



## **Financial Management Commentary July 2020 Financial Analysis**

### **Executive Summary**

Indiana continued the state phased reopening plan even though a full reopening by the July 4<sup>th</sup> was not able to happen due to increased infection numbers. While the full reopening did not happen, MPC was able to have in person worship services for each Sunday of the month which is the first time that this has been able to happen since the quarantine began. While the slight easing of the group restrictions allowed for some rental income, revenue continued to lag behind budgeted projections. Expense management continued to mitigate some of the shortfall, but much uncertainty still exists. However, a YTD net evaluation of our revenue vs. expenses shows that we are only -\$42,852.10 behind this same time period for 2019 and our cash position is significantly stronger. All praise to God!

### **Revenue**

#### ***Financial Contributions***

For the month, the General Tithe and Offering total was \$190,968.64 which is -\$85,043.36 lower or **31% below** budgeted projections. YTD T&O is -\$361,350.85 behind our budgeted projections and -\$241,974.76 less than the same time period for 2019. July 2020 T&O came in -\$43,521.13 lower than July 2019.

#### ***Facility Rental and MPLP***

The facility provided \$836.00 in rental income for the month while the daycare posted a profit of \$7,423.64 for the month. There is a deficit YTD but this is mitigated by PPP Funds which are not accounted in this deficit.

### **Cash**

The total cash available without restrictions is \$131,454.41 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 20% 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