

# Treasurer's Report

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YEAR-END MEETING  
OCTOBER 31, 2016



# Unaudited Consolidated Financial Statement

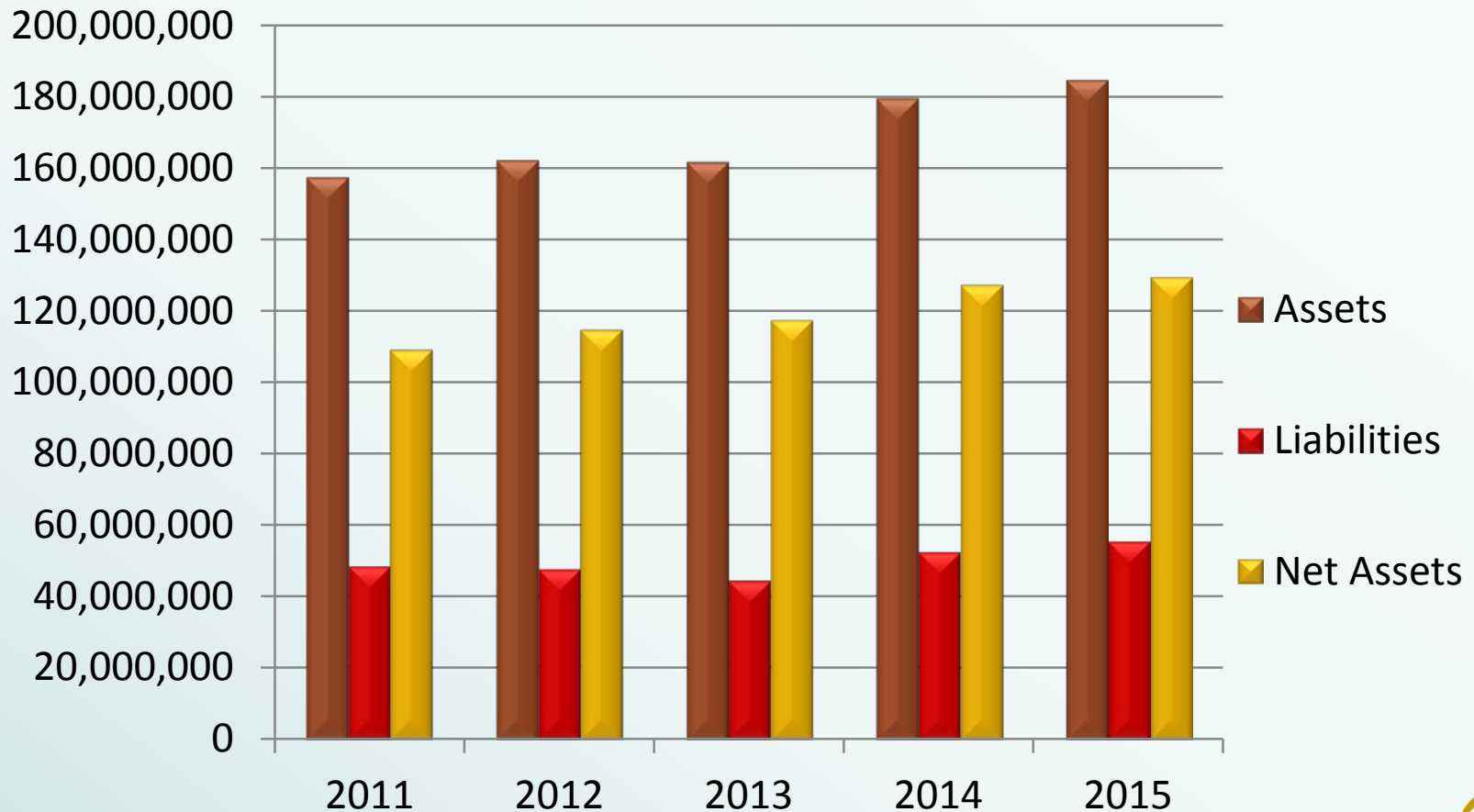
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DECEMBER 31, 2015 AND 2014



North American Division

# NAD Unaudited Consolidated Financial Statement 2011 - 2015



# NAD Consolidated Financial Statement

## North American Division

- Operations
- Plant Funds

## Other Funds and Subsidiaries

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



North American Division

# 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



North American Division

# NAD Consolidated Financial Statement

## Adventist Colleges Abroad

- Adventist Colleges Abroad – it is not included in the Unaudited Consolidated Financial Statement since the closure of the financials of this corporation are at June 30 of each year.



North American Division

# 2015 Consolidated Net Assets

Net Assets by Organization	Amount	Percent
North American Division Operating	\$67,121,802	51.88%
North American Division Plant	\$21,763,224	16.82%
Adventist Information Ministry	\$139,648	0.11%
Adventist Community Services	\$3,529,095	2.73%
Adventist Media Center	\$28,749,394	22.22%
NAD Evangelism Institute	\$1,400,034	1.08%
Seminars Unlimited	\$6,673,197	5.16%
Totals	\$129,376,394	100.00%



North American Division

# NAD Audited Financial Statement

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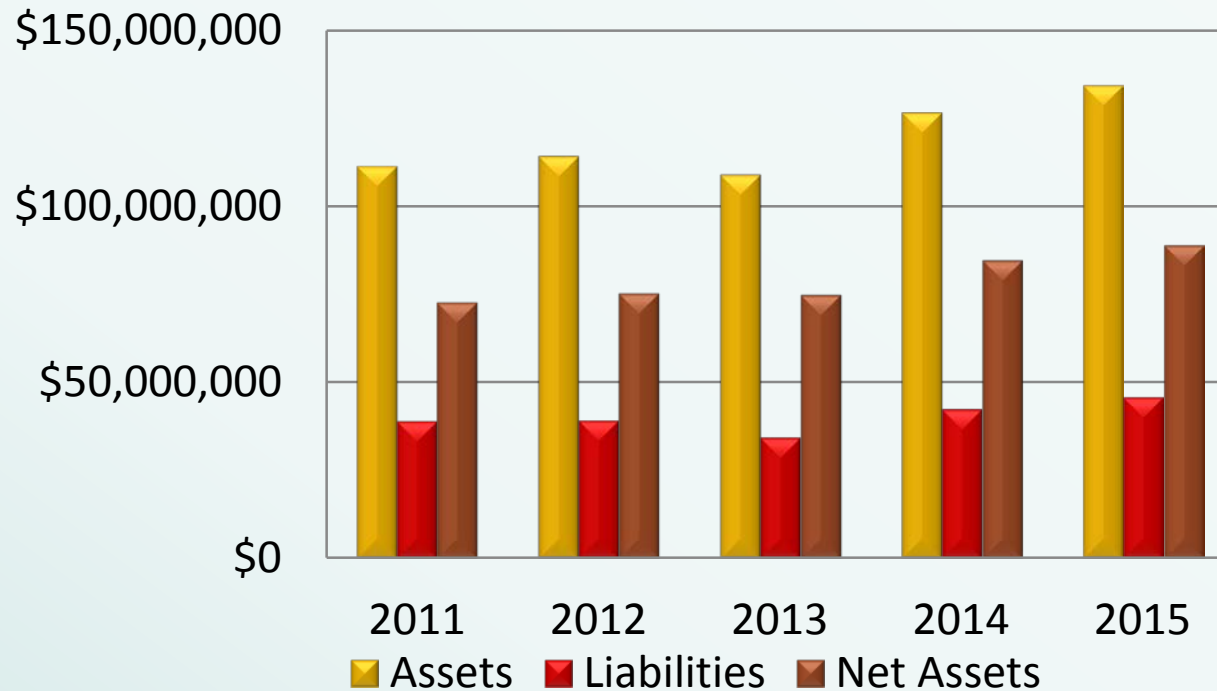
DECEMBER 31, 2015 AND 2014



