



Financial Management Commentary July 2021 Financial Analysis

Executive Summary

In July, we continued the journey through uncharted territory, and we continued to face complex challenges that did not have clear-cut solutions. Our world continues to become more volatile, uncertain, complex, and ambiguous by the day which requires us to learn new skills. To develop these new skills, we recognize our need to increase our adaptive capacity and challenge our preconceived notions. Fortunately, generous grants have allowed us to engage an outside organization to aid us in developing a streamlined approach to improve our efficiency and capacity to reach more people for Jesus Christ.

In the midst of our focus on reimagining new ways to continue the mission, we were hit with the hardest month financially that we have experienced to this point in 2021. July was extremely difficult from a revenue standpoint and the significant decline in giving has forced us into an absolute spending freeze for everything except critical items. The continued pressure of the high bankruptcy debt and the ongoing uncertainty due to surging Covid numbers contributes to an already uncertain future. However, we believe that God's plan continues to unfold even in these difficult moments, and we remain committed to seeing God's plan realized through His church.

Revenue

Financial Contributions

For the month, the General Tithe and Offering total was \$138,771 which is -\$82,038.23 lower or **37% below** budgeted projections. T&O is -\$52,196.87 less than 2020 June T&O. When evaluating the tithe and offering for the year, 2021 T&O is -301,216.26 lower or -19% below the 2020 T&O.

Facility Rental and MPLP

Facility rental missed projections but still posted income of \$1,144.05 for the month. For the YTD, the facility income is 7% higher than budgeted expectations and has brought in \$21,953.55 of income. There continues to be a childcare crisis in the country and reports show that 4 out of 6 daycares report not having enough staff. We face a very similar challenge. The daycare posted a net profit of \$7,274.51 for the month but continues to trail its budget YTD by -21% or -\$10,915.94.

Cash

The total cash available without restrictions is -\$230,391.55 than the same period for 2020 which is due in part to the influx of PPP funds in 2020. However, our cash position **is critical at this point** with just under 4 weeks of total operating cash. The Emergency Fund (Contingency Fund), when fully funded, allows for 4 weeks of operating reserve but is currently only holding approximately 2 weeks of operating funds.

Expenses

Expenses were -\$14,061.54 or 6% lower than budgeted expectations for the month but are still 2% over budgeted expectations YTD which is due to intentional investment in the Guest Services area (Lobby, signage, etc.)

MPC Attendance

Overall attendance remained came in at 47% behind 2020 numbers and the first services continues to struggle to find its pre-Covid numbers while second service is seeing a steady increase. The decline in first service is most likely attributed to a combination of factors including, but not limited to, the change of worship style and the impact of Covid on that age demographic.

Mike Makalusky – Executive Pastor

General Financial Overview For July 2021



REVENUE/EXPENSE	ACTUAL	BUDGET	VARIANCE	%	2020 ACTUAL
Revenue this Month:	147,905.33	233,966.54	-86,061.21	-58%	206,056
Expense this Month:	230,710.34	244,771.88	-14,061.54	-6%	239,402
Gain/Loss this Month:	\$ (82,805)	\$ (10,805)	\$ (72,000)		\$ (33,346)

	ACTUAL	BUDGET	VARIANCE	%	2020 ACTUAL
Revenue YTD:	1,252,079	1,497,040	-244,961	-20%	1,553,295
Expense YTD:	1,643,382	1,605,356	38,026	2%	1,803,109
Gain/Loss YTD:	\$ (391,303)	\$ (108,316)	\$ (282,986)		\$ (249,814)

HISTORICAL CHANGE:	YEAR	YTD INCOME	VARIANCE	%
	2021	1,252,079	\$ (281,216.26)	-22%
	2020	1,533,295	\$ (366,366.40)	-24%
	2019	1,899,662		

YTD DEBT ANALYSIS:	7/31/21	12/31/20	YTD CHANGE
OSK 5.0% Interest	575,143	758,440	-183,297
A Series 5.5% Interest	5,422,439	5,467,484	-45,045
B Series 0% Interest	6,073,568	6,125,322	-51,754
C Series 0% Interest	2,375,767	2,396,013	-20,246
	\$ 14,446,917	\$ 14,747,259	\$ (300,342)

CASH POSITION:	7/31/21	7/31/20	VARIANCE
Total Cash on Hand:	377,461.31	869,836.63	-492,375.32
Total Fund Liabilities:	275,935.06	656,407.41	-380,472.35
Total Cash Available:	101,526.25	213,429.22	-111,902.97
(Contingency Fund)	131,511.42	250,000.00	-118,488.58
Total Free Cash:	233,037.67	463,429.22	-230,391.55

JULY ATTENDANCE	2021	2020	VARIANCE	%
MONTH WEEKLY AVG	602	1,143	-542	-47%
YTD TOTAL	23,463	35,426	-11,963	-34%