

UNITY OF FAIRFAX Treasurer's Report

November 20, 2022

TO: Board of Trustees

FROM: Dave Richardson, Treasurer

SUBJECT: Current financial status and issues

This report covers October and year-to-date financial performance, and it updates the end of year projection and 2023 budget status.

Current Financials: Three metrics. October financials are appended.

- Love offerings. October love offerings were **53K** versus the regular monthly goal of 50K thanks in good part to the 20K additional 66th Birthday fundraising campaign. This brings year-to-date love offerings to 411K vs the 500K target, an 18% gap.
- Operating profit/loss. October was a **breakeven** month versus a budgeted monthly loss of 2K. YTD expenses, at 636K, are 35K (5%) under budget. Year-to-date operating loss is **101K** versus a budgeted operating loss of 22K.
- Operating Cash. October closed with **28K** (15K in ministry fund and 13K operating reserves), with another **40K** in capital reserves for a total of **68K** in unrestricted and accessible reserve accounts, an improvement of 5K over prior month.

End of year projection: Love offerings through October are 411K, an average of 41K/month. Given the wide swings we've experienced, our projection of between 480K and 500k for the year still seems reasonable.

2023 budget. The finance team and board subcommittee have reviewed first round details on a draft 2023 budget. Version 3 will be distributed to the full board by end of November. We will expect to continue updating at December board meeting, finalizing at January board meeting based on updated financials and revenue plans, to present a budget plan to congregation at the February Community Dialogue.

The first round estimate projects expenses of 778K, which includes a small number of discretionary items that will require board confirmation. The draft budget currently projects revenue of approximately 723K, including approximately 64K of revenue from sources "to be determined." Discussions up to this point suggest additional space rentals as a targeted new income source. Achieving this budget would yield an estimated 55K operating loss, which represents a cash-neutral position (excluding potential capital expenses).

Unity of Fairfax
Statement of Financial Position
As of October 31, 2022

	Oct 2022	DEC 2021	Change
ASSETS			
Current Assets			
Unrestricted cash	14,964	28,142	(13,177)
Reserve Cash			
Security Deposits	25,125	25,005	120
Capital Reserve	39,868	68,695	(28,827)
Operating Reserve	13,005	27,735	(14,730)
Restricted Cash			
Benevolence Fund	902	3,954	(3,052)
Capital Improvements	100	100	-
Sacred Grounds	4,008	4,008	-
Vision 2020	-	-	-
Total Bank Accounts	97,973	157,640	(59,666)
Other Current Assets	14,271	12,706	1,565
Total Current Assets	112,244	170,345	(58,102)
Fixed Assets			
Land	419,328	419,328	-
Building and Grounds	4,246,627	4,227,741	18,886
Equipment	75,524	75,524	-
Furniture, Fixtures, Software	181,270	181,270	-
Accumulated Depreciation	(2,285,313)	(2,175,137)	(110,177)
Construction In Progress	-	-	-
Total Fixed Assets	2,637,436	2,728,727	(91,291)
Mildred Park Endowment Fund	115,233	146,918	(31,686)
TOTAL ASSETS	2,864,913	3,045,990	(181,078)
LIABILITIES AND EQUITY			
Liabilities			
Total Current Liabilities	27,851	9,165	18,687
Long-Term Liabilities			
Hunter Mill Montessori Escrow	25,000	25,000	-
Pinnacle Academy Escrow	-	-	-
Mortgage Payable	1,103,734	1,201,713	(97,979)
Note Payable - SBA PPP Loan	-	-	-
Note Payable - Energy Loan	-	-	-
Total Long-Term Liabilities	1,128,734	1,226,713	(97,979)
Total Liabilities	1,156,585	1,235,877	(79,292)
Equity			
Net Assets	1,768,982	1,776,733	(7,751)
Unrealized Gain/Loss on Investments	9,572	41,131	(31,559)
Net Income	(70,226)	(7,751)	(62,475)
Total Equity	1,708,327	1,810,113	(101,786)
TOTAL LIABILITIES AND EQUITY	2,864,913	3,045,990	(181,078)

Unity of Fairfax
Statement of Cash Flows - Ministry
October 2022

	Total
OPERATING ACTIVITIES	
Net Revenue	(100,979)
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
Bank Transfer (from Capital Reserves) *	10,000
Bank Transfer (from Operating Reserves) **	20,000
Accounts Payable	6,711
United VISA	1,145
Payroll Taxes Payable	3,093
Stripe Deposits Pending	(559)
Accrued Tithes	10,688
Deposits in Transit	(1,276)
Prepaid Expenses	(2,230)
Deferred Revenue	(795)
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	46,777
Net cash provided by operating activities	(54,202)
INVESTING ACTIVITIES	
Fixed Assets: Accumulated Depreciation	110,177
Fixed Assets: Additions	
Transfers to Operating Reserves	28,827
Net cash provided by investing activities	139,004
FINANCING ACTIVITIES	
Mortgage Payable	(97,979)
Net cash provided by financing activities	(97,979)
Net cash increase for period	(13,177)
Cash at beginning of period	28,142
Cash at end of period	14,964

