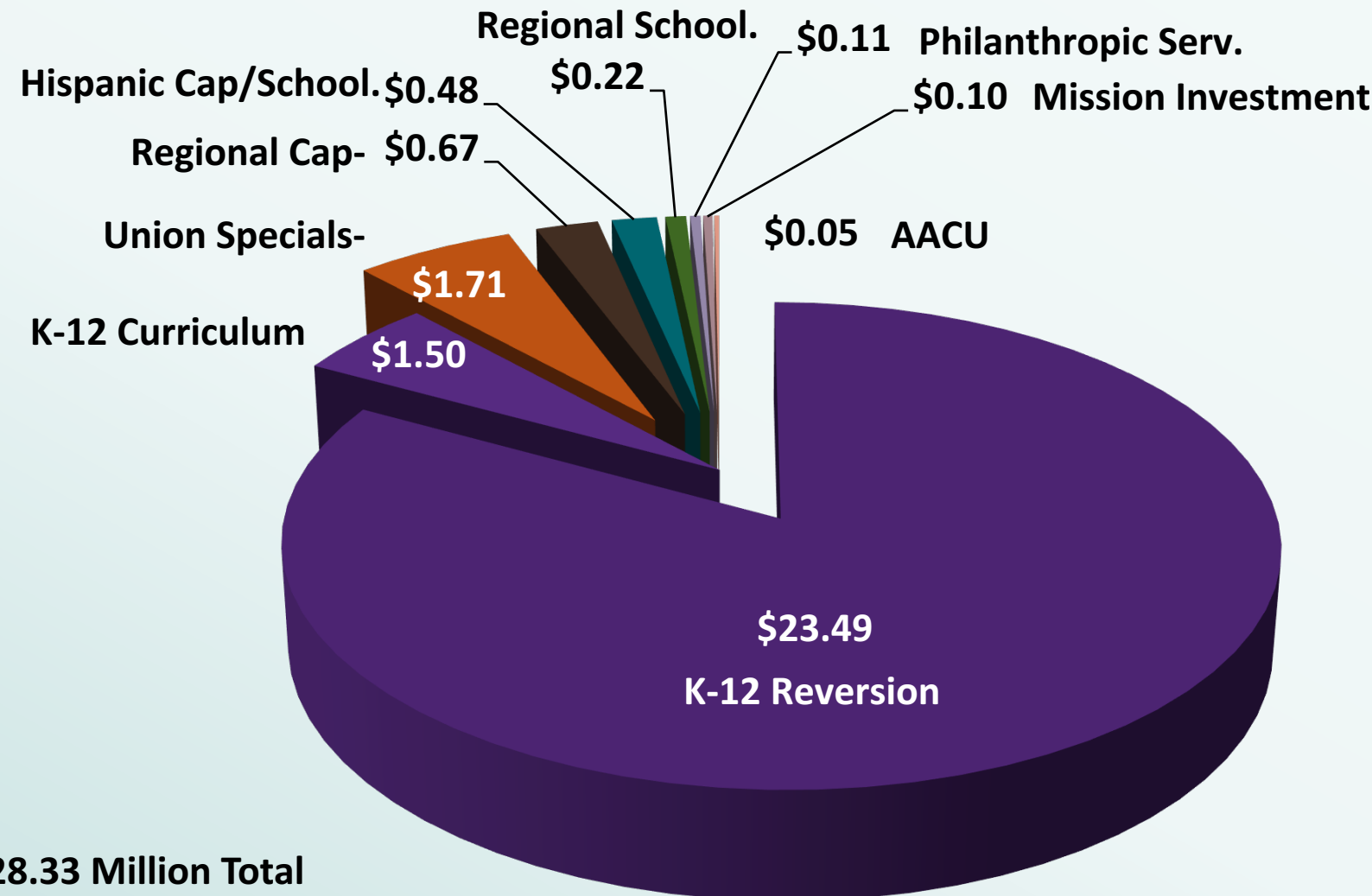
Sept – Dec 2018
\$5,011
RF Proposed – 1%
Canada



2018 Budgeted NAD Use of Tithe Funds:



2018 Budgeted NAD Use of Non-Tithe Funds:



\$28.33 Million Total
(Tithe Exchange/Interest)

In \$Millions



Complete 2018 Budget posted on the treasury web site when final tweaking completed.

