




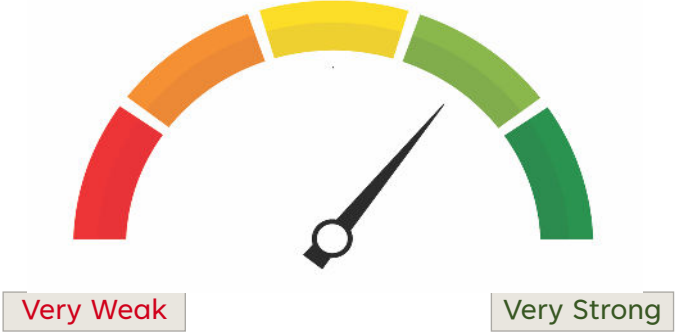
TREASURER'S REPORT
2025 Spring Meeting
April 8-9, 2025



1

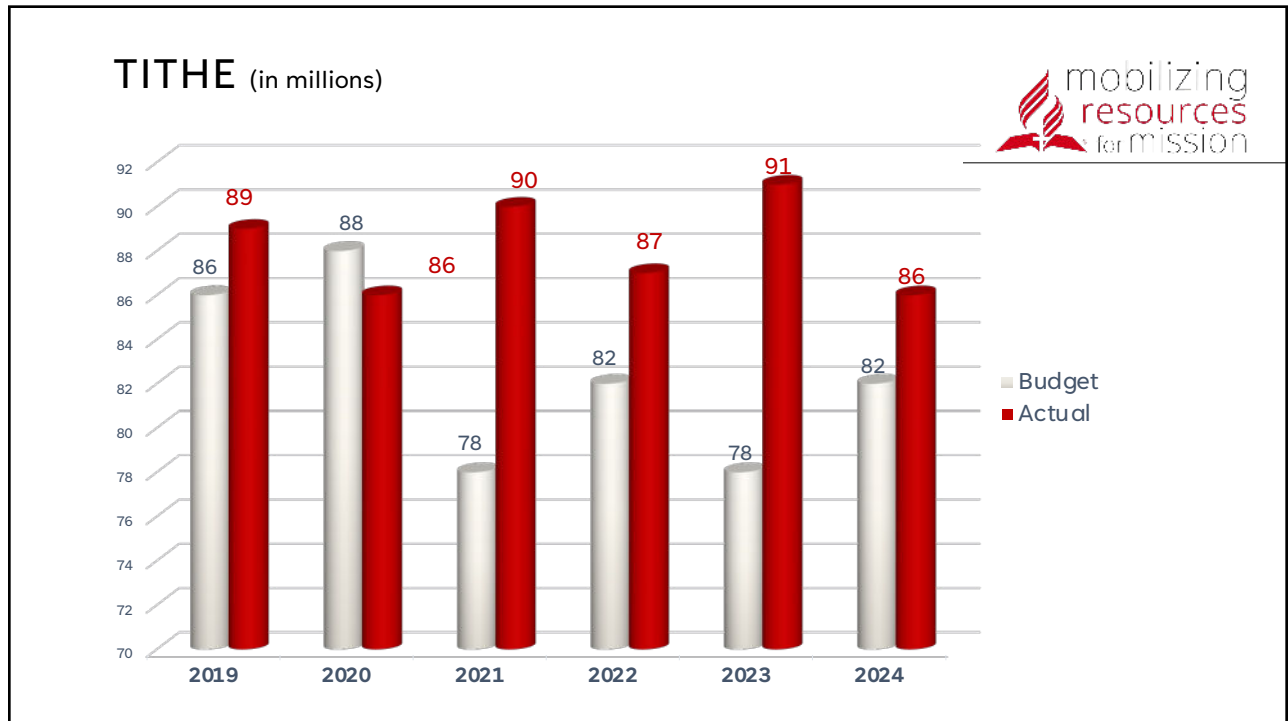


The financial position of the General Conference is **strong**

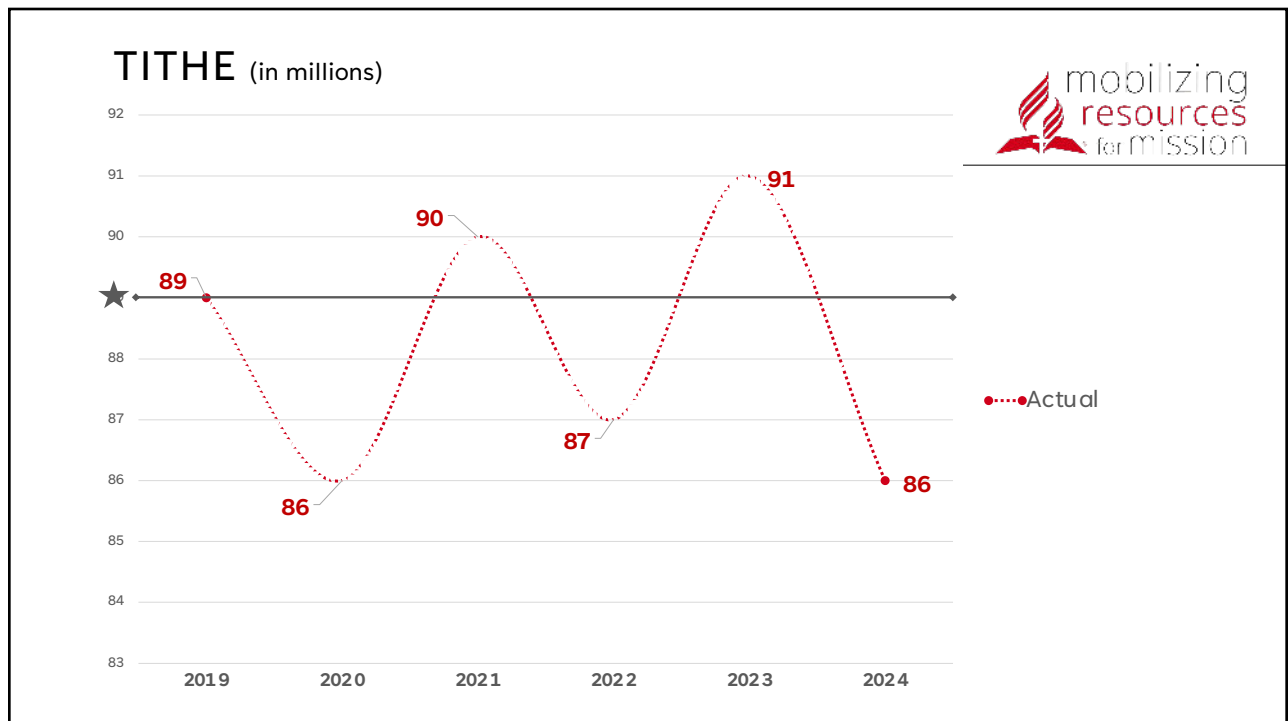


Very Weak Very Strong

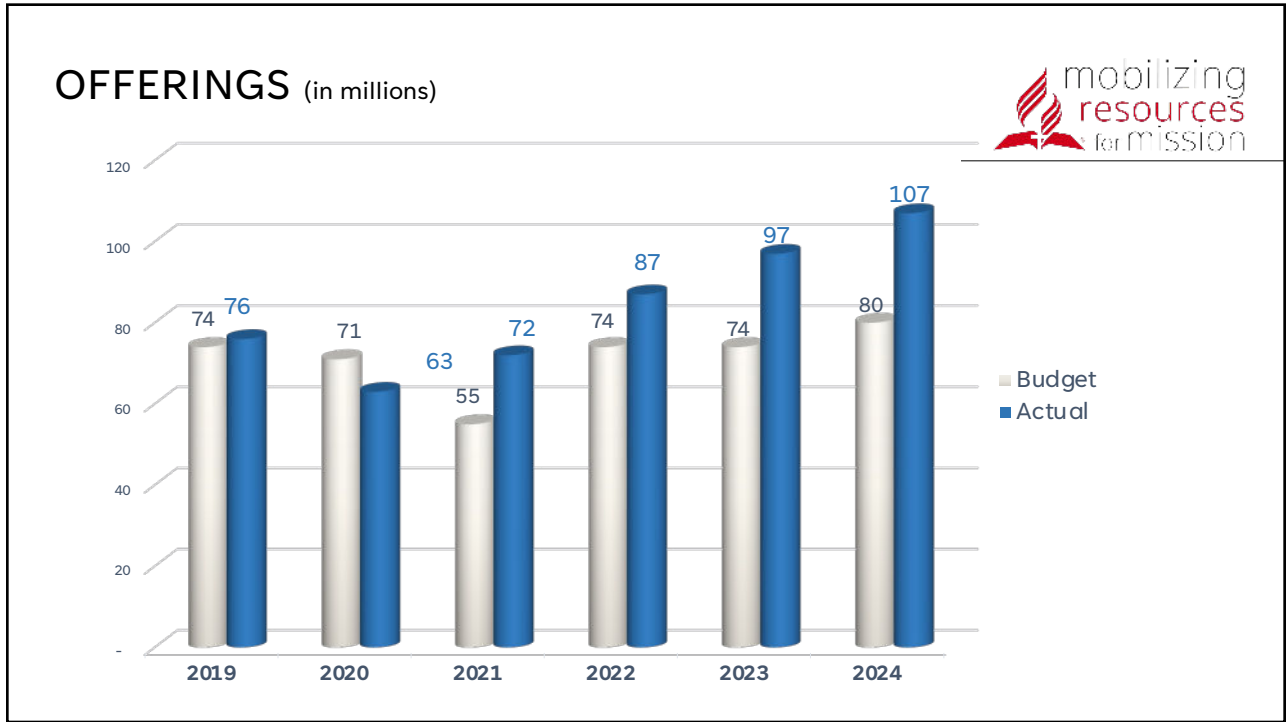
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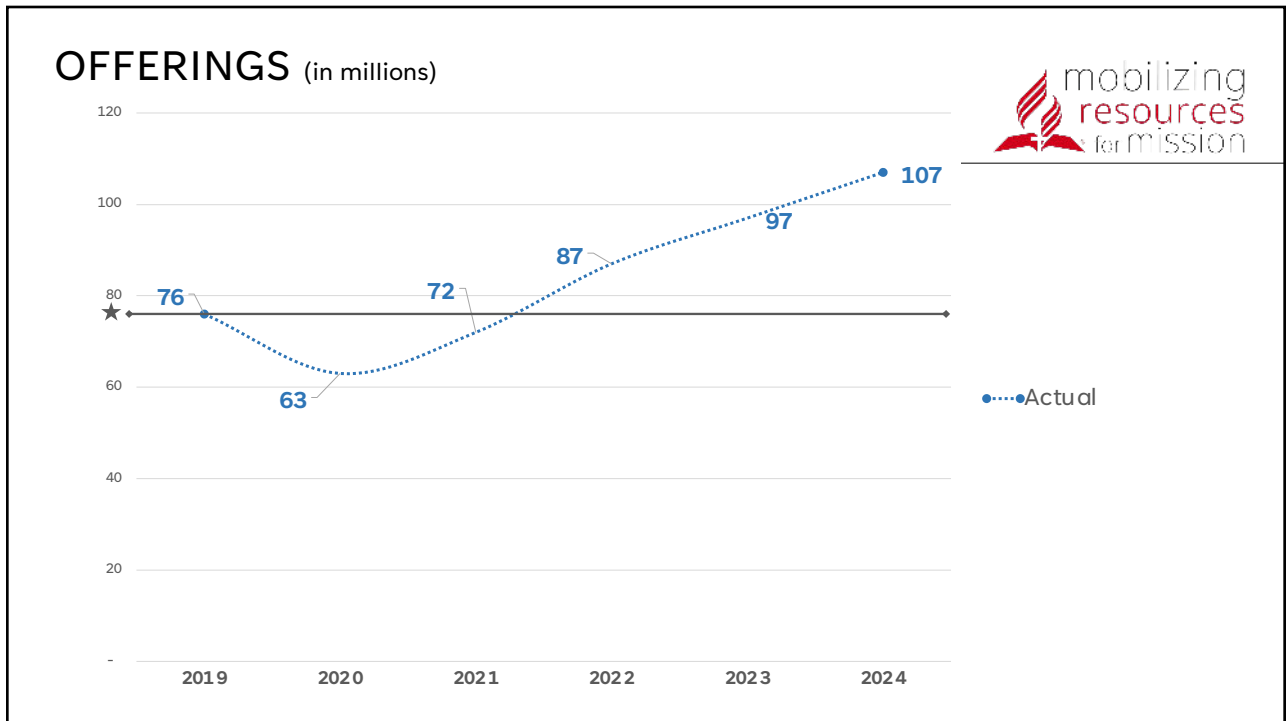
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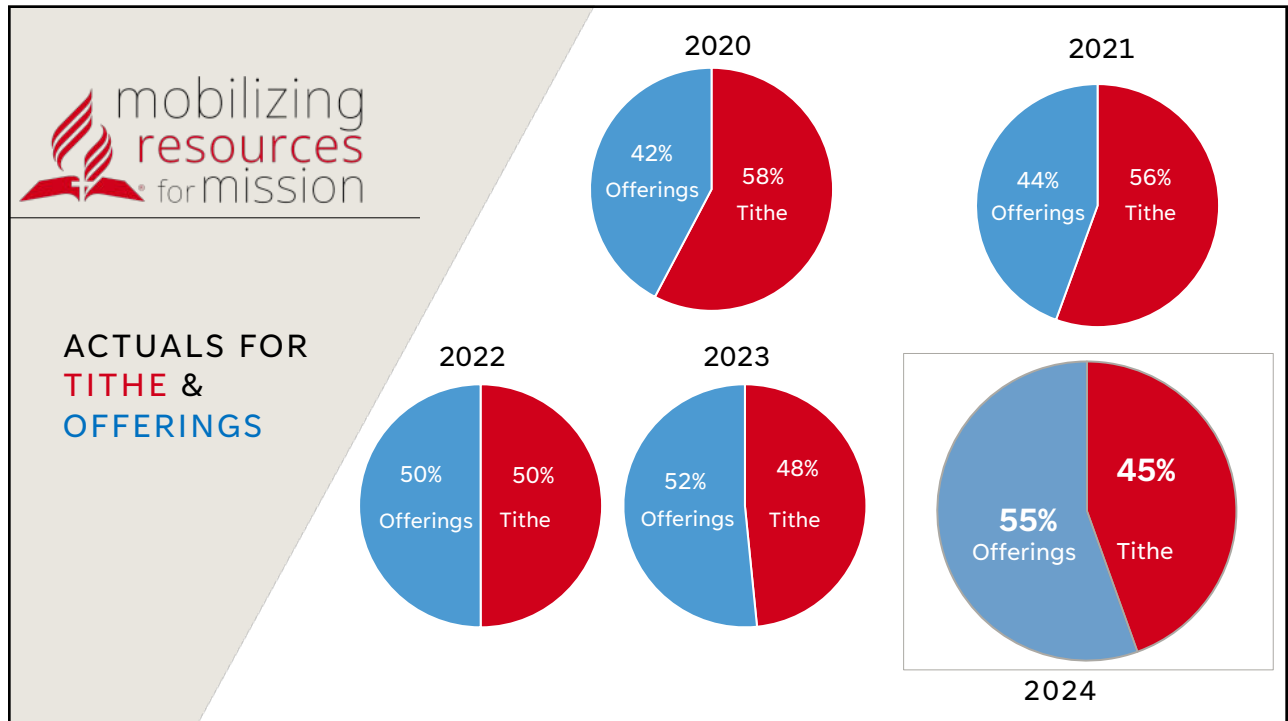
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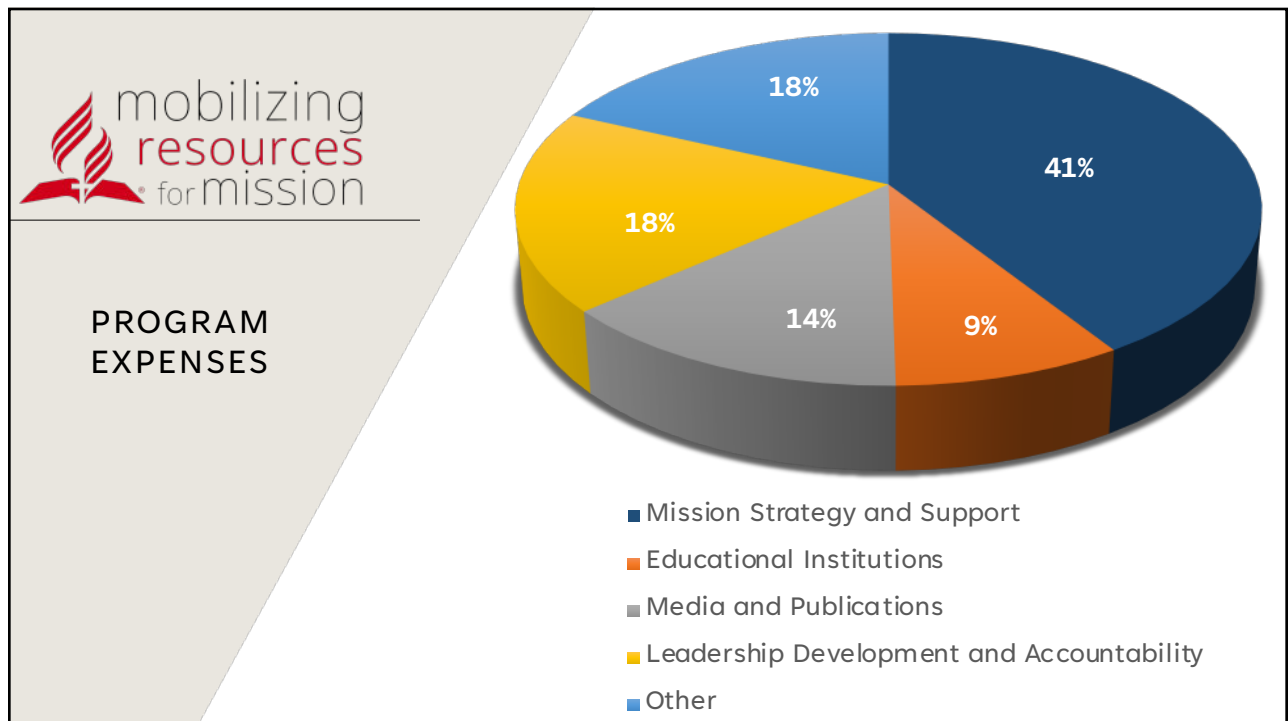
