

July 5, 2019

**FRANCISCAN MINISTRIES, INC.**

**JANUARY-JUNE 2019 ACTUAL VS. BUDGET**

Our Cash Position as of June 30, 2019 is \$282,475 an increase of \$77,271 vs. Cash of \$205,204 at December 31, 2018. This is due to a net Revenue increase of \$58,434 in the first six months coupled with a Balance Sheet position change of \$18,837 as a result of Depreciation Expense add back.

**Net Revenue/Expense for January-June 2019 (Actual vs. Budget) was Favorable by \$45,430**

**Revenue-Favorable \$26,055**

Barn Revenue is up \$36,276 (favorable) as we continue to see increased income from the inclusion of Bar Packages in event bookings. Rent at OLW \$6,562 (favorable) but will decline over the rest of the year as we find new places for our residents going forward. Outside Grants \$ 35,263 (unfavorable) have not materialized but the impact on the 2019 budget has been partially offset by a onetime personal Contribution bequeath of \$17,626 (favorable). Grants have not materialized because we were without a Development Director for the first three months of 2019 and have not seen anything come in since hiring a new one. Other changes totaled \$854 (favorable).

**Expenses-Favorable \$19,375**

Salary related \$26,253 (favorable) in part because we were without a Development Director for the first quarter, saving \$15,811 and there have been no Workers' Compensation payments as of yet \$5,028 (favorable). Other Salary changes totaled \$5,414 (favorable). All Ministry Operating Supplies are running below budget across the board (\$11,877); however, Professional Fees are running higher \$17,710 (unfavorable) due primarily to some unanticipated expenses at the time the 2019 Budget was prepared last August, including Sage Advisors \$3,950 (unfavorable), Vesta Center for Respite Care & Partnership \$4,867 (unfavorable), and Unrelated Business Income Tax of \$5,883 (unfavorable) resulting from certain Barn operations. There were also higher OLW Lease/Maintenance expenses \$7,607 (unfavorable) due primarily to five vanities & mirrors being installed in resident's rooms and plumbing work to clear the grease trap and pipes from the kitchen. Other changes totaled \$6,562 (favorable).

**Outlook**

Even with the unanticipated Expenses mentioned above, we are still under budget by \$45,430 (favorable). However, we will see this position decline as OLW's Rent goes down as residents move out with no corresponding decline in fixed costs to cover at OLW between now and the end of the year.