

# Finance Report



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In a world currently filled with much uncertainty, the Oregon Conference had much to be thankful for in 2025. God showed us He is leading and guiding our church out of a difficult financial crisis and into a rebuilding period that ensures resources will be in place to further the mission. Much like Nehemiah when his team rebuilt the walls of Jerusalem, challenges exist, but we serve a God who never sees a problem as unsolvable. If God be for us, who (or what) could be against us?

## Where We Are

**Slide 1** shows the unaudited 2025 Statement of Changes in Net Assets (income statement) for Oregon Conference. The organization ended the year with a \$2.6 million gain. Although there are many reasons that account for this variance from budget, the main reasons are: (A) the organization received both tithe and non-tithe extraordinary blessings in 2025 totaling around \$2.0 million, (B) medical expenses were lower than expected by around \$400,000 and (C) other various expenses throughout the financial operation including moving costs, substitute teacher costs and camp meeting expenses were lower than expected.

Slide 1

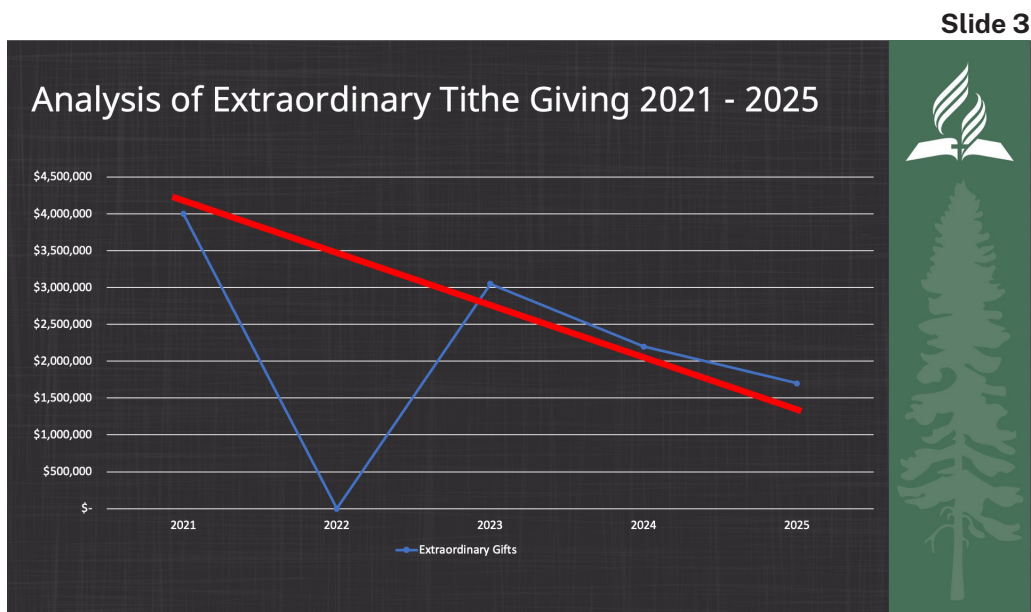
	Actual	Budget	Variance
Unrestricted Revenues	\$ 58,408,878	\$ 56,060,835	\$ 2,348,043
Expenses	\$ (55,685,064)	\$ (56,095,155)	\$ (410,090)
Non-operating Activity	\$ (39,841)	\$ 0	\$ (39,841)
Decrease in Restricted Activity	\$ (30,616)	\$ (54,800)	\$ 24,183
			\$ -
<b>Increase/(Decrease) for 2025</b>	<b>\$ 2,653,357</b>	<b>\$ (89,120)</b>	<b>\$ 2,742,477</b>



**Slide 2** shows the past six years of tithe giving in the Oregon Conference. Dark blue bars indicate ordinary giving, and light blue bars indicate extraordinary tithe blessings. Although the organization ended 2025 with a tithe loss of (1.21%), the voted budget did not rely on extraordinary income to balance. This enabled the Oregon Conference to retain these extraordinary funds to rebuild working capital and lessen dependence on a revolving fund loan from the NPUC to fund operations in the future.



