

WAREHOUSE 242 / 2018-2019 FINANCIAL REVIEW

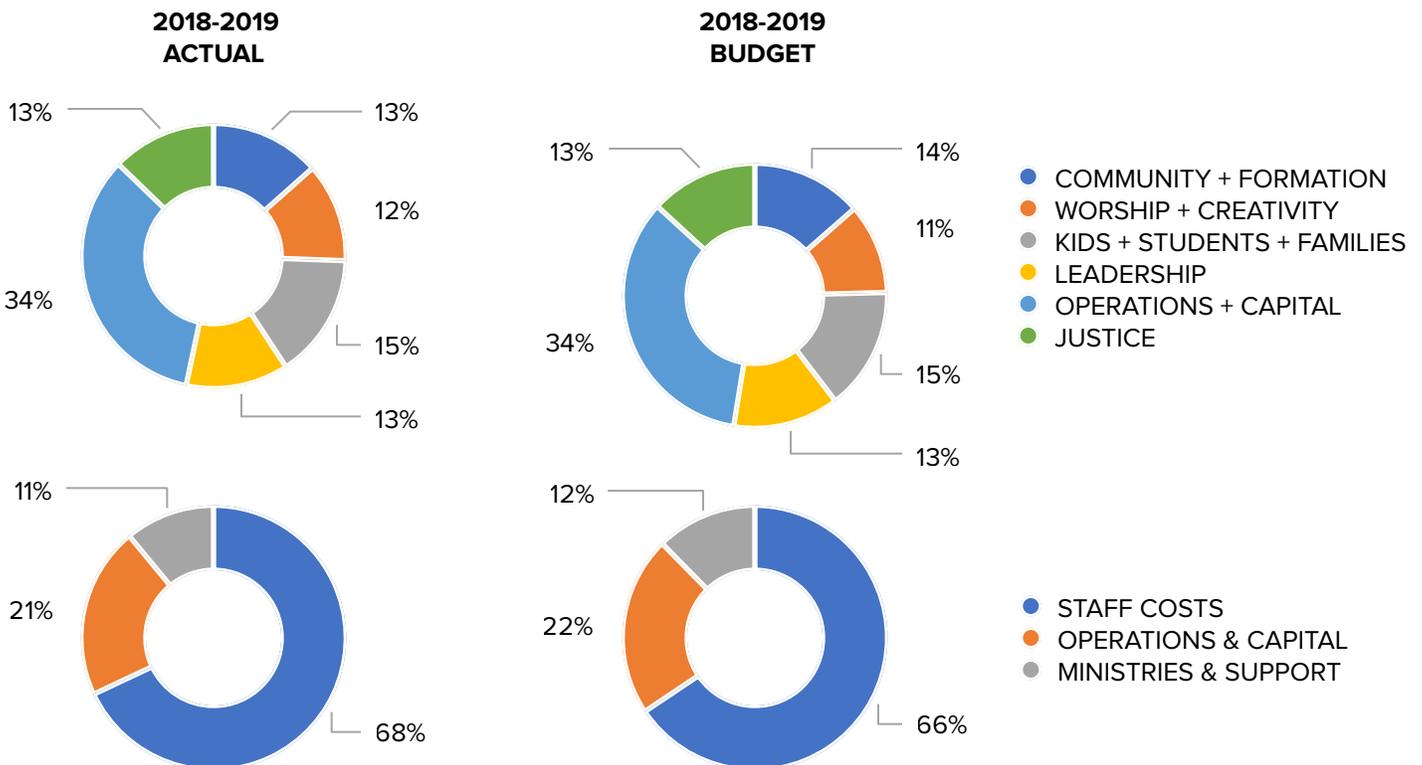
Our 2018-2019 general fund budget was \$888,100. We fell 7% short of that goal with actual general fund giving totaling \$830,700. As the fiscal year progressed with lower than budgeted giving and attendance remaining relatively flat, we made the difficult but necessary decision to reduce staffing levels, the net result of which will save approximately \$100,000 in payroll costs for fiscal 2019-2020. Actual expenses during the year totaled \$859,900, which included \$55,900 of severance benefits to former staff. Even with efforts to control discretionary spending where possible, the lower giving and timing of staff reductions resulted in a general fund cash flow deficit for the year of \$29,200 – the first deficit experienced in 7 years.

86% of our 121 Participating Member (PM) family units contributed a total of \$654,400 to the general fund during fiscal 2018-2019. Our goal is to see 100% of our PMs giving regularly and we remain prayerful that this percentage will trend upwards as more of our members are captured by God’s invitation to generous giving that sustains the church, provides for the needy, and supports our purpose of cultivating missional followers of Jesus.