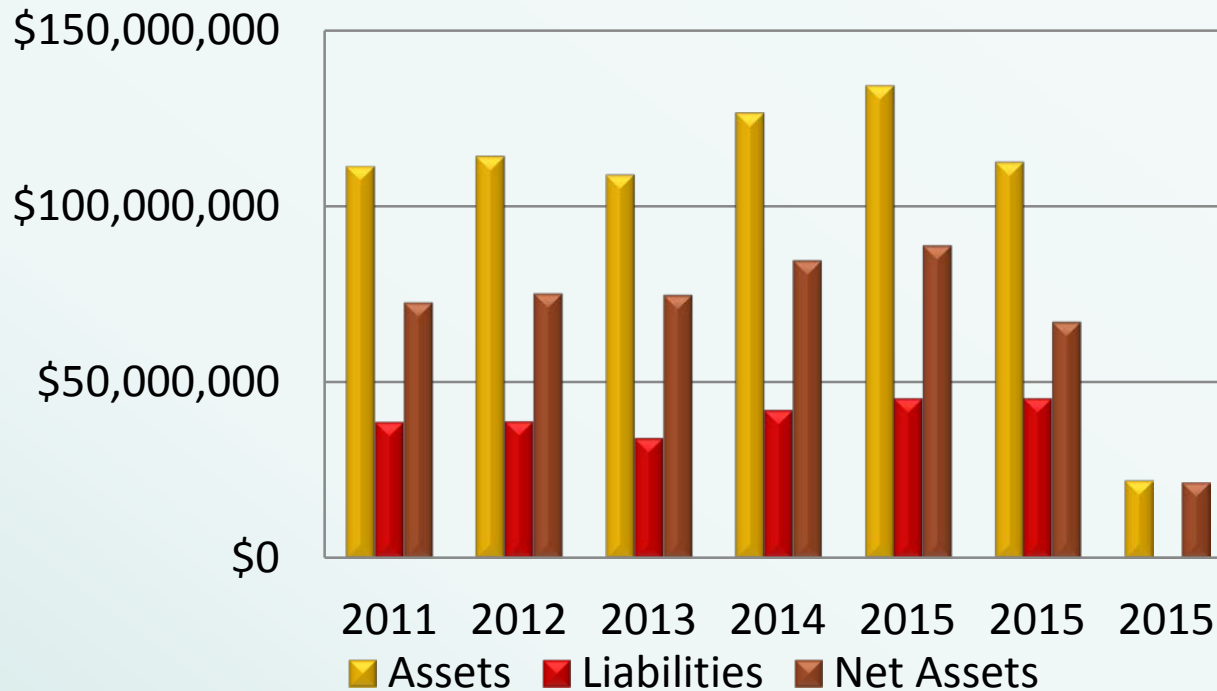
North American Division



# NAD Financial Statement Operating 2011 - 2015

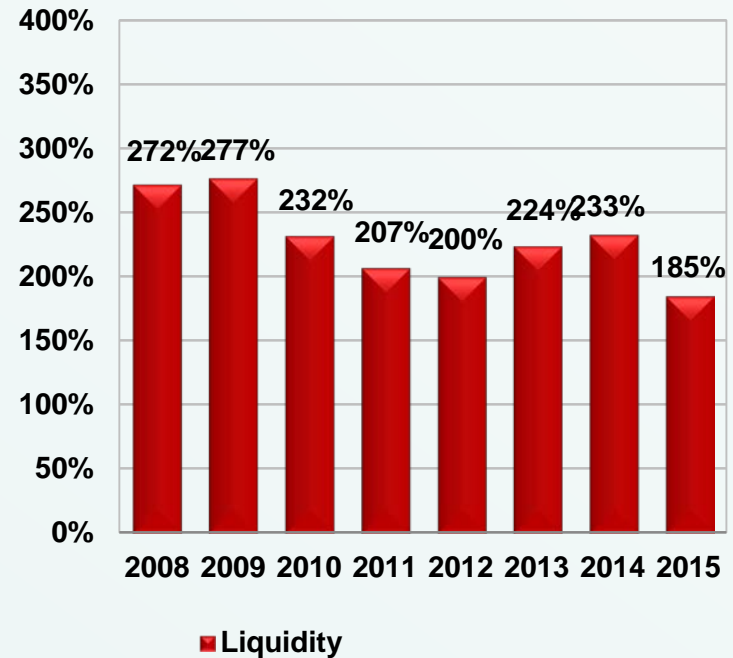
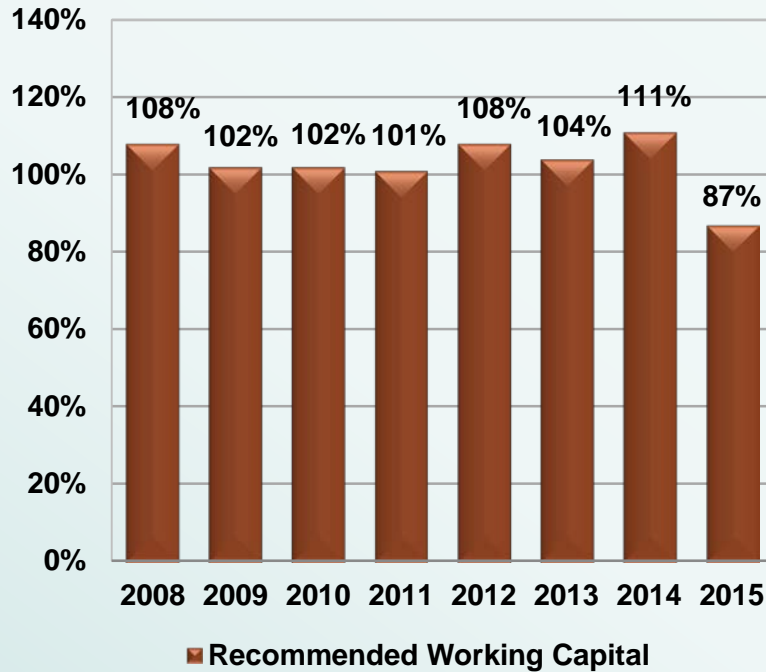


# NAD Financial Statement Operating 2011 – 2015 (Total, Operating, & Plant)



# Division Office Finances

## Working Capital and Liquidity



# Some Additional Facts

Year	Expenses per day for 365 days	Days Cash on Hand
2008	\$265,675	197
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	214

