

St. David's Episcopal Church & School

Church YTD Treasurer's Report

as of November 30, 2023

APPROVED 12/17/2023

November 2023 CHURCH Operating*

Total Oper. Income	Nov 2023 Actual	Nov 2023 Budget	YTD Actual	YTD Budget
	\$45,802	\$47,033	\$680,760	\$681,712
Total Oper. Expense	Nov 2023 Actual	Nov 2023 Budget	YTD Actual	YTD Budget
	\$63,093	\$57,342	\$770,855	\$709,459
Net Oper. Income	Nov 2023 Actual	Nov 2023 Budget	YTD Actual	YTD Budget
	\$(17,297)	\$(10,309)	\$(90,096)	\$(27,746)

Church Operating Cash as of November 30, 2023: \$133,397.66

*Please see the end of the report for the October numbers.

Halstead and Halstead Accounting Services Notes

Financial Reports:

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

Bookkeeping Notes for the Church

Church Operating

- YTD Pledges is \$462K or 97% of budget. Total income is \$681K YTD compared to a budget of \$682K.
- 6270-06 Travel expense relates to Diocese Conference cost.
- 6604-01 Landscaping Contract includes prior month monthly charges paid in November.
- 6605-01 General Repairs & Maint Nov cost of \$3,443.41 includes:
 - charges for Preschool front door,
 - replaced 6 locks in the Church Office,
 - new mailbox installed into the side of the Church Office building with opening on the outside and combination lock on the inside,
 - and repairs to Sanctuary projector.

Total Operating loss is \$90K YTD. This is driven by Total Repairs and Maintenance over budget by \$58K, the majority driven by HVAC repairs. This includes (credit of) \$11K of insurance reimbursement. Also, employee insurance is over budget (more employees covered than budgeted).

Church Non-Operating

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-Includes Epiphany Studios Inc of \$4.9K of major repairs.

-TOTF statements for November have not been received as of this date. No gain or loss recorded.

Cemetery

-Niche income of \$2,500

Preschool Operating

Preschool Non-operating

Balance Sheet

- Balance Sheet Report is comparing year over year, 2023 to 2022.
- H&H went bank and looked at the cash for the preschool.
- Re: question about PS Cash balance in October: There were some entries for payroll that were double booked which were adjusted. Compared to last year cash balance is in line.

Any additional reclasses we will keep putting in for year-end financials.

Additional Notes**

**2024 Budget Committee met 12/11/2023, and the Finance Committee Meeting is 12/18/2023.

- Overall operating income in 100% of budget (<\$1K difference), which is great!
- Pledge income for October and November appears to be below budget projection. We know part of this (at least \$7,500) is due to the October mail theft, and part is due to misclassification of Pledged Offerings as Unpledged Offerings. Behind about \$16K for year-to-date pledge projection, but we expect that to adjust in the December reports.
- 2023 Church Operating Expenses remain more than Operating Income as of 11/30/2023. (Repairs)
- The additional ~\$20K in HVAC expenses was denied by insurance due to the age of system.
- Operating liquidity may appear to be declining w/operating cash at ~\$133K at the end of November (includes Employee Retention Credit (ERC) received net of ~\$122K). This is partly due to the pending Vestry approved cash transfers to Operating. About \$20K less than operating cash at end of October of \$154K.
- Some Repair Reserve and Capital Fund transfers for approved expenses by the Vestry taking place in December, which will increase church operating cash. (for HVAC, PS Doors, window repairs, etc.)
- In process/updates: (H&H, Katherine, Jim)
 - Balance Sheet items clean up.
 - Reclasses to Equity (prepaid pledges and tuition ~\$40K Balance Sheet).
 - Reclasses to pledged and unpledged.
 - The two music service contractor line items have been combined into one.

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- 2019 & 2020 Audits ready for Vestry review and approval at the December Vestry meeting. We sincerely appreciate Greg's time, expertise, and perseverance with the enormous undertaking of St. David's financial audits. Thank you so very much to Greg!
- Please also (again) 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.
- On hold: further discuss how to allocate the remainder of the ERC rebate. It is currently sitting in church 2023 operating income.
- Continue tweaking financial reports with the goal of additional insight 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.

- We will address the School reporting once the Church reporting items are squared away.

2024 Budget Committee meeting:

- 2024 Church Operating Budget work is making progress.
 - The pledge commitments for 2024 are not in line with current giving trends. And do not come close to covering projected expenses. However, we know some pledges were lost in the mail theft in October. And we also know several pledges have not been recorded in the system correctly. So, the data we have to make budget decisions is skewed. TBD if it is material or not.
 - As such, the Budget Committee is recommending a Q1 2024 Operating Budget at present levels (2023), plus a 2.5% staff pay increase.
- Note the changes made in operations structure (staff), expect staff expense to be ~\$18K less in 2024 than in 2023.
- St. David's needs both short term and long term planning, which the Vestry will take up in mid-January. Use our resources, be creative and be willing to take some risks. We are working on a plan, and have so much to look forward to.

Respectfully submitted by:

Katherine Beckett-Goodwin, Treasurer

12/17/2023

w/notes from Halstead & Halstead (CPA Accounting Services)

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October 2023 CHURCH Operating*

Total Oper. Income	Oct 2023 Actual	Oct 2023 Budget	YTD Actual	YTD Budget
	\$45,764	\$43,972	\$634,958	\$634,679
Total Oper. Expense	Oct 2023 Actual	Oct 2023 Budget	YTD Actual	YTD Budget
	\$79,874	\$57,394	\$708,313	\$652,116
Net Oper. Income	Oct 2023 Actual	Oct 2023 Budget	YTD Actual	YTD Budget
	\$(34,110)	\$(13,421)	\$(73,355)	\$(17,437)

Church Operating Cash as of October 31, 2023: \$153,578