<http://www.nadadventist.org>

Directory → Administration → Treasury → Resources



North American Division Year-End Meetings

GUAM-MICRONESIA MISSION
2018



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2018 Remuneration Factor – GMM



January 1, 2018

\$3,544

Guam/Saipan

January 1, 2018

\$1,772

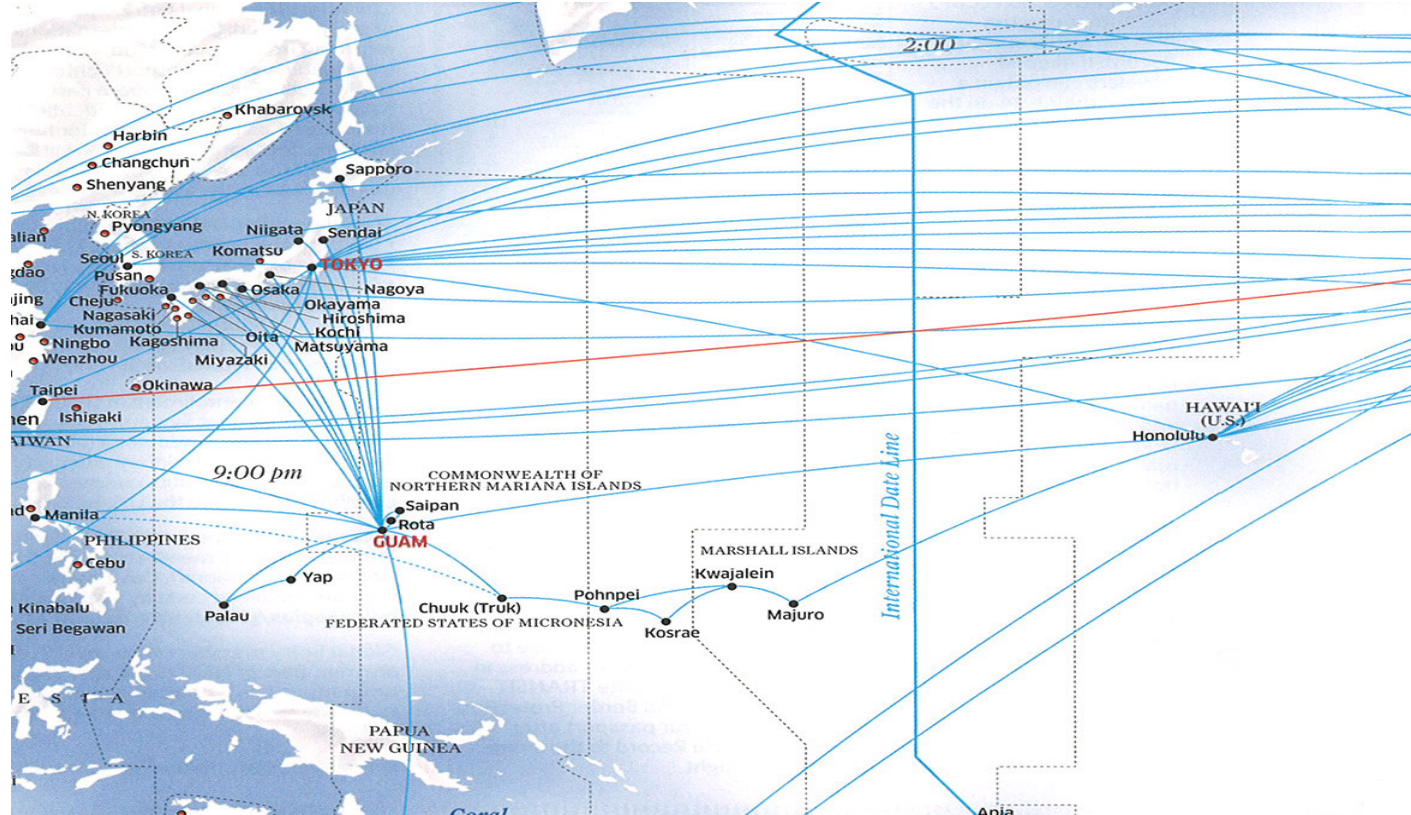
USD Micronesia



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Guam-Micronesia Mission



RECOMMEND:

RECOMMEND:

1. – Recommend the wage factor for Guam/Saipan and the USD Micronesia beginning January 1, 2018 as presented. These amounts will be used for the retirement basis as well.
2. - Recommend the approval of the printed remuneration percentage rates established by the North American Division and the GMM Executive Committee be used for Guam-Micronesia Mission, Guam Adventist Clinic, and Guam K-12 Institutions for 2018.





Retirement Report

RAYMOND JIMENEZ III



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GCAS Report

ROBYN KAJIURA



New Perspectives Where your Money Goes

MICHAEL JAMIESON



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The End