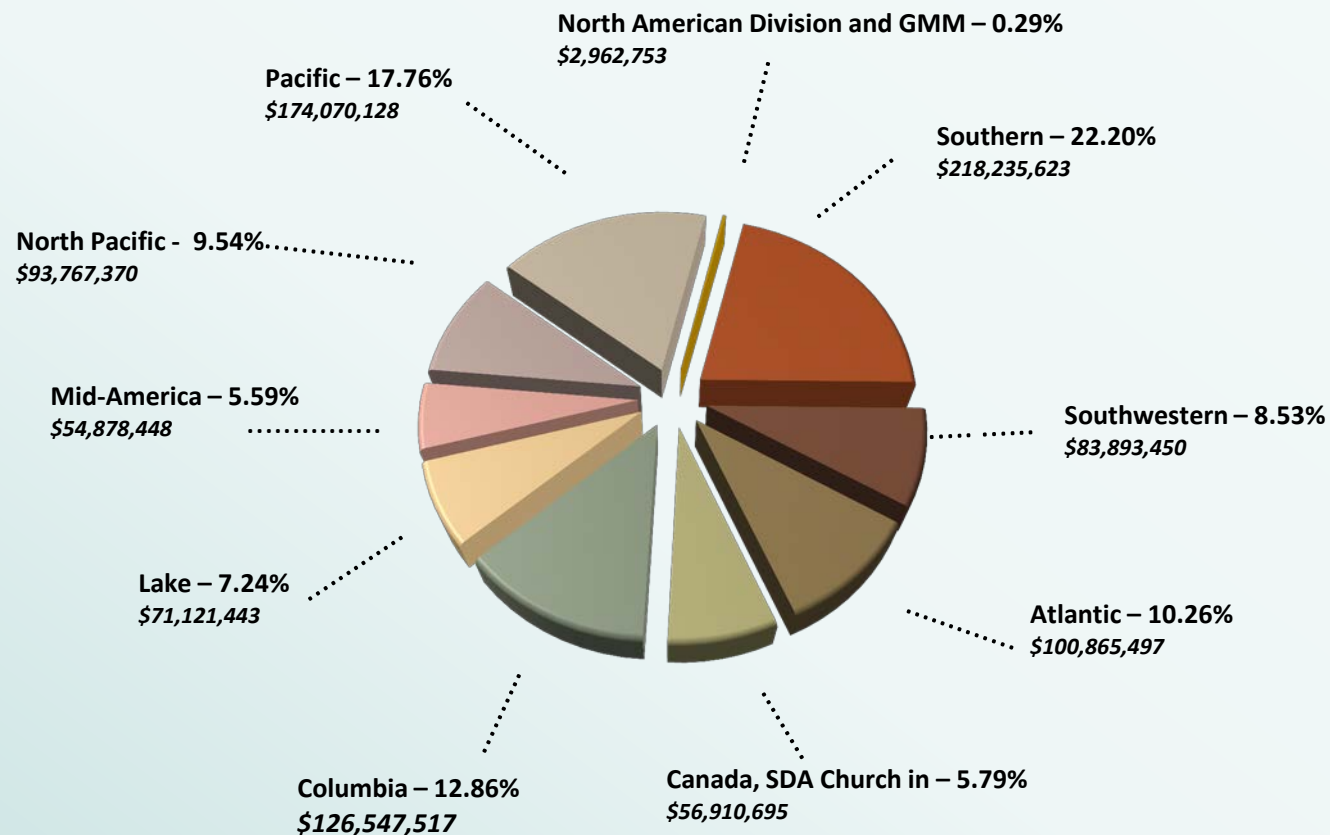


North American Division

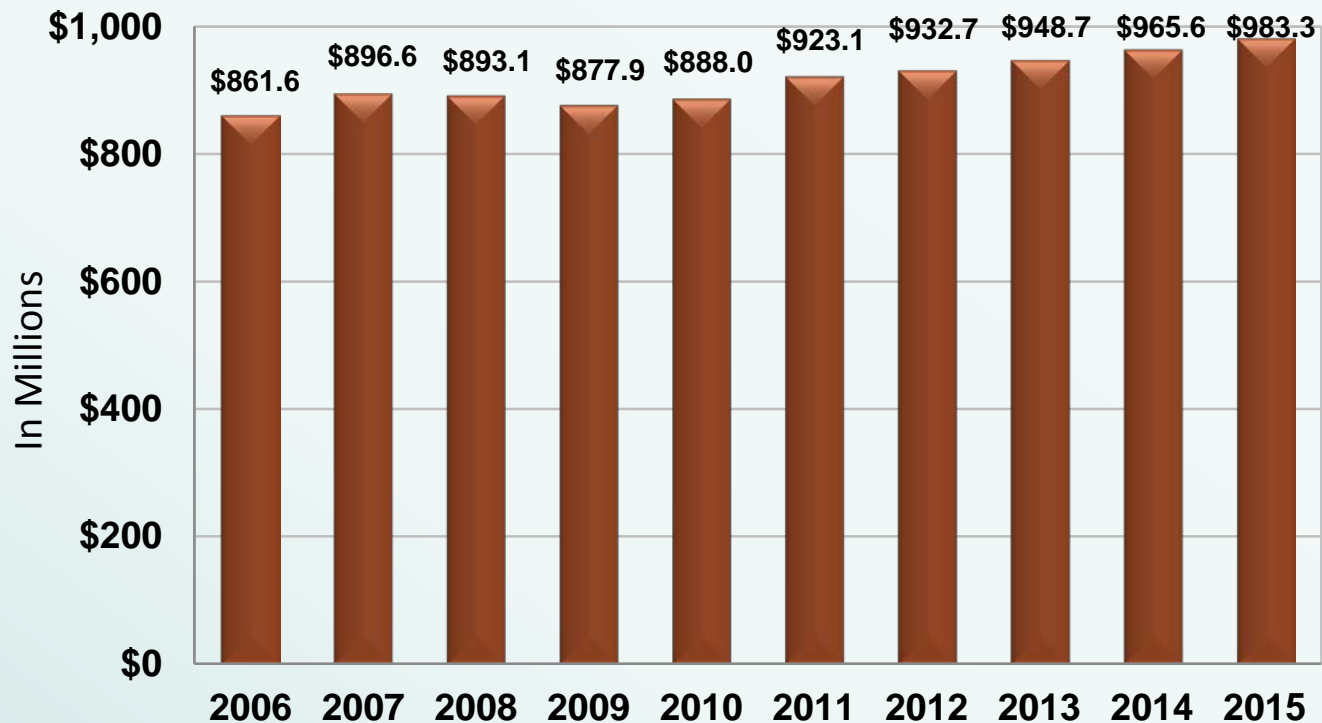
# North American Division Tithe

2014 Total Tithe - \$965,591,089 – Avg. \$18,569,059 per/wk.

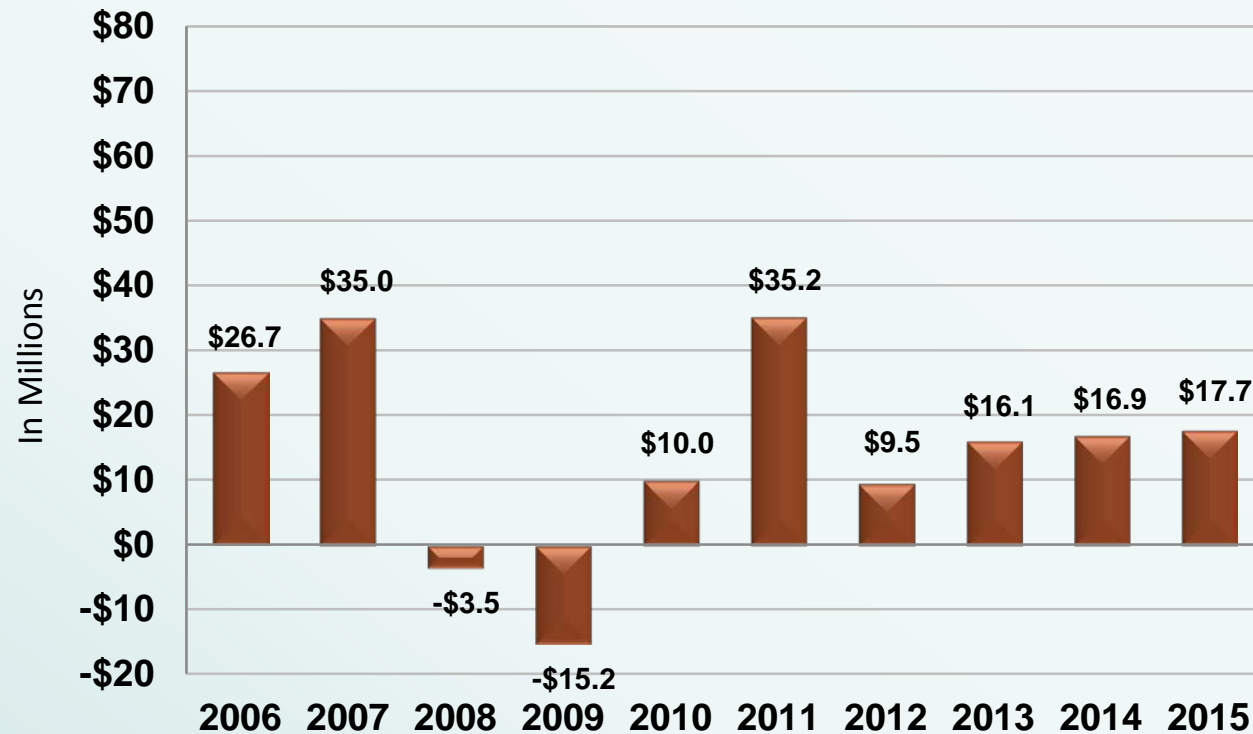
2015 Total Tithe - \$983,252,924 – Avg. \$18,908,710 per/wk.