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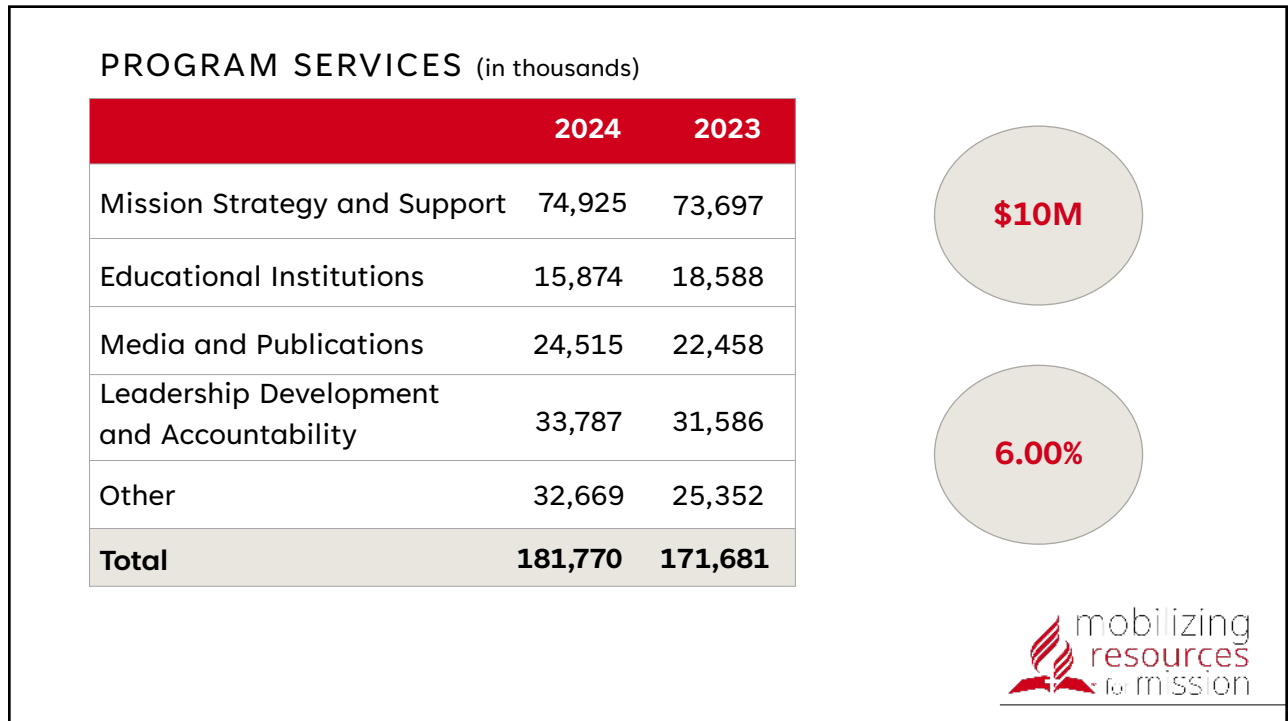
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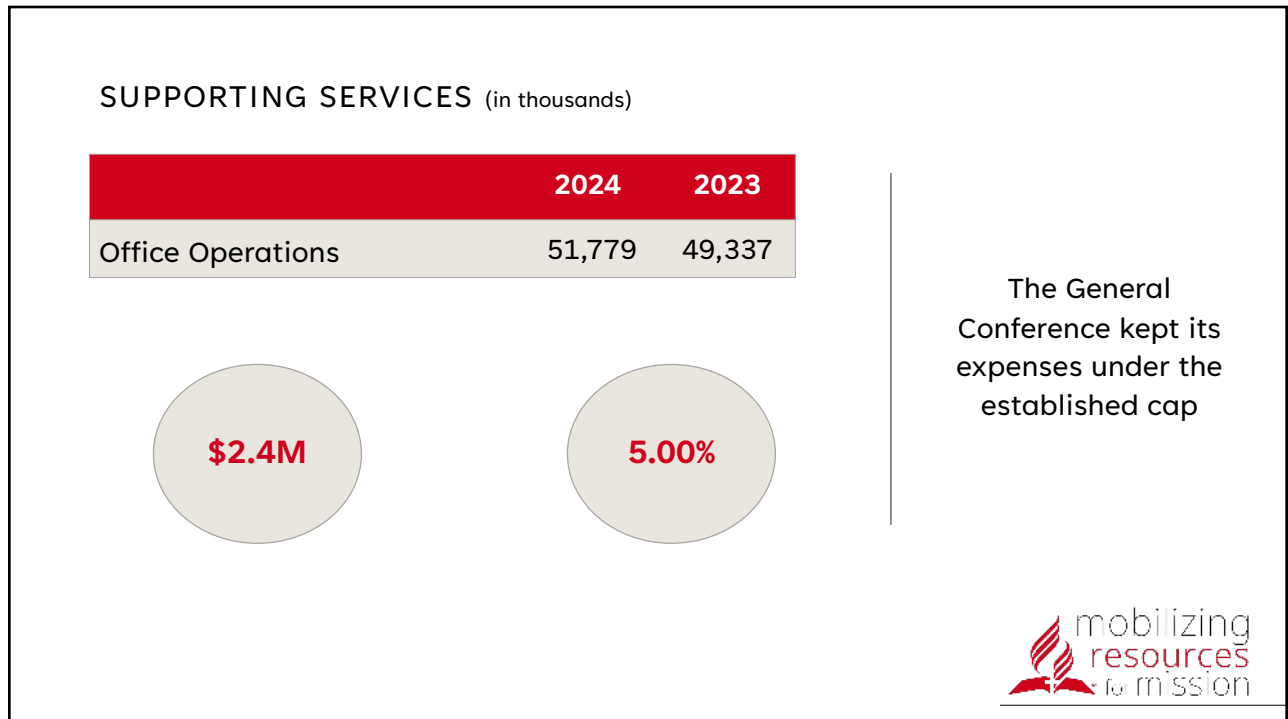
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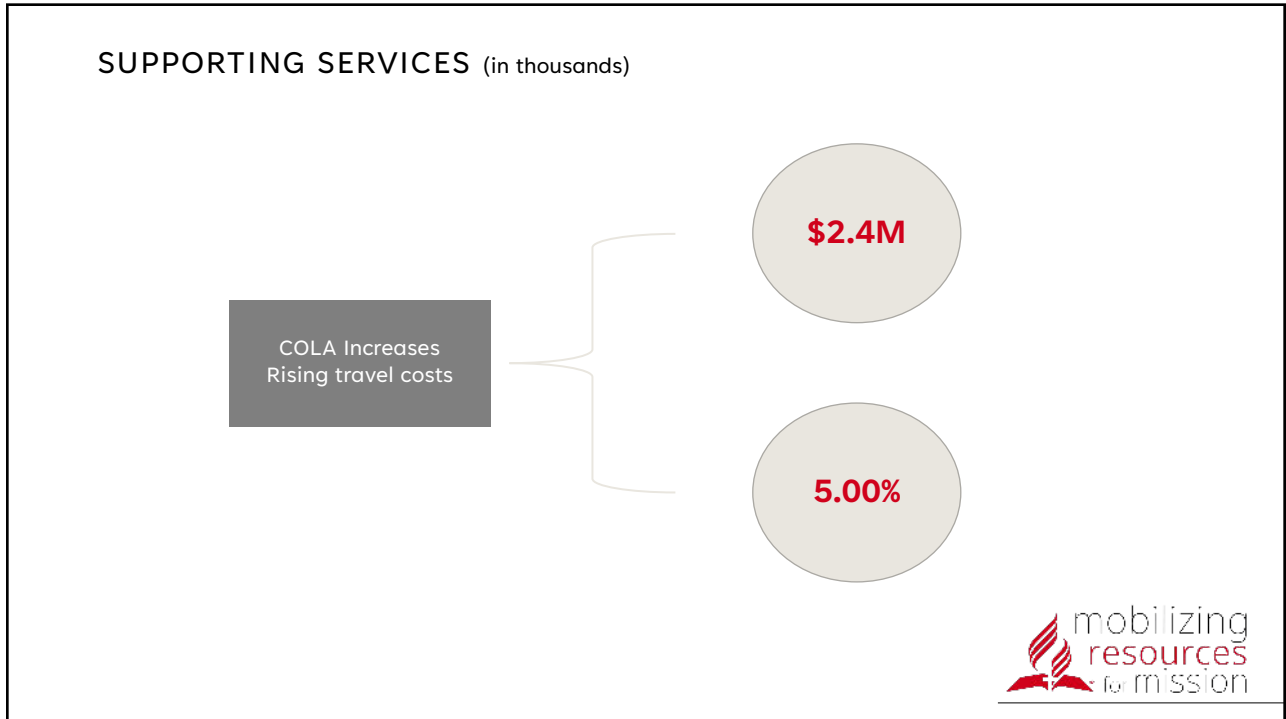
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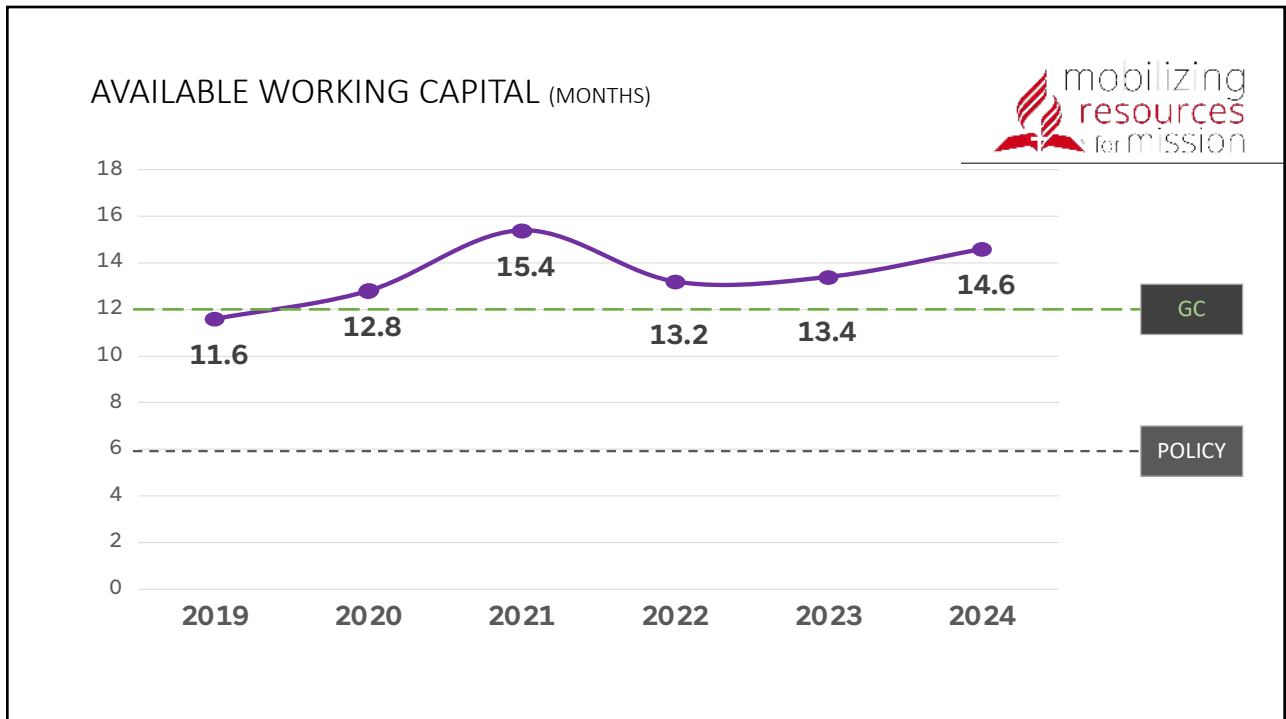
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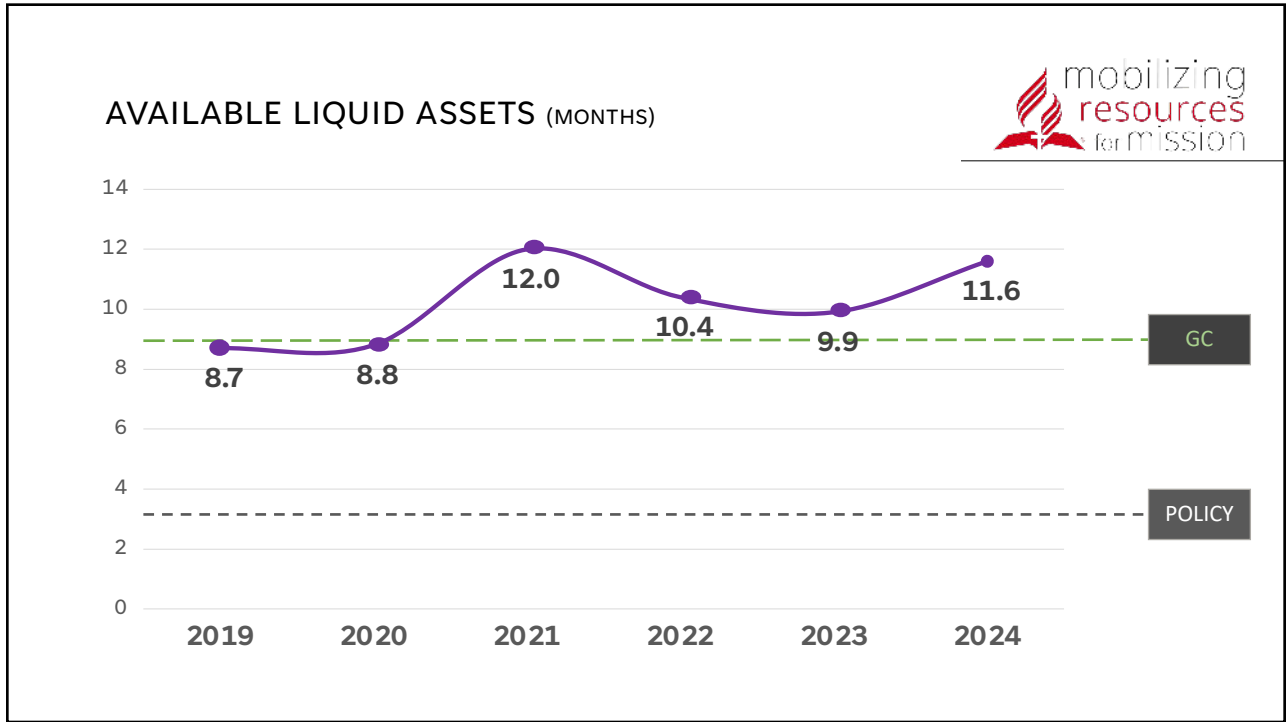
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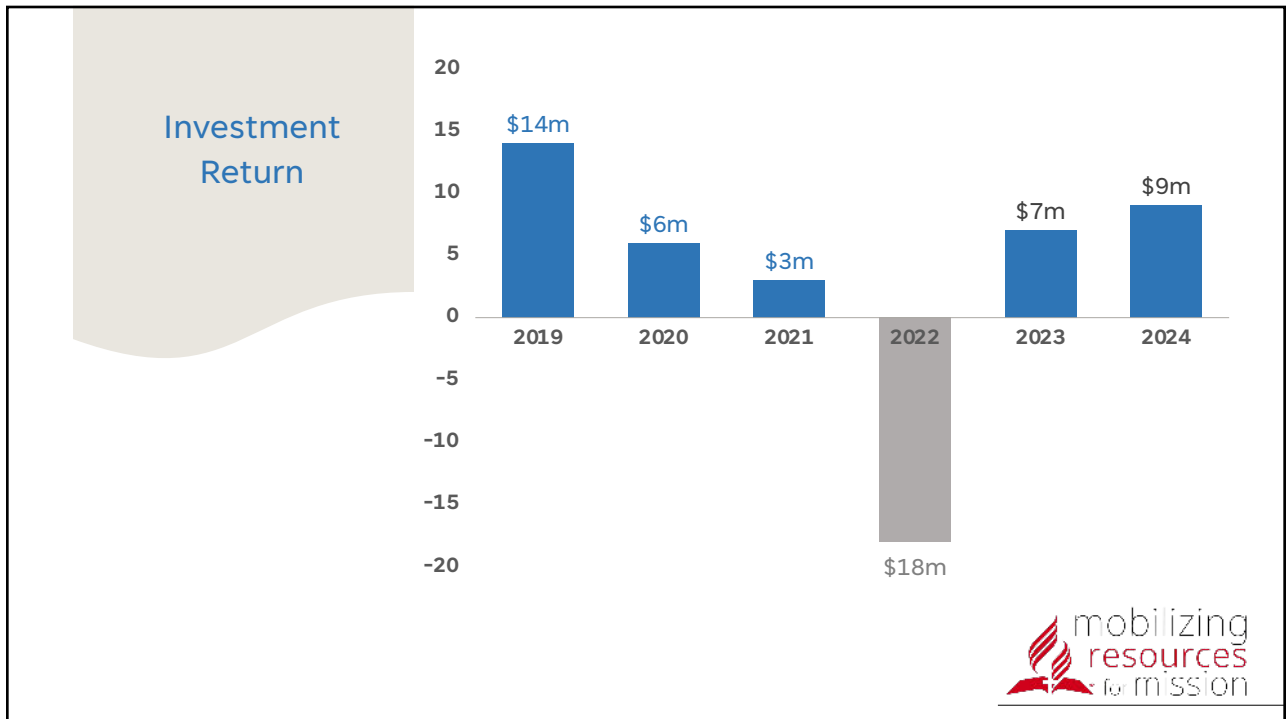
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12




