

St. David's Monthly Ministry Report to Vestry

Prepared by Jane Krikorian, Treasurer

Date: August 15, 2023

Name of Ministry: Finances

Present August 8: Jane Krikorian, Anne Kellett, Elaine Turnbull, Joy Wolf, Loral Priest, Preschool Director Karen Garcia, Parish Administrator Treena Roman. APP Team Members: Equilla Luke, Jan Romerdahl. Guest: David Priest. Absent: Craig Winder, MK Mason.

Income/Expenses for July 2023

| | | |
|--------------------------|----------|-------------------------------------|
| June ending cash: | \$79,503 | (Balance Sheet: BofA + FC accounts) |
| July Church income: | \$29,544 | (from P&L Church) |
| July Church expenses: | \$20,865 | (from P&L Church) |
| July Preschool income: | \$41,411 | (from P&L Preschool) |
| July Preschool expenses: | \$39,473 | (from P&L Preschool) |
| July ending cash: | \$93,977 | (Balance Sheet: BofA + FC account) |

BofA Savings Acct = \$156,099 (includes James Scorey gift of \$100,000)

Charles Schwab Acct = \$500,000

Don Searles Endowment Fund = \$52,541

Informational Matters: (no action needed)

1. The Church had a **positive net** income of **\$8,679**.
2. The Preschool had a **positive** net income in July of **\$1,938**.
3. Total net income in July for Church and Preschool: **\$10,617**
4. Total income year-to-date for the Church and Preschool is \$489,572.
5. Total expense year-to-date for the Church and Preschool is \$505,497 (includes capitalization amount of \$14,966 and credited expense amount of \$11,077 so \$26,043 removed from expense amounts).
6. **Total net income year-to-date for the Church and Preschool = (-\$15,925).**
7. Church y-t-d net income is \$6,199 and Preschool y-t-d net income is **(\$22,125)**.
8. After adding in extraordinary income of \$128,113 (Church), deducting extraordinary expenses **(-\$11,077)** (Church) and deducting depreciation for flooring **(-\$9,874)** (Preschool) total net income y-t-d Ch&Prschl: **\$91,236**.
9. After extraordinary income, expenses and depreciation, Church y-t-d net income = \$123,236 and Preschool y-t-d net income **(-\$32,000)** which = **\$91,236**.
10. Transfers from BofA Savings to Operating y-t-d: \$25,000 transferred to cover preschool classroom repairs, \$10,000