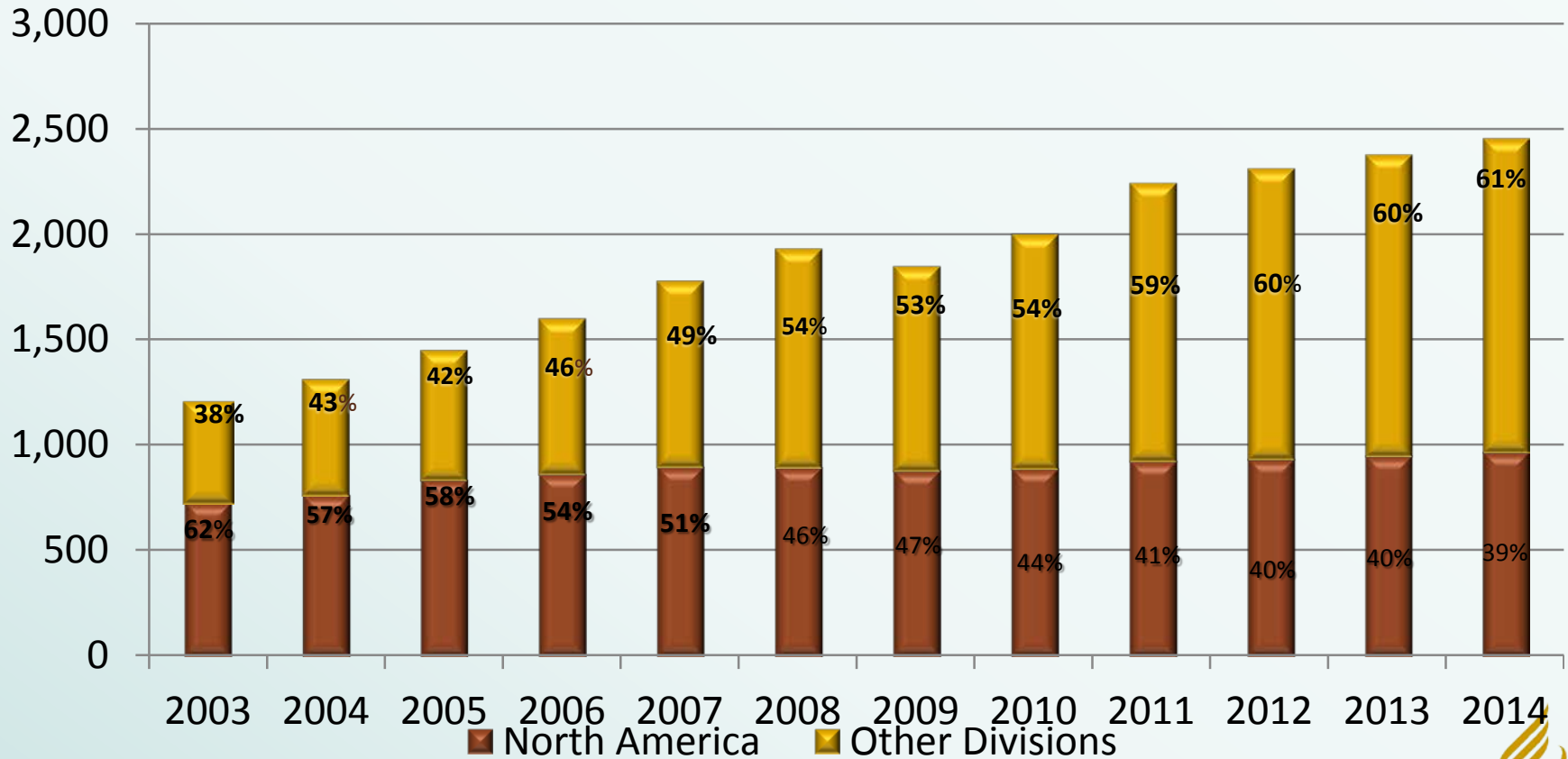
# North American Division Tithe For Past 10 Years



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

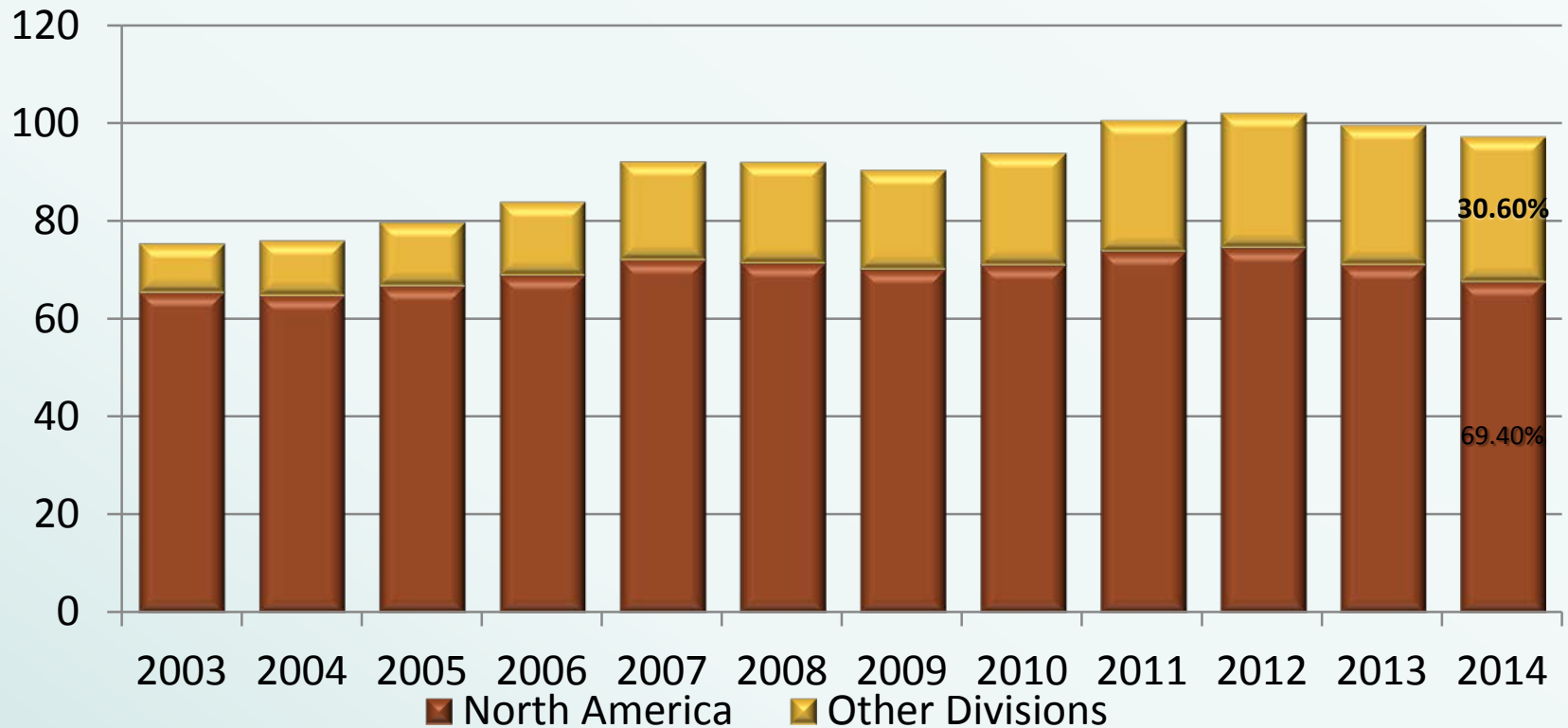


# Worldwide Tithe - 2003 through 2014 in Millions





# Worldwide Tithe To GC - 2003 through 2014 in Millions



# 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    \$4.50 million
- 2014      7.00%    .50      9.00 million
- 2015      6.85%    .15    10.35 million – Oakwood .15%
- 2016      6.85%    .15    10.35 million
- 2017      6.60%    .25    12.60 million
- 2018      6.35%    .25    14.85 million
- 2019      6.10%    .25    17.10 million
- 2020      5.85%    .25    19.35 million

