

Central Church

Director's Financial Report

July, 2024

Introduction – The purpose of this report is to provide a brief financial report for Central's financial performance for the month of July and fiscal year-to-date (YTD).

Financial summary: for the month of July, the 12th month of the fiscal year, Central Church had a net gain of \$161,115 which was \$78,729 less than the budgeted/projected net income of \$239,844.

Revenue – We received Tithes & Offering Income of \$696,921 and Operations Income of \$52,914 for the month of July for a total income of \$749,835 which was \$2,261 under budget. Total YTD income is 8.27% above budget through the 12th period of the fiscal year. Our total average weekly tithe income for the 12th month of this fiscal year is \$139,384 compared to a need of \$128,626. July 2024 is a 5 Monday month.

The YTD Tithes & Offerings of \$9,122,080 are above budget by \$570,542. YTD Operations Income of \$649,369 is above budget by \$175,771. Operations income consists of facility rental, interest income, realized gains/losses and unrealized gains/losses. Current month and yearly income breakdowns are as follows:

	July		YEAR-TO-DATE	
	Income	Budget	Income	Budget
Tithes & Offerings	\$ 696,921	\$ 712,629	\$ 9,122,080	\$ 8,551,538
Operations Income	<u>\$ 52,914</u>	<u>\$ 39,467</u>	<u>\$ 649,369</u>	<u>\$ 473,598</u>
TOTAL	\$ 749,835	\$ 752,096	\$ 9,771,449	\$ 9,025,136

Expenses – Expenses were over budget by \$76,468 for the month of July. Of this, \$33,624 includes accrued expenses paid in August. These expenses relate specifically to the August 1, 2024 payment of ministry credit card charges tied to July 2024 budgeted items. See note below. YTD expenses are under budget by \$174,608. This is mostly attributed to the delayed hire dates of open positions and also the July health insurance payment. See note below.

Preschool (CPK) – Currently, the Southwest (SW) CPK has a year to date gain through July of \$8,644, which is \$8,644 above budget.

CPK for Downtown (DT) has a YTD loss as of July 31st, 2024 of \$46,116 which is \$5,393 more than budgeted.

Noteworthy Items - The following are noteworthy items in the area of Finance and Process Management:

- Actual YTD revenue of \$9,122,080 fell short of the projected amount by \$15,707.
- The July 2024 balance sheet shows accrued expenses. We are on a modified cash basis of accounting, which does not allow accruals. The reason for the accrual is that there has been frustration on the part of some teams that expenses budgeted specifically for activities that happen in July get pushed into the new budget year due to the accounting rules. The result is they end up using the new year's budget for prior year budgeted expenses. We made the decision to accrue those specific expenses at the end of each year. This was discussed with the auditors last year. We were

told this goes against the modified cash basis of accounting. However the amount was not significant enough to require us to remove it, and it did not alter their audit opinion.

- Due to the change in our health insurance plan, the direct debit set up to pay the Wellmark invoice was inactivated. The finance team was not made aware of this until later in August. The payment issue has now been resolved. The consequence is an extra health insurance premium recorded in August of \$44,000.