

St. David's Monthly Ministry Report to Vestry

Prepared by Jane Krikorian, Treasurer

Date: Jan. 10, 2023

Name of Ministry: Finances

Present Jan. 3: Jane Krikorian, Joy Wolf, Loral Priest, Preschool Director Karen Garcia, P-I-C Mother Susan. APP Team Members: Equilla Luke, Jan Romerdahl. Absent: Craig Winder

Income/Expenses for Dec 2022

Nov ending cash:	\$74,863	(Balance Sheet: BofA + FC accounts)
Dec Church Income:	\$38,487	(from P&L Church)
Dec Church Expenses:	\$31,019	(from P&L Church)
Dec Preschool income:	\$38,637	(from P&L Preschool)
Dec Preschool expenses:	\$59,380	(from P&L Preschool)
Dec ending cash:	\$65,072	(Balance Sheet: BofA + FC account + PayPal)

BofA Savings Acct = \$603,375

Total net income year-to-date for the Church and Preschool:	(\$79,432)
Transfer for Capital Improvements (see #10 below):	\$35,000
Monthly Transfer (\$3,200 x 10) for Verizon Replacement Inc	<u>\$32,000</u>
Net Income after transfers:	(\$12,432).

Church & Preschool Capitalization Amount for December = \$x,xxx

Church & Preschool Capitalization Amount y-t-d = \$xx,xxx

Informational Matters: (no action needed)

1. The Church had a **positive** net income in Dec of \$7,468
2. The Preschool had a **negative** net income in Dec of (\$20,743).
3. December was a third payroll which caused much of the preschool deficit. The Church received over \$12,000 in the Given Not Pledged category which helped the Church end with positive income.
4. Total net income in Dec for Church and Preschool: (\$13,275). Adjusted by \$3,200 transfer = (\$10,075).
5. Total income year-to-date for the Church and Preschool is \$853,714.
6. Total expense year-to-date for the Church and Preschool is \$933,146.
7. **Total net income year-to-date for the Church and Preschool = (\$79,432).**
8. **Total net income year-to-date after approved Capital Improvements and Verizon Monthly Replacement = (\$79,432) + \$35,000 + \$32,000 (\$3,200 monthly March 1 thru Dec 1) = (\$12,432).**
9. Please note y-t-d Church net income = \$35,396 and y-t-d net income for the Preschool is (\$47,833).
10. After planned transfers to cover approved capital improvements (office and library flooring and paint projects plus new office furniture = \$35,000) and planned transfers from the Verizon Proceeds Plan Agreement with the Diocese to replace Verizon income (\$3,200 x 10 months = \$32,000) the Church ended 2022 with a surplus. Most of the \$35,000 will be capitalized on the Church P&L at the end of the year. Negative net income for preschool is due to unrealized budgeted tuition and unbudgeted expenses such as substitute teachers. The positive Church net income offset the negative income from the Preschool for the final year-end figure of (\$12,432).

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Discussion Items

1. The Committee said a special prayer for absent member Craig Winder for full recovery.
2. The Committee reviewed the year-end reports and discussed the positive and negative incomes for the Church and Preschool. Please see "2022 Church & Preschool in Review" in Treasurer's folder for re-cap.
3. Committee reviewed Draft Church 2023 Budget #7. Year-end figures had just come out the day-of the Finance Committee meeting. Per review of reports in the APP folder by APP members Jan Romerdahl and Equilla Luke, some reports may be updated with year-end final amounts.
4. Please see Draft 2023-2025 Budget in the December Treasurer Google Drive folder. The Vestry will be voting on this Budget at the Vestry meeting on Tuesday, January 10, 2023.
5. Preschool Director Karen Garcia presented the Preschool Budget for 2023 with a small surplus. The Preschool incurred a deficit in 2022 (\$47,833) The deficit was less than in 2021 (\$58,665). Director Karen explained the challenges and difficulties for childcare centers during covid and that many had simply closed. Those that have continued were helped out by Paycheck Protection Loans in 2020 and 2021 or other reserves in 2022. Thankfully, the Church & Preschool have a large savings account from the Verizon Proceeds sale at the end of 2021 which has helped offset these losses. Karen described the strategies that she has worked into her budget for 2023 to get the Preschool back into a positive position.
6. Committee discussed reaching back out to Carsten Sierck, Director of Endowment Management for Episcopal Church Foundation, to discuss investment options for the updated Verizon Proceeds Plan. The updated plan was presented to the Standing Committee by Joy Wolf on Dec. 20, 2022. The Standing Committee approved the plan as presented by Joy with a few notes (see Sr. Warden Folder in Google Drive). Carsten Sierck gave a presentation to the Congregation after church on September 18, 2022, and has kept in touch in the meantime.

Action Items

- 1) Contact Carsten Sierck, Director of Wealth Management for Episcopal Church Foundation, to begin discussing investment options for the updated Verizon Proceeds Plan approved by the Standing Committee on Dec. 20, 2022.