

St. Paul's Episcopal Church
Finance / Investment Committee Reports
22 April 2024

- 1Q net assets (absent depreciation) increased by ~\$17K* vs. December 31, 2024
 - Generally consistent pledge payments / collections, plus prepaid pledges and collections
 - Increased investment income
 - Absence of rector salary

- Cash on hand at March 31, 2024 remains steady:

Operating	\$ 94,374
Vestry-designated	117,335
Donor- restricted	<u>42,139</u>
 Total	 \$253,848

- 1Q vs. Budget

1Q 2024		w/o Prepaid	w/ Prepaid	w/ Ratable Prepaid	
Revenue		-\$21,384	\$34,266	-\$7,472	Caution
Restricted Revenue		\$1,270	\$1,270	\$1,270	
Expense		\$32,659	\$32,659	\$32,659	
Investment Income		<u>\$4,407</u>	<u>\$4,407</u>	<u>\$4,407</u>	
Net vs Budget		\$16,952	\$72,602	\$30,865	

- Revenue:
 - Pledge payments / plate collections showing some weakness
 - Offset to some extent by ~\$56K in prepaid pledges / plate collections
- Expenses: Favorable: ~\$33K
 - Mostly lack of rector payroll expense
 - Expense budgets, other than admin, in line or below budget
 - Anticipate admin expenses moving into balance vs. budget over time
 - Disproportionate expenses early in year
 - Steps taken to reduce accounting expense; looking for further reductions
- Macro perspective presented; recommend monitoring budget components

* K = thousands.

- Investment Committee:
 - Transfer of \$159,474 to money-market funds in investment account in process per investment policy
 - Transfers will result in lower cash balance, but higher investment account balance

MONTHLY FINANCIAL SUMMARY

St. Paul Episcopal Church

March 2024 (Fiscal Year-End December 2024)

Prepared by: Aimee Pourciau, YPTC



EXECUTIVE SUMMARY

The financial statements indicate that the organization's overall health has improved from December 2023 to March 2024. The change in net assets for the three months is higher than budgeted. Overall, expenses were 26% lower than budgeted which was a significant factor in this positive outcome.

REPORT CONTENTS:

- Statements of Financial Position
- Statement of Activities
- Statement of Cash Flows
- Comparison of Restricted/ Designated Bank Accounts to Net Assets
- Net Asset Roll Forward

MONTHS OPERATING CASH
ON HAND
3.0

CHANGE IN NET ASSETS
\$16,769

UPDATES/RECOMMENDATIONS

- As of March 2024, YPTC has determined that \$19K has not been remitted in pension liabilities for a period of 27 months. As a result, YPTC calculated the estimated loss wage component that would be assessed for these contributions and accrued the related balance. YPTC recommends that the organization make a payment on the Pension Retirement contributions immediately to avoid any additional penalties that may result from the delay. We additionally recommend that the organization move to make the payment for all Retirement Contributions, both employer and employee, on a per payroll basis.
- A new YPTC Associate, Jennifer Dombek, will be taking over the monthly accounting responsibilities going forward. She will work with the Office Administrator to ensure the accuracy and timeliness of the financial statements.

FINANCIAL HIGHLIGHTS

Statement of Financial Position

- Total Cash has increased from this time last year. The overall increase in cash can be attributed to the increase in unrestricted operating cash of \$70K.
- Total liabilities has decreased by \$5K. This decrease is related to the payoff of the mortgage liability. The total payoff is offset by the payroll liability, which is due for the Pension Contributions.
- Net Assets with Donor Restrictions has been reduced by recognition of the pre-paid pledges (\$56K) and increased by \$1K for donations to Music and Organ Funds. See Net Asset Roll Forward on Page 6 for more details.

Three Designations Account for 77% of All Designated Net Assets

While only 5% of the total nets are restricted or designated by the board, it is crucial to recognize that three funds constitute a significant portion of the designated funds, accounting for approximately 77%. The largest percentage of these funds is designated for Rector Housing, followed closely by the Building Fund. The board must continue to monitor its designations periodically to ensure that the funds remain at adequate levels.

