Finance Notes:

Balance Sheet Comparison

- **Balance Compared to Prior Year:** The current balance sheet reflects approximately **$1.2 million more in assets than the same period last year**.
- **Payroll Liabilities:** Payroll liabilities are a new line item this fiscal year. These liabilities will ultimately zero out; however, a small balance may appear on month-end reports due to our cash-basis accounting system and payroll being processed on the last day of the month.

Statement of Activity (P&L)

- **Payroll Expenses:** Payroll expenses will no longer include payroll liabilities. Going forward, this category will reflect the fees paid to NW Payroll Services and employer payroll taxes.

Operations Budget vs. Actuals

- **Other Expenses – $18,000:** This represents excess funds that will be available for allocation following our strategic planning session.
- **Net Revenue – $1,650:** This additional revenue will bring our Reserve/Balance Forward to approximately **$100,000 at the end of the fiscal year**. At that point, the Board can determine whether it would like to formally designate a Board Reserve.

Statement of Activity by Fund — Sample

This report is a preview of the work I have been doing behind the scenes to create greater **redundancy, consistency, and internal checkpoints** within our financial processes.

- All transactions are designated by either **Fund or Operations**.
- This report provides an additional tool for comparing QuickBooks Online (QBO) activity against the Excel spreadsheets used to prepare and verify Fund Summaries.
- This additional reconciliation process will provide another checkpoint for ensuring the accuracy and completeness of our financial reporting.

Unfortunately, I am unable to go back and retroactively add all of this information for existing funds. However, **every fund created after January 1, 2026, will have a complete Fund Summary available in QBO going forward.**.