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14

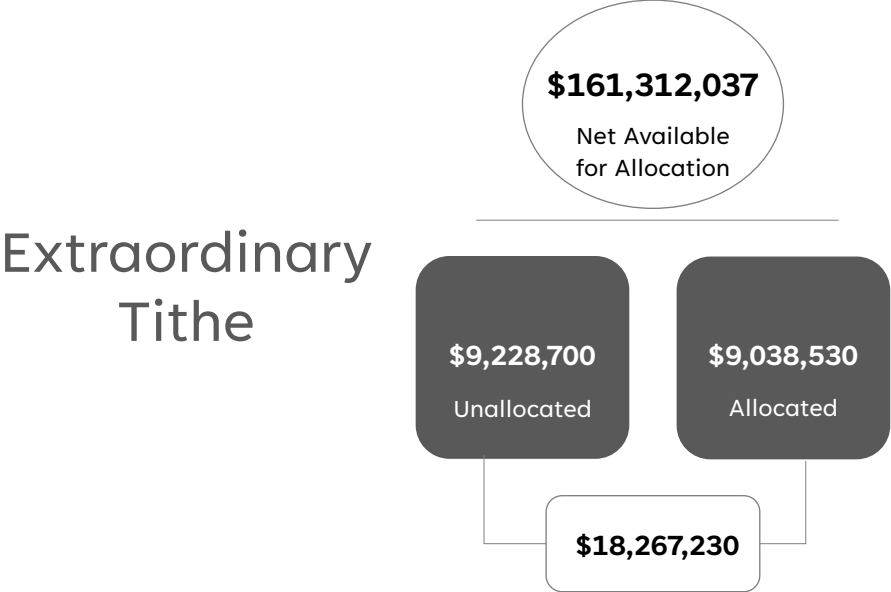
Investment Philosophy

- **Monitor** the quality of our investment portfolio
- **Maintain** a conservative portfolio that is primarily weighted towards cash and fixed income securities
- **Maximize** the opportunities currently available for fixed income securities with higher yields



15

Extraordinary Tithe




\$161,312,037
Net Available for Allocation


\$9,228,700
Unallocated

\$9,038,530
Allocated

\$18,267,230



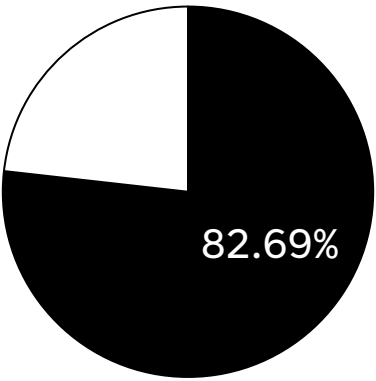
16




OPERATING CAP REPORT
December 31, 2024

17

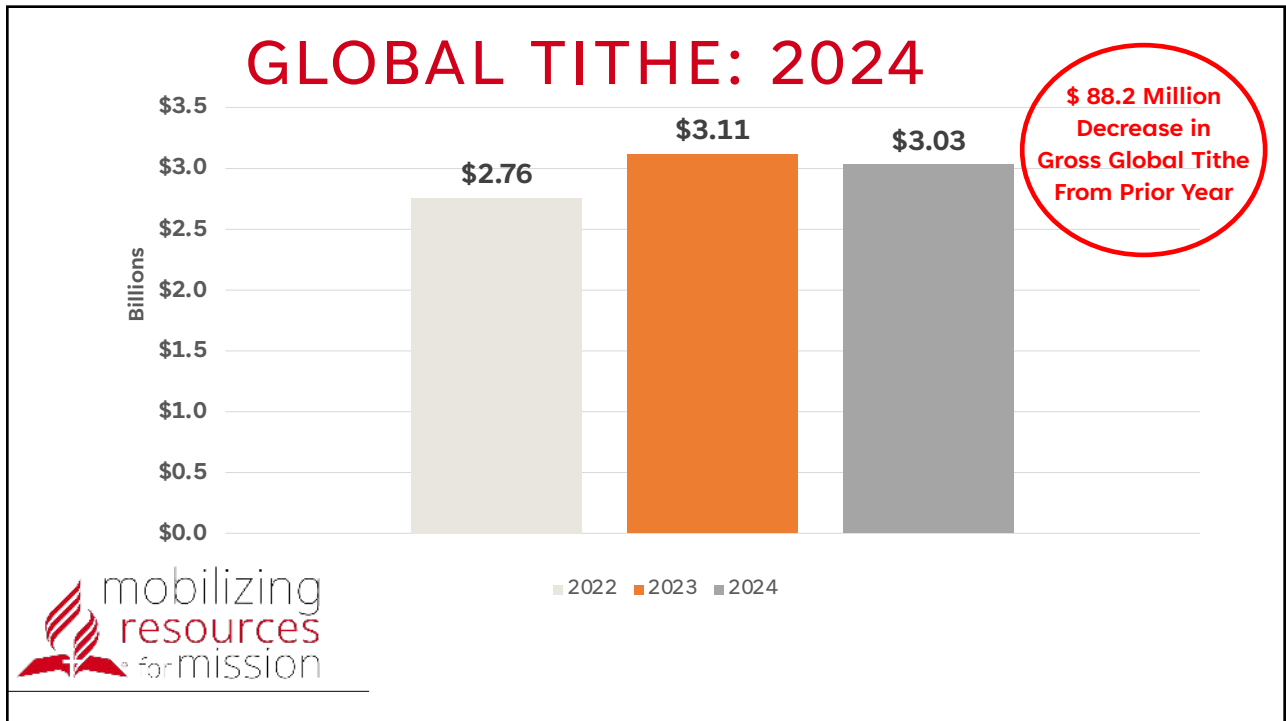
ACTUAL EXPENSE AS % OF CAP AT YEAR END



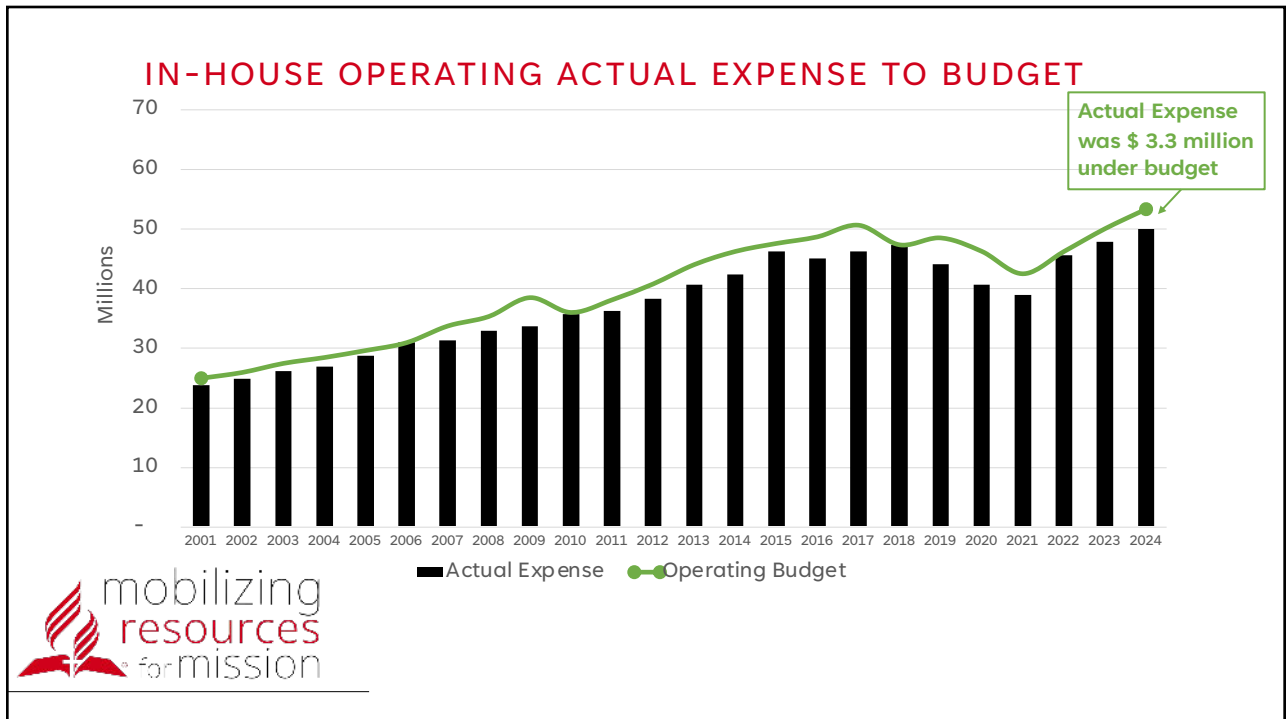
Category	Percentage
Actual Expense as % of CAP	82.69%
Other	17.31%



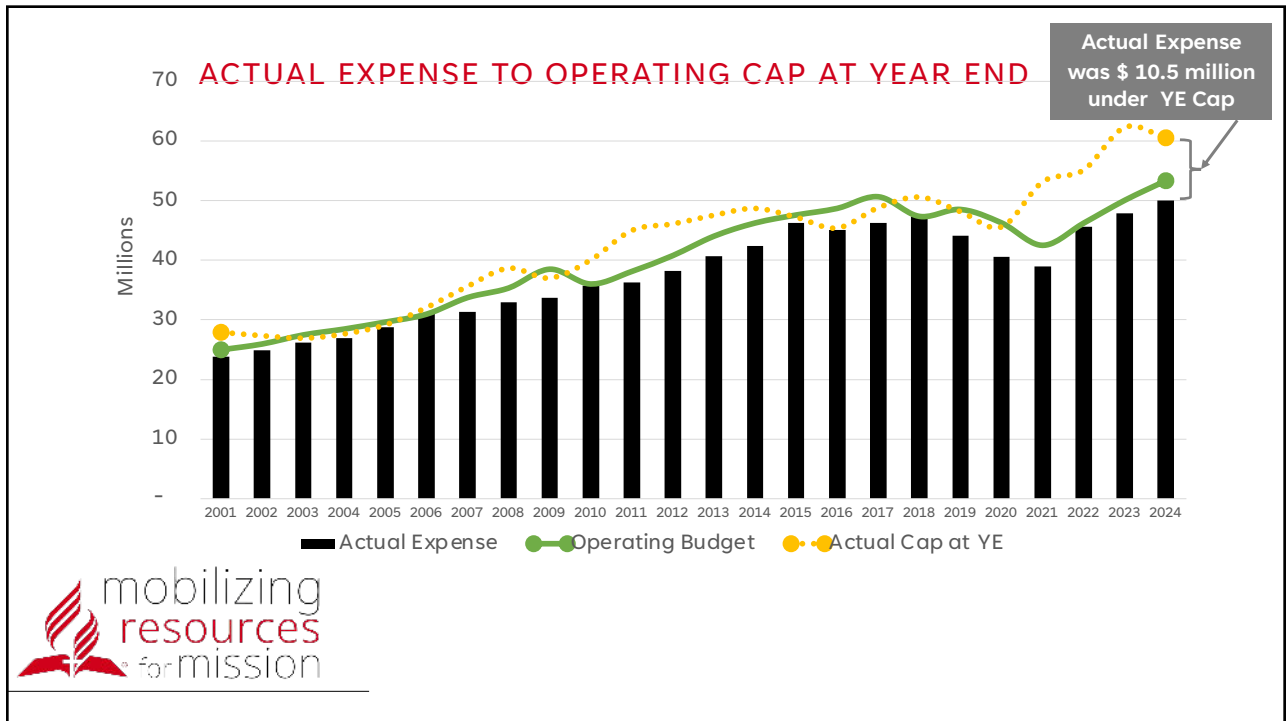
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19



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21



22

USD vs Hard Currencies

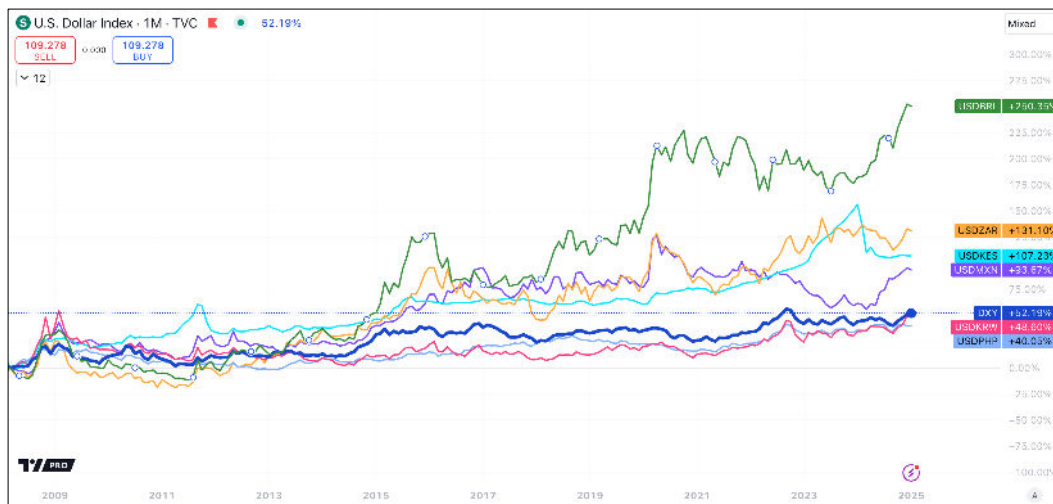


The US Dollar has gained against most developed country currencies.