**Slide 3** shows an analysis of extraordinary tithe giving over the past five years. Notice that these blessings are decreasing in size annually. Although we praise God for these wonderful gifts from donors inspired by the Holy Spirit, administration understands the importance of not relying on these funds to balance regular operations.



**Slide 4** shows an analysis of medical expenses on both a per-employee and per-member basis. While it is true that medical expenses overall for the organization have decreased, this graph shows those savings are not solely related to lower staffing levels from the 2024 financial re-structure. Costs per employee per month (PEPM) and per member per month (PMPM) were lower in 2025, which tells us that on average, each person on the plan is requiring fewer dollars for health care needs.



**Slide 5** displays available working capital (in months) for the Oregon Conference from 2020–2025. Working Capital is a financial calculation that states the organization’s current assets minus current liabilities and assets held for restricted purposes. The figure is often compared to the organization’s total expenses to arrive at a value in “months” or “days.” Essentially, it tells us how long the organization could cover its expenses with working capital should all future income cease to flow into the conference. In December 2024, working capital for the organization was 0.33 months, or 10.23 days. In December 2025, that figure increased to 0.92 months, or 28.52 days, which is an increase of over 18 days. While we are overjoyed by this sizable increase, it should be noted that the North American Division of SDA recommends that each entity retain at least six months of working capital on-hand. For the Oregon Conference in 2025, six months of recommended working capital equates to around \$27.8 million compared to our current position of \$4.2 million.



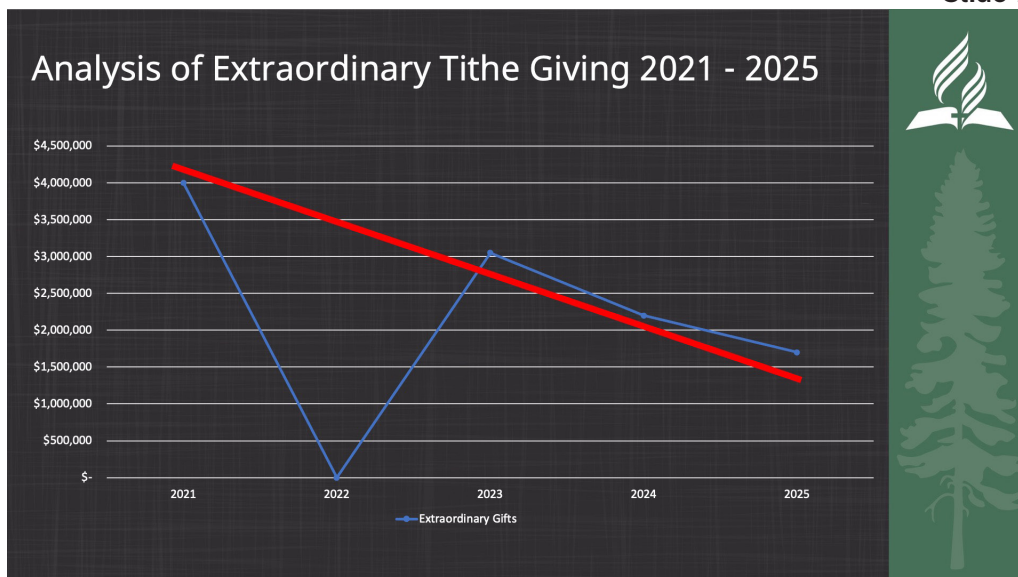
**Slide 6** shows the balance of the Oregon Conference note payable to the NPUC Revolving Fund each month from January 2024 to March 2026. The purpose of this loan is to fund operations during lean cash flow periods. While we are grateful for the NPUC's extension of this line of credit, it is the desire of the Executive Committee and Administration to eliminate dependence on this loan as soon as possible. During 2025, it should be noted that the organization did not need to draw on the loan as soon, did not need to borrow as much, and was able to pay the balance down to zero faster when compared to 2024. Due to the large increase to working capital from our financial gain in 2025, it is anticipated that the Oregon Conference will only need minimal use of the loan in 2026.

