



The Church of the
HOLY FAITH
Established 1863

TREASURER
REPORT
For the year ended 2022

AND

2023 BUDGET

TREASURER REPORT

Many thanks to the members of the Parish for their gracious commitment and support to the ongoing mission and outreach of The Church of the Holy Faith. Members of the Parish exceeded their 2022 pledge commitment by almost 20% over 2021. Prepaid pledges paid in 2021 for 2022 exceeded the prepaid pledges made for 2021; and prepaid pledges for 2022 received in 2021 exceeded 2021 prepaid pledges by 45%. For 2022 the Church received 188 pledges totaling \$937,231. For 2023, as of January 18, 2023, 176 pledges had been made totaling \$710,193. Participation in making a pledge was 50% of the Parish for 2022. Members of The Church of the Holy Faith actually gave more than \$1 Million during the year of 2022 including pledges and plate and other contributions.

Total operating income for 2022 was \$1,078,533 which includes gifts, rental income and other contributions and gifts, somewhat less than 2021. Total operating expenses, those expenses related to the daily operations of the Parish, were \$1,140,969, leaving a **negative** balance of \$62,436 for operations in 2022. After taking into account other income and expenses the net income for 2022 was a **positive** \$62,436. Other income and expenses include other contributions besides pledge, plate and operating income. The Church of the Holy Faith also does extensive mission and outreach, education, library and programming, both for the Parish and for the Community. The Church accounts for these as other income and expenses. They are primarily funded through gifts and proceeds from the Endowment. Capital expenses also are funded by the Endowment. In 2022 there were \$356,048 in expenses related to the mission of the Church in the community. Of this \$293,047 were capital expenses. Thirty-three percent of overall resources went to these outreach opportunities. The Church of the Holy Faith has a healthy financial future in serving the spiritual needs of Santa Fe.

The Church applied for a second Payroll Protection Program (PPP) through the Small Business Administration in the amount of \$131,255. The loan was forgiven in 2022. The loan was initially listed as a liability on the Balance Sheet and, when forgiven in 2022, moved to designated income on the 2022 Profit and Loss Statement. The PPP loans contributed significantly to the cash flow for the Church in 2022.

The Church has two Endowment funds held by Northern Trust. The funds invested are monitored by the Church's Investment Committee chaired by Peter Lockyer. This committee meets quarterly with the investment managers from Northern Trust. The Church of the Holy Faith Endowment had a market value of \$8,414,100 on December 31, 2022. The Church of the Holy Faith Operations Reserve Fund had a market value of \$491,095 on December 31, 2022. Combined the market value on December 31, 2022, was \$8,905,195. This was a reduction in value from 2021 following the decrease in investment values nationally in 2022. The Endowment includes subaccounts for capital, Library education, Guild, Mission and Outreach, while the Operations Reserve Fund may be used for operational expenses after its third year. Amounts transferred to cover Library, Women's Guild, Mission and Outreach and Capital for 2022 amounted to \$285,919. There was an additional gift of \$67,000 from a bequest to the parish designated for capital.

Finances are monitored by the Finance Committee which meets monthly prior to Vestry. The committee reviews monthly financial statements, reviews and recommends to the Vestry expenditures

that may be outside the budget, reviews, reviews the Investment Committee actions, and recommends the annual budget to the Vestry.

The annual audit for 2021 was completed by the accounting firm of Swain and Grieco, LLC. The Church is required to have an annual audit conducted by an outside firm. The 2021 audit is available in the Church Office for anyone to review. The audit letter did not identify any discrepancies or deficiencies and provided a positive review of the Parish finances and its financial condition. The audit as approved by the Vestry was submitted to the Diocese for its review and acceptance.

The Church of the Holy Faith is responsible for providing its fair share to the Diocese to support the programs of the Diocese of the Rio Grande. In 2022 Holy Faith contributed \$142,843 as its fair share.

The 2023 Budget approved by the Vestry will be available at the Annual Meeting. Included with this report is the final 2022 financial statement and budget comparison.