The major savings in budgeted expenses for fiscal 2018-2019 were in the following areas:

- Savings in Operations due to lower power costs resulting from implementation of the Duke EnergyWise business program and lower than budgeted building maintenance costs not funded by reverses.
- Lower than budgeted spending for gallery shows and paid technical support.
- Lower than budgeted spending for staff and elder development, retreats, kids warehouse supplies, and community special events.

EXPENSE SUMMARIES BY MINISTRY AREA AND EXPENSE CATEGORIES



EXPENSES: \$859,900
 GIVING: \$830,700
 CASH FLOW DEFICIT: \$29,200

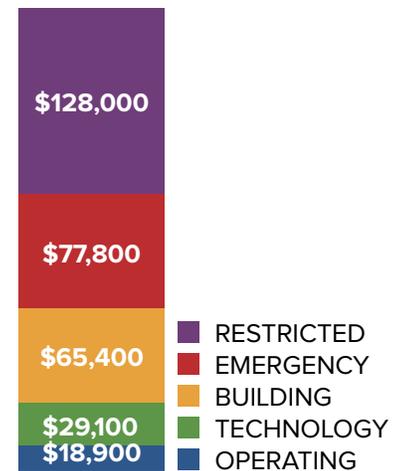
EXPENSES: \$888,100
 GIVING: \$888,100
 BREAKEVEN CASH FLOW

CASH POSITION

With the cash flow deficit experienced in fiscal 2018-2019 and the funding of required deposits to our building and technology reserves from existing cash surpluses (versus from 2018-2019 general fund giving), our operating cash on hand declined from \$70,600 at the beginning of the year to \$18,900 at September 30, 2019. We also have emergency, building and technology reserves totaling \$172,200 and established a \$65,000 line of credit with our mortgage lender to provide for any additional short term liquidity needs resulting from fluctuating giving patterns.

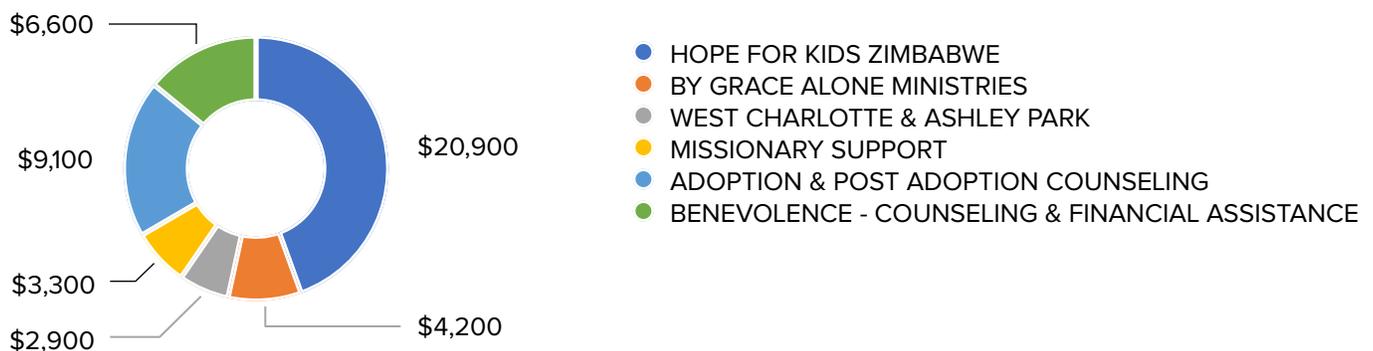
We invested \$41,000 in our building during the year, using building and strategic priority reserves to fund a much overdue repainting of our Kids Warehouse classrooms and offices, roof repairs, exterior signage, electrical upgrades for the arena worship stage and creating a workspace for new Ministry Operations Director.

CASH ON HAND AT SEPTEMBER 30, 2019



SPECIAL FUNDS

Outside of the general fund, which is necessary to run our church day-to-day, we also maintain special funds for adoption, global service and partnerships, benevolence, and West Charlotte aggregating \$128,000 and are grateful for the many “over and above” contributions we receive to those funds from our members and friends. Use of these special funds during the last year are summarized below.



We also raised \$120,600 to send two twenty-seven member teams to the Dominican Republic for our annual medical solidarity trip and the second student trip to provide ESL training to our partner communities in Santo Domingo Norte.

As we launch into a new fiscal year, it's a fitting time to consider what part you will play in funding the mission of Warehouse 242. How are you responding to God's invitation to be generous and support his church? As you prayerfully discern what this looks like for you, consider Paul's powerful reminder to the Corinthians that God loves a cheerful giver and honors our gifts by providing what we need (2 Corinthians 9). Whatever your personal situation may be regarding tithing, we believe financial giving is a critical part of spiritual formation, and our desire is for everyone at Warehouse 242 to glorify God by giving according to the blessings God has given each of us (Deuteronomy 16:17) and by being receptive to how God leads us to give our first and best (Proverbs 3:9).