23

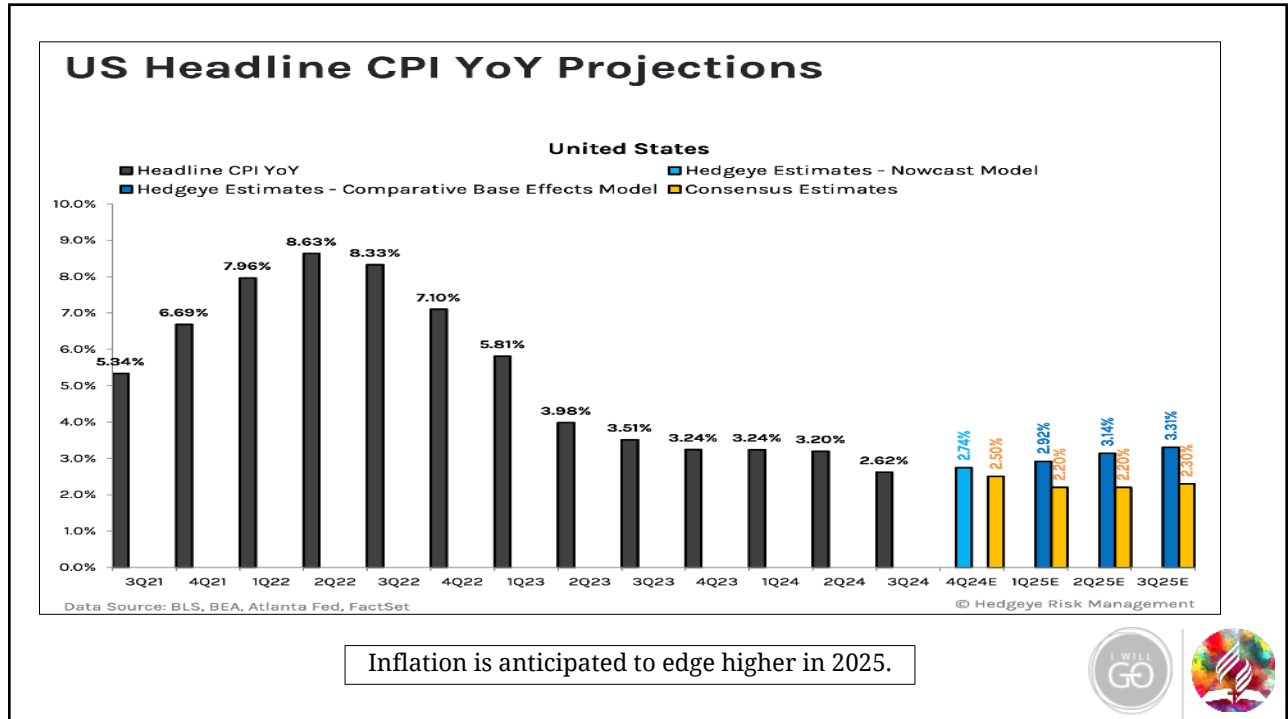
USD vs. Developing Country Currencies



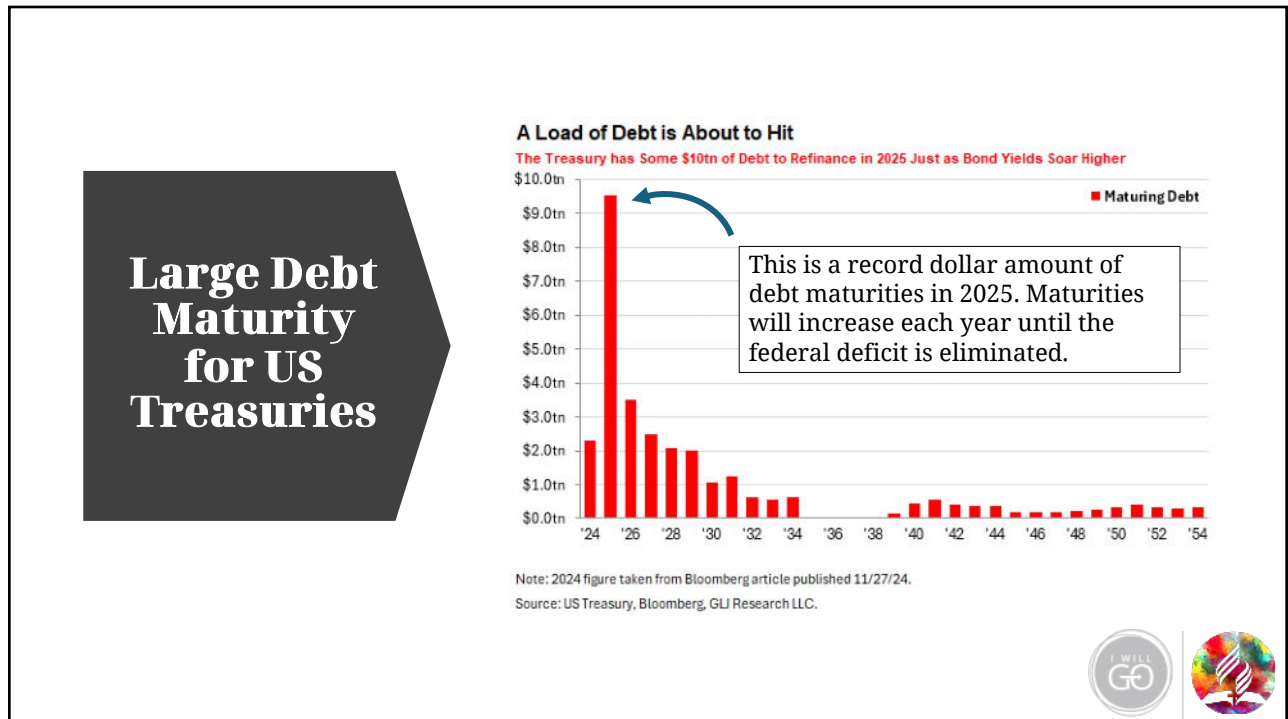
The US Dollar has gained significantly against developing country currencies.



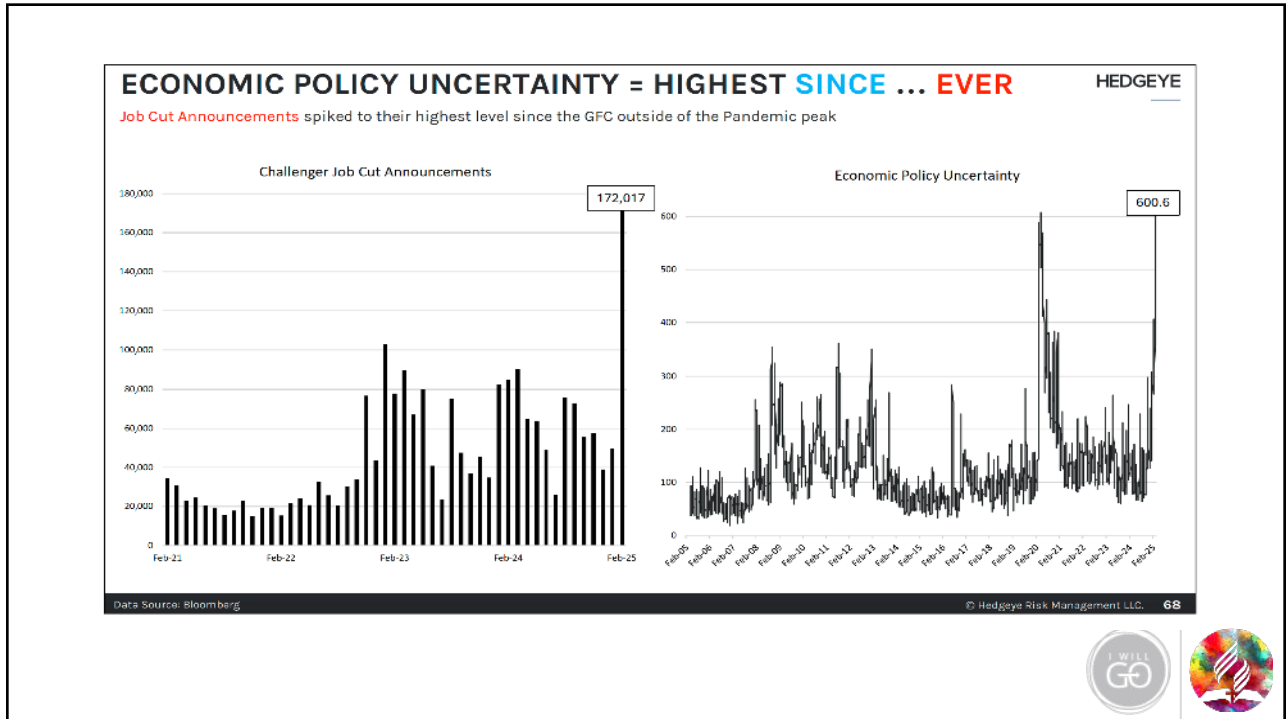
24



25



26



27

UNCERTAINTY!

28

And this gospel of the kingdom will be preached in all the world as a witness to all the nations and then the end will come [Matthew 24:14].



29

MISSION IMPACT FUND I

The purpose of the Mission Impact Fund I is to allocate financial resources to be used in supporting **I Will Go** initiatives with special preference to those being administered by local churches. By providing support to local churches whose project submissions are approved, it expresses the intent of the General Conference to:

- **Inspire** local churches to engage with, and meet the needs of, their communities in new and innovative ways
- **Invest** in the frontline mission of local churches
- **Impact** the world for Christ one community at a time

\$6.7M
for 2025
projects



30

MISSION IMPACT FUND II

The purpose of the **Mission Impact Fund II** is to allocate financial resources to be used in supporting World Divisions and Attached Entities that implement a territory-wide evangelism initiative in 2024, 2025, 2026 or 2027. By providing support to World Divisions and Attached Entities that submit a comprehensive plan involving their Unions, Local Conferences and Local Churches, it expresses the intent of the General Conference to:

20%
\$500K

- **Inspire** church entities and church members to be involved in a territory-wide evangelistic initiative
- **Invest** financial and technological resources to reach persons with a message of hope and salvation
- **Impact** the Kingdom of God with a great harvest of souls who in turn become active disciples of Jesus Christ



31



ECD Evangelism IMPACT

EEI2025



32

NORTH
AMERICAN
DIVISION


PENTECOS 2025

THREE THOUSAND PROCLAMATION INITIATIVES



mobilizing
resources
for mission

33



The greatest opportunity for our church is to finish the work of the gospel so Jesus Christ can come!

34

Our help today!

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]

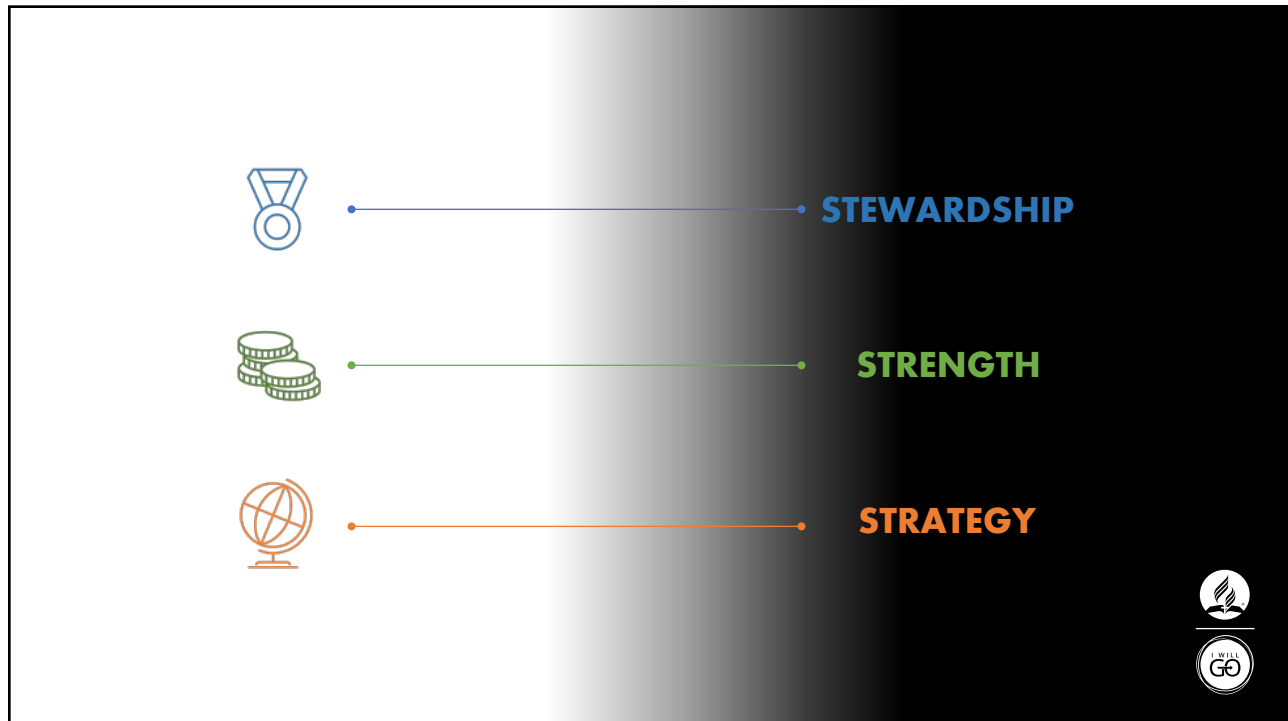


35

FINANCIAL STUDIES & REPORTS

I WILL GO

36



37

Tithe Sharing

V 09 05 Support of Worldwide Work—2. Regular Tithe Percentages—

d. Divisions are to forward to the General Conference Treasury a percentage of the gross tithe from their territory based on the schedule below. These funds are to be used by the General Conference for operations of the General Conference headquarters, appropriations to divisions and General Conference institutions, and the support of global programs adopted by the General Conference Executive Committee.



38

Tithe Sharing

In order to achieve parity in tithe percentages the following changes will be phased in:

<u>Year</u>	<u>NAD</u>	<u>All divisions, except NAD</u>
2019	5.25	2.00
2020	5.00	2.00
2021	4.50	2.10
2022	4.00	2.20
2023	3.50	2.30
2024	3.00	2.40
2025	3.00	2.50
2026	3.00	2.60
2027	3.00	2.70
2028	3.00	2.80
2029	3.00	2.90
2030 and onward	3.00	3.00



Tithe Sharing

V 09 05 Support of Worldwide Work—2. Regular Tithe Percentages—

e. The North American Division will contribute an additional 0.85 percent of tithe annually due to the benefit received by its members and entities as a result of Andrews University and Loma Linda University being physically located within their territory. In 2019 the combined rate for the North American Division will be 6.10 percent (5.25 + 0.85) and in 2024 and onward the combined rate will be 3.85 percent (3.00 + 0.85).