Submitted by
Steven Berkshire, Treasurer

2022 Budget to Actual Expenses

	<u>12/31/22 Actual</u>	<u>2022 Budget</u>
Income		
Pledge and Plate	\$ 796,191.00	\$ 1,062,000.00
Prepaid received in 2022	\$ 115,614.00	
Other Income	<u>\$ 165,728.00</u>	<u>\$ 27,972.00</u>
Total Income	<u>\$ 1,077,533.00</u>	<u>\$ 1,089,972.00</u>
Expenses		
<i>Compensation</i>		
Clergy Compensation	\$ 288,343.00	\$ 281,747.00
Music and choir	\$ 193,028.00	\$ 184,059.00
Other Compensation	\$ 142,628.00	\$ 109,228.00
Payroll fees	\$ 1,635.00	\$ 1,600.00
Payroll taxes (not SECA)	\$ 10,756.00	\$ 19,763.00
Clergy Pension	\$ 47,822.00	\$ 41,966.00
Lay Pension	\$ 18,254.00	\$ 17,197.00
Health & Life Insurance	\$ 88,161.00	\$ 89,000.00
<i>Operating Expenses</i>		
Clergy other expenses	\$ 7,722.00	\$ 7,400.00
Music Expenses	\$ 5,314.00	\$ 2,800.00
Conferences and Meetings	\$ 1,275.00	\$ -
<i>Building and Facility category</i>		
Landscaping	\$ 11,115.00	\$ 12,000.00
Pest Control	\$ 1,765.00	\$ 1,700.00

Building & Property Maint	\$ 5,439.00	
Small tools & Equip	\$ -	\$ 3,600.00
Other B&F Expenses	\$ 3,662.00	
<i>Utilities</i>		
Alarm	\$ 157.00	\$ 360.00
Electricity	\$ 16,431.00	\$ 13,000.00
Natural Gas	\$ 12,552.00	\$ 6,000.00
Water	\$ 6,949.00	\$ 7,800.00
Property Ins	\$ 20,457.00	\$ 14,500.00
Wokers Comp	\$ 4,056.00	\$ 3,935.00
Fair Share & Expense	\$ 143,343.00	\$ 170,000.00
<i>Christian Education</i>		
Adult	\$ 1,149.00	\$ 5,000.00
Children	\$ 186.00	\$ 1,000.00
Publications	\$ 92.00	\$ 1,300.00
<i>Advertising & Promotion</i>		
Print	\$ 2,371.00	\$ 2,900.00
Other Advertising	\$ 385.00	\$ 1,400.00
Web Site	\$ 495.00	\$ 4,000.00
Stewardship	\$ 1,107.00	\$ 800.00
<i>Office</i>		
Supplies	\$ 5,684.00	\$ 2,200.00
Postage & Delivery	\$ 912.00	\$ 1,400.00
Computer & internet	\$ 12,032.00	\$ 6,100.00
Other expenses	\$ 2,669.00	\$ 3,200.00
R&M Office Equip	\$ 4,725.00	\$ -
Printing & Reproduction	\$ 14,675.00	\$ 11,600.00
Bank & CC fees	\$ 5,223.00	\$ 3,500.00
Audit	\$ 15,723.00	\$ 12,000.00
Bookkeeping	\$ 7,475.00	\$ 6,400.00
Dues & Subscriptions	\$ 40.00	\$ 200.00
Repairs & Maintenance	\$ 35,094.00	\$ 28,500.00
Taxes and Licenses	\$ 10.00	\$ 25.00
Total Expenses	<u>\$ 1,140,911.00</u>	<u>\$ 1,079,180.00</u>
Income/loss	<u>\$ (63,378.00)</u>	<u>\$ 10,792.00</u>
<i>Other income and expenses</i>		
Altar Guild		\$ -
Contributions	\$ 7,850.00	
Expenses	\$ (14,437.00)	
Subtotal	\$ (6,587.00)	
Flowers		\$ -
Contributions	\$ 7,361.00	
Expenses	\$ (10,743.00)	
Subtotal	\$ (3,382.00)	
Hospitality		\$ -
Contributions	\$ 1,001.00	
Expenses	\$ (17,520.00)	
Subtotal	\$ (16,519.00)	

