

UNITY OF FAIRFAX Treasurer's Report

November 13, 2021

TO: Board of Trustees

FROM: Dave Richardson, Treasurer

SUBJECT: Current financial status and issues

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This report covers financial performance through October. Despite the operating loss we are on track for the end of year projection incorporated in the 2022 budget presented last month.

That 2022 budget, this time the version prepared as backup for the annual meeting, is attached behind October financials so the board can familiarize itself with the key numbers.

**Current Financials: Three metrics.** October and year-to-date financials are appended.

- Love offerings (see attached ministry fund budget page). October love offerings were 43K, up slightly from September but still below break-even target.
- Operating profit/loss (at the bottom of the same budget vs actual chart). Operating loss of 12K brings cumulative operating loss to 50K.
- Operating Cash on hand. (reference the Statement of financial condition). With adjustments, the cash position declined 14K to 49K.

**Montessori** school continues to be delayed by county requirements with classes now scheduled to begin late November. The school is following through on the ramp-up in rent, paying 6K in October and 7.5K in November on the way to full rent by February..

**Refiring** campaign can take credit for two recent big gifts that put us closer to that target (though "regular" love offerings remain short of expectations).

**End of year projection.** We are counting on the normal strong (above-average love offerings) November and December to help us meet the 2021 projection shown in the 2022 budget. Repeating last month's summary of that projection, we expect to end the year with an operating loss of about 70K. With adjustments, we expect to consume 20-25K of cash during the last three months of the year. This should leave operating cash (unrestricted plus reserves) of 40K going into the new year (which is more than we had entering 2021).

**2022 budget** Because this budget projects a fairly sizeable loss, we expect to do some analyses over the next month assessing our congregation re-engagement and growth status. Support of Rev Russ' '22 goals will need to be a board priority.

**Unity of Fairfax**  
**Budget vs. Actuals: FY\_2020 - Ministry Fund**  
**OCTOBER 2021**

	MTH Actual	MTH Budget	MTH Variance	YTD Actual	YTD Budget	YTD Variance	Annual 2021 Draft Budget
<b>Income</b>							
LOVE OFFERING INCOME	\$ 42,614	\$ 50,000	\$ (7,386)	\$ 438,428	\$ 500,000	\$ (61,572)	\$ 600,000
EPS INCOME	1,130	1,400	(271)	8,982	14,000	(5,018)	16,800
EVENTS INCOME	-	500	(500)	-	5,000	(5,000)	6,000
FUNDRAISING INCOME	-	833	(833)	1,775	8,333	(6,558)	10,000
SHORT TERM RENTAL	260	200	60	2,600	2,000	600	2,400
LONG TERM RENTAL	6,000	5,691	309	36,000	56,907	(20,907)	68,288
BOOKSTORE SALES		300	(300)		3,000	(3,000)	3,600
GRANT INCOME *	-	-	-	77,702	-	77,702	72,000
OTHER INCOME	1	100	(99)	7,887	1,000	6,887	1,200
<b>Total Income</b>	<b>\$ 50,005</b>	<b>\$ 59,024</b>	<b>\$ (9,019)</b>	<b>\$ 573,374</b>	<b>\$ 590,240</b>	<b>\$ (16,866)</b>	<b>\$ 780,288</b>
<b>Expenses</b>							
COMPENSATION & BENEFITS	29,958	30,077	(119)	307,192	300,770	6,422	360,924
OCCUPANCY EXPENSE	20,316	19,575	741	201,382	195,750	5,632	234,900
GENERAL & ADMINISTRATIVE	6,334	6,800	(466)	53,364	68,000	(14,636)	81,600
EPS WORKSHOPS	50	280	(230)	50	2,800	(2,750)	3,360
EVENTS		250	(250)		2,500	(2,500)	3,000
FUNDRAISING EXPENSE			-				
MINISTRIES EXPENSE			-				
Total Worship Ministry	200	729	(529)	7,217	7,292	(75)	8,750
Total Music Ministry	-	250	(250)	924	2,500	(1,576)	3,000
Total Youth Ministry		150	(150)	255	1,500	(1,245)	1,800
Total Bookstore Expenses		180	(180)		1,800	(1,800)	2,160
Total Earthcare Ministry	-	458	(458)	3,295	4,583	(1,288)	5,500
Total Miscellaneous Ministries	-	50	(50)	58	500	(442)	600
<b>Total MINISTRIES EXPENSE</b>	<b>200</b>	<b>1,818</b>	<b>(1,618)</b>	<b>11,748</b>	<b>18,175</b>	<b>(6,427)</b>	<b>21,810</b>
TITHES	5,000	5,902	(902)	49,567	59,024	(9,457)	70,829
Tithes Expensed Elsewhere	(3,590)	(2,360)	(1,230)	(36,152)	(23,600)	(12,552)	(28,320)
OUTGOING TITHES	1,410	3,542	(2,133)	13,415	35,424	(22,009)	42,509
<b>FUNDS</b>							
Transfer to Capital Reserves	-	3,527	(3,527)	18,689	35,270	(16,581)	42,324
Transfer to Operating Reserves	3,527		3,527	16,581		16,581	
Transfer to Benevolence	113	140	(27)	898	1,400	(502)	1,680
<b>FUNDS</b>	<b>3,640</b>	<b>3,667</b>	<b>(27)</b>	<b>36,168</b>	<b>36,670</b>	<b>(502)</b>	<b>44,004</b>
<b>Total Expenses</b>	<b>\$ 61,908</b>	<b>\$ 66,009</b>	<b>\$ (4,101)</b>	<b>\$ 623,319</b>	<b>\$ 660,089</b>	<b>\$ (36,770)</b>	<b>\$ 792,107</b>
<b>Net Income *</b>	<b>\$ (11,903)</b>	<b>\$ (6,985)</b>	<b>\$ (4,918)</b>	<b>\$ (49,945)</b>	<b>\$ (69,849)</b>	<b>\$ 19,904</b>	<b>\$ (11,819)</b>