**Slide 6**



**Slide 7** demonstrates the current rates paid by the Oregon Conference to Adventist Risk Management (ARM) for its “Commercial Package Policy” for 2025-2026. This policy covers general liability, property, and employment practices & sexual misconduct insurance for the conference. Entities covered by this plan include the conference office, Big Lake Youth Camp, churches and schools. While rates continue to rise in this area, it should be noted that ARM is still providing the lowest cost option for these policies. This slide compares the ARM rate with information obtained from the Insurance Services Office (ISO), which is an organization that tracks rate data and other

**Slide 7**



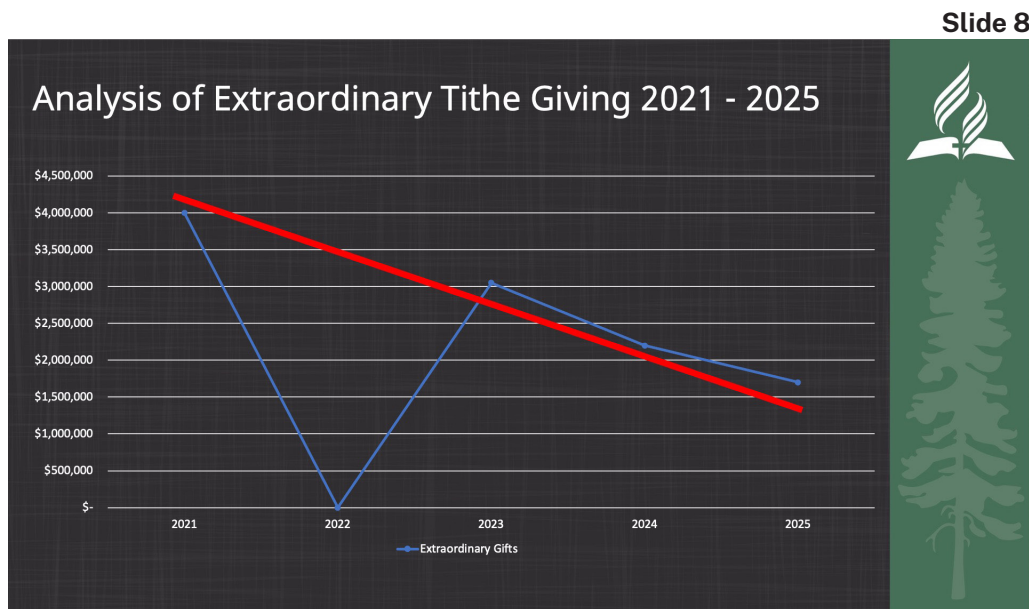
**Slide 8-13** show forecasts for the next four years, showing the estimated cost of funding certain priority initiatives in the future. The three priorities listed in the slides are discussed below:

A) As previously discussed on slide (5), increasing working capital and retaining adequate financial reserves is of great importance. Although there are other ways God may choose to increase this metric for the Oregon Conference, whether it be with extraordinary income or lower expenses, budgeted increases in this area are a step of wise stewardship. Each day of working capital for the organization is approximately \$155,000.

B) The main area of employee pay in the Seventh-day Adventist Church is referred to as “base salary.” Each year, the North American Division (NAD) approves raises to base salary that most, if not all, conferences follow. Keeping pace with this base salary value is a vital piece to remaining competitive when obtaining and retaining talented staff in the organization.

C) Another important area of employee pay is called “Cost of Living Adjustment (COLA).” This area bridges the gap between the base salary rate provided by the NAD and the actual cost it takes to live in certain geographical regions in the country (values based on data obtained by Economic Research Institute, or ERI). While very few conferences can pay their employees 100% of this bridge value, many conferences fall anywhere within the 30% -60% range. Currently, the Oregon Conference voted an increase to COLA in the balanced 2026 budget that will bring all employees to at least a 20% value in July 2026. As with base salary, providing a proper COLA is an important factor in remaining competitive when obtaining and retaining talented staff in the organization.