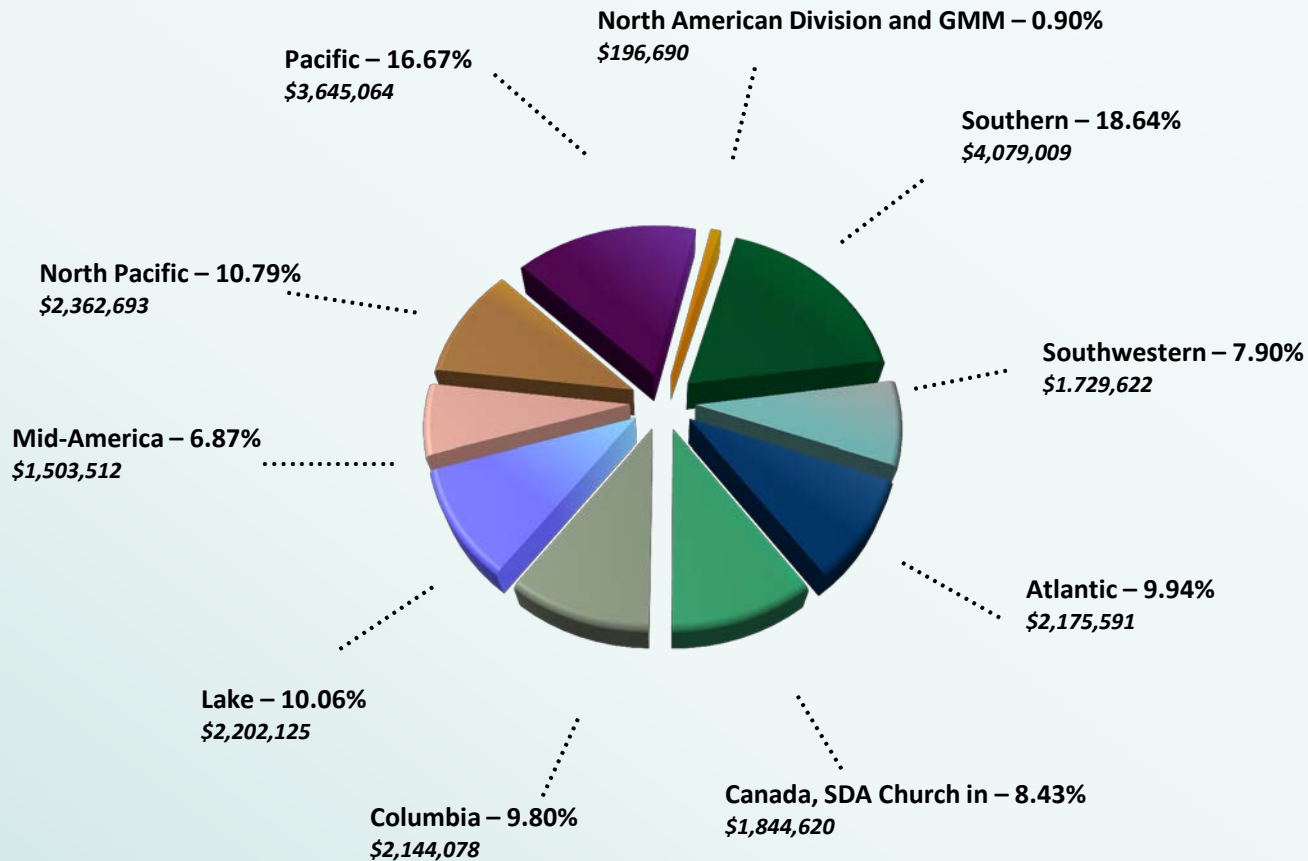


North American Division

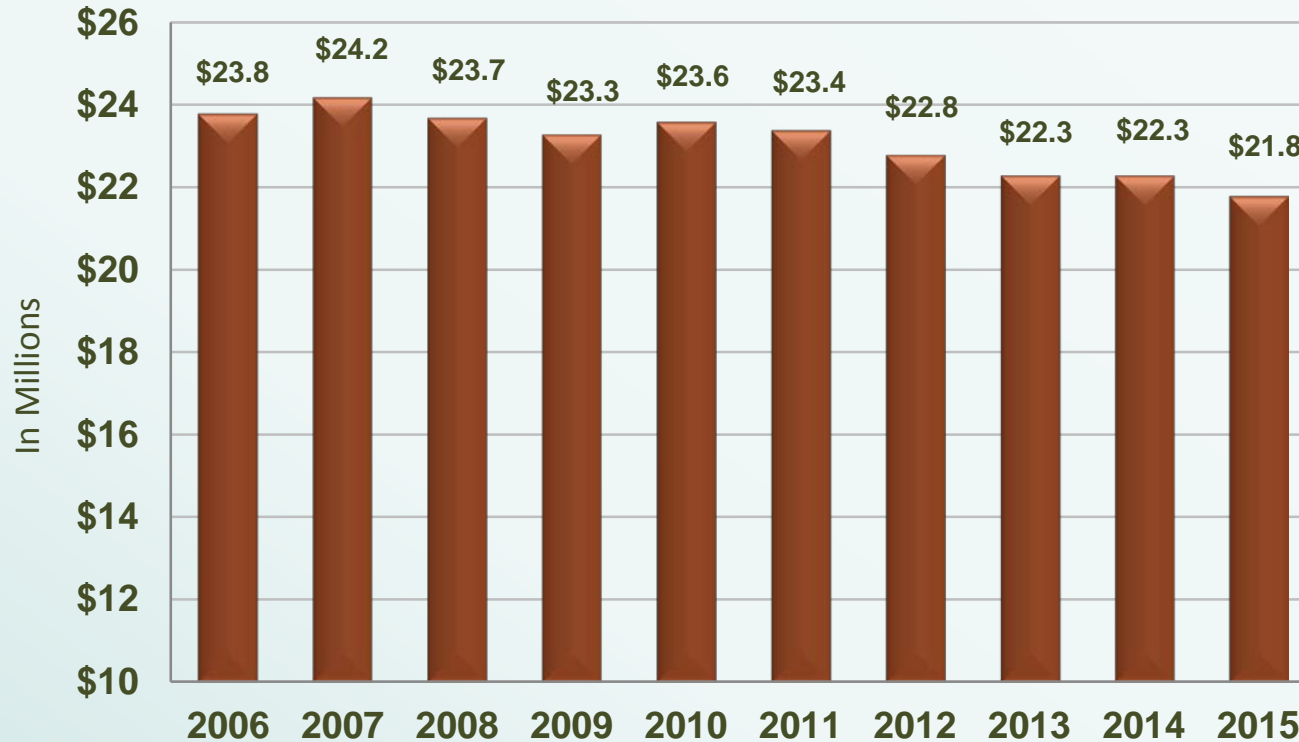
# North American Division Missions

**2014 Total Missions - \$22,251,235 – Avg. \$427,908 per/wk.**

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

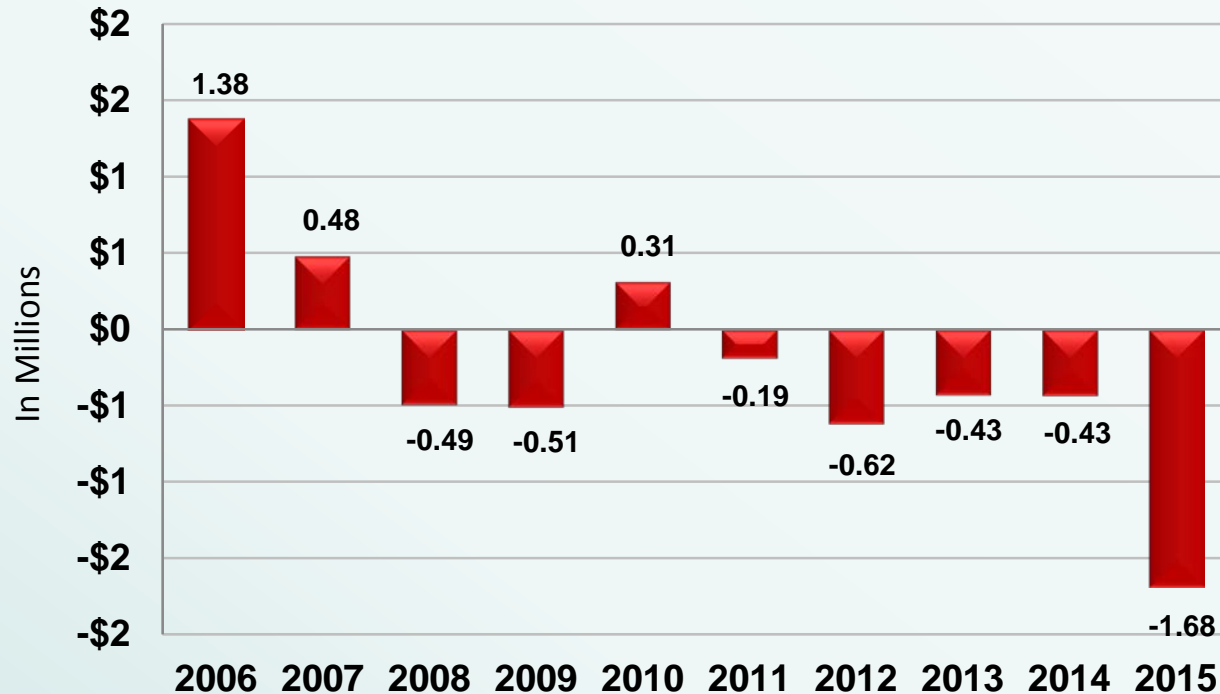


# North American Division Missions For Past 10 Years

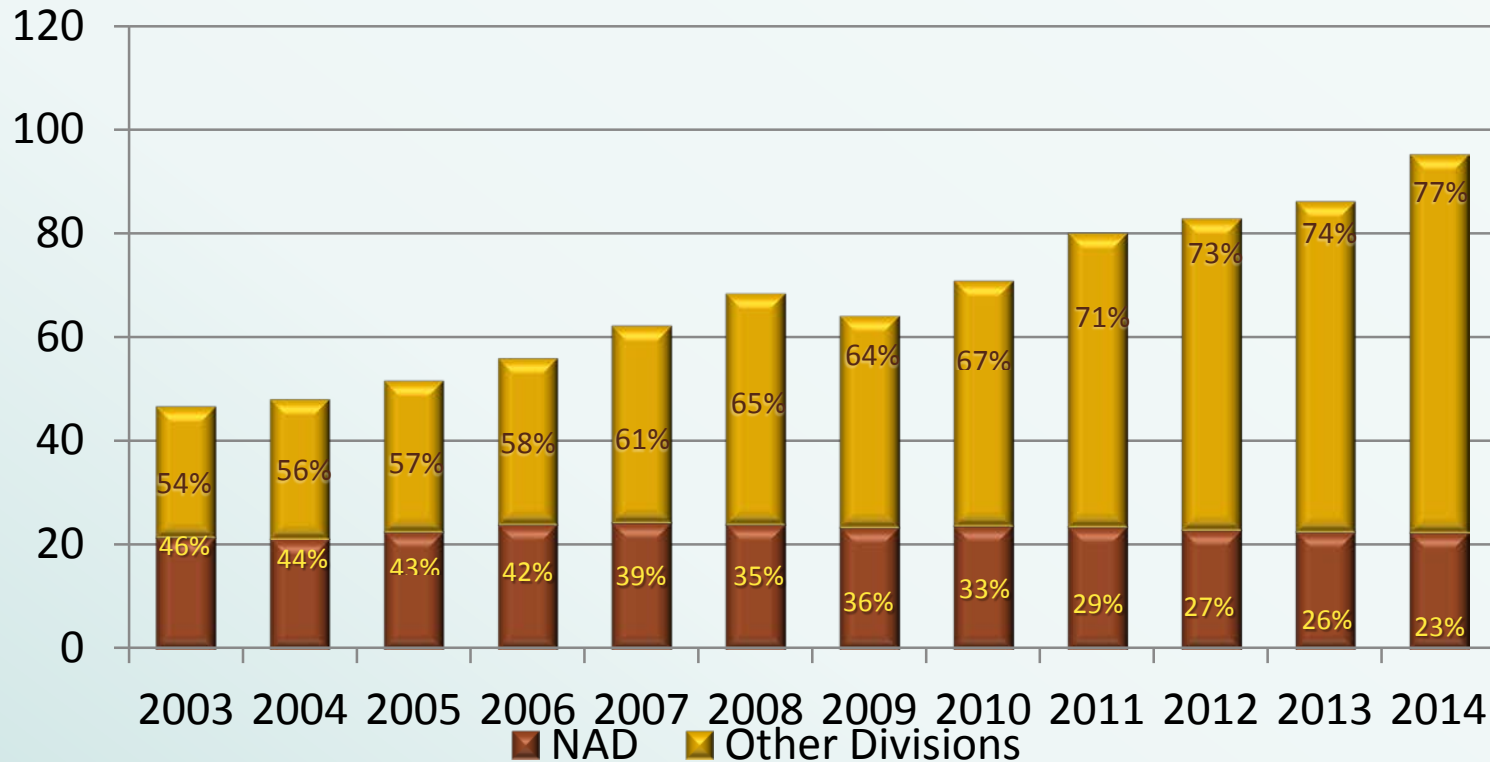


# North American Division Tithe

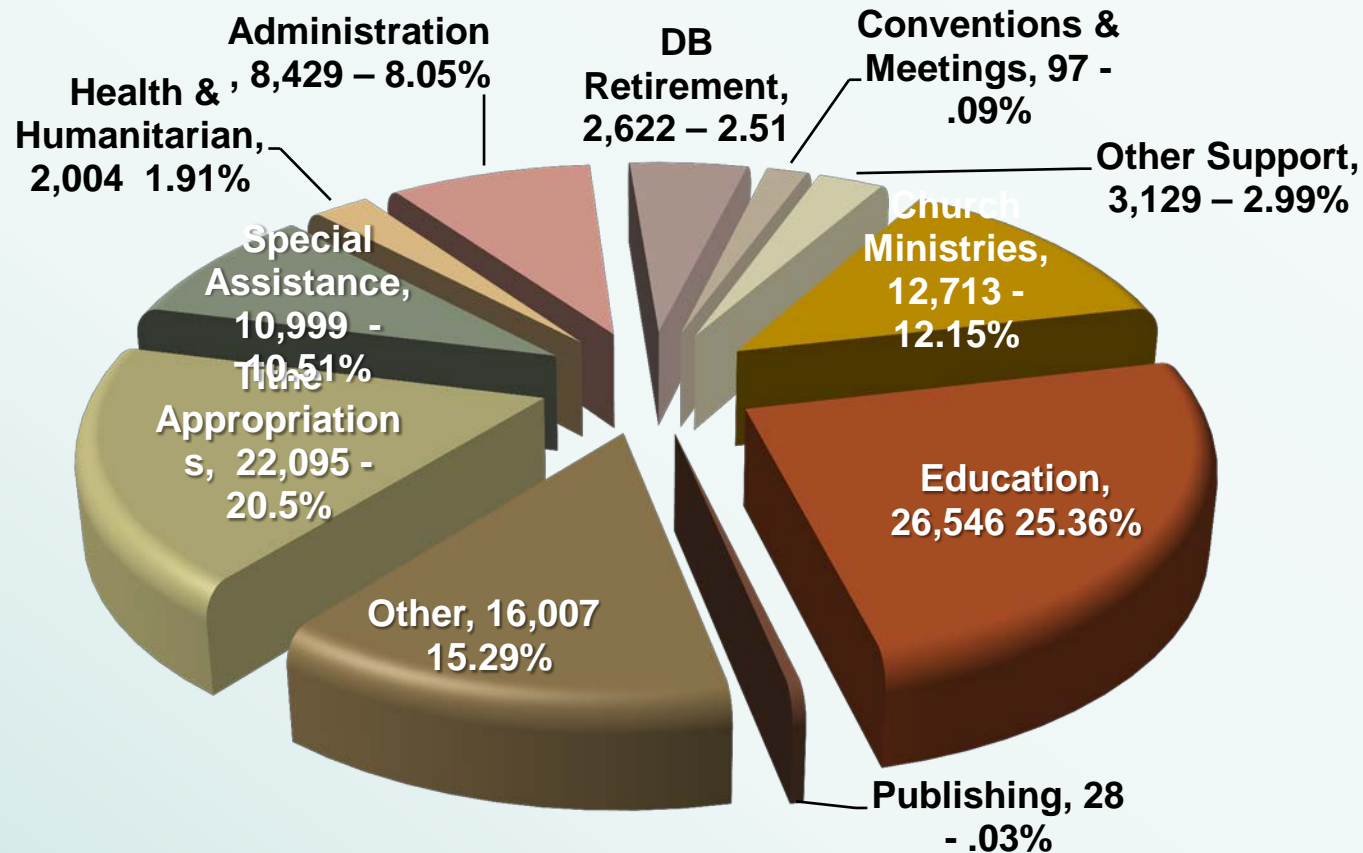
## Tithe Gain (Loss) for 10 Years in Percent's



# Worldwide Mission Offering 2003 through 2014 in Millions



# NAD 2015 Expenses - \$113,300,470



# Relevant Events Of the Past Year

Economy growing slowly

Jobs Slowly Increasing

Stronger Dollar Impacting GC Budget

Housing Market Slowly Getting Stronger

Politics – Still in Gridlock

Low Interest Rates May Start to Rise

NAD Continues To Have A Balanced Budget

Six Building Blocks Picking up Steam

Unrest Around The World



North American Division



# Ongoing Development

NAD  
Membership  
Continues to  
Growth

New Payroll  
Program  
AASI.NET In Full  
Swing

eAdventist  
Giving Rewrite

APS.Net in Beta  
Testing at NAD

Still Looking for a  
Publishing  
Director

Election outcome  
not know

Oakwood and  
Pacific Press  
Part of NAD

Media Center  
Ministries Doing  
Well At New  
Locations



North American Division



North American Division

Collaboration 2.0

# New Office Building Costs

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



North American Division

# Investment Report - Tim Aka GC Associate Treasurer for Investments With Outlook and the North American Division

Play Video