Tithe Sharing

V 09 05 Support of Worldwide Work—3. Additional Tithe Percentages—

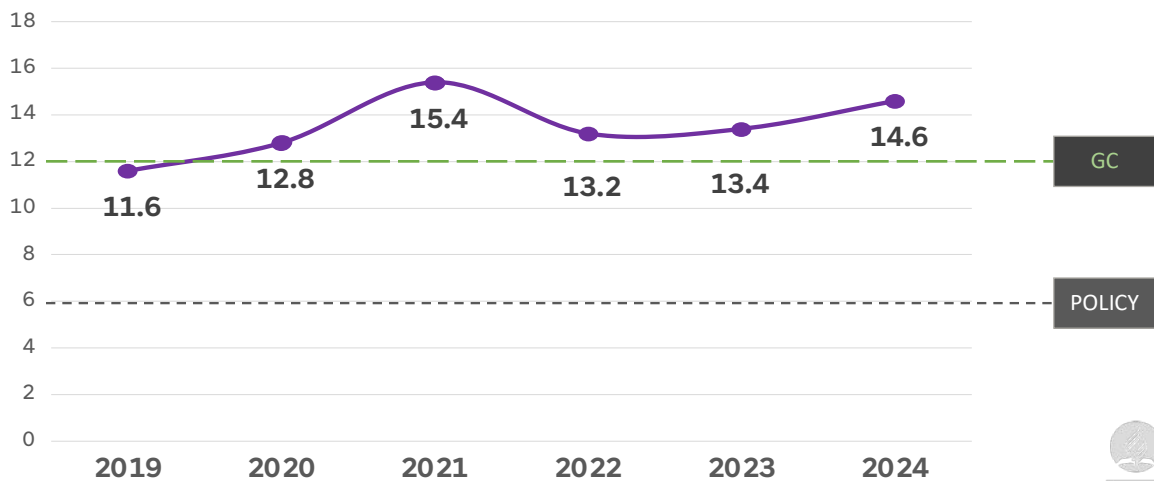
5. Sources of Tithe Receipts at the General Conference—The General Conference receives tithe from the following sources:

a. World Divisions—All divisions will, by 2030, be contributing 3.00 percent of tithe (see V 09 05, paragraph 2. d. and 2. e. above). **A comprehensive evaluation and thorough review of the financial impact of paragraph 2. d. above on the General Conference and within its divisions will take place in 2024 and again in 2028, with complete reports to be submitted to the 2024 and 2028 Annual Councils for consideration.**

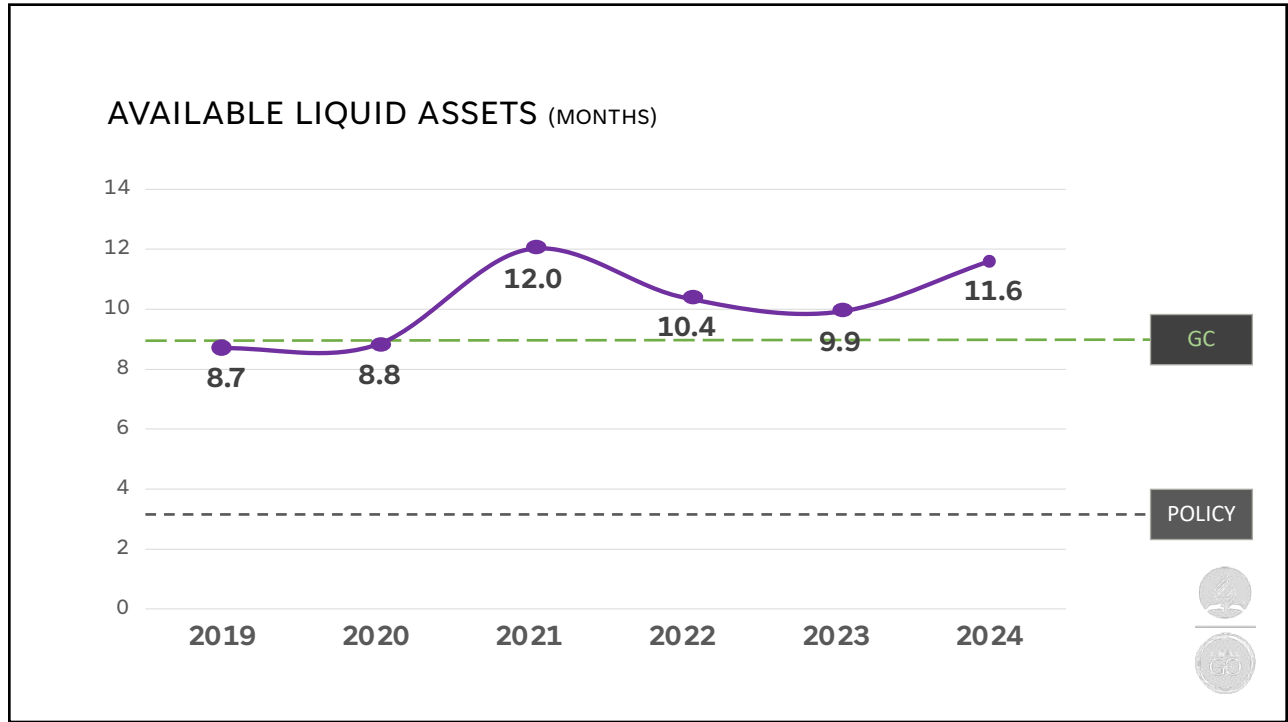


41

AVAILABLE WORKING CAPITAL (MONTHS)



42



43

STATEMENT OF FINANCIAL ACTIVITY

	2021	2022	2023	2024
Without Restrictions				
Total Revenues and Gains	195,627,800	166,710,240	206,415,135	213,120,900
Net Assets Release from Restrictions	23,277,849	27,217,409	20,437,098	24,619,240
Total Revenues and Gains After Releases	218,905,649	193,927,649	226,852,233	237,740,140
Total Expenses	(174,494,383)	(195,591,813)	(191,355,764)	(201,215,063)
Transfers Between Funds In (Out)	(36,488,047)	(9,969,999)	(7,569,342)	(10,199,390)
Increase (Decrease) from continuing operations (with net investment return)	7,923,219	(11,634,163)	27,927,127	26,325,687
Less: Investment Return, net	(3,117,374)	18,460,537	(6,532,418)	(11,294,201)
Increase (Decrease) from continuing operations (without net investment return)	4,805,845	6,826,374	21,394,709	15,031,486

44

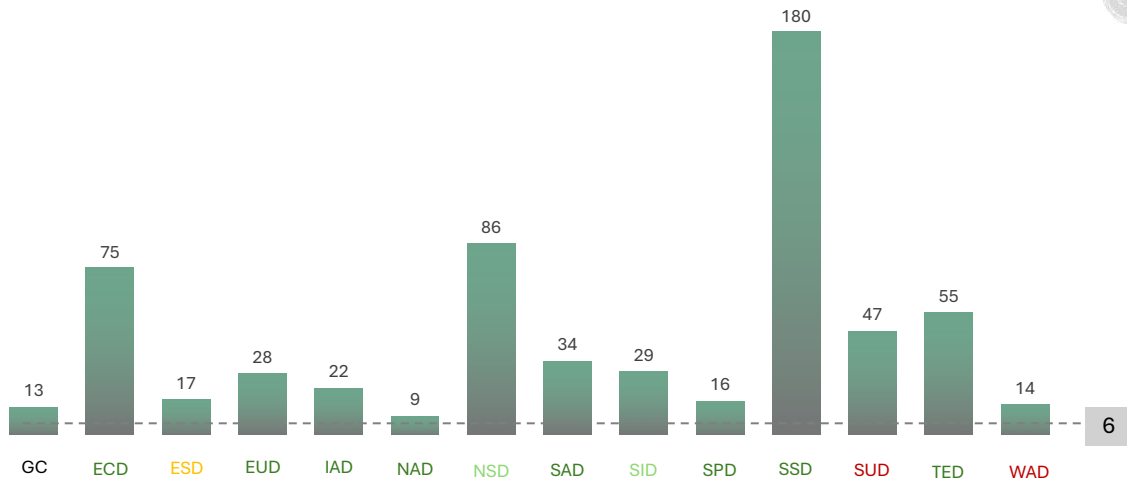
Contributing Factors for Surpluses (2020-2024)

- Technology and Data Center costs
- Travel Budgets
- Review of contracts
- Personnel reductions
- Increase in World Mission Offerings

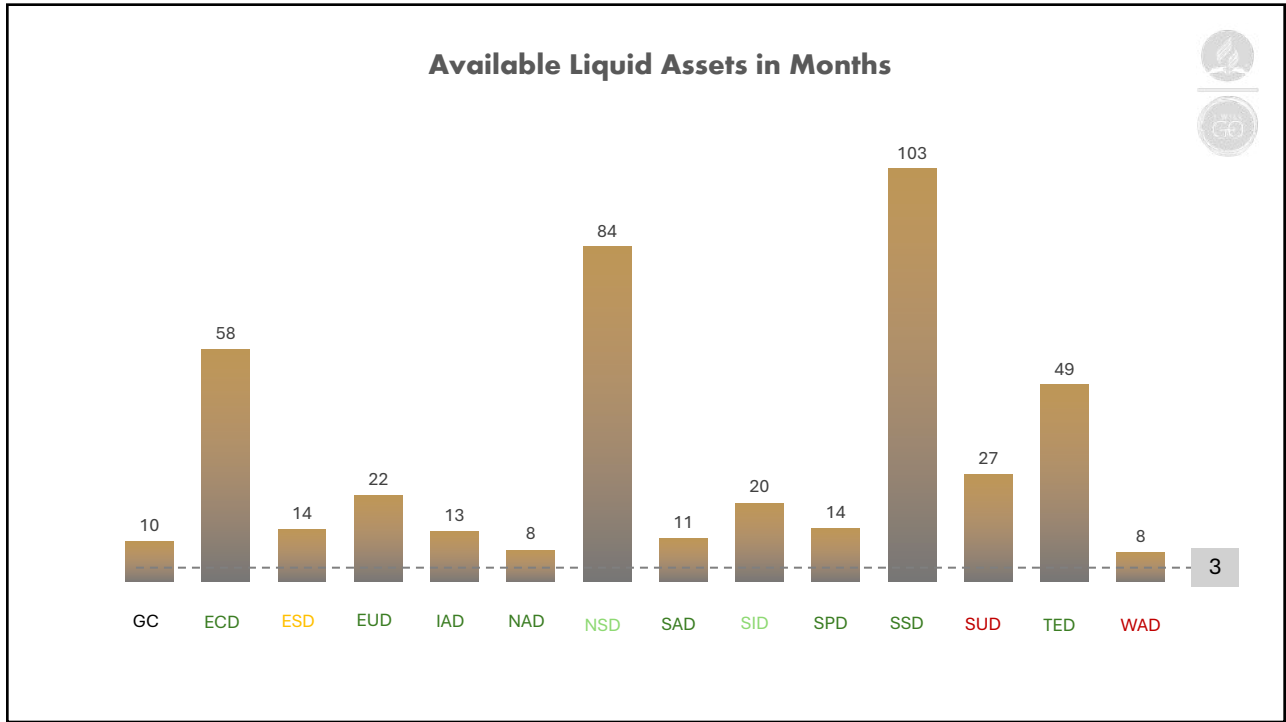


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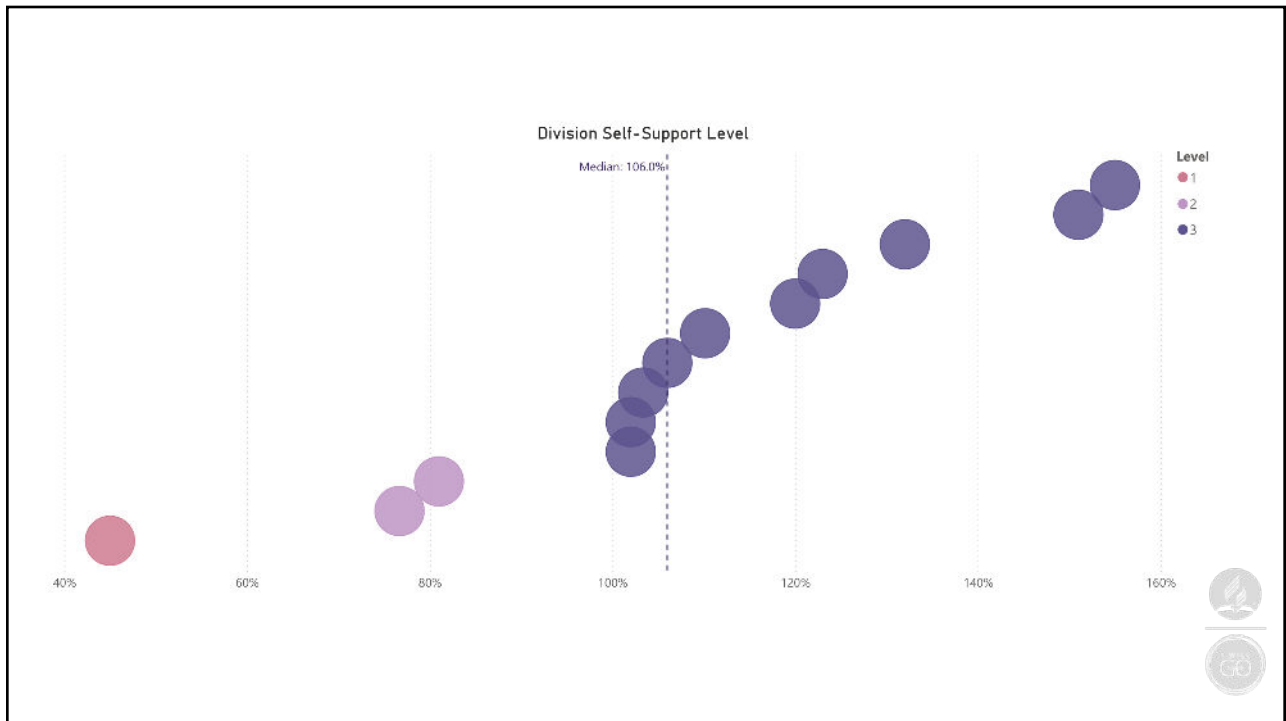
Available Working Capital in Months



46



47



48

Rationale for Financial Strength of the General Conference

Must be positioned to financially support the Church's global strategic priorities

Must be capable of surging resources to meet emergencies, and address unusual opportunities

Must be seen as a model of financial strength and stability even during times of economic uncertainty

*The financial strength of the General Conference is **from** the World Church and **for** the World Church!*



49

Current Projection (0.85% and 0.30% Remaining) and All Divisions going to 3%

Scenario:	Six-Year Projected Budget					
1	2026	2027	2028	2029	2030	2031
Income						
Tithe	97,698,000	102,210,000	106,894,000	111,760,000	116,806,000	119,941,000
WMO	117,789,000	120,969,000	124,236,000	127,591,000	131,036,000	134,575,000
Donations	4,052,000	4,174,000	4,299,000	4,428,000	4,561,000	4,698,000
Other Income	10,159,000	10,183,000	10,208,000	10,234,000	10,261,000	10,288,000
Invest Earn/Curr Fluctuations	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Miscellaneous	157,000	157,000	157,000	157,000	157,000	157,000
Total Income	232,755,000	240,593,000	248,694,000	257,070,000	265,721,000	272,559,000
Expense						
Employees	75,862,000	78,289,000	80,794,000	83,380,000	86,048,000	88,801,000
Travel	7,468,000	7,535,000	7,602,000	7,670,000	7,738,000	7,808,000
Appropriations	64,687,000	65,335,000	64,988,000	65,638,000	66,294,000	66,957,000
Programs	27,101,000	27,914,000	28,751,000	29,614,000	30,502,000	31,417,000
Committees/Meetings	2,237,000	2,304,000	2,373,000	2,444,000	2,517,000	2,593,000
General Expense	51,930,500	53,504,000	55,126,000	56,797,000	58,517,000	60,291,000
Inter-Departmental	(878,000)	(878,000)	(878,000)	(878,000)	(878,000)	(878,000)
Total Expense	228,407,500	234,003,000	238,756,000	244,665,000	250,738,000	256,989,000
Transfers						
Transfs To/From Other Funds	(20,243,258)	(20,759,258)	(21,291,258)	(21,842,258)	(22,411,258)	(22,858,257)
Gain (Loss)	(15,895,758)	(14,169,258)	(11,353,258)	(9,437,258)	(7,428,258)	(7,288,257)
Remaining Balance of the \$51.8 million	35,904,242	21,734,984	10,381,726	944,468	-	-
Add'l Funding Needed - Cumulative	-	-	-	-	(6,483,790)	(6,483,790)
Total					58,283,790	