* transferred June 2022

** transferred April 2022 & July 2022

Unity of Fairfax
Statement of Activity by Fund
YTD OCTOBER 2022

	Ministry Fund	Capital Reserve	Operating Reserve	Security Reserve	Total UnRestricted	Benevolence Fund	Capital Improvement	MP Endowment Fund	Sacred Grounds	Vision 2020	Total Restricted	TOTAL
Income												
LOVE OFFERING INCOME	410,557				410,557	542	-	-	-	-	542	411,099
EPS INCOME	4,014				4,014							4,014
FUNDRAISING INCOME	2,702				2,702							2,702
SHORT TERM RENTAL INCOME	8,520				8,520							8,520
LONG TERM RENTAL INCOME	106,250				106,250							106,250
BOOKSTORE SALES	173				173							173
GRANT INCOME	-				-							-
OTHER INCOME	2,657	59	-	20	2,736							2,736
Total Income	534,873	59	-	20	534,952	542	-	-	-	-	542	535,494
Expenses												
COMPENSATION & BENEFITS	295,747				295,747							295,747
OCCUPANCY EXPENSE	202,259				202,259							202,259
GENERAL & ADMINISTRATIVE	35,117				35,117	5,539					5,539	40,656
EPS WORKSHOPS	697				697							697
EVENTS	850				850							850
MINISTRIES EXPENSE	12,024				12,024							12,024
OUTGOING TITHES	53,487				53,487							53,487
ALLOCATIONS TO INTERNAL FUNDS	35,671	-	(35,270)		401	(401)					(401)	-
Total Expenses	635,852	-	(35,270)	-	600,582	5,138	-	-	-	-	5,138	605,720
Net Income	(100,979)	59	35,270	20	(65,630)	(4,596)	-	-	-	-	(4,596)	(70,226)

Unity of Fairfax
Budget vs. Actuals: Ministry Fund
October 31, 2022

	MTH Actual	MTH Budget	MTH Variance	YTD Actual	YTD Budget	YTD Variance	Annual 2022 Draft Budget
Income							
LOVE OFFERING INCOME	\$ 52,902	\$ 50,000	\$ 2,902	\$ 410,557	\$ 500,000	\$ (89,443)	\$ 600,000
EPS INCOME	830	1,667	(837)	4,014	16,667	(12,653)	20,000
FUNDRAISING INCOME	-	1,667	(1,667)	2,702	16,667	(13,965)	20,000
SHORT TERM RENTAL	1,775	340	1,435	8,520	3,400	5,120	4,080
LONG TERM RENTAL	10,750	10,646	104	106,250	106,458	(208)	127,750
BOOKSTORE SALES	173	333	(160)	173	3,333	(3,160)	4,000
GRANT INCOME *	-	-	-	-	-	-	-
OTHER INCOME	1	191	(190)	2,657	1,908	748	2,290
Total Income	\$ 66,431	\$ 64,843	\$ 1,588	\$ 534,872	\$ 648,433	\$ (113,562)	\$ 778,120
Expenses							
COMPENSATION & BENEFITS	29,379	29,571	(192)	295,747	295,708	38	354,850
OCCUPANCY EXPENSE	20,965	21,233	(268)	202,259	212,333	(10,074)	254,800
GENERAL & ADMINISTRATIVE	3,261	4,185	(924)	35,117	41,850	(6,733)	50,220
EPS WORKSHOPS	200	83	117	697	833	(136)	1,000
EVENTS	550	-	550	850	-	850	-
FUNDRAISING EXPENSE	-	-	-	-	-	-	-
MINISTRIES EXPENSE	-	-	-	-	-	-	-
Total Worship Ministry	1,296	567	729	6,525	5,667	858	6,800
Total Music Ministry	172	258	(86)	2,202	2,583	(381)	3,100
Total Youth Ministry	150	200	(50)	1,707	2,000	(293)	2,400
Total Bookstore Expenses	-	200	(200)	-	2,000	(2,000)	2,400
Total Earthcare Ministry	-	400	(400)	1,502	4,000	(2,498)	4,800
Total Miscellaneous Ministries	-	200	(200)	88	2,000	(1,912)	2,400
Total MINISTRIES EXPENSE	1,618	1,825	(207)	12,023	18,250	(6,227)	21,900
TITHES	6,643	6,484	159	53,487	64,843	(11,356)	77,812
FUNDS							
Transfer to Capital Reserves	-	-	-	-	-	-	-
Transfer to Operating Reserves	3,527	3,527	-	35,270	35,270	-	42,324
Transfer to Benevolence	82	167	(85)	401	1,667	(1,266)	2,000
ALLOCATION TO INTERNAL	3,609	3,694	(85)	35,671	36,937	(1,266)	44,324
Total Expenses	\$ 66,225	\$ 67,076	\$ (851)	\$ 635,851	\$ 670,755	\$ (34,904)	\$ 804,906
Net Income *	\$ 206	\$ (2,232)	\$ 2,438	\$ (100,979)	\$ (22,322)	\$ (78,657)	\$ (26,786)

Notes to the Statement Of Activity: