



Financial Management Commentary

June 2020 Financial Analysis

Executive Summary

Indiana posted positive infection trends for the month June which allowed the church to reopen in person services for the last two weeks of the month. While the slight easing of the group restrictions allowed for some rental income, revenue continued to lag significantly behind budgeted projections. Expense management continued to mitigate some of the shortfall, but much uncertainty still exists. This month showed the greatest reduction of Tithe and Offering giving that we have seen to date which is a significant concern. The first two weeks of giving for July show a continued pattern of diminished giving which suggests that additional cuts are needed.

Revenue

Financial Contributions

For the month, the General Tithe and Offering total was \$176,622.74 which is -\$97,177.26 lower or **35% below** budgeted projections. YTD T&O is -\$210,367.85 behind our budgeted projections and -\$198,453.63 less than the same time period for 2019. June 2020 T&O came in -\$91,434.24 lower than June 2019. While May T&O beat budgeted projections, the steep decline that we have witnessed in June has caused concern even though we should be cautious of weighting one month of data too heavily.

Facility Rental and MPLP

The facility provided \$1,690 in rental income for the month which was while the daycare posted a loss of -\$854.24 for the month which was largely attributed to the timing of billing. This deficit should be made up in July.

Cash

The total cash available without restrictions is \$105,881.50 higher than the same time period for 2019. The contingency (emergency) fund is maintained fully at this time and this fund was underfunded by \$10,336 in 2019. The restricted funds include the PPP funds totaling \$258,876 for additional covered expenditures which will be used instead of free cash on hand.

Expenses

A spending freeze continues to be in place for everything except essential items and we saw one of our greatest reduction in expenses coming in 15% below budgeted expectations.

MPC Attendance

There is a great debate on how to measure attendance at churches across the United States and we have decided to take a very conservative approach to measuring attendance which has likely undervalued the true reach of our online services. Despite this extremely conservative approach, we are still seeing a similar reach compared to the same time period of 2019. I continue to stress minimizing attempts to compare 2020 with previous years because of all the variables that have been added to our current reality.

Mike Makalusky – Executive Pastor

General Financial Overview For JUN 2020



REVENUE/EXPENSE	ACTUAL	BUDGET	VARIANCE	%	2019 ACTUAL
Revenue this Month:	188,409.74	293,841.50	-105,431.76	-36%	288,141
Expense this Month:	241,903.63	283,915.26	-42,011.63	-15%	300,422
Gain/Loss this Month:	\$ (53,494)	\$ 9,926	\$ (63,420)		\$ (12,281)

	ACTUAL	BUDGET	VARIANCE	%	2019 ACTUAL
Revenue YTD:	1,361,834	1,620,861	-259,027	-16%	1,354,772
Expense YTD:	1,561,409	1,678,304	-116,895	-7%	1,489,881
Gain/Loss YTD:	\$ (199,575)	\$ (57,443)	\$ (142,132)		\$ (135,109)

HISTORICAL CHANGE:	YEAR	YTD INCOME	VARIANCE	%
	2020	1,361,834	\$ (280,583.49)	-17%
	2019	1,642,417	\$ (40,735.26)	-2%
	2018	1,683,153		

YTD DEBT ANALYSIS:	6/30/2020	12/31/2019	YTD CHANGE
OSK 4.5% Interest	947,037	1,080,705	-133,668
A Series 2.5% Interest	5,539,174	5,587,850	-48,676
B Series 0% Interest	6,125,322	6,177,076	-51,754
C Series 0% Interest	2,396,013	2,416,259	-20,246
	\$ 15,007,546	\$ 15,261,890	\$ (254,344)

CASH POSITION:	6/30/2020	6/30/2019	VARIANCE
Total Cash on Hand:	921,383.97	534,162.74	387,221.23
Total Fund Liabilities:	657,113.79	365,437.85	291,675.94
Total Cash Available:	264,270.18	168,724.89	95,545.29
(Contingency Fund)	250,000.00	239,663.79	10,336.21
Total Free Cash:	514,270.18	408,388.68	105,881.50

JUNE ATTENDANCE	2020	2019	VARIANCE	%
MONTH WEEKLY AVG	983	1,325	-342	-26%
YTD TOTAL	30,853	32,400	-1,547	-5%