

St. David's Episcopal Church & School

Church YTD Treasurer's Report

as of September 30, 2023

Approved 10/18/2023

September 2023 CHURCH Operating

Total Oper. Income	Sep 2023 Actual	Sep 2023 Budget	YTD Actual	YTD Budget
	\$45,481	\$41,972	\$589,444	\$590,707
Total Oper. Expense	Sep 2023 Actual	Sep 2023 Budget	YTD Actual	YTD Budget
	\$59,257	\$63,471	\$630,528	\$594,723
Net Oper. Income	Sep 2023 Actual	Sep 2023 Budget	YTD Actual	YTD Budget
	\$(13,776)	\$(21,499)	\$(41,084)	\$(4,016)

Church Operating Cash as of September 30, 2023: \$208,440.04

Halstead and Halstead Accounting Services Notes

Financial Reports:

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

Notes for the Church

The overall YTD budget to actual is spot on for revenue. The offset in expense really comes down to property repairs overall related to the HVAC.

Note for September: TOTF statements are not yet received and no unrealized gain or loss recorded.

Finance Committee Notes (10/12/2023)

- Pledge income for September was above budget projection. This may still be due to catch up contributions. Behind about \$10K for year to date pledge projection.
- 2023 Church Operating Expenses remain more than Operating Income as of 9/30/2023. (Repairs)
- The additional ~\$20K in HVAC expenses is still under review by insurance (has been submitted).
- Liquidity is good w/operating cash at ~\$208K at the end of Sept (includes Employee Retention Credit (ERC) received net of ~\$122K). About \$12K less than operating cash at end of August.
- Some Repair Reserve and Capital Fund transfers for approved expenses by the Vestry have not yet been made, which will increase church operating cash.
- Under review: (H&H and Katherine)
 - 4103-00 – Loose Cash Offerings – template is now reporting August and September; still working on May-July, report pulling error.
 - 6508-00 – Youth – looking at July and August expenditures, double check booking.

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- 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:

- 2024 Church Operating Budget draft is in process. First draft intended to go to the Finance Committee the week of 10/16/2023. Note the changes made in operations structure (staff), expect staff expense to be ~\$18K less in 2024 than in 2023.
- Discussed potentially budgeting contract (landscaping, HVAC, etc.) fees quarterly, pros and cons.
- 2019 and 2020 Audits; 2017, 2018, 2019 & 2020 Discretionary Fund Audits: St. David's annual financial reviews are done "Audit by Committee", which is an approved method by the Diocese of Virginia. Audits are complete. Greg Cross, Audit Committee Chair, reviewed the findings with the FC. Next step is the Treasurer Response Letter to the findings. Planning to have the Audits ready for Vestry review and approval for the November Vestry meeting. We sincerely appreciate Greg's time, expertise, and perseverance with the enormous undertaking of St. David's 2019, 2020, et.al. financial audits. Thank you so very much to Greg!
- Please also note of significance Greg has assembled a "recipe" for doing the Audit by Committee in line with each phase required by the ECUSA Manual of Business Methods. This will be a great help for the next Audit Committee Chair going forward, as well as provide continuity and consistency to the process.
- Reviewed investment funds' background and proposed motions; discussed importance of both return on investment and liquidity needs; FC recommendation to Vestry at October Vestry meeting.
- Discussed Preschool ERC allocation w/ FC recommendation for Vestry consideration at October Vestry meeting.
- Need to further discuss how to allocate the remainder of the ERC rebate. Options to consider: apply it to church 2023 operating income (where it is now), pay for delayed maintenance, save to Capital or Repair Reserve (RR) funds, etc. TBD Nov or Dec.
- Continue to work on 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.
- Reminder: Monthly financials are ready to review the day after the second Tuesday of the month.

*The Preschool reports are still under review with pending additional transitional adjustments to be made with H&H after the Church adjustments are squared away.

- 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,

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- 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 the template School report spreadsheets (Quickbooks Online is unable to track two different fiscal years). Double checking some booking entries.
- We will address the School reporting once the Church reporting items are squared away.

Respectfully submitted by:

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