Notes to the Statement Of Activity:

\* Grant Income

The SBA paid off our \$77,702 PPP2 loan to United Bank

**Unity of Fairfax**  
**Statement of Activity by Fund**  
**YTD OCTOBER 2021**

	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	438,428		-		438,428	870	-	-	1,450	-	2,320	440,748
EPS INCOME	8,982				8,982						-	8,982
EVENTS INCOME	-				-						-	-
FUNDRAISING INCOME	1,775				1,775						-	1,775
SHORT TERM RENTAL INCOME	2,600				2,600						-	2,600
LONG TERM RENTAL INCOME	36,000				36,000						-	36,000
BOOKSTORE SALES	-				-						-	-
GRANT INCOME *	77,702				77,702						-	77,702
OTHER INCOME	7,888	189	-	2	8,079						-	8,079
<b>Total Income</b>	<b>573,375</b>	<b>189</b>	<b>-</b>	<b>2</b>	<b>573,566</b>	<b>870</b>	<b>-</b>	<b>-</b>	<b>1,450</b>	<b>-</b>	<b>2,320</b>	<b>575,886</b>
<b>Expenses</b>												
COMPENSATION & BENEFITS	307,192				307,192						-	307,192
OCCUPANCY EXPENSE	201,382	12,390			213,772				1,362		1,362	215,134
GENERAL & ADMINISTRATIVE	53,364				53,364	5,932					5,932	59,296
EPS WORKSHOPS	50				50						-	50
EVENTS	-				-						-	-
FUNDRAISING EXPENSE	-				-						-	-
MINISTRIES EXPENSE	11,749				11,749						-	11,749
OUTGOING TITHES	13,415				13,415						-	13,415
ALLOCATIONS TO INTERNAL FUNDS	36,168	(18,689)	(16,581)		898	(898)					(898)	-
<b>Total Expenses</b>	<b>623,320</b>	<b>(6,299)</b>	<b>(16,581)</b>	<b>-</b>	<b>600,440</b>	<b>5,034</b>	<b>-</b>	<b>-</b>	<b>1,362</b>	<b>-</b>	<b>6,396</b>	<b>606,836</b>
<b>Net Income *</b>	<b>(49,945)</b>	<b>6,488</b>	<b>16,581</b>	<b>2</b>	<b>(26,874)</b>	<b>(4,164)</b>	<b>-</b>	<b>-</b>	<b>88</b>	<b>-</b>	<b>(4,076)</b>	<b>(30,949)</b>

Notes to the Statement Of Activity:

**Unity of Fairfax**  
**Statement of Cash Flows - Ministry**  
 January - October, 2021

	<b>Total</b>
<b>OPERATING ACTIVITIES</b>	
Net Revenue	(49,945)
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
Draw PPP2	77,702
Deposits in Transit	905
Funds Receivable	1,030
Prepays	1,018
Accounts Payable	(5,781)
United VISA	(2,391)
Stripe Deposits Pending	(516)
Accrued Tithes	(3)
Prepaid Rental Deposits	520
Prepaid Workshops	60
Passthrough	(676)
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	<b>71,869</b>
Net cash provided by operating activities	<b>21,924</b>
<b>INVESTING ACTIVITIES</b>	
Capital Reserve transfer	(32,528)
Fixed Assets:Accumulated Depreciation	111,125
Net cash provided by investing activities	<b>78,597</b>
<b>FINANCING ACTIVITIES</b>	
Mortgage Payable	(94,241)
Note Payable - Energy Loan	(6,024)
Net cash provided by financing activities	<b>(100,265)</b>
Net cash increase for period	<b>256</b>
Cash at beginning of period	28,336
Cash at end of period	<b>28,592</b>

**Unity of Fairfax**  
**Statement of Financial Position**  
**As of October 31, 2021**

	OCT 2021	DEC 2020	Change
<b>ASSETS</b>			
<b>Current Assets</b>			
Unrestricted cash	28,592	28,336	256
Reserve Cash			
Security Deposits	25,005	25,003	2
Capital Reserve	68,678	131,758	(63,080)
Operating Reserve	20,681	348	20,333
Restricted Cash			
Benevolence Fund	3,954	8,264	(4,310)
Capital Improvements	100	3,686	(3,586)
Sacred Grounds	2,258	2,170	88
Vision 2020	100	100	-
<b>Total Bank Accounts</b>	<b>149,368</b>	<b>199,665</b>	<b>(50,297)</b>
Other Current Assets	14,856	24,493	(9,637)
<b>Total Current Assets</b>	<b>164,224</b>	<b>224,158</b>	<b>(59,934)</b>
<b>Fixed Assets</b>			
Land	419,328	419,328	-
Building and Grounds	4,227,741	4,207,336	20,405
Equipment	75,524	73,181	2,343
Furniture, Fixtures, Software	181,270	167,625	13,645
Accumulated Depreciation	(2,150,711)	(2,039,586)	(111,125)
Construction In Progress	-	-	-
<b>Total Fixed Assets</b>	<b>2,753,152</b>	<b>2,827,883</b>	<b>(74,731)</b>
Mildred Park Endowment Fund	135,351	119,920	15,430
<b>TOTAL ASSETS</b>	<b>3,052,727</b>	<b>3,171,962</b>	<b>(119,235)</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Total Current Liabilities</b>	<b>10,343</b>	<b>14,664</b>	<b>(4,321)</b>
<b>Long-Term Liabilities</b>			
Hunter Mill Montessori Escrow	25,000	25,000	-
Pinnacle Academy Escrow	-	-	-
Mortgage Payable	1,242,037	1,335,408	(93,371)
Note Payable - SBA PPP Loan	-	-	-
Note Payable - Energy Loan	-	6,024	(6,024)
<b>Total Long-Term Liabilities</b>	<b>1,267,037</b>	<b>1,366,432</b>	<b>(99,395)</b>
<b>Total Liabilities</b>	<b>1,277,380</b>	<b>1,381,096</b>	<b>(103,716)</b>
<b>Equity</b>			
Net Assets	1,776,733	1,758,250	18,483
Unrealized Gain/Loss on Investments	29,564	14,133	15,430
Net Income	(30,949)	18,483	(49,432)
<b>Total Equity</b>	<b>1,775,348</b>	<b>1,790,867</b>	<b>(15,519)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,052,727</b>	<b>3,171,962</b>	<b>(119,235)</b>