To fund the initiatives listed on the slides, the Oregon Conference would need to experience increases of 3.3% -4.0% in tithe over the next four years. Ordinary tithe gains from 2021-2025 average 0.5%. Also, because schools share the burden of funding teacher salaries, increases to teacher billing would also be needed to fund these initiatives.

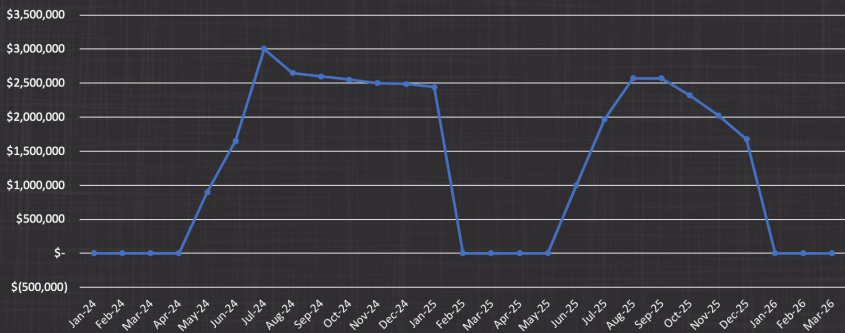


# Forecast Facts

- Each day of working capital for ORC is around **\$155,000**
- Each percentage of tithe (net) for ORC is around **\$230,000**



# Revolving Fund Loan Balance 2024 - 2026



# 2028 Forecast Assumptions

- Increase Working Capital by two days - \$310,000
  - Increase COLA for employees to 30% - \$182,780
  - Assumed 3% NAD-voted raise to base salary - \$379,152
- TOTAL \$871,932**

Tithe increase required to cover cost - 3.8%  
 Increase to Teacher Charge required - 2.8%



## 2029 Forecast Assumptions

• Increase Working Capital by two days -	\$310,000
• Increase COLA for employees to 35% -	\$224,320
• <u>Assumed 3% NAD-voted raise to base salary -</u>	<u>\$371,793</u>
TOTAL	\$906,113

Tithe increase required to cover cost -	3.9%
Increase to Teacher Charge required -	2.8%



## 2030 Forecast Assumptions

• Increase Working Capital by two days -	\$310,000
• Increase COLA for employees to 40% -	\$225,649
• <u>Assumed 3% NAD-voted raise to base salary -</u>	<u>\$381,840</u>
TOTAL	\$917,489

Tithe increase required to cover cost -	4.0%
Increase to Teacher Charge required -	2.8%



**Slide 14** shows 2025 tithe per member data. This information is calculated by taking total tithe in the conference and dividing by the number of members on record. We are very grateful for each member who has given back tithes and offerings to the Lord's work and know that many have given sacrificially. Thank you for staying faithful to God in financial giving! While we see where the data places our conference in comparison to sister conferences in the North Pacific Union, we are still amazed at the financial blessings the Lord has provided to us, even when growth in this area is needed.



**Slide 14**

Tithe Per Member - 2025	
1) Montana Conference	\$1,355.15
2) Alaska Conference	\$1,266.50
3) Upper Columbia Conference	\$1,167.83
4) Idaho Conference	\$1,166.24
5) Washington Conference	\$1,035.88
6) <b>Oregon Conference</b>	<b>\$1,005.38</b>

We believe there are other members in our conference who have not yet received the blessing of giving back to God, and we see have set a priority of increasing stewardship awareness in our conference in 2026. **Slide 15** outlines some major goals we have set in this area, culminating with a stewardship summit to be held in October.

**Slide 15**

Stewardship Initiatives in 2026	
<ul style="list-style-type: none"><li>• Vote new Stewardship Director for Oregon Conference</li><li>• Establish diverse Stewardship Committee</li><li>• Provide educational materials related to stewardship throughout Oregon Conference</li><li>• Host first Stewardship Summit in October 2026</li></ul>	

Please continue to pray for God's guidance of the Oregon Conference and thank you for playing a part moving His work forward in our territory!