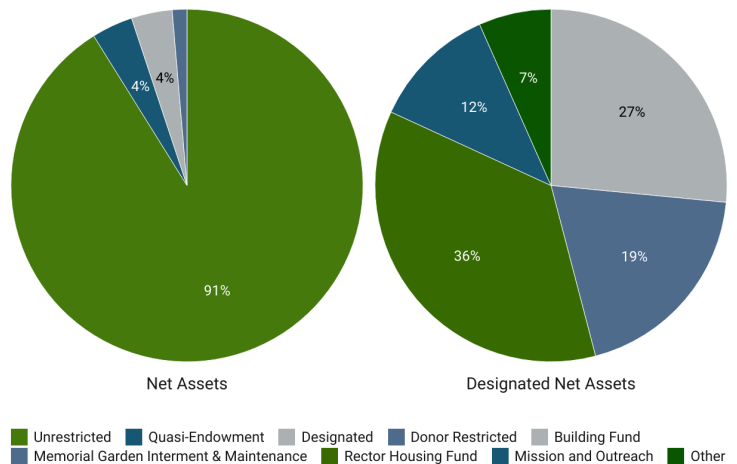


Chart: Aimee Pourciau | YPTC • Source: QuickBooks Online • Created with Datawrapper

Statement of Activities

Expenses within Budget

The Church's total expenses are under budget by \$32K, primarily due to the vacancy in the Rector position. While this position will be filled in the near term with an interim employee, the overall budget variance will remain for the rest of the year. However, Administrative Costs exceeded the budget by \$4K. Expect admin costs to moderate with a reduction in accounting expenses over the balance of the year.

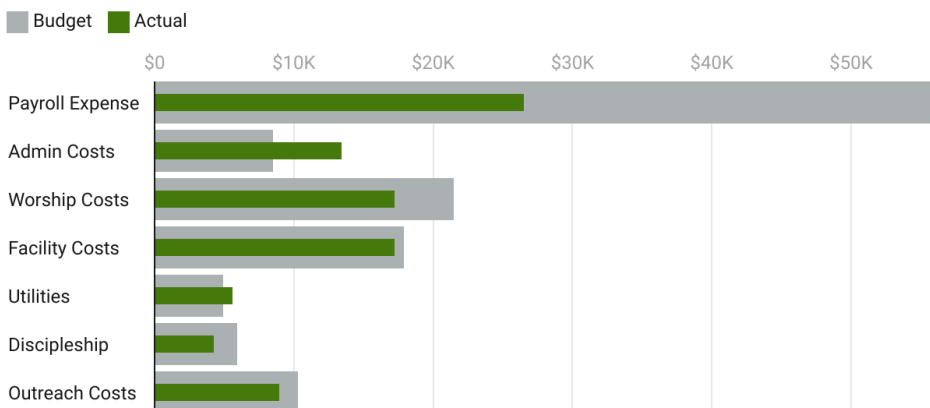


Chart: Aimee Pourciau, YPTC • Source: QuickBooks Online • Created with Datawrapper

- Overall, the organization has outperformed the budgeted amount through March by \$17K, resulting in a change in net assets of the approximately the same amount.
- Total revenue is under budget by \$21K or 12%, with the primary shortfall in the pledged contribution line.
- Total expenses is under budgeted expenses by 26%, with the majority of the savings in the payroll and worship expenses.



