

COMMUNITY LUTHERAN CHURCH AND PRESCHOOL

FINANCIAL UPDATE

FOR THE SIX MONTHS ENDING JUNE 30, 2018

We have mixed news to report for the second quarter.

Escondido contributions were \$37,272 under budget and \$44,668 less than last year while San Marcos contributions were \$3,768 over budget but \$1,849 less than last year. At the same time San Marcos Other Income was under budget by \$5,000 and the same amount less than last year as a result of our not receiving the District Grant that we received last year and budgeted for this year.

The good news is Escondido expense was favorable to budget \$51,409 and San Marcos expense was also favorable to budget \$27,140. Total expenses were favorable as a result of not yet having an Associate Pastor or Ministries Coordinator as well as lower Trustee expense. The Our new Pastor will arrive in July and eliminate this savings in the second half of the year. It is also anticipated that the Trustee expense saving to date will also be eliminated later this year.

The net result of these items is that One Church 2 Campuses Net Income for the quarter was \$38,032 which is \$40,165 greater than budget.

In summary, the quarter shows Net Income is very good for the Church but contributions are down compared to budget and last year. As expenses increase, we will need to increase contributions to cover these expenses.

The Preschool is having a very good year as enrollment is more that 20% higher than budget. This has resulted in higher tuition income, and while holding expenses in line, a Net Income of \$42,231 which is \$38,277 greater than budget. This is awesome and we should pray that the Lord continues to bring us new students as several students graduated in June.

Imagine contributions for the quarter were \$5,091 higher than budget. However, our monthly Mortgage payment of \$27,735 is still higher than our income and we have drawn down the Fund by \$68,077 so far this year. The Fund balance of \$383,677 is equal to 34 months before depletion based on our latest 3 month average burn rate.

Your support and giving are very much appreciated. Let us thank the Lord for sending us Pastor Knauss to help us grow His Kingdom.

John Thompson, Treasurer on behalf of the Board of Finance.