

St. David's Monthly Ministry Report to Vestry

Prepared by Jane Krikorian, Treasurer

Date: June 14, 2022

Name of Ministry: Finances

Present June 7: Jane Krikorian, Joy Wolf, Loral Priest, Craig Winder, Karen Garcia, Jan Romerdahl, Equilla Luke

Income/Expenses for May 2022

April ending cash: \$106,416 (Balance Sheet: BofA + FC accounts)

May Church Income: \$24,291 (from P&L Church)

May Church Expenses: \$22,882 (from P&L Church)

May Preschool income: \$48,423 (from P&L Preschool)

May Preschool expenses: \$47,007 (from P&L Preschool)

May ending cash: \$100,390 (Balance Sheet: BofA + FC account)

Savings Acct after Verizon income sale = \$635,506

Transfers from Savings to Operating: \$25,125 for office/library new flooring and paint

\$9,600 for Verizon monthly income replacement (\$3,200/mnth)

Informational Matters: (no action needed)

1. The Church had a **positive** net income in May of \$1,408.
2. The Preschool had a **positive** net income in May of \$1,415.
3. Total net income in May for Church and Preschool: \$2,823.
4. Total income year-to-date for the Church and Preschool is \$383,402
5. Total expense year-to-date for the Church and Preschool is \$379,265.
6. **Total net income year-to-date for the Church and Preschool = \$4,137.**
7. Total transfers from Savings to Operating: \$34,725

Discussion Items

1. Both Church & Preschool showed positive net incomes for May. The Committee noted that for May the Church did not have the salary expense of a priest so Salaries & Wages reflected nearly a 50% reduction (\$6,152 lower). In June, Salaries & Wages will increase by \$4,333 per month for our interim priest Mother Susan Astarita. Due to her retired status, pension and healthcare are not included in her salary package. When a salary package is put together for a future full-time rector, pension and healthcare will most likely be included.
2. At the March 6 Vestry Retreat, the Vestry agreed to ask Treena to get prices to replace furniture and that the budget would come from the 14K remaining for capital projects designated in the Diocesan Approved Proceeds Plan for the Verizon income sale. Some pieces have been purchased (several desks, a new fridge, a reception organizer hutch) for a total of \$2,210. Several pieces/items still need to be purchased. Total amount of \$5,000 should cover Office furniture budget. See action item #1 below.
3. Per Action Plan Parish (APP) team member Jan Romerdahl's suggestion at the previous finance committee meeting, Treena created a sub-operating account on the Balance Sheet titled "Vestry Restricted Cash" to track the \$35,000 set aside for capital projects in the Diocesan Approved Proceeds

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Plan. \$25,125 has been transferred from Savings to Operating to cover the office and library flooring and paint upgrades leaving \$9,875. Finance Committee recommends transferring this final amount to cover the office furniture purchases. See action item #2 below.

4. APP team member Jan Romerdahl suggested that we provide an opportunity for the congregation to participate in learning about three possible investment company choices for the Verizon income sale lump sum: San Diego Foundation (<https://www.sdfoundation.org/>) Westmount Asset Management based in Los Angeles (<https://westmount.com/>) and Episcopal Church Foundation (<https://www.ecf.org/>). The Committee agreed that the presentations should be given on different nights as all three in one evening could be overwhelming.
5. Committee discussed the difference between "Permanent Endowment" and "Vestry Restricted Long-Term Cash." The rules for these designations and their differences are being researched.
6. Jan also discussed the goal of the APP team: to help St. David's Church & Preschool develop a plan for "sustainability and operational efficiency." The Committee looks forward to learning more about this plan.
7. After emailing AT&T (the only remaining cell service provider after T-Mobile and Verizon) for several years I finally received a response that AT&T is interested. David Priest, Joy Wolf and I met with AT&T representatives on June 1, 2022 to walk the property and identify possible locations for a new cell tower. This could provide another monthly income stream for St. David's. The site location is a preliminary step to see if there is an agreeable site. These types of deals (as we know) can take several years to work out.
8. Preschool Director Karen Garcia reported that staff members were beyond thrilled to receive their well-deserved raises 😊

Action Items

1. Approve up to \$5,000 for office furniture budget.
2. Transfer \$9,875 from BofA Savings to BofA Operating. This represents the final amount left from the \$35,000 in the Diocesan Approved Proceeds Plan for capital improvement projects.