St. Paul's Episcopal Church
Statements of Financial Position - Modified Cash Basis
As of March 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 94,374	\$ 24,125
Cash - Designated	117,335	151,158
Cash - Restricted	<u>42,139</u>	<u>24,293</u>
Total Cash	253,848	199,576
Quasi-Endowment	118,244	105,098
Fixed Assets, net	<u>2,788,826</u>	<u>2,864,786</u>
TOTAL ASSETS	<u>\$ 3,160,918</u>	<u>\$ 3,169,460</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accrued Payroll Liabilities	\$ 24,306	\$ 20,275
Accrued Expenses	9,000	9,300
Deposits and other current liabilities	1,220	1,606
Mortgage Payable	<u>-</u>	<u>8,633</u>
Total Liabilities	34,526	39,814
Net Assets		
Net Assets without Donor Restrictions	2,848,674	2,849,096
Net Assets without Donor Restrictions Quasi-Endowment	118,244	105,098
Net Assets without Donor Restrictions Designated	117,335	111,358
Net Assets without Donor Restrictions Vestry To Designate	<u>-</u>	<u>39,800</u>
Total Net Assets without Donor Restrictions	3,084,253	3,105,352
Net Assets with Donor Restrictions	<u>42,139</u>	<u>24,294</u>
Total Net Assets with Donor Restrictions	<u>42,139</u>	<u>24,294</u>
Total Net Assets	<u>3,126,392</u>	<u>3,129,646</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,160,918</u>	<u>\$ 3,169,460</u>

St. Paul's Episcopal Church
Statement of Activities - Modified Cash Basis
For the Three Months Ended March 31, 2024 and 2023

	ACTUALS		BUDGET COMPARATIVE				PRIOR YEAR COMPARATIVE			
	Year To Date		Year To Date		\$ Variance		Year To Date		\$ Variance	
	2024	2024	2024		Favorable/ (Unfavorable)	Variance %	2023		Favorable/ (Unfavorable)	Variance %
REVENUES WITHOUT RESTRICTIONS										
Contributions - Pledged	\$ 70,603	\$ 90,664	\$ (20,061)		-22%	\$ 65,813	\$ 4,790		7%	
Contributions - Unpledged	28,738	33,750	(5,012)		-15%	24,661	4,077		17%	
Outreach Contributions	2,347	-	2,347		N/A	-	2,347		0%	
In Kind Contributions	-	-	-		N/A	-	-		0%	
Income Other	2,178	836	1,342		161%	472	1,706		361%	
Net Assets Released-Temp Rest										
Pledged Contributions	30,650	30,650	-		0%	24,500	6,150		25%	
Unpledged Contributions	25,000	25,000	-		0%	-	25,000		0%	
TOTAL REVENUES WITHOUT RESTRICTIONS	159,516	180,900	(21,384)		-12%	115,446	44,070		38%	
EXPENSES										
Payroll Expense	26,475	56,378	29,903		53%	64,109	37,634		59%	
Admin Costs	12,982	8,538	(4,444)		-52%	14,331	1,349		9%	
Worship Costs	17,222	21,476	4,254		20%	16,317	(905)		-6%	
Facility Costs	17,277	17,875	598		3%	23,539	6,262		27%	
Utilities	5,608	4,953	(655)		-13%	9,289	3,681		40%	
Interest on Facility Debt	-	-	-		N/A	65	65		100%	
Discipleship	4,210	5,963	1,753		29%	5,176	966		19%	
Outreach Costs	9,000	10,250	1,250		12%	11,047	2,047		19%	
Depreciation	-	-	-		N/A	27,431	27,431		100%	
TOTAL EXPENSES	92,774	125,433	32,659		26%	171,304	78,530		46%	
NET OPERATING INCOME/(LOSS)	66,742	55,467	11,275		20%	(55,858)	122,600		-219%	
REVENUES WITH RESTRICTIONS										
Temp Restricted Contributions	1,270	-	1,270		N/A	500	770		154%	
TOTAL REVENUES WITH RESTRICTIONS	1,270	-	1,270		N/A	500	770		154%	
INVESTMENT INCOME/(LOSS)	4,407	-	4,407		N/A	3025	1,382		46%	
OTHER INCOME (EXPENSES)										
Net Assets Released-Temp Rest	(55,650)	(55,650)	-		0%	24,500	80,150		327%	
TOTAL OTHER EXPENSES	(55,650)	(55,650)	-		0%	24,500	80,150		327%	
CHANGE IN NET ASSETS	\$ 16,769	\$ (183)	\$ 16,952		9263%	\$ (76,833)	\$ 93,602		-122%	
Net Assets, Beginning	\$ 3,109,623					\$ 3,206,479				
Net Assets, Ending	\$ 3,126,392					\$ 3,129,646				