Library Ministry		
Income	\$	682.00
From Endowment	\$	10,427.00
Expenses	\$	(19,087.00)
Subtotal	\$	(7,978.00)
Breakfast Ministry	\$	331.00
Rosary Ministry	\$	25.00
Prayer Shawl Ministry	\$	20.00
Special Services		
Contributions	\$	16,650.00
Expenses	\$	(7,947.00)
Subtotal	\$	8,703.00
Mission & Outreach		
Contributions	\$	15,682.00
Endowment transfer	\$	36,447.00
Grants & expenses	\$	(41,348.00)
Subtotal	\$	10,781.00
Clergy Discretionay		
Contributions	\$	20,014.00
Expenses	\$	(10,175.00)
Subtotal	\$	9,839.00
Feed the Hungry		
Contributions	\$	1,880.00
Expenses	\$	(1,361.00)
Subtotal	\$	519.00
Grief Ministry	\$	(120.00)
Memorials	\$	1,970.00
UTO		
Contributions	\$	2,814.00
Expenses	\$	(2,314.00)
Subtotal	\$	500.00
Passthroughs		
Contributions	\$	14,741.00
Expenses	\$	(34,545.00)
Subtotal	\$	(19,804.00)
Capital Improvements		
Contributions	\$	11,556.00
Endowment transfer	\$	299,359.00
Expenses	\$	(293,048.00)
Subtotal	\$	17,867.00
Endowment Transfer	\$	(100,000.00)
Total Other Income & Expenses	\$	<u>132,960.00</u>
Net Income for 2022	\$	<u>69,582.00</u>
		<u>\$ 10,792.00</u>

Summary Balance Sheet
As of December 31, 2022

Assets		
Current Assets		
Checking/Savings		600,486.02
Other Current Assets		4,717.25
Total Current Assets		605,203.27
Fixed Assets		2,569,684.21
Other Assets		8,905,196.05
Total Assets		<u>12,080,083.53</u>
Liabilities & Equity		
Liabilities		
Current Liabilities		
Accounts Payable		7,327.62
Credit Cards		51.04
Other Current Liabilities		-91.50
Total Current Liabilities		7,287.16
Total Liabilities		7,287.16
Equity		12,072,796.37
Total Liabilities & Equity		<u>12,080,083.53</u>

2023 Budget as approved by Vestry on 1/26/23

1. Budget assumes 8% increase in compensation
2. No replacement for Associate Rector after retirement
Addition of Family Ministry Program
3. Move Altar Guild, Flowers, Hospitality, and Special Services
to operating budget since these are typically funded out of
operations, even though there are some contributions
4. Current pledge amount as 1/18/23 for 2023 is \$710,193/75% = \$946,924

	2022 YE actual	2022 Budget	2023 Budget
Expenditures			
<i>Compensation</i>			
Clergy Compensation	\$ 288,343.00	\$ 281,747.00	\$ 285,110.00
Music Salaries	\$ 118,803.00	\$ 117,978.00	\$ 127,416.00
Choir	\$ 74,225.00	\$ 66,081.00	\$ 70,250.00
Office	\$ 62,899.00	\$ 60,000.00	\$ 57,290.00
Building	\$ 76,506.00	\$ 48,000.00	\$ 78,006.00
Nursery	\$ 3,222.00	\$ 1,228.00	\$ 3,500.00
Family Minister*		\$ -	\$ 12,500.00
Payroll fees	\$ 1,635.00	\$ 1,600.00	\$ 1,800.00
Payroll taxes (not SECA)	\$ 10,756.00	\$ 19,763.00	\$ 11,042.00
<i>Operating Expenses</i>			
Clergy Pension	\$ 47,822.00	\$ 41,966.00	36,700
Lay Pension	\$ 18,254.00	\$ 17,197.00	\$ 19,698.00
Health & Life Insurance	\$ 88,161.00	\$ 89,000.00	\$ 79,938.00
Continuing Education	\$ 961.00	\$ 6,000.00	6,000
Mileage	\$ 4,484.00	\$ 400.00	\$ 4,500.00
Diocesan Convention	\$ 145.00		\$ 150.00
Cell phone Reimbursement	\$ 1,937.00	\$ 500.00	2,000
Dues and Memberships	\$ 195.00	\$ 500.00	\$ 250.00
Music Expenses	\$ 5,314.00	\$ 2,800.00	\$ 5,500.00
Conferences and Meetings	\$ 1,275.00		\$ 2,000.00
<i>Building and Facility category</i>			
Landscaping	\$ 11,115.00	\$ 12,000.00	\$ 14,000.00
Pest Control	\$ 1,765.00	\$ 1,700.00	\$ 1,800.00
Building & Property Maint	\$ 9,121.00	\$ 3,600.00	\$ 9,000.00
<i>Utilities</i>			
Alarm	\$ 157.00	\$ 360.00	\$ 160.00
Electricity	\$ 16,431.00	\$ 13,000.00	\$ 17,715.00
Natural Gas	\$ 12,552.00	\$ 6,000.00	\$ 14,000.00
Water	\$ 6,949.00	\$ 7,800.00	\$ 7,000.00
Property Ins	\$ 20,457.00	\$ 14,500.00	\$ 21,500.00
Worker Comp fees	\$ 275.00	\$ 185.00	\$ 300.00
Workers Comp	\$ 3,781.00	\$ 3,700.00	\$ 4,000.00
Fair Share	\$ 143,343.00	\$ 170,000.00	\$ 185,000.00
<i>Christian Education</i>			

