

UNITY OF FAIRFAX Treasurer's Report

December 10, 2022

TO: Board of Trustees

FROM: Dave Richardson, Treasurer

SUBJECT: Current financial status and issues

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

**Current Financials: Three metrics.** November financials are appended.

- Love offerings. November love offerings were **57K** versus the regular monthly goal of 50K, a second strong month which brings year-to-date love offerings to 468K vs the 550K target, narrowing the gap in percentage terms from the June trough of 25% to 15% in November.
- Operating profit/loss. November operating profit was **6K**. Year-to-date operating loss is **95K** versus a budgeted operating loss of 25K.
- Operating Cash. November closed with **48K** (32K in ministry fund and 16K operating reserves), with another **21K** in capital reserves for a total of **69K** in unrestricted and accessible reserve accounts, another improvement.

**End of year projection:** The strong love offerings of the last two months improve our end of year projection at least to the high end of the 480K and 500k estimate. December love offerings normally are at or above November. If they stay true to form there is a chance we could end the year at 520-530.

Taking into account a conservative best guess for December, **Love offerings will have shown a substantial improvement in the second half of the year.** For most of the prior 5 years second half love offerings have represented 51-52% of annual offerings; this year that will be at least 56%. We can reasonably assert that the second half improvement reflects the continuing re-engagement that we planned on as well as the extensive communications and congregation response to the need.

This strong second half revenue performance is reflected in the status of cash reserves. In the first half of the year we consumed 35K of reserves. In the second half we will consume no more than 6K, and potentially less. We should end the year with 65K in the three main accounts plus the approximately 18K being transferred in December from the Mildred Park Endowment according to the current policy, for an estimated total of roughly 83K, compared to 106K at the end of 2021.

**2023 budget.** The draft 2023 budget Version 3 is attached for discussion 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.

**Unity of Fairfax**  
**Statement of Financial Position**  
**As of November 30, 2022**

	Nov 2022	DEC 2021	Change
<b>ASSETS</b>			
<b>Current Assets</b>			
Unrestricted cash	31,827	28,142	3,685
<b>Reserve Cash</b>			
Security Deposits	25,136	25,005	131
Capital Reserve	21,173	68,695	(47,523)
Operating Reserve	16,532	27,735	(11,203)
<b>Restricted Cash</b>			
Benevolence Fund	2,358	3,954	(1,596)
Capital Improvements	100	100	-
Sacred Grounds	4,008	4,008	-
Vision 2020	-	-	-
<b>Total Bank Accounts</b>	<b>101,134</b>	<b>157,640</b>	<b>(56,506)</b>
<b>Other Current Assets</b>	<b>15,754</b>	<b>12,706</b>	<b>3,048</b>
<b>Total Current Assets</b>	<b>116,888</b>	<b>170,345</b>	<b>(53,458)</b>
<b>Fixed Assets</b>			
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	(2,296,331)	(2,175,137)	(121,194)
Construction In Progress	-	-	-
<b>Total Fixed Assets</b>	<b>2,626,419</b>	<b>2,728,727</b>	<b>(102,308)</b>
<b>Mildred Park Endowment Fund</b>	<b>115,233</b>	<b>146,918</b>	<b>(31,686)</b>
<b>TOTAL ASSETS</b>	<b>2,858,539</b>	<b>3,045,990</b>	<b>(187,452)</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Total Current Liabilities</b>	<b>20,405</b>	<b>9,165</b>	<b>11,240</b>
<b>Long-Term Liabilities</b>			
Hunter Mill Montessori Escrow	25,000	25,000	-
Pinnacle Academy Escrow	-	-	-
<b>Mortgage Payable</b>	<b>1,093,836</b>	<b>1,201,713</b>	<b>(107,877)</b>
Note Payable - SBA PPP Loan	-	-	-
Note Payable - Energy Loan	-	-	-
<b>Total Long-Term Liabilities</b>	<b>1,118,836</b>	<b>1,226,713</b>	<b>(107,877)</b>
<b>Total Liabilities</b>	<b>1,139,241</b>	<b>1,235,877</b>	<b>(96,637)</b>
<b>Equity</b>			
Net Assets	1,768,982	1,776,733	(7,751)
Unrealized Gain/Loss on Investments	9,572	41,131	(31,559)
Net Income	(59,256)	(7,751)	(51,504)
<b>Total Equity</b>	<b>1,719,298</b>	<b>1,810,113</b>	<b>(90,815)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,858,539</b>	<b>3,045,990</b>	<b>(187,452)</b>

