

# 2019 Converge Heartland Treasurer's Report

## Financial Summary

Total Cash on August 31, 2018		<b>\$ 403,323.31</b>	<b>1</b>
Total Revenue for Fiscal Year 2019		566,077.04	2
Total Expenditures for Fiscal Year 2019		-552,023.41	2
Net Revenue	<b>\$ 14,053.63</b>		<b>1,2</b>
Total Adjustments to Reconcile Net Revenue to Net Cash	17,362.05	17,362.05	3
Net Cash	<b>\$ 31,415.68</b>		<b>1</b>
Total Cash on August 31, 2019		<b>\$ 434,738.99</b>	<b>1</b>
<i>References:</i>			
<i>1 – Statement of Financial Position</i>			
<i>2 – Statement of Activity</i>			
<i>3 – See section on next page titled "Total Adjustments"</i>			

## Net Revenue Expanded

General Fund Revenue	\$ 251,695.24	
General Fund Expenditures	-248,015.53	
<b>General Fund Net Revenue</b>		<b>\$ 3,679.71</b>
Temporary Restricted Funds Revenue	314,381.80	
Temporary Restricted Funds Expenditures	-304,007.88	
<b>Temporary Restricted Funds Net Revenue</b>		<b>10,373.92</b>
<b>Total Net Revenue</b>		<b>\$ 14,053.63</b>

**General Fund** activities are related to general fund contributions, assessments on other funds, staffing, operations, services, and the Cultivate Conference and pastor's retreat. When we refer to cash flow, we are speaking about the general fund. Our general fund had a net gain of **\$3,679.71** this fiscal year.

A **Temporary Restricted Fund** (TRF) is a fund that is held for a relatively short period of time and intended for a specific purpose, like a designated fund in a church. Our TRFs show a net revenue of \$10,373.92 over the year, demonstrating that we saved more of these funds this year. Balances and changes in each TRF are listed on the Statement of Financial Position.

The largest revenues (and expenditures) were in the following categories:

- Donor-supported staff (\$135K)
- Benevolence (\$40K)
- Youth Camps (\$40K)
- Church Planting (\$40K)
- Disaster Relief (\$30K)
- Women's Retreat (\$15K)

## Total Adjustments

Most of the financial activity of the district can be seen in income and expense reports. However, payments and deposits related to church planting loans and current liabilities for credit cards and payroll taxes adjust the cash that we have available, but do not change our net revenue.

For example, church planting loan repayments are not considered income because they are represented as other current assets in our financial statement (almost as if we are simply holding this money in another account, as we expect to receive it back in time). When we receive the repayments, it becomes a cash asset. The money received from these loan repayments is put into the church planting startup temporary restricted fund (TRF). Furthermore, the church planting startup TRF is divided into lead teams by region, and 80% of the repayment goes to that church's regional fund. You can see the balances and changes in these loans and temporary restricted funds on the Statement of Financial Position.

We paid out \$25,000 in new loans this year. We received over \$37,500 in church planting loan repayments. Two churches paid their loans back in full this year: Frontline Church and Two Pillars Church.

The adjustments combined with our net revenue increased our cash by **\$31,415.68** during the year.

*Note: To calculate the total adjustments from the Statement of Financial Position, combine the year-to-year change in Total Other Current Assets, Total Fixed Assets, and subtract Total Liabilities.*

## Additional Financial Notes and Staffing Updates

We have \$130,000 set aside in a TRF for general fund reserves. \$90,000 of that has been invested in a Cornerstone Fund. Currently, the district receives over \$500 monthly in interest income. We have **\$62,098.97** of unrestricted cash on hand.

Employee transitions during this fiscal year are listed below.

- Staff Additions: Miles Thompson, Christy Marino, Steve Krier
- Staff Departures: Regan and Becky Beauchamp, Keith VenHuizen

Detailed financial reports are available upon request. Please contact me if you have any questions or concerns.

**Christi Wittrup**

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