

North Pacific Union Conference of Seventh-day Adventists

2016 Budget Presentation



Features of a Mission Based Budget

- It begins with God's word as the mandate for mission
- It Incorporates fairness in distribution
- It is transparent to composure and delivery
- It aligns sources and activities
- It drives responsibility and accountability
- It demands cultural changes and team work
- It drives efficient utilization of resources
- It embraces the stories of members and their experience
- It is in conclusion endorsed by God's word

Projecting Tithe Growth

Budget based on 98% of tithe received from conferences' during year
2015



Budgeted Total Net Tithe for 2016 = \$7,731,692

Total Net Tithe for 2015 = \$7,889,425

Budgeted 2016 Net Asset Decrease in Tithe: \$157,733

(2% of previous years net tithe)

Budget Assumptions

- Remuneration Factor Increases in July 1, 2016 by 1.1%
- ERI will be frozen at current level for all employees as of July 1, 2016
- Mileage rate set at \$0.40 per mile
- Continued rates of DB and DC Retirement Plans
- Medical Expenses: Increased budget by \$99,620 or 24% from actual medical expenses in 2015
 - Increased employee premiums (slightly)
 - Two plans offered (Legacy or Basic Plan)
- Additional \$50,000 has been added for a special evangelistic project

Budget Assumptions

- Budgeted for 45 FTE's
 - Native American Department - .5
 - Education Department – 1
 - VP for Hispanic - .6
 - Ministerial Director - .4
 - Creation Ministries – 1 (filled)
 - Admin Assistance (Hispanic) - .5
- Souls NW has 5 FTE's included within the salary budget

Audit Fees & Expenses

- Audit Fees from GCAS:
 - Rates increased from \$111 per GCAS hour to \$114
 - 50% expensed to NAD
 - 25% expensed to NPUC
 - 25% expensed to conferences' - Actual Charges
- We will continue to appropriate 25% of actual costs of Upper Columbia audits (External Auditor)
- Overall, the NPUC net expense for Audits will be an estimate of \$242,995 for the year 2016, slight decrease from actual 2015.
- Our conferences' and academies, are working hard to keep audit costs at a minimum.

Budget Assumptions

- Continue Education program pertaining to Hispanic Scholarships. Budget reflects \$160,000 for this program. Increased from 2015
- Academy Operating Subsidy increased for 2016 by \$23,752 from 2015
- Transfer and restrict \$40,000 for Teacher Convention in 2017. At year-end 2016, restricted net assets will reflect \$184,384 for this function.

2016 Budget

North Pacific Union Conference of
Seventh-day Adventists



North Pacific Union Conference – Operating
 Financial Activity Statement
 Budget: 1/1/2016 to 12/31/2016

Income	2016 Budget	2015 Budget	2015 Actual
Restricted Income			
Appropriation	\$ 7,507,568	\$ 7,287,510	\$ 7,312,873
Offerings	3,500	4,000	2,532
Donations	0	0	114,551
Other Income	0	0	312,425
Total Restricted Income	\$ 7,511,068	\$ 7,291,510	\$ 7,742,381

Unrestricted Income	2016 Budget	2015 Budget	2015 Actual
Tithe – Net	\$ 7,731,692	\$ 7,507,983	\$ 7,889,425
Non-tithe Funds from NAD	(1,208,700)	(1,208,700)	(1,208,700)
Offerings and Donations	284,946	285,800	167,446
Appropriations Received	1,398,700	1,398,700	1,398,700
Direct Operating Income	718,517	691,914	787,668
Academic Tuition-Souls NW	244,026	233,218	139,795
Investment Earnings	52,972	52,765	49,778
Other Income	29,356	37,125	55,999
Total Unrestricted Income	\$ 9,251,509	\$ 8,998,805	\$ 9,280,112
Total Income Received	\$ 16,762,577	\$ 16,290,315	\$ 17,022,492

North Pacific Union Conference – Operating
Financial Activity Statement
Budget: 1/1/2016 to 12/31/2016

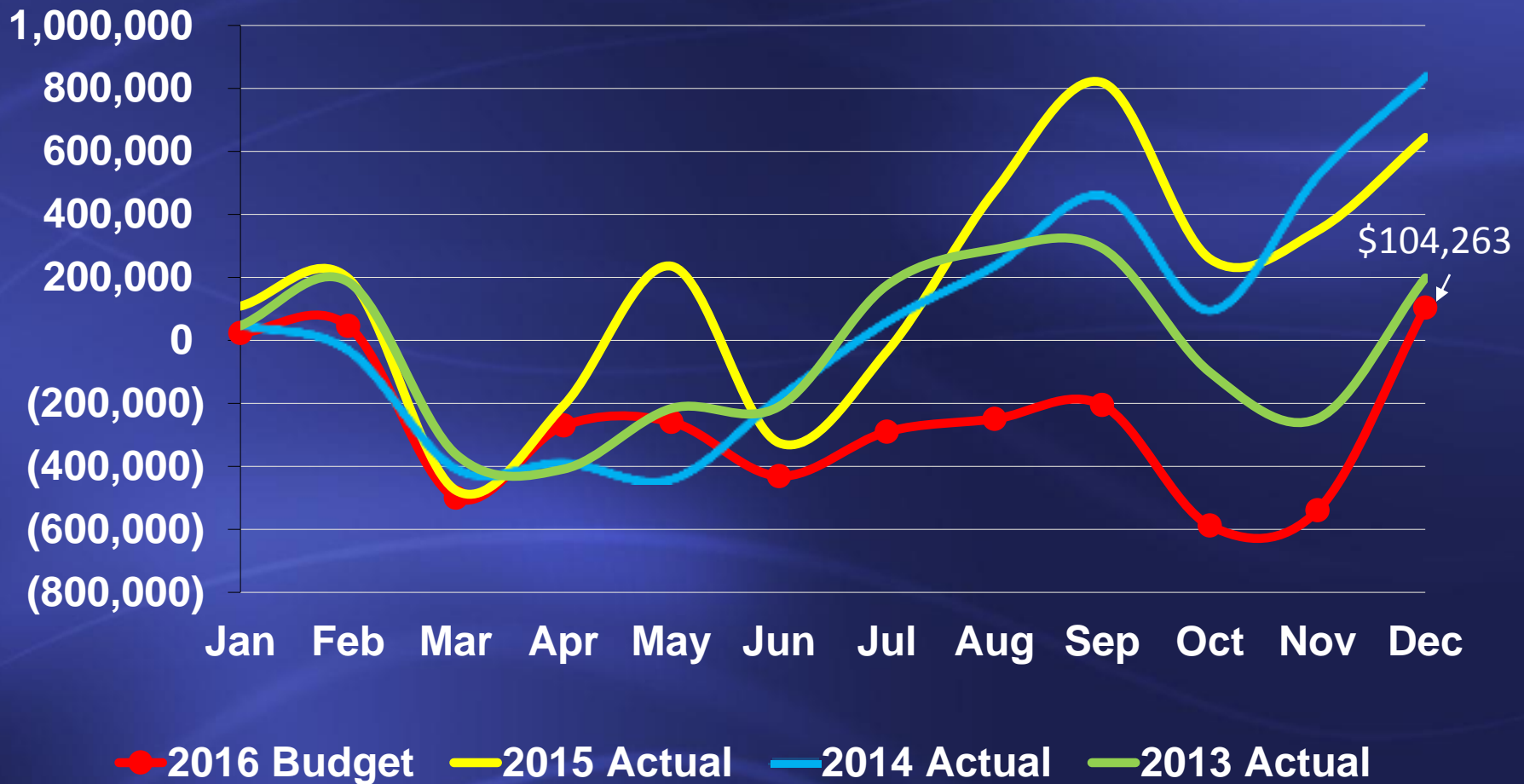
EXPENSES	2016 Budget	2015 Budget	2015 Actual
Program Services			
Church Ministries	\$ 3,153,140	\$ 3,026,538	2,836,955
Educational	7,137,045	6,900,696	6,909,022
Health and Humanitarian	10,250	8,600	7,940
Other	3,094,735	3,121,085	3,386,709
Total Program Services	\$ 13,395,170	\$ 13,056,919	\$ 13,140,626

Supporting Services	2016 Budget	2015 Budget	2015 Actual
Conference Administration	\$ 1,038,809	\$ 1,024,355	\$ 1,036,716
Retirement Contribution	1,229,832	1,194,132	1,262,241
Conventions & Meetings	115,000	134,288	113,615
Office Operations & Maint.	347,917	337,875	376,919
Employee Medical	518,437	550,941	418,818
Total Supporting Services	\$ 3,249,995	\$ 3,241,591	\$ 3,208,309
Total Expenses	\$ 16,645,165	\$ 16,298,510	\$ 16,348,935

North Pacific Union Conference – Operating
Financial Activity Statement
Budget: 1/1/2016 to 12/31/2016

	2016 Budget	2015 Budget	2015 Actual
Total Income	\$ 16,762,577	\$ 16,290,315	\$ 17,022,492
Total Expenses	\$ 16,645,165	\$ 16,298,510	\$ 16,348,935
Net Gain/(Loss) from Operations	\$ 117,412	(\$ 8,195)	\$ 673,557
Transfers In/Out	(\$ 13,149)	8,786	(\$ 19,648)
Unrealized G/L on Investments			(\$ 9,161)
Net Gain/(Loss) after Transfers	\$ 104,263	\$ 591	\$ 644,748

Changes in Net Assets



Tithe Reversions for Evangelism

- Maintain the additional funding for Special Evangelism Projects. (30% of Basic Evangelism Reversion). Special appropriation to be given to each conference within the Union.



Fund from Restricted Funds within Evangelism

Special Evangelism Appropriations Year 2016

	Special (30%) 2016	Special (30%) 2015	Increase (Decrease)
Alaska Conference	20,640	20,254	386
Idaho Conference	23,336	22,979	357
Montana Conference	20,208	19,848	360
Oregon Conference	73,692	71,828	1,864
Upper Columbia Conference	59,667	57,941	1,726
Washington Conference	50,388	47,052	3,336
TOTALS	\$ 247,931	\$ 239,902	8,029

Restricted Net Assets

Beginning as of January 1, 2016

Functions	Net Assets Restricted
1131-General Evangelism	\$ 505,281
117810-Regional Capital	77,067
1527-Adv Disaster Response	5,593
1841-Religious Liberty Emerg.	4,269
185502-Small Conf. Assistance	132,003
185510-Regional Special Assist	174,527
188810-Adventist Health Projects	34,210
188812-GC and DA Book Projects	39,257
188820-Trade Book Project	49,680
325802-Teacher Convention	144,384
Total Restricted Net Assets	\$ 1,166,272



Approval of 2016 Budget

budget