**Unity of Fairfax  
Statement of Cash Flows - Ministry  
November 2022**

	<b>Total</b>
<b>OPERATING ACTIVITIES</b>	
Net Revenue	(94,956)
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	3,268
Payroll Taxes Payable	3,051
Stripe Deposits Pending	1,046
Accrued Tithes	6,242
Deposits in Transit	(2,870)
Prepaid Expenses	(2,141)
Deferred Revenue	(795)
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	<b>37,801</b>
<b>Net cash provided by operating activities</b>	<b>(57,155)</b>
<b>INVESTING ACTIVITIES</b>	
Fixed Assets: Accumulated Depreciation	121,194
Fixed Assets: Additions	
Transfers to Operating Reserves	47,523
<b>Net cash provided by investing activities</b>	<b>168,717</b>
<b>FINANCING ACTIVITIES</b>	
Mortgage Payable	(107,877)
<b>Net cash provided by financing activities</b>	<b>(107,877)</b>
<b>Net cash increase for period</b>	<b>3,685</b>
Cash at beginning of period	28,142
<b>Cash at end of period</b>	<b>31,827</b>

\* transferred June 2022

\*\* transferred April 2022 & July 2022

**Unity of Fairfax**  
**Statement of Activity by Fund**  
**YTD NOVEMBER 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
<b>Income</b>												
LOVE OFFERING INCOME	468,018				468,018	1,998	-	-	-	-	1,998	470,016
EPS INCOME	4,764				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	117,000				117,000						-	117,000
BOOKSTORE SALES	173				173						-	173
GRANT INCOME	-				-						-	-
OTHER INCOME	2,772	63	-	31	2,866						-	2,866
<b>Total Income</b>	<b>603,948</b>	<b>63</b>	<b>-</b>	<b>31</b>	<b>604,042</b>	<b>1,998</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,998</b>	<b>606,040</b>
<b>Expenses</b>												
COMPENSATION & BENEFITS	325,082				325,082						-	325,082
OCCUPANCY EXPENSE	219,748				219,748						-	219,748
GENERAL & ADMINISTRATIVE	39,533				39,533	5,664					5,664	45,197
EPS WORKSHOPS	1,695				1,695						-	1,695
EVENTS	-				-						-	-
MINISTRIES EXPENSE	13,181				13,181						-	13,181
OUTGOING TITHES	60,394				60,394						-	60,394
ALLOCATIONS TO INTERNAL FUNDS	39,273	-	(38,797)		476	(476)					(476)	-
<b>Total Expenses</b>	<b>698,906</b>	<b>-</b>	<b>(38,797)</b>	<b>-</b>	<b>660,109</b>	<b>5,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,188</b>	<b>665,297</b>
<b>Net Income</b>	<b>(94,958)</b>	<b>63</b>	<b>38,797</b>	<b>31</b>	<b>(56,067)</b>	<b>(3,190)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,190)</b>	<b>(59,256)</b>

