

REACH  
THE WORLD



I WILL  
GO



I WILL GO

*Proclaim the Three Angels' Messages*



# Treasurer's Report Annual Council 2020

## Financial Update

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# COVID-19 Challenge to Church Operations

March to June 2020:

All Divisions Tithe and Mission Offerings  
decreased compared to 2019

July to December 2020:

Still unknown

# COVID-19 IMPACT ON CHURCH ORGANIZATIONAL LIFE

- Anticipate Tithe and Mission Offering below 2019 level
- Extended worldwide economic slowdown
- US Dollar strong
- High unemployment in the USA
- Many congregations can only meet electronically
- Travel has stopped
- Adjustments in operations and remuneration at HQ
- Communication is now virtual



# COVID-19 EFFECT ON INSTITUTIONAL OPERATIONS, CHURCH PROGRAMS, AND EVENTS

- Institutions and programs implemented budget adjustments. Appreciation for institutional leaders' proactive approach and Division leaders' innovative spirit to adapt finances
- Postponement of General Conference Session
- Decrease in Tithe income between 5% and 25%
- Decrease in Mission Offerings between 10% and 40%
- We remain optimistic and positive

# Financial Results

September  
2020

Operating Fund  
Net Assets decrease

(5,869,863)

Working Capital

86.04%

Liquidity

102.26%

# ACTION OF JULY 9, 2020 IMPLEMENTED

1. Allocations to selected functions suspended
2. Budget reductions for departments and programs
3. Reduction of personnel, reallocation, and redirection
4. Adjustment to remuneration, area travel, travel budgets, other
5. Planning additional reductions as needed
6. Redirecting funding from existing allocations to other areas of need

# ACTION OF JULY 9, 2020

## 2021 BUDGET

1. Maintain same level of appropriations to divisions and institutions
2. Continue implementation of Tithe Parity action (V 09, 2, d)
3. Apply reserves to ensure balanced budget for 2021
4. Reassess financial situation after 2020 income is recorded
5. Communication with divisions as to the progress of strategy



# ACTION OF JULY 9, 2020 FURTHER NOTED

- Related to Tithe Parity action, reduction of three elected positions
- \$1,756,410 budgeted value of reductions
- Final impact of COVID-19 still unknown
- Will affect church finances at every level
- We must remain proactive, vigilant, and conscious of expenses
- Mission must continue, level of financial diligence to remain high to conserve resources

# IMPACT ON 2021 BUDGET

COVID-19

TITHE PARITY

EXCHANGE FLUCTUATION

OTHER

**26 MILLION US DOLLARS**

# IMPACT ON 2021 BUDGET

Description	Tithe	World Mission Offering	Total	% of Total
COVID-19 Effect	-4,444,000	-14,363,000	-18,807,000	72%
Tithe Parity	-4,323,000	0	-4,323,000	17%
Exchange Fluctuation	-1,173,000	-1,744,000	-2,917,000	11%
<b>Net Impact to Income</b>	<b>-9,940,000</b>	<b>-16,107,000</b>	<b>-26,047,000</b>	<b>100%</b>





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# REVIEW & HERALD BUILDING SALE

FAILED TO CONSUMMATE  
BUYER USED CONTRACT  
PROVISION TO ABORT  
TRANSACTION

PROPERTY IS BACK ON THE  
MARKET

IN NEGOTIATIONS WITH NEW  
BUYER





# WAREHOUSE BUILDING AND SALE

CONSTRUCTION IN SOUTH SIDE  
OF OUR PROPERTY PROCEEDING  
AS PLANNED

EXPECTED TO BE COMPLETED BY  
JANUARY 2021

WAREHOUSE IN ELKRIDGE, MD  
UNDER CONTRACT FOR SALE  
CLOSING EXPECTED BY APRIL 2021

## GRATITUDE TO THE LORD

For providing in 2020 (first  
year of new quinquennium)

He will provide means and  
people to do the work that  
remains to be done





# Thank you

Volunteer local church treasurers

Treasury personnel in entities around the world

GC Treasury and accounting staff



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Our “help comes from the Lord,”  
and “He does not slumber.”  
“He is our keeper; He is our  
shade; and shall preserve our  
going out and our coming in  
now and forever more”.  
Psalm 121: 1-8







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