50

Projection (0.85% and 0.30% Remaining) leaving NAD at 3.0% and returning all other Divisions to 2.4% in 2026

Scenario: 2	Six-Year Projected Budget					
	2026	2027	2028	2029	2030	2031
Income						
Tithe	94,009,000	96,529,000	99,112,000	101,770,000	104,497,000	107,298,000
WMO	117,789,000	120,969,000	124,236,000	127,591,000	131,036,000	134,575,000
Donations	4,052,000	4,174,000	4,299,000	4,428,000	4,561,000	4,698,000
Other Income	10,159,000	10,183,000	10,208,000	10,234,000	10,261,000	10,288,000
Invest Earn/Curr Fluctuations	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Miscellaneous	157,000	157,000	157,000	157,000	157,000	157,000
Total Income	229,066,000	234,912,000	240,912,000	247,080,000	253,412,000	259,916,000
Expense						
Employees	75,862,000	78,289,000	80,794,000	83,380,000	86,048,000	88,801,000
Travel	7,468,000	7,535,000	7,602,000	7,670,000	7,738,000	7,808,000
Appropriations	64,687,000	65,335,000	64,988,000	65,638,000	66,294,000	66,957,000
Programs	27,101,000	27,914,000	28,751,000	29,614,000	30,502,000	31,417,000
Committees/Meetings	2,237,000	2,304,000	2,373,000	2,444,000	2,517,000	2,593,000
General Expense	51,930,500	53,504,000	55,126,000	56,797,000	58,517,000	60,291,000
Inter-Departmental	(878,000)	(878,000)	(878,000)	(878,000)	(878,000)	(878,000)
Total Expense	228,407,500	234,003,000	238,756,000	244,665,000	250,738,000	256,989,000
Transfers						
Transfs To/From Other Funds	(19,996,258)	(20,378,258)	(20,770,258)	(21,173,258)	(21,586,258)	(22,011,257)
Gain (Loss)	(19,337,758)	(19,469,258)	(18,614,258)	(18,758,258)	(18,912,258)	(19,084,257)
Remaining Balance of the \$51.8 million	32,462,242	12,992,984	-	-	-	-
Add'l Funding Needed - Cumulative	-	-	(5,621,274)	(24,379,532)	(43,291,790)	95,091,790
Total						

51

Projection (0.85% and 0.30% Remaining) all Divisions to 2.5% in 2026

Scenario: 3	Six-Year Projected Budget					
	2026	2027	2028	2029	2030	2031
Income						
Tithe	95,856,000	98,424,000	101,059,000	103,768,000	106,549,000	109,402,000
WMO	117,789,000	120,969,000	124,236,000	127,591,000	131,036,000	134,575,000
Donations	4,052,000	4,174,000	4,299,000	4,428,000	4,561,000	4,698,000
Other Income	10,159,000	10,183,000	10,208,000	10,234,000	10,261,000	10,288,000
Invest Earn/Curr Fluctuations	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Miscellaneous	157,000	157,000	157,000	157,000	157,000	157,000
Total Income	230,913,000	236,807,000	242,859,000	249,078,000	255,464,000	262,020,000
Expense						
Employees	75,862,000	78,289,000	80,794,000	83,380,000	86,048,000	88,801,000
Travel	7,468,000	7,535,000	7,602,000	7,670,000	7,738,000	7,808,000
Appropriations	64,687,000	65,335,000	64,988,000	65,638,000	66,294,000	66,957,000
Programs	27,101,000	27,914,000	28,751,000	29,614,000	30,502,000	31,417,000
Committees/Meetings	2,237,000	2,304,000	2,373,000	2,444,000	2,517,000	2,593,000
General Expense	51,930,500	53,504,000	55,126,000	56,797,000	58,517,000	60,291,000
Inter-Departmental	(878,000)	(878,000)	(878,000)	(878,000)	(878,000)	(878,000)
Total Expense	228,407,500	234,003,000	238,756,000	244,665,000	250,738,000	256,989,000
Transfers						
Transfs To/From Other Funds	(20,120,258)	(20,505,258)	(20,901,258)	(21,307,258)	(21,724,258)	(22,152,257)
Gain (Loss)	(17,614,758)	(17,701,258)	(16,798,258)	(16,894,258)	(16,998,258)	(17,121,257)
Remaining Balance of the \$51.8 million	34,185,242	16,483,984	-	-	-	-
Add'l Funding Needed - Cumulative	-	-	(314,274)	(17,208,532)	(34,206,790)	86,006,790
Total						

52

Recommendation

①

Increase the minimum available liquid assets recommended for the General Conference from 9 months to 12 months




53

Recommendation

②

Affirm the current tithe sharing policy for all World Divisions to forward 3 percent of the gross tithe from their territory to the General Conference by the year 2030



54

Tithe Parity Issues

Resolved

- ISE Support to NAD
- Adventist Giving Platform
- Adventist Review/Adventist World
- Planning Giving and Trust Services
- Public Affairs and Religious Liberty

Outstanding

- GCAS Audit Subsidies
- Appropriation to NAD Retirement Plan
- Investment Offering Policy



55

Tithe Sharing

V 09 05 Support of Worldwide Work—2. Regular Tithe Percentages—

e. The North American Division will contribute an additional 0.85 percent of tithe annually **due to the benefit received by its members and entities as a result of Andrews University and Loma Linda University being physically located within their territory.** In 2019 the combined rate for the North American Division will be 6.10 percent (5.25 + 0.85) and in 2024 and onward the combined rate will be 3.85 percent (3.00 + 0.85).



56

Recommendation

3

Amend the policy to allow NAD beginning in 2026 to retain the additional .85 percent in tithe contributed to GC provided that:

- a. NAD is not eligible for audit subsidies from the GC until after 2040
- b. NAD no longer receives an appropriation towards the tail of its defined benefit retirement plan



57

Projection (Eliminated 0.85% and 0.30%) and All Divisions arriving at 3.0% by 2030

Scenario: 6	Six-Year Projected Budget					
	2026	2027	2028	2029	2030	2031
Income						
Tithe	89,895,000	94,196,000	98,664,000	103,307,000	108,125,000	111,026,000
WMO	117,789,000	120,969,000	124,236,000	127,591,000	131,036,000	134,575,000
Donations	4,052,000	4,174,000	4,299,000	4,428,000	4,561,000	4,698,000
Other Income	10,159,000	10,183,000	10,208,000	10,234,000	10,261,000	10,288,000
Invest Earn/Curr Fluctuations	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000	2,900,000
Miscellaneous	157,000	157,000	157,000	157,000	157,000	157,000
Total Income	224,952,000	232,579,000	240,464,000	248,617,000	257,040,000	263,644,000
Expense						
Employees	75,862,000	78,289,000	80,794,000	83,380,000	86,048,000	88,801,000
Travel	7,468,000	7,535,000	7,602,000	7,670,000	7,738,000	7,808,000
Appropriations	64,687,000	65,335,000	64,988,000	65,638,000	66,294,000	66,957,000
Programs	27,101,000	27,914,000	28,751,000	29,614,000	30,502,000	31,417,000
Committees/Meetings	2,237,000	2,304,000	2,373,000	2,444,000	2,517,000	2,593,000
General Expense	51,930,500	53,504,000	55,126,000	56,797,000	58,517,000	60,291,000
Inter-Departmental	(878,000)	(878,000)	(878,000)	(878,000)	(878,000)	(878,000)
Total Expense	228,407,500	234,003,000	238,756,000	244,665,000	250,738,000	256,989,000
Transfers						
Transfs To/From Other Funds	(19,721,258)	(20,222,258)	(20,740,258)	(21,276,258)	(21,830,258)	(22,261,257)
Gain (Loss)	(23,176,758)	(21,646,258)	(19,032,258)	(17,324,258)	(15,528,258)	(15,606,257)
Remaining Balance of the \$51.8 million	28,623,242	6,976,984	-	-	-	-
Add'l Funding Needed - Cumulative	-	-	(12,055,274)	(29,379,532)	(44,907,790)	96,707,790
Total						



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Budget Balancing Initiatives (2025-2030)

1. Ask and answer 7 Mission Critical Questions
2. Implement GC Building operational efficiencies
3. Restructure use outsourced contracts
4. Create an additional source of income



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Questions?

1. What are the existing programs/resources provided by the GC and how are they mapped to our strategic priorities?
2. What are the objectives of these existing programs/resources provided by the GC and critically assess whether they should continue to be produced?
3. What are the programs/resources that would be best provided by another level of church structure?
4. What are the administrative processes that support the delivery of programs/resources and how can those processes be made more efficient?
5. What are the financial, personnel, and technology resources that need to be aligned with strategic priorities?
6. What are the risks that may disrupt the resources required for strategic priorities?
7. What are the expected results related to our strategic priorities and the measures of performance to allow for periodic evaluation of programs/resources?



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Tithe Sharing

V 09 05 Support of Worldwide Work—2. Regular Tithe Percentages—

e. The North American Division will contribute an additional 0.85 percent of tithe annually due to the benefit received by its members and entities as a result of Andrews University and Loma Linda University being physically located within their territory. In 2019 the combined rate for the North American Division will be 6.10 percent (5.25 + 0.85) and in 2024 and ~~2025 onward~~ the combined rate will be 3.85 percent (3.00 + 0.85).

Beginning in 2026, the North American Division will retain this additional 0.85 percent and as such:

- 1) The North American Division will not be eligible to receive audit subsidies from the General Conference until after 2040; and
- 2) The North American Division will not continue to receive the amount equivalent to 0.30 percent of United States gross tithe that the General Conference contributes to the defined benefit retirement plan of the North American Division.



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Thinking differently

Before ————— Now



Slices of an appropriation pie
Silos in our programs
Spending without accountability

Intentional with strategy
Integration of effort
Investment for impact

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Thinking differently

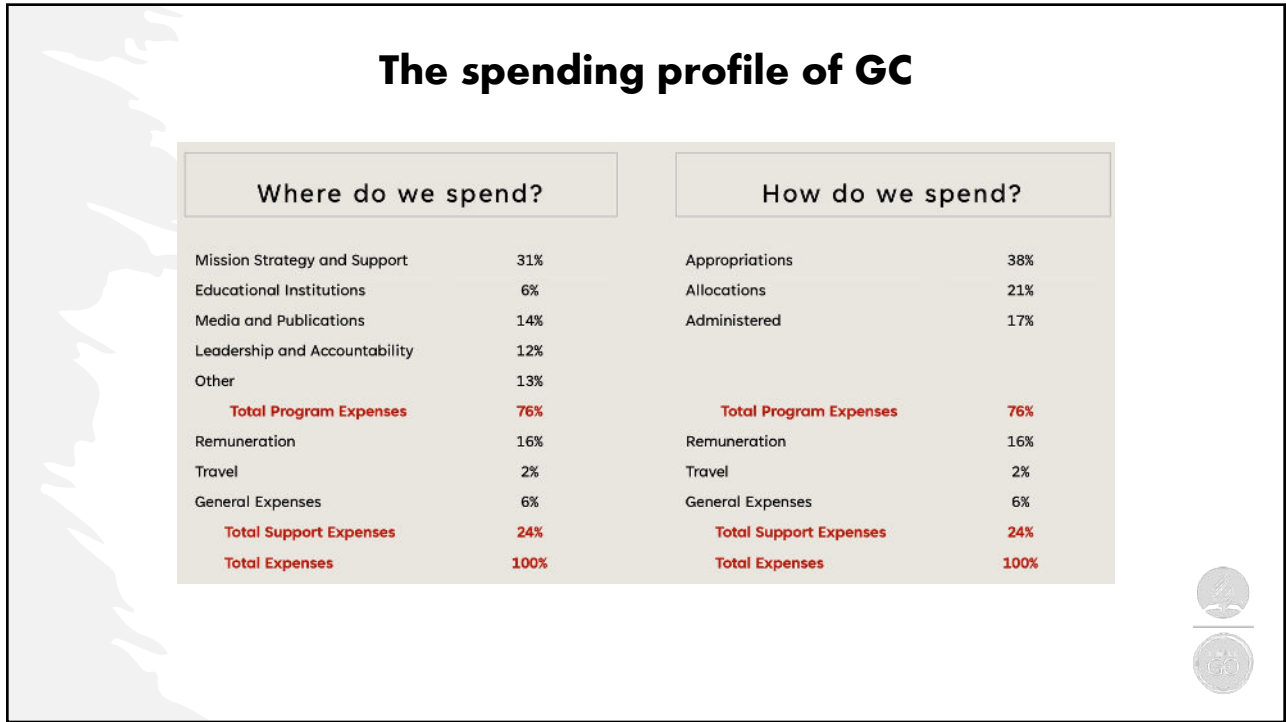



- 1 — Determine the current financial condition of World Divisions and Institutions
- 2 — Consult with World Divisions and GC Institutions to understand their current pattern of use for appropriations
- 3 — Identify strategic opportunities to be pursued by the General Conference through its Divisions and Institutions
- 4 — Recommend a pathway for alignment of resources to match the strategic opportunities identified and outline the expected outcomes

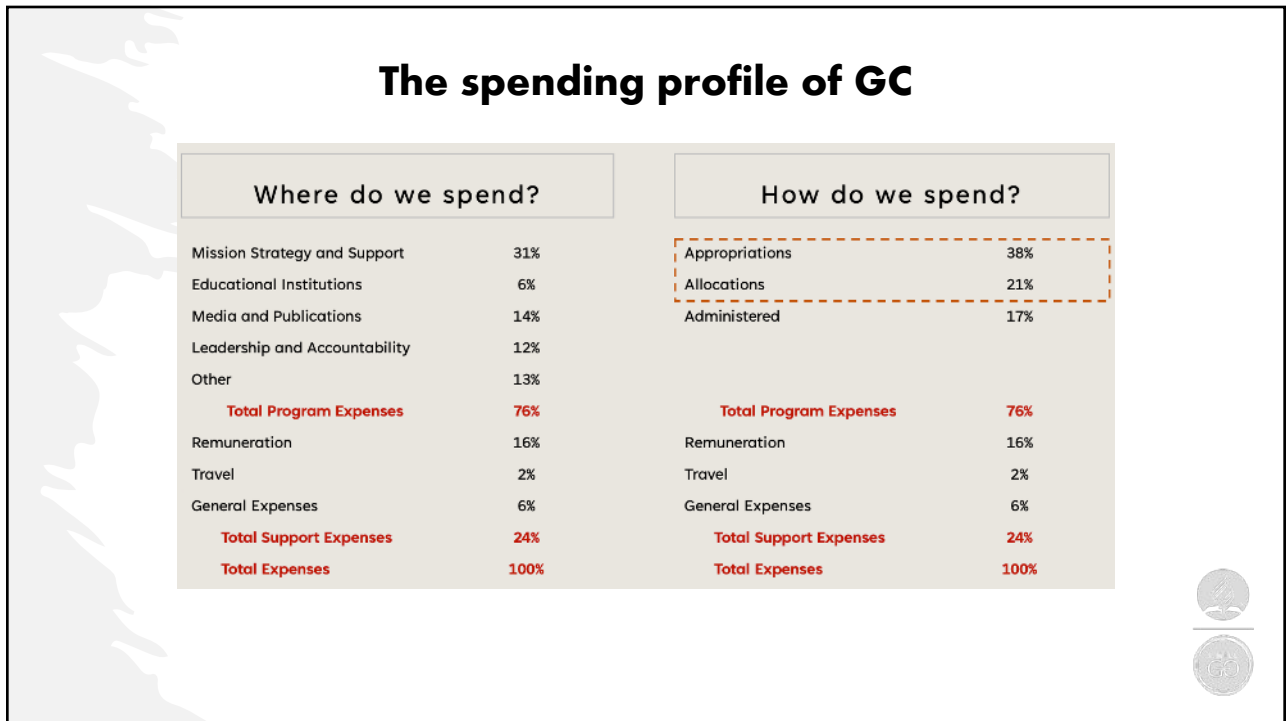
Thomas L. Lemon, *Chair*
 Paul H. Douglas, *Vice Chair*
 Ray Wahlen, *Secretary*
 Daisy Orion, *Assoc. Secretary*
 Brent Burdick, *Assoc. Secretary*
 George Egwakhe, *Assoc. Secretary*
 Audrey Andersson
 Lisa Beardsley-Hardy
 Billy Biaggi
 Vyacheslav Demyan
 Gary Krause
 Peter Landless
 Geoffrey Mbwana
 Hensley Mooroven
 Elaine Oliver
 Claude Richli
 Saw Samuel