**Unity of Fairfax**  
**Budget vs. Actuals: Ministry Fund**  
**November 30, 2022**

	<b>MTH</b>	<b>MTH</b>	<b>MTH</b>		<b>YTD</b>	<b>YTD</b>	<b>YTD</b>	<i>Annual</i>
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>YTD Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>	<i>2022 Draft</i>
<b>Income</b>								
LOVE OFFERING INCOME	\$ 57,461	\$ 50,000	\$ 7,461	\$ 468,018	\$ 550,000	\$ (81,982)	\$ 600,000	
EPS INCOME	750	1,667	(917)	4,764	18,333	(13,570)	20,000	
FUNDRAISING INCOME	-	1,667	(1,667)	2,702	18,333	(15,632)	20,000	
SHORT TERM RENTAL	-	340	(340)	8,520	3,740	4,780	4,080	
LONG TERM RENTAL	10,750	10,646	104	117,000	117,104	(104)	127,750	
BOOKSTORE SALES	-	333	(333)	173	3,667	(3,493)	4,000	
GRANT INCOME *	-	-	-	-	-	-	-	
OTHER INCOME	114	191	(77)	2,772	2,099	672	2,290	
<b>Total Income</b>	<b>\$ 69,076</b>	<b>\$ 64,843</b>	<b>\$ 4,232</b>	<b>\$ 603,948</b>	<b>\$ 713,277</b>	<b>\$ (109,329)</b>	<b>\$ 778,120</b>	
<b>Expenses</b>								
COMPENSATION & BENEFITS	29,336	29,571	(235)	325,082	325,279	(197)	354,850	
OCCUPANCY EXPENSE	17,489	21,233	(3,745)	219,748	233,567	(13,819)	254,800	
GENERAL & ADMINISTRATIVE	4,414	4,185	229	39,531	46,035	(6,504)	50,220	
EPS WORKSHOPS	643	83	560	1,340	917	423	1,000	
EVENTS	-	-	-	850	-	850	-	
FUNDRAISING EXPENSE	-	-	-	-	-	-	-	
<b>MINISTRIES EXPENSE</b>								
Total Worship Ministry	542	567	(24)	7,067	6,233	834	6,800	
Total Music Ministry	120	258	(139)	2,322	2,842	(520)	3,100	
Total Youth Ministry	-	200	(200)	1,707	2,200	(493)	2,400	
Total Bookstore Expenses	-	200	(200)	-	2,200	(2,200)	2,400	
Total Earthcare Ministry	-	400	(400)	1,502	4,400	(2,898)	4,800	
Total Miscellaneous Ministries	-	200	(200)	88	2,200	(2,112)	2,400	
<b>Total MINISTRIES EXPENSE</b>	<b>662</b>	<b>1,825</b>	<b>(1,163)</b>	<b>12,686</b>	<b>20,075</b>	<b>(7,389)</b>	<b>21,900</b>	
<b>TITHES</b>	<b>6,907</b>	<b>6,484</b>	<b>423</b>	<b>60,394</b>	<b>71,328</b>	<b>(10,934)</b>	<b>77,812</b>	
<b>FUNDS</b>								
Transfer to Capital Reserves	-	-	-	-	-	-	-	
Transfer to Operating Reserves	3,527	3,527	-	38,797	38,797	-	42,324	
Transfer to Benevolence	75	167	(92)	476	1,833	(1,357)	2,000	
<b>ALLOCATION TO INTERNAL</b>	<b>3,602</b>	<b>3,694</b>	<b>(92)</b>	<b>39,273</b>	<b>40,630</b>	<b>(1,357)</b>	<b>44,324</b>	
<b>Total Expenses</b>	<b>\$ 63,052</b>	<b>\$ 67,076</b>	<b>\$ (4,023)</b>	<b>\$ 698,904</b>	<b>\$ 737,831</b>	<b>\$ (38,927)</b>	<b>\$ 804,906</b>	
<b>Net Income *</b>	<b>\$ 6,023</b>	<b>\$ (2,232)</b>	<b>\$ 8,255</b>	<b>\$ (94,956)</b>	<b>\$ (24,554)</b>	<b>\$ (70,402)</b>	<b>\$ (26,786)</b>	