

# St. David's Episcopal Church & School

## Church YTD Treasurer's Report

### as of August 31, 2023

Approved 9/20/2023

#### August 2023 CHURCH Operating

Total Oper. Income	Aug 2023 Actual	Aug 2023 Budget	YTD Actual	YTD Budget
	\$54,414	\$38,972	\$555,666	\$548,734
Total Oper. Expense	Aug 2023 Actual	Aug 2023 Budget	YTD Actual	YTD Budget
	\$94,152	\$57,544	\$582,962	\$531,251
Net Oper. Income	Aug 2023 Actual	Aug 2023 Budget	YTD Actual	YTD Budget
	\$(39,738)	\$(18,571)	\$(27,296)	\$17,483

**Church Operating Cash as of August 31, 2023: \$221,405**

#### Halstead and Halstead Accounting Services Notes

Financial Reports:

- Budget vs. Actuals Church
- Budget vs. Actuals Church non-operating
- Cemetery

Notes for the Church

#### Income

- Pledge income is at 96% of budget YTD as of Aug.
- Unpledged income is running over budget by \$5.8K as of Aug YTD.
- 4500-10 ERC income of \$135K was received in June offset by \$12K in consulting fees to file. (All amended returns refunds received in June).
- 4500-05 Misc Income includes \$3.3K for BOA credit card refunds and \$11.7K for insurance refund for HVAC.

#### Expenses

- 6101-01 Diocesan Pledge paid up to date.
- 6230-01 Salary Lay is below budget by \$7.5K. Bonus paid out in July to former bookkeeper.
- 6260-02 Pension Exp below budget due to timing of payment.
- 6230-04 Contract Personnel \$3750 related to outsourced communications position.
- 6605-03 HVAC Repairs & Maintenance over budget by \$54K driven by repairs from electrical strike (Reimbursement from insurance recorded in Misc Income).
- 6802-00 Office Expense over budget by \$13K driven by unbudgeted contract for monthly IT support.
- Net Operating Loss is \$(27K) compared to a budget of Net Operating Gain of \$17K. This is largely driven by Repairs and Maintenance (HVAC repairs).

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Net Operating Income is in line with adjusted 2023 Church Operating Budget R1.

#### Non-Operating Expenses

- 7200-03 Major repairs Mercer \$9,183 expense for new door in May. [Total is a little over \$13,500.]

Note for Aug-TOTF statements not yet received and no unrealized gain or loss recorded.

#### **Finance Committee Notes (9/18/2023)**

- Pledge income for August was \$15K above budget projection. This may be due to catch up contributions.
- 2023 Church Operating Expenses are more than Operating Income as of 8/31/2023. (Repairs)
- The additional ~\$20K in HVAC expenses is still under review by insurance (has been submitted).
- Note with the changes made in operations structure (staff), expect staff expense to be ~\$18K less in 2024 than in 2023.
- Liquidity is good with operating cash at ~\$221K (includes Employee Retention Credit (ERC) net of ~\$122K).
- Some Repair Reserve and Capital Fund transfers for approved expenses by the Vestry have not yet been made, which will increase church operating cash.
- Reviewing several areas: (H&H and Katherine)
  - 4103-00 – Loose Cash Offerings – Reporting is currently blank for July and August, pulling error for report template.
  - 6508-00 – Youth – at annual budget.
  - 6306-01 and 6306-02 - Musicians –\$5K over annual budget so far through August.
  - The two music service contractor line items will be combined into representing one service.
  - 6230-03 - Music comp payroll - break out what is music and what is communications expense May - August to separate Music expense from comms expenses.

Other items from FC meeting:

- Jim Tracy (Sr. Warden) is chair of the 2024 Church Operating Budget Committee. Members: Katherine Beckett-Goodwin (Treasurer), Mike Gibson (Vestry Member), David Halstead (CPA). Process is underway.
- Reviewing investment funds for FC recommendation to the Vestry for October meeting.
- Reviewing financial reports to be more representative of St. David's overall financial standing such as how reserve funds are reflected, cash projection to help with planning, etc.
- Need to discuss how to allocate the ERC rebate. 1) School portion, 2) consider options such as apply it to church operating income (where it is now), pay for delayed maintenance, save to Capital or RR funds, etc. October FC meeting?

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- FYI, IRS put a freeze on the ERC distributions through 2023. TBD if it resumes for 2024 due to fraud.
- Reminder: Monthly financials are ready to review the day after the second Tuesday of the month.

\*The School reports are still under review with pending additional transitional adjustments to be made with H&H.

- Working on finalizing the EOY report for July 2022-June 23 for the School – H&H.
  - Update budget entry,
  - Remove POPS and JT Fund activity,
  - and xfer scholarship money from JT to School in May 2023.
- Several items are in process such as entering the budgets for the 2022-23 school year and the 2023-24 school year into Quickbooks Online. Also double checking some booking entries.

Respectfully Submitted by:

Katherine Beckett-Goodwin, Treasurer  
w/notes by Halstead & Halstead (CPA Accounting Services)