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}



North American Division

Money is a blessing when those who use it consider that they are the Lord's stewards, that they are handling the Lord's capital, and must one day give account of their stewardship.  
{OHC 192.2}



North American Division

*Every man according as he purposeth in his heart,  
[so let him give]; not grudgingly, or of necessity:  
for God loveth a cheerful giver. 2 Corinthians 9:7*



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

**Philippians 4:4**



North American Division

# Treasury Staff and Support

## Treasury

Tom Evans, Treasurer/CFO - CPA  
Mike Jamieson, Undertreasurer  
Carol Pack, Executive Assistant  
Sharon Mabena, Associate Treasurer –  
MBA, CPA  
David Baer, Assistant Treasurer - CPA  
Lynette Montoute, Chief Accountant - CPA  
Mayda Santos, Accountant  
Carol Patten, Accounting Clerk

## Adventist Accounting System International

Michael Park, Director – MBA, CPA  
Rose Ortiz, Implementation and  
Training Specialist  
Jeff Fogelquist, Implementation and  
Training Specialist  
Sheyla LaPierre, Implementation and  
Training Specialist  
Jorge Ayala, Development and  
Implementation Manger

## Adventist Retirement

Del Johnson, Administrator - MHA  
Ray Jimenez, Associate Administrator  
Lyn Wick, Associate Administrator  
Lisa Turpen , Associate Administrator  
and SHARP Manager - RN  
Beth Roberts, Assistant Administrator  
other support staff



North American Division



# Now Moving into the Audit Report

Call into session the Association for the financial statements as well the retirement report.



