

Central Church

Finance Director's Report

April, 2020

Introduction – The purpose of this report is to provide a brief financial report for Central's financial performance for the month of April and fiscal year-to-date (YTD). Note that quoted numbers are approximate and subject to other month-end or correcting entries. At the end of April, the 9th month of the fiscal year, Central Church had a net gain for the month of \$176,955 yielding a YTD gain of \$835,775.

Revenue – We received Tithes & Offering Income of \$477,219 and Operations Income of \$455 for the month of April for a total income of \$477,675. This exceeded total budgeted income by \$87,737 yielding total income being under budget YTD by \$26,748. It's important to note weekly income needed to cash flow the existing budget is \$83,209. Operations Income has been dramatically reduced significantly due to reduction of interest rates and the COVID-19 impact on the Preschool Income. Preschool Admin payments to the church has been suspended.

	APRIL		YEAR-TO-DATE	
	Income	Budget	Income	Budget
Tithes & Offerings	\$ 477,675	\$ 378,563	\$ 3,797,275	\$ 3,810,617
Operations Income	\$ 455	\$ 11,375	\$ 83,569	\$ 96,975
TOTAL	\$ 477,675	\$ 389,938	\$ 3,880,844	\$ 3,907,592

Expenses – Expenses were under budget for April by \$52,378 due to reduced operations. This yields expenses being under budget by \$198,953 YTD. Note that our weekly spend rated for the 1st nine months of the fiscal year, 39 weeks, was at a rate of cash need of \$78,078 to cash flow that spending level. Please see the Pivot Budget section of this report for spending plans for the 4th quarter of the physical year.

Pivot Budget – Tom Rich and I have completed what we are calling a Pivot Budget for the 4th quarter of our fiscal year (May, June, July). A worksheet was created showing the actual spend through march, annual budget, current budget for the 4th quarter, last year's 4th quarter spend and last year's 4th quarter budget. The worksheet was made available to those responsible for managing expenses. We assumed that operations would come online in mid-June. Tom and I then met with those staff to review their plans for the quarter and expenses needed to successfully execute that plan. This resulted in a 4th quarter Pivot budget of \$900,250. We need an average weekly giving of \$69,250 to support this Pivot budget. For reference, our average giving for the five giving weeks in April was \$99,590. The 1st giving week in May was \$74,548.

Preschool (CPK) – As noted in the Financial Dashboard, CPK will incur a significant loss for this fiscal year due to the closing of all schools. The CPK team has been very innovative in creating online learning opportunities for the students. This has led to partial payments for tuition for the months of April and May while maintaining or even increasing the reputation of the Central Preschool and

Kindergarten. The current plan is that we will not allow the CPK reserves to drop below \$10,000. At the end of April they had approximately \$50,000 in reserves but \$28,773 of these dollars are prepaid tuition for the next school year and cannot be used. Analysis continues to get to a final number

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

- The \$900,000 the Trustee Board allocated to Designated Board Savings Accounts was posted in April and is reflected in the financial statements and bank accounts.
- The new OnlineGiving platform was implemented in April. The transition was smooth with only minor issues. Recurring givers to transfer is approximately 40. We have a communication process that will hopefully move these remaining donors to the new giving platform.
- There is a greater focus on replacing the existing accounting system. We are looking at ShelbyNext, Aplos, Black Baud and QuickBooks. Our goal is to migrate our data and set up the new system to be operational by 08/01/2020.