St. Paul's Episcopal Church
Statement of Cash Flows - Modified Cash Basis
For the Three Months Ended March 31, 2024

	<u>March 31, 2024</u>	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$	16,769
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by/(Used in) Operating Activities:		
Net Realized/Unrealized Gain on Quasi-Endowment		(4,406)
Changes in Operating Assets and Liabilities:		
Accrued Payroll Liabilities		(3,327)
Accrued Expenses		9,000
Net Cash Provided by/(Used in) Operating Activities		<u>18,036</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Investments		<u>(20,000)</u>
Net Cash Provided by/(Used in) Investing Activities		(20,000)
CHANGE IN CASH		<u>(1,964)</u>
Cash, Beginning of Period		<u>255,812</u>
Cash, End of Period	\$	<u><u>253,848</u></u>
Cash - Without Donor Restrictions	\$	94,374
Cash - Designated	\$	117,335
Cash - With Donor Restrictions	\$	42,139

St. Paul's Episcopal Church
Comparison of Restricted/Designated Bank accounts to Net Assets
As of March 31, 2024

	<u>3/31/2024</u>	
	<u>Ending Balance</u>	
1020 YVB - Restrict/Designated *4159		132,575
1045 Due to/(due from) Restrict/Designated		26,899
Total Designated & Restricted Cash & Deposits		<u><u>159,474</u></u>
Designated & Restricted Net Assets		
Building Fund		31,127
Roof Repair		-
Organ Fund		40,278
Clergy Educational Fund		764
Memorial Garden Interment & Maintenance		26,525
Church Sabbatical Fund		2,814
Clergy Sabbatical Fund		326
Rector Housing Fund		42,147
Mission and Outreach		13,500
Vestry To Designate		-
Music Fund		1,820
Youth Missions		173
Total Designated & Restricted Net Assets		<u><u>159,474</u></u>

St. Paul's Episcopal Church
Net Asset Roll Forward
For the Three Months Ended March 31, 2024

	1/1/2024			3/31/2024	
	Beginning Balance	Additions (Revenue)	Releases (Expenditures)	Adjustments	Ending Balance
WITHOUT DONOR RESTRICTIONS:					
Unrestricted Net Assets	\$ 2,801,931	\$ 139,517	\$ (92,774)	\$ -	\$ 2,848,674
Endowment: Quasi-Endowment Funds	93,838	24,406		-	118,244
Designated Unrestricted-					
Building Fund	28,486	-	-	2,641	31,127
Roof Repair	2,641	-	-	(2,641)	-
Organ Fund	3,900	-	-	-	3,900
Clergy Educational Fund	764	-	-	-	764
Memorial Garden Interment & Maintenance	22,757	-	-	-	22,757
Church Sabbatical Fund	2,814	-	-	-	2,814
Clergy Sabbatical Fund	326	-	-	-	326
Rector Housing Fund	42,147	-	-	-	42,147
Mission and Outreach	13,500	-	-	-	13,500
Vestry To Designate	-	-	-	-	-
Total Designated Unrestricted	117,335	-	-	-	117,335
TOTAL WITHOUT DONOR RESTRICTIONS:	3,013,104	163,923	(92,774)	-	3,084,253
WITH DONOR RESTRICTIONS:					
Organ	35,378	1,000	-	-	36,378
Music Fund	1,550	270	-	-	1,820
Memorial Garden:Interment & Maintenance	3,768	-	-	-	3,768
Prepaid Pledges and Contributions	55,650	-	(55,650)	-	-
Youth Missions	173	-	-	-	173
TOTAL WITH DONOR RESTRICTIONS	96,519	1,270	(55,650)	-	42,139
TOTAL NET ASSETS	3,109,623	165,193	(148,424)	-	3,126,392