North American Division

# Report of the Audit Committee

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DAVID WEIGLEY



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VOTED: To recommend the acceptance of the December 31, 2015 Audited Special-purpose Unconsolidated Financial Statements of the General Conference of Seventh-day Adventists - North American Division.

VOTED: To recommend the acceptance of the December 31, 2015 Policy Compliance Report.

VOTED: To record the receipt of the December 31, 2015 Audit Communication Letter.

VOTED: To recommend the acceptance of the December 31, 2014 Consolidated Unaudited Financial Statements of the General Conference of Seventh-day Adventists North American Division

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



# Budget

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North American Division

# North American Division of Seventh-day Adventists

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2016 OPERATING BUDGET ASSUMPTIONS  
BUDGET E-MAILED TO EXECUTIVE  
COMMITTEE



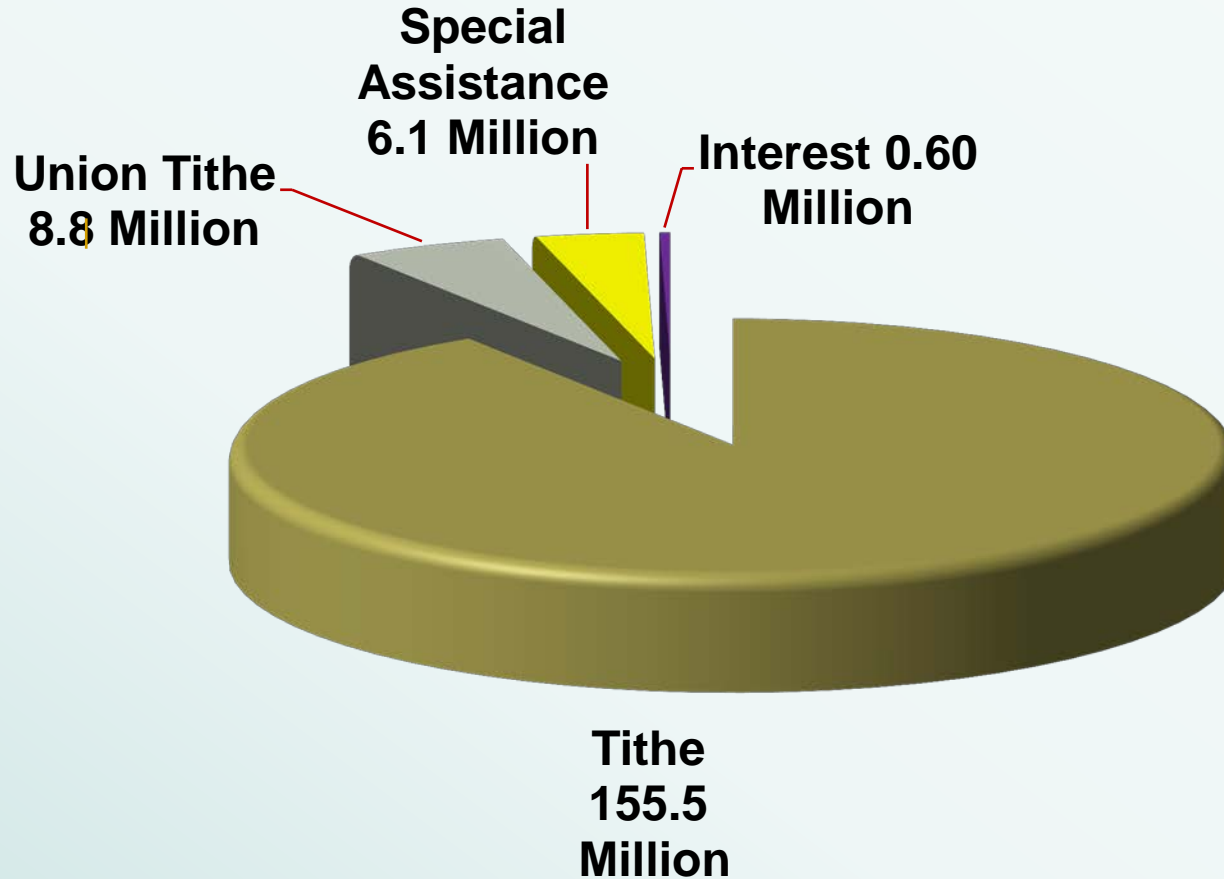
# 2015 Gross Tithe used for the 2017 Tithe Budget

**\$983,252,924**



North American Division

# Income – Unallocated Tithe and Non-Tithe - \$171,059,472



# 2017 GC/NAD Tithe Income Projected Distribution

\$164,203,238

- \$64,894,693
- GC Portion
- \$99,308,545
- NAD Portion



North American Division



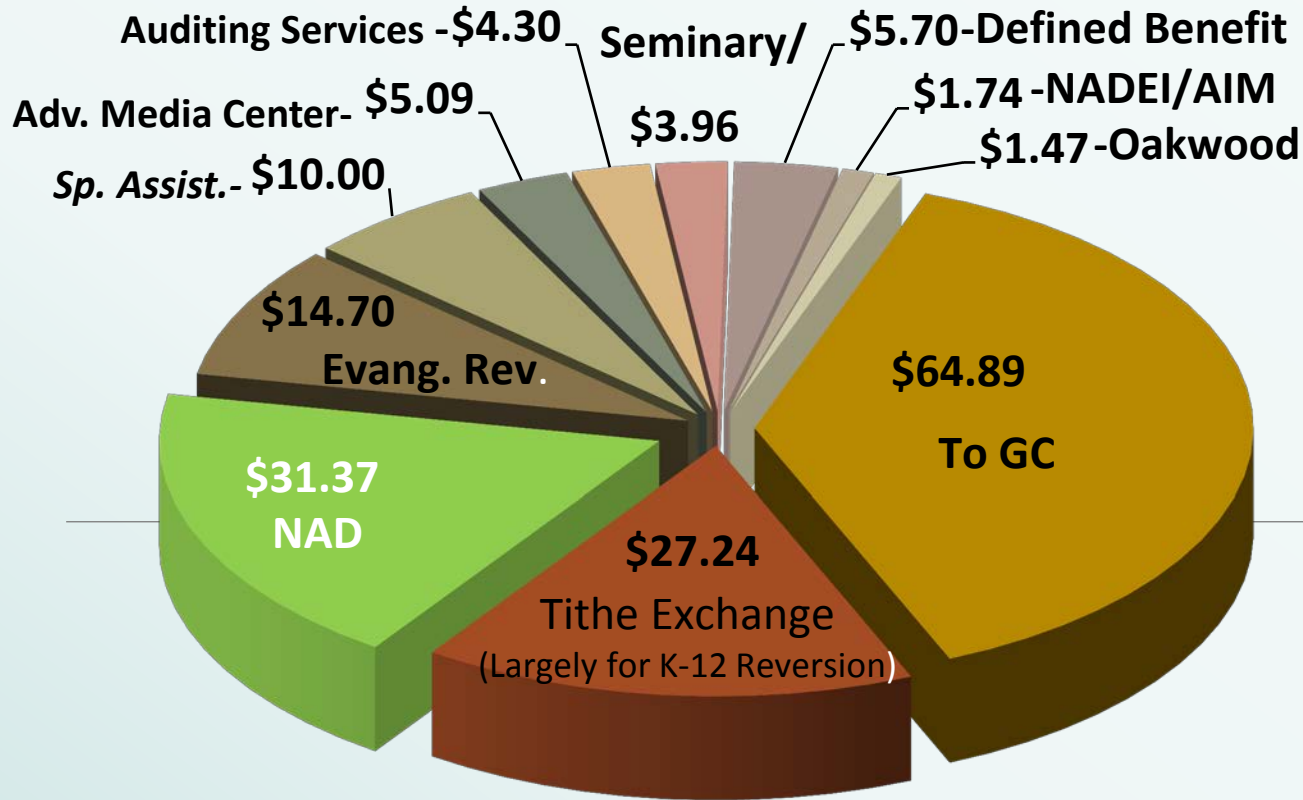
# 2016 Payroll Assumptions Remuneration Factor

