

Year-over-Year Financial Report

Martin Luther King Jr. Memorial Baptist Church

Board Handout – Q3'24 vs Q3'25

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Date: Q3'25 Review

■ Year-over-Year Financial Summary (Q3'24 vs Q3'25)

Income

- Total Income rose slightly from \$65.0K in Q3'24 to \$65.7K in Q3'25, a modest gain of about \$704 (+1%).
- Tithes & Offering increased significantly, up \$5.7K, reflecting stronger congregational giving.
- Scholarship support also improved, rising \$0.4K.
- Offsetting this were notable declines:
 - Capital Restoration Fund down \$4.0K.
 - Other Income fell by \$3.0K.
 - Margie Williams contributions dropped completely (-\$0.6K).

■■ Overall, core giving remained resilient, but special funds and supplemental income weakened.

Expenses

- Total Expenses decreased from \$71.1K in Q3'24 to \$63.8K in Q3'25, reflecting an improvement of about \$5.9K (-8%).
- Key shifts included:
 - Salary Expense decreased \$6.4K.
 - Programs & Depts spending declined by about \$2.0K.
 - Grounds Maintenance costs trimmed slightly (-\$0.6K).
- However:
 - Church & Office Expenses increased by \$2.4K.
 - Operational Expense rose by \$4.0K.

■■ Overall, expense reductions outpaced increases, improving the cost structure YoY.

Net Results

- Net Income improved YoY, from a deficit of -\$6.1K in Q3'24 to -\$1.9K in Q3'25, a positive swing of \$4.2K.
- This improvement was driven primarily by expense controls, even as income remained nearly flat.

Key Takeaway

The church's financial health YoY shows cautious improvement:

- Stronger giving in Tithes & Offering anchored results.
- Expense discipline, especially in salary and program costs, narrowed the deficit.
- Vulnerabilities remain in special funds and other non-core income streams.

■■ **Recommendation:** Continue reinforcing core giving, while diversifying income streams and monitoring rising administrative expenses.