Adult	\$	1,149.00	\$	5,000.00	\$	1,500.00
Children	\$	186.00	\$	1,000.00	\$	1,500.00
Publications	\$	92.00	\$	1,300.00	\$	100.00
<i>Advertising & Promotion</i>						
Print	\$	2,371.00	\$	2,900.00	\$	3,000.00
Other Advertising	\$	385.00	\$	1,400.00	\$	400.00
Web Site	\$	495.00	\$	4,000.00	\$	500.00
Stewardship	\$	1,107.00	\$	800.00	\$	1,200.00
<i>Office</i>						
Supplies	\$	5,684.00	\$	2,200.00	\$	6,000.00
Postage & Delivery	\$	912.00	\$	1,400.00	\$	1,000.00
Computer & internet	\$	12,032.00	\$	6,100.00	\$	12,000.00
Other expenses	\$	2,669.00	\$	3,200.00	\$	3,200.00
R&M Office Equip	\$	4,725.00	\$	-	\$	5,000.00
Printing & Reproduction	\$	14,675.00	\$	11,600.00	\$	13,000.00
Other	\$	22.00	\$	-		
Bank & CC fees	\$	5,223.00	\$	3,500.00	\$	5,500.00
Audit	\$	15,723.00	\$	12,000.00	\$	12,000.00
Bookkeeping	\$	7,475.00	\$	6,400.00	\$	7,500.00
Dues & Subscriptions	\$	40.00	\$	200.00	\$	100.00
Repairs & Maintenance	\$	35,094.00	\$	28,500.00	\$	33,000.00
Taxes and Licenses	\$	10.00	\$	25.00	\$	25.00
Altar Guild			\$	-	\$	9,000.00
Flowers			\$	-	\$	11,000.00
Hospitality			\$	-	\$	10,000.00
Special Services			\$	-	\$	8,000.00
Operating Totals	\$	<u>1,140,952.00</u>	\$	<u>1,079,130.00</u>	\$	<u>1,222,650.00</u>
Income						
Pledge and Plate	\$	911,805.00	\$	1,089,972.00	\$	1,160,000.00
Other Income	\$	165,728.00			\$	35,000.00
Contributions	\$	-			\$	30,000.00
Total income	\$	<u>1,077,533.00</u>	\$	<u>1,089,972.00</u>	\$	<u>1,225,000.00</u>
Operating Income/loss	\$	<u>(63,419.00)</u>	\$	<u>10,842.00</u>	\$	<u>2,350.00</u>
Other Income & Expenses						
Altar Guild	\$	(6,587.00)				
Flowers	\$	(3,382.00)				
Hospitality	\$	(16,519.00)				
Special Services	\$	8,703.00				
Library Ministry	\$	(7,978.00)			\$	19,353.00
Breakfast Ministry	\$	331.00				
Prayer Shawl Ministry	\$	25.00				
Rosary Ministry	\$	20.00				
Mission & Outreach	\$	47,638.00			\$	42,453.00
Clergy Discretionary	\$	9,777.00				

Feed the Hungry	\$	519.00	
Grief Ministry	\$	(120.00)	
Memoials	\$	1,970.00	
Book Scholarship			
UTO	\$	500.00	
Passthroughs	\$	(19,804.00)	
Capital Improvements	\$	17,867.00	\$ 308,840.00
Total other income & expenses	\$	<u>32,960.00</u>	
Endowment transfers	\$	<u>(100,000.00)</u>	
Net other income	\$	<u>132,960.00</u>	
Net Income	\$	<u>69,564.00</u>	<u>\$ 10,842.00</u>