January – June 2016  
\$4,389  
RF Actual – 1.1%

July – December 2016  
\$4,433  
RF Proposed – 1%



# 2017 Budgeted NAD Use of Tithe Funds:

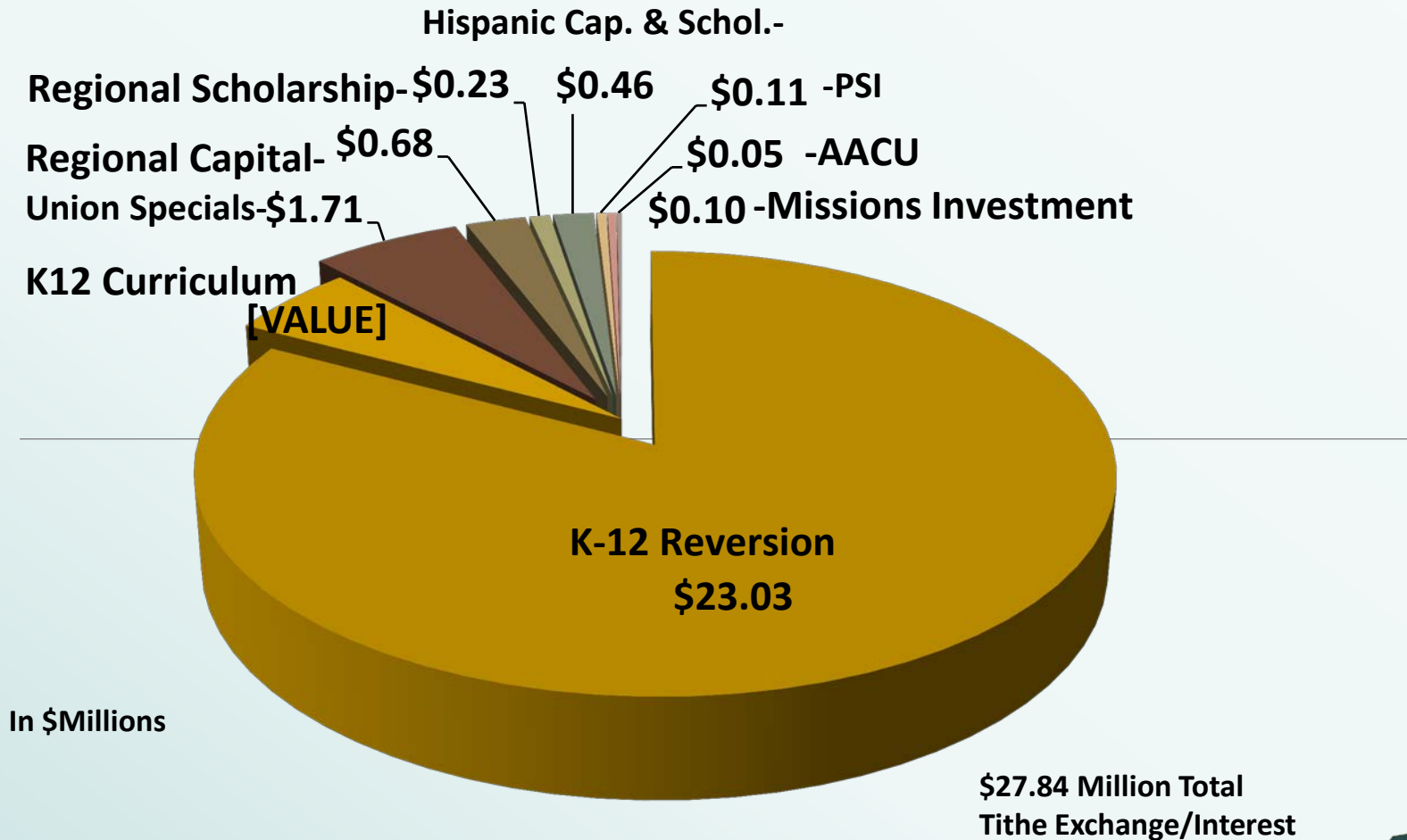


**\$170.46 Million Total Tithe:**



North American Division

## 2017 Non-Tithe Budget Distribution Graphed:



Complete 2017 Budget posted on the treasury web site when final tweaking completed.

<http://www.nadadventist.org>

*Directory → Administration → Treasury → Resources*



This is the slide  
between the budget  
and GMM

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North American Division

# North American Division Year-End Meetings

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GUAM-MICRONESIA MISSION  
2016



# 2016 Remuneration Factor – GMM

January 1, 2017

**\$3,490**

Guam/Saipan

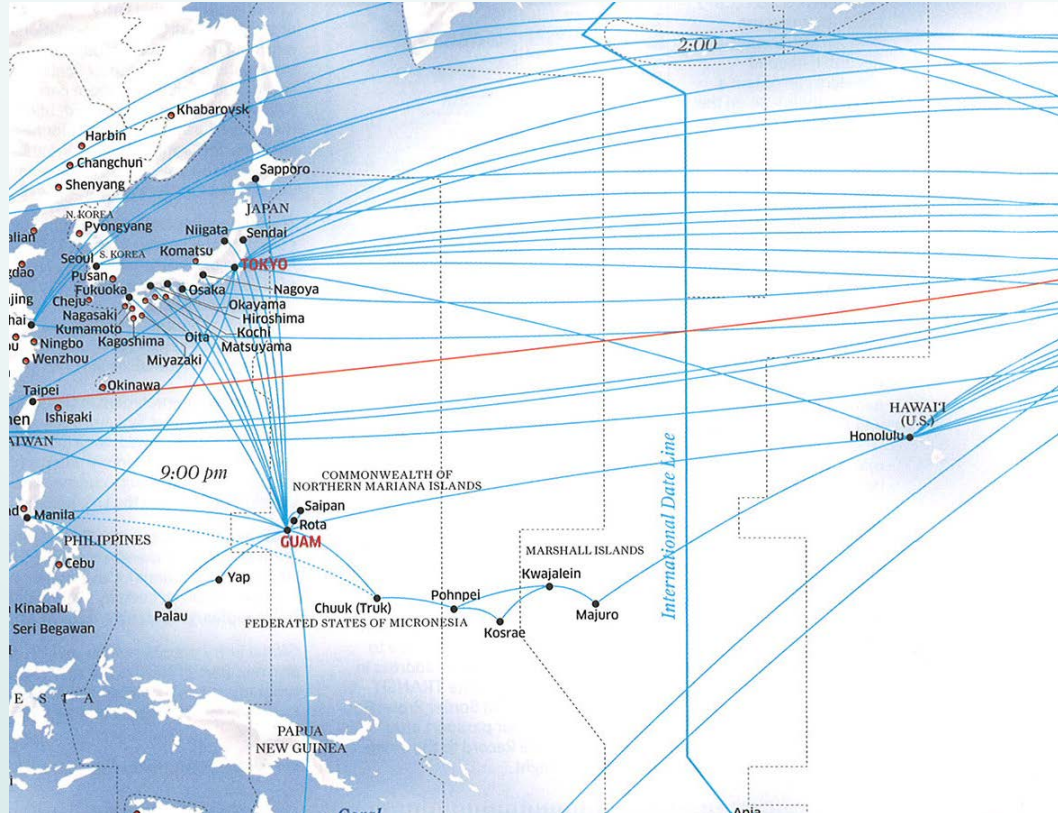
January 1, 2017

**\$1,745**

USD Micronesia



# Picture name





# RECOMMEND:

## RECOMMEND:

1. – Recommend the wage factor for Guam/Saipan and the USD Micronesia beginning January 1, 2017 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 2017.



North American Division

# Retirement Report

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DEL JOHNSON



North American Division

# GCAS Report

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ROBYN KAJIURA



North American Division

# Stewardship Thoughts

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North American Division

# The End

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North American Division