APPROPRIATIONS AND ALLOCATIONS STUDY GROUP

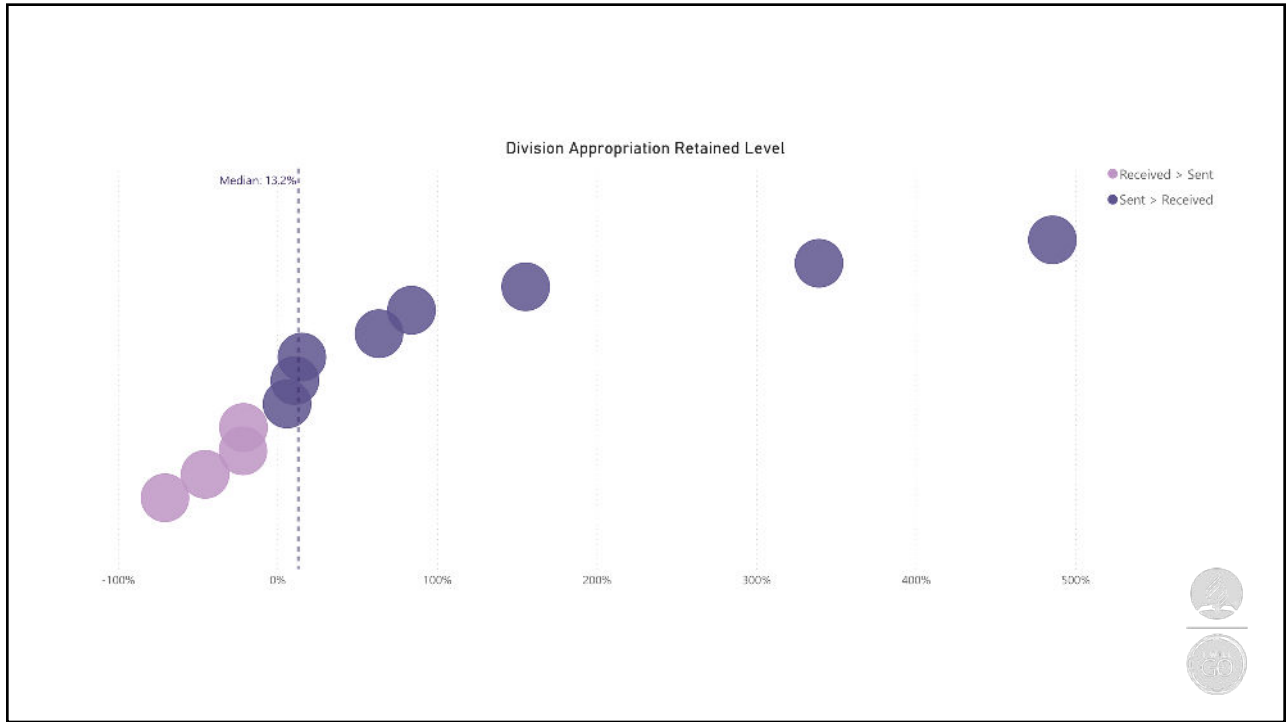
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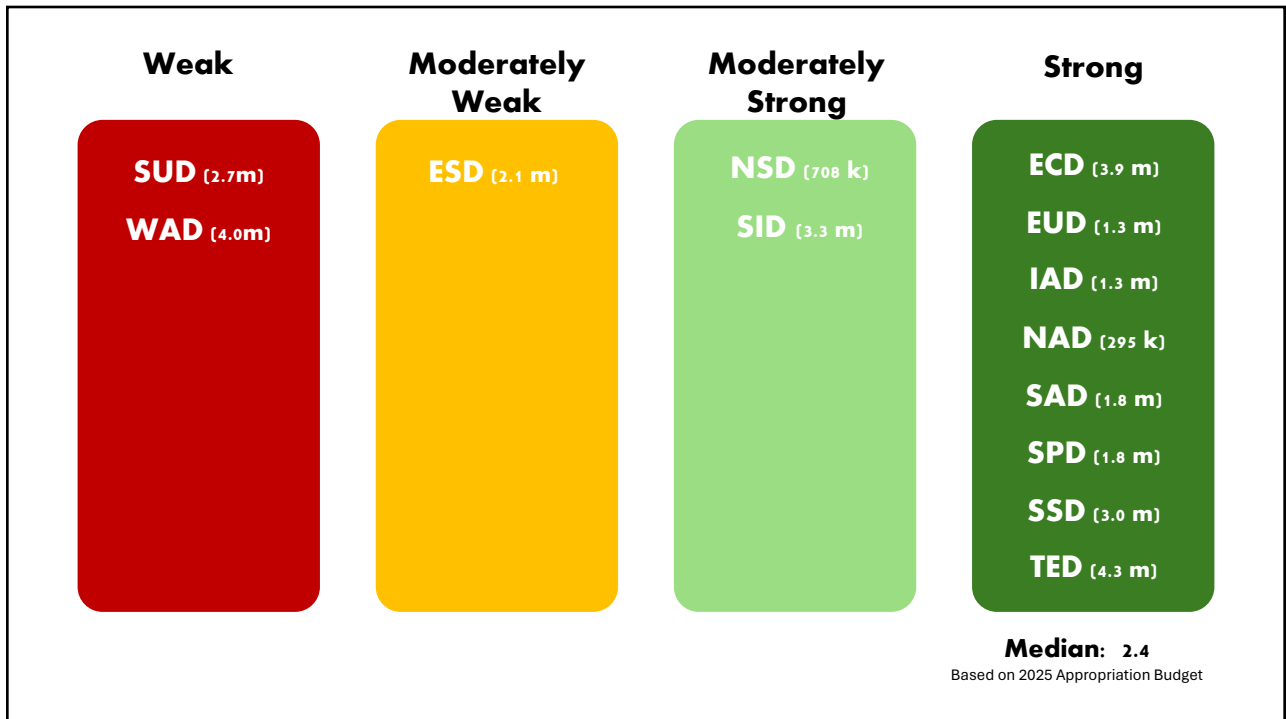
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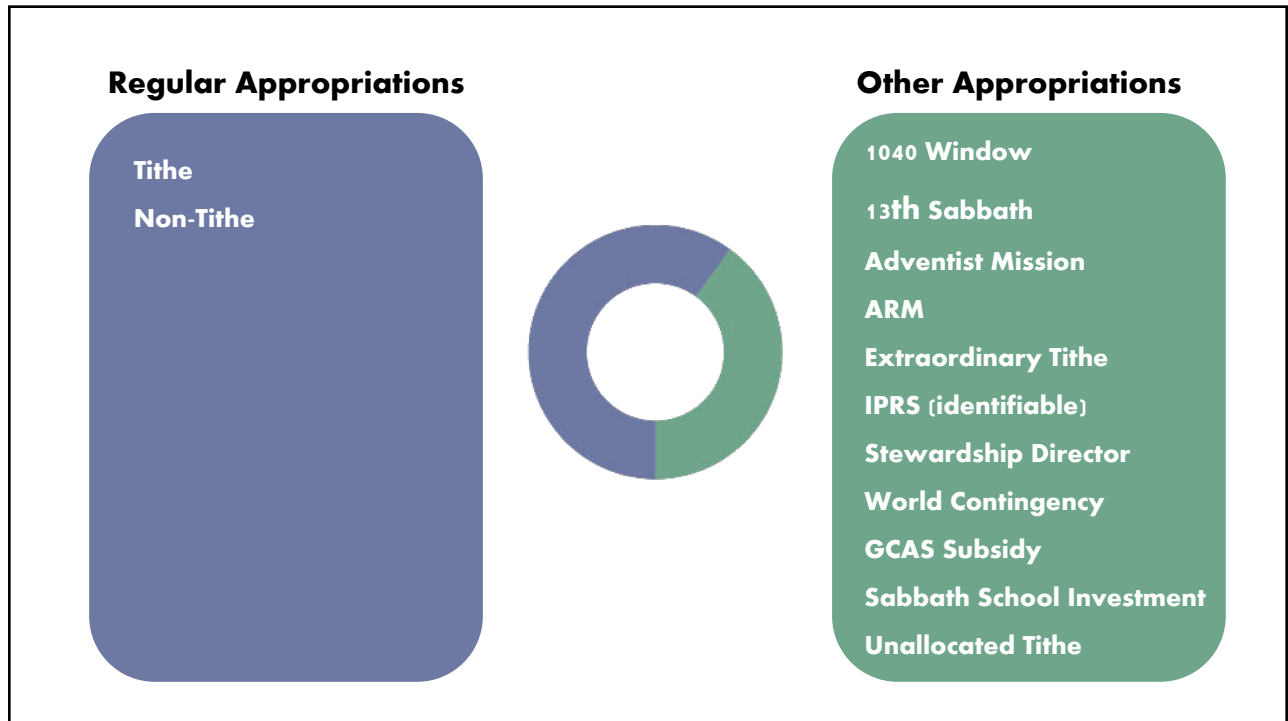
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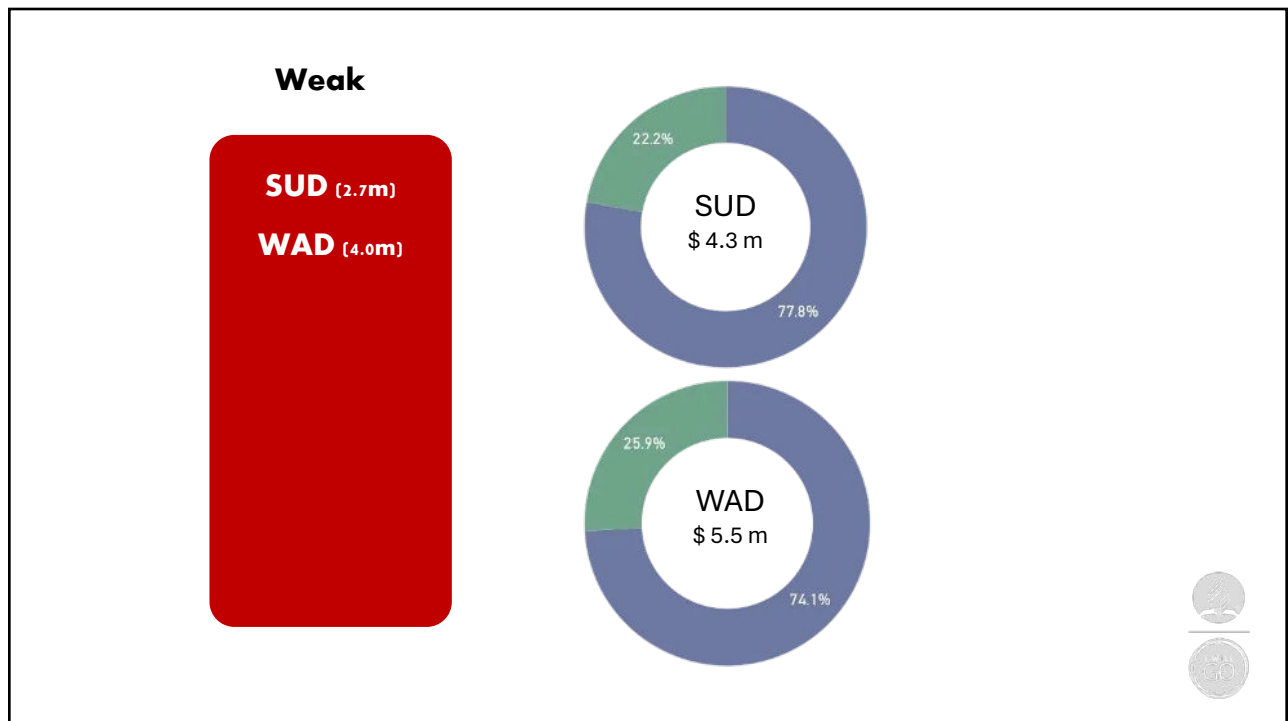
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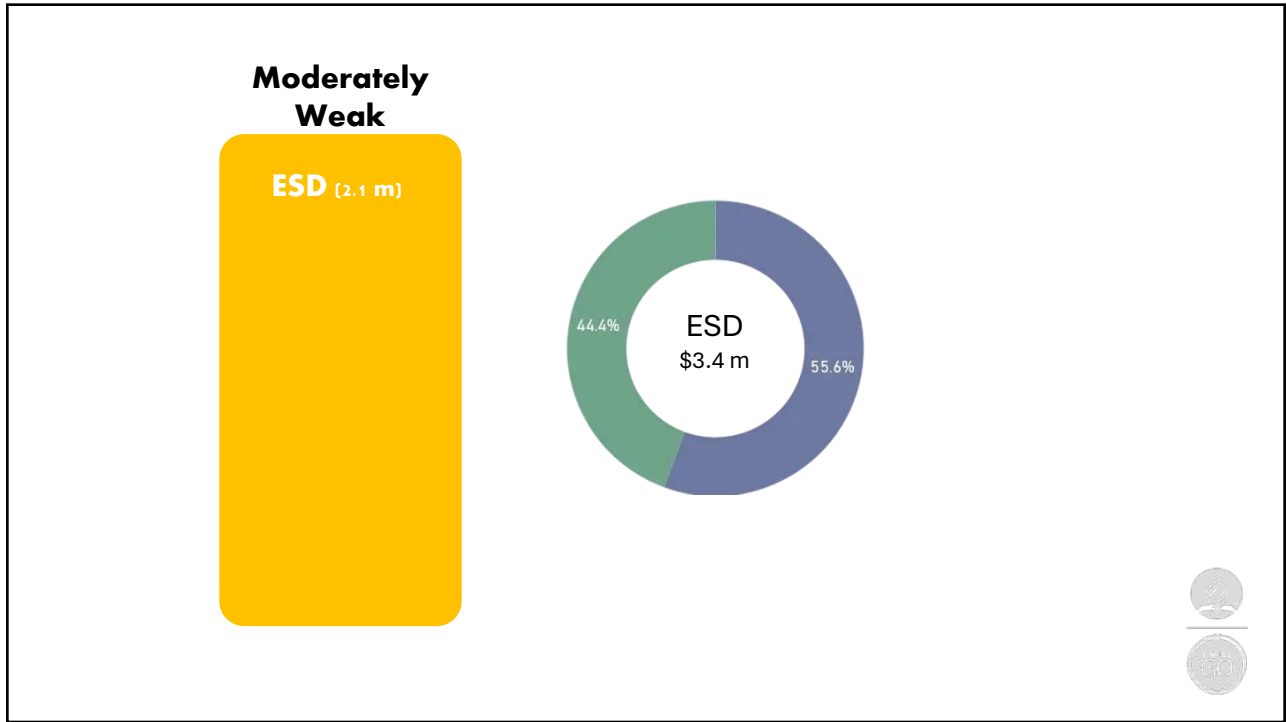
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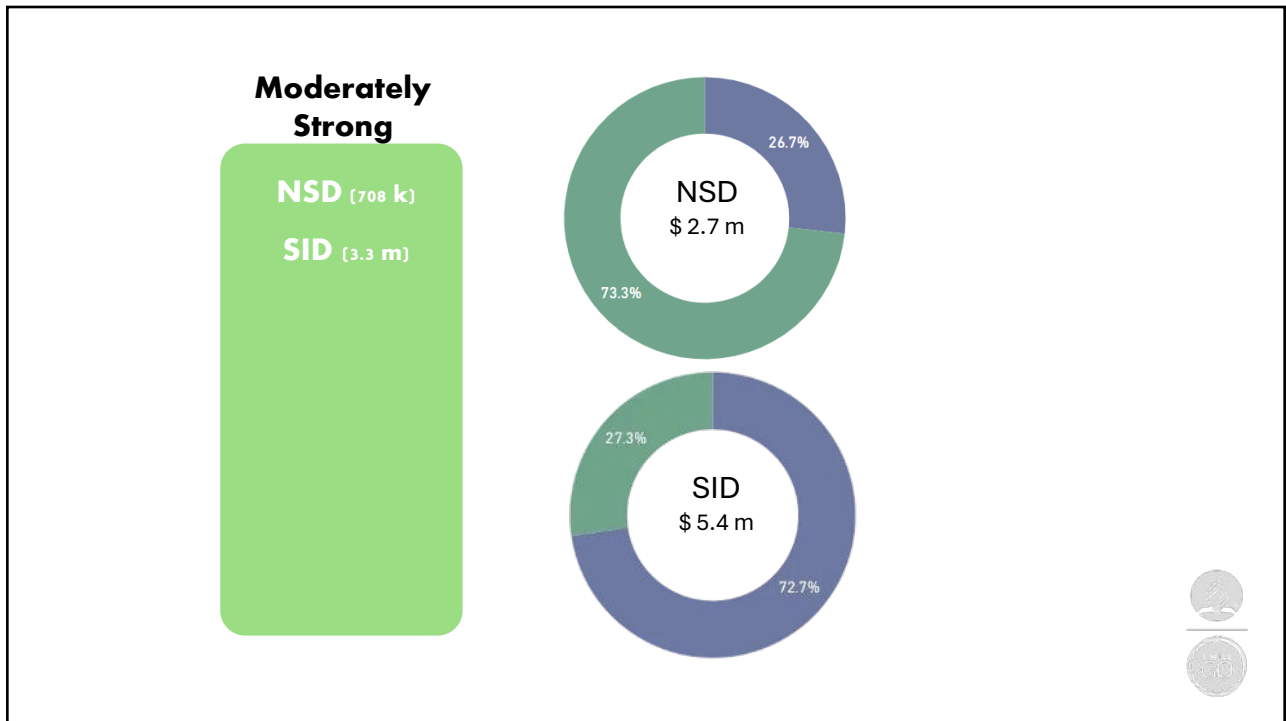
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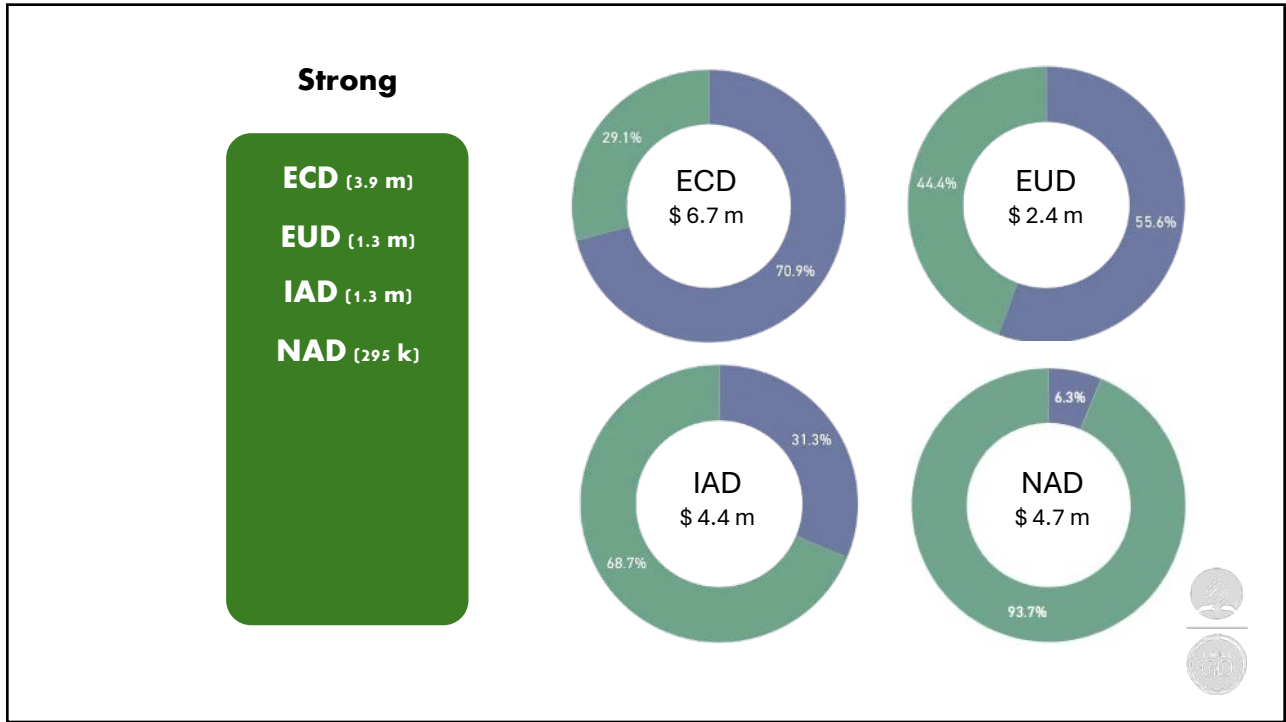
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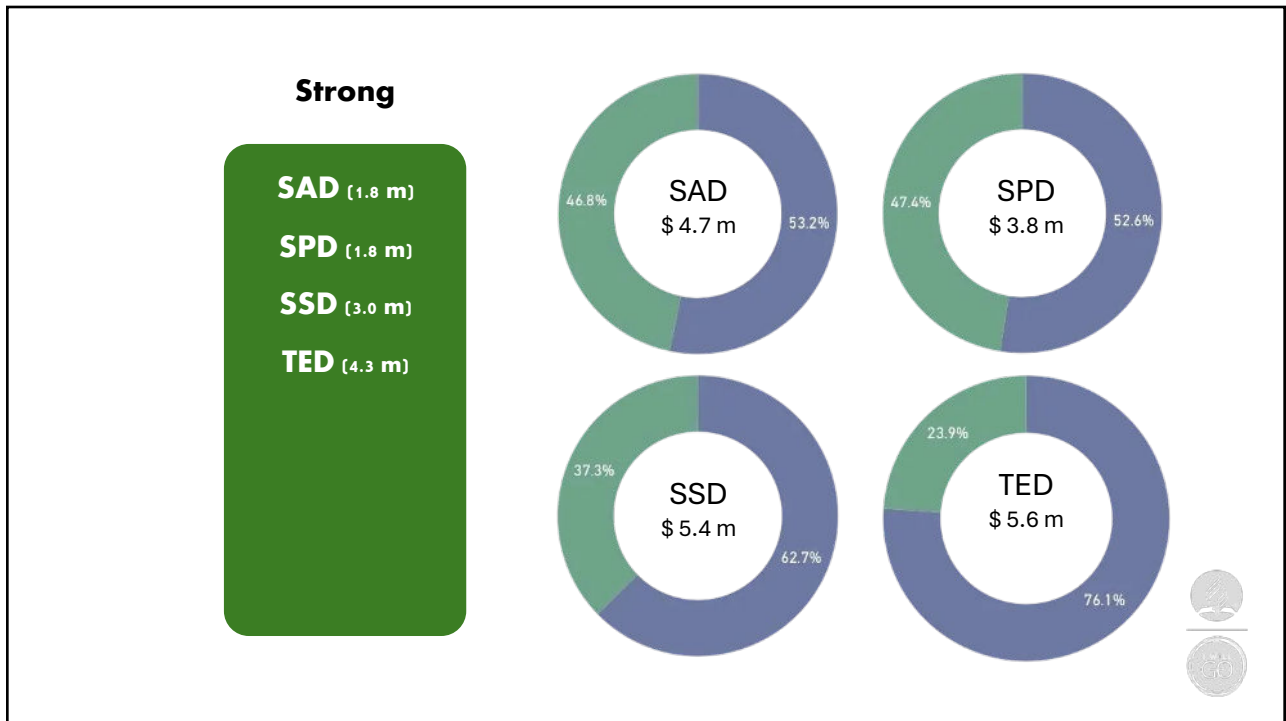
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Recommendation