## 2022 Ministry Fund Draft Budget Projection

Income	2019	2020	EAC 2021	Draft 2022
Love Offering Income	\$ 634,119	\$ 614,054	\$ 544,000	\$ 600,000
EPS Workshop Income	26,870	17,413	11,000	20,000
Events Income	20,413	0	0	0
Fundraising Income	23,483	10,929	1,775	20,000
Short Term Rental Income	4,997	3,311	3,000	3,000
Long Term Rental Income	204,943	61,701	50,000	129,000
Bookstore Sales	11,658	1,902	0	0
Other Income	1,628	6,298	8,000	6,000
<b>Total Income</b>	<b>\$ 928,111</b>	<b>\$ 715,608</b>	<b>\$ 617,775</b>	<b>\$ 778,000</b>
<b>Expenses</b>				
<b>Compensation &amp; Benefits</b>				
Salaries	344,060	311,024	267,800	278,000
Health Insurance	21,203	18,059	19,200	22,000
Housing & Retirement	47,764	47,808	61,000	67,000
Payroll Taxes	26,190	16,118	19,000	18,000
<b>Total Compensation &amp; Benefits</b>	<b>\$ 439,217</b>	<b>\$ 393,009</b>	<b>\$ 367,000</b>	<b>\$ 385,000</b>
<b>Occupancy Expense</b>				
Amort, Depre, & Interest Exp	\$ 188,885	\$ 188,657	\$ 186,000	\$ 195,600
Property Maintenance	38,097	29,636	30,000	40,200
Utilities	34,805	23,299	25,000	24,200
Lease Expense Reimbursement	(23,947)	(16,294)		0
<b>Total Occupancy Expense</b>	<b>\$ 237,840</b>	<b>\$ 225,298</b>	<b>\$ 241,000</b>	<b>\$ 260,000</b>
<b>General &amp; Administrative</b>				
Staff & Support Expenses	\$ 26,203	\$ 18,452	\$ 18,000	\$ 18,000
Finance, Insur, Legal Expense	42,364	27,282	23,000	24,740
Office & Facilities Expense	47,658	29,549	25,000	23,050
Marketing		4,638	5,000	6,480
<b>Total General &amp; Administrative</b>	<b>\$ 116,225</b>	<b>\$ 79,921</b>	<b>\$ 71,000</b>	<b>\$ 72,270</b>
<b>EPS Workshops Expense</b>	<b>\$ 18,473</b>	<b>\$ 105</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Events Expense</b>	<b>\$ 4,837</b>	<b>\$ 1,442</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fundraising Expense</b>	<b>\$ -</b>	<b>\$ 977</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Ministries Expense</b>				
Worship Ministry	\$ 9,350	\$ 6,392	\$ 9,000	\$ 3,900
Music Ministry	13,636	3,992	1,200	3,100
Youth Ministry	4,031	972	800	2,400
Bookstore Expenses	7,994	2,160	300	0
Earthcare Ministry		8,188	3,500	4,800
Miscellaneous Ministries	360	792	200	1,320
<b>Total Ministries Expense</b>	<b>\$ 35,371</b>	<b>\$ 22,496</b>	<b>\$ 15,000</b>	<b>\$ 15,520</b>
<b>Tithes</b>				
Tithes Expensed Elsewhere		(21,898)	(43,300)	
<b>Outgoing Tithes</b>	<b>\$ 92,811</b>	<b>\$ 49,662</b>	<b>\$ 27,700</b>	<b>\$ 77,800</b>
<b>Allocation To Internal Funds</b>				
Transfer to Reserves	\$ 42,324	\$ 42,324	\$ 42,300	\$ 42,410
Transfer to Benevolence Fund	2,687	1,741	1,700	3,000
<b>Total Allocation to Internal Funds</b>	<b>\$ 45,011</b>	<b>\$ 44,065</b>	<b>\$ 44,000</b>	<b>\$ 45,410</b>
<b>Total Expenses</b>	<b>\$ 989,785</b>	<b>\$ 816,975</b>	<b>\$ 765,700</b>	<b>\$ 856,000</b>
<b>Net Income from Operations</b>	<b>\$ (61,674)</b>	<b>\$ (101,367)</b>	<b>\$ (147,925)</b>	<b>\$ (78,000)</b>
<b>SBA PPP Loans Forgiven</b>		<b>\$ 87,000</b>	<b>\$ 77,702</b>	<b>\$ -</b>
<b>Net Income</b>	<b>\$ (61,674)</b>	<b>\$ (14,367)</b>	<b>\$ (70,223)</b>	<b>\$ (78,000)</b>