

2018 Converge Heartland Treasurer's Report

Total Cash on September 1, 2017		\$ 356,625.22
Total Revenue for Fiscal Year 2018		725,994.69
Total Expenditures for Fiscal Year 2018		-728,410.06
Net Revenue	\$ -2,415.37	
Total Adjustments to Reconcile Net Revenue to Net Cash Provided by Operations	49,113.46	49,113.46
Net Cash	\$ 46,698.09	
Total Cash on August 31, 2018		\$ 403,323.31

Total Adjustments and Net Cash

The almost \$50,000 adjustment to reconcile net revenue to net cash includes credit card and payroll liabilities, as well as church planting loan repayments. These repayments are not considered income because they are represented as other current assets in our financial statement (almost as if we are holding this money in simply another account). When we receive the repayments, it becomes a cash asset. The money received from these loan repayments are 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 these loans and temporary restricted funds on the Statement of Financial Position.

We received almost \$50,000 in church planting loan repayments this year. The largest repayment was from 2 Pillars Church, who completely paid off their 2 Pillars Northeast church planting loan. We also paid out another installment of a church planting loan to Grand City Station for \$15,000.

The adjustments combined with our net revenue increased our cash by **\$46,698.09** during the year.

Net Revenue

General Fund Revenue	\$ 298,532.52	
General Fund Expenditures	-286,193.68	
General Fund Net Revenue		\$ 12,338.84
Temporary Restricted Funds Revenue	427,462.17	
Temporary Restricted Funds Expenditures	-442,216.38	
Temporary Restricted Funds Net Revenue		-14,754.21
Total Net Revenue		\$ -2,415.37

General Fund activities are related to general fund contributions, assessments on other funds, staffing, operations, services, and the Cultivate Conference. When we refer to cash flow, we are speaking about the general fund. Our general fund had a net gain of **\$12,338.84** this fiscal year.

A **Temporary Restricted Fund** (TRF) is a fund that is held for a relatively short period of time and meant to be used for a specific purpose, like a designated fund in a church. Our TRFs show a net loss of \$14,754.21 over the year, demonstrating that we paid out more of these funds this year. Balances and changes in each TRF are listed on the Statement of Financial Position.

The major TRF activities for the year are listed below.

- **Hurricane Relief**
 - \$82,051.39 total was raised for hurricane relief.
 - 25% of the funds were sent to Texas.
 - Almost 75% of the funds were sent to the Southeast (Florida and the Caribbean).
 - A small remainder has been set aside for future disaster relief.
- **Events** (Pastor's Retreat, Women's Retreat, Short-term Mission Trip, Youth Camps) represent over \$100,000 of revenue and expenditure activity.
 - The women's retreat and the short-term mission trip to Puerto Rico were fully funded.
 - The net loss from youth camps was covered by the net gain from the above two events.
 - The Pastor's Retreat used existing funds in the Events TRF to cover expenses above revenue.
- **Donor-supported staff positions** (self-funded) account for almost \$200,000 of TRF activity (in and out).

Additional Financial Notes and 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, which currently generates \$125 monthly in interest income. We have **\$60,360.76** of unrestricted cash on hand.

The district received the use of the mission house from Central Church. The Outreach Coordinator position (Keith VenHuizen) is compensated by this housing.

Staffing changes during this fiscal year are listed below.

- New Staff: Wayne Bangs, Regan and Becky Beauchamp, Harlan Moss (all self-supported)
- Staff Farewells: Deb Weitala, Larry Odle, Christopher Simmons, Jim Wold, Scott Paulson

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

Christi Wittrup

christi@convergeheartland.org

605-951-3783