4

- Implement a methodology in 2026 for calculating appropriations that takes into consideration the financial strength and mission focus of World Divisions with a phase-in period to end in 2030.
- Provide limits on the use of appropriations for administrative expenses based on the financial strength of World Divisions.
- Prepare a roadmap, in consultation with the respective World Division, towards the classification of being in a strong financial condition by 2030. On a case-by-case basis, assist with additional financial resources to bring this roadmap into effect.



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Recommendation

4

- Provide appropriations to World Divisions in the currency of choice that will allow them to avoid the potential depreciating effects because of exchange differences.
- Coordinate all the resource allocation activities from the General Conference to ensure they are being administered in a manner that is consistent with the prevailing methodology for appropriations to World Divisions.





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Recommendation



4

- Identify a metric of what represents financial strength for the General Conference and starting in 2026 distribute any surplus for the year as follows:
 - 50% for SP&B to make a collective decision on a strategic mission priority.
 - 50% for World Divisions to apply toward their priorities that are aligned with the I WILL GO Strategic Plan 2025-2030
- Update the current wording regarding appropriations in the General Conference Bylaws to reflect long-standing practice and reference the use of a methodology that aligns appropriations with strategic priorities.

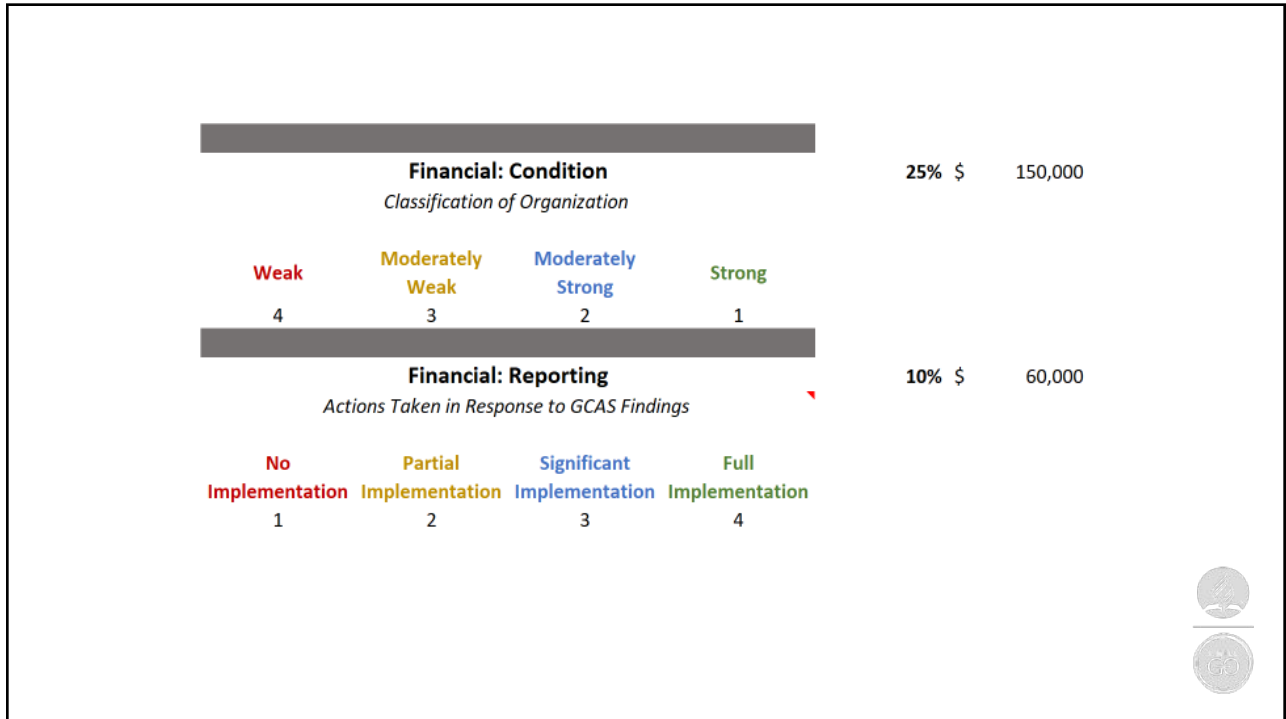



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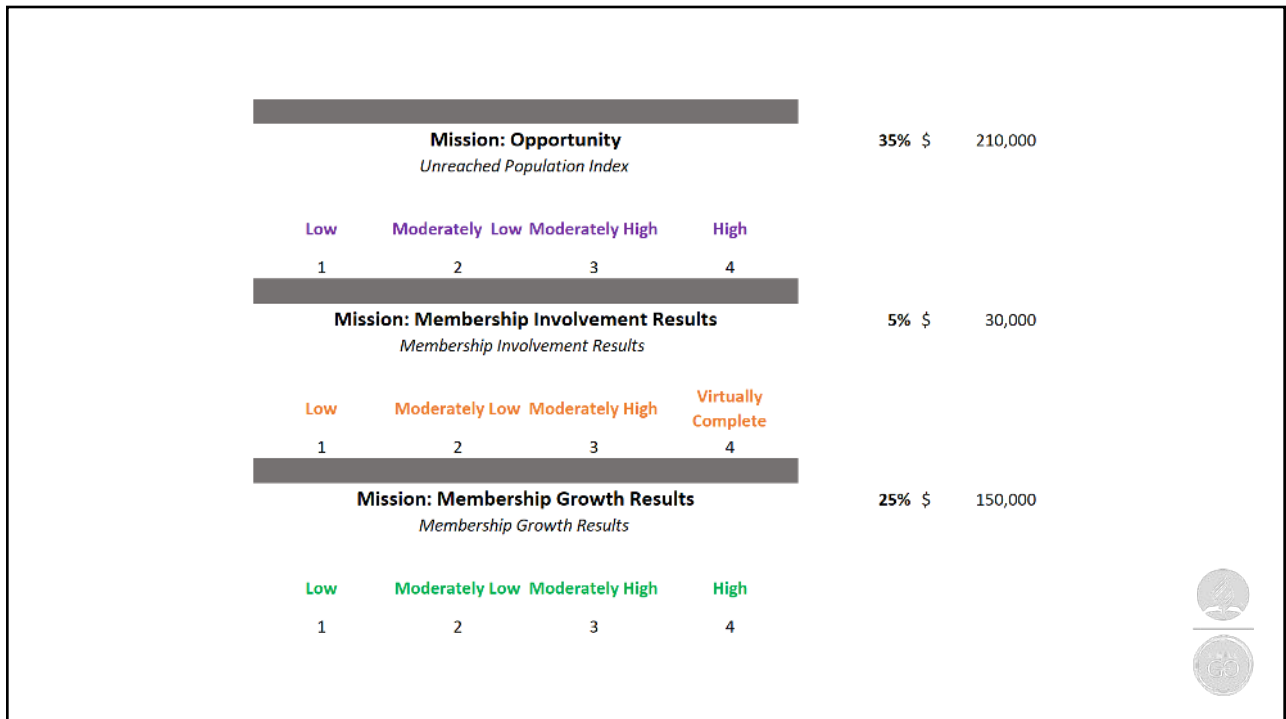
Proposed Model for Calculating Appropriations		
Baseline Appropriations set at the median value of Division appropriations in the 2025 Budget	\$	2,400,000
To be adjusted each year for an inflation factor (moving 5-year average growth in tithes received by GC)		
Additional Appropriations provided using a matrix related to Finances and Mission	\$	600,000
Amount to be used in applying the matrix is a percentage of the Baseline Appropriations		
		25%

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Use of Appropriation By Classification of Organization

	<i>Classification of Organization</i>			
	<i>Scale</i>			
	Weak	Moderately Weak	Moderately Strong	Strong*
Agreed-Upon Strategy <i>(I Will GO 2025-2030)</i>	50%	60%	80%	100%
Administrative Support	50%	40%	20%	0%
Total	100%	100%	100%	100%

* Define roadmap in consultation with each Division to become or stay strong






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General Conference Bylaws

ARTICLE XIX—APPROPRIATIONS

Sec. 1. The General Conference Executive Committee shall make its regular appropriations to the world field at Spring Meetings or Annual Councils. These appropriations are to be based on a methodology that promotes mission priorities to be fulfilled through the work of world divisions and other denominational entities. ~~budget requests from the fields.~~

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STEWARDSHIP

STRENGTH

STRATEGY

I WILL GO

I WILL GO

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Our work today!

As we near the final crisis, instead of feeling there is less need of order and harmony of action, we should be more systematic than heretofore. All our work should be conducted according to well defined plans. I am receiving light from the Lord that there should be wise generalship at this time more than at any former period of our history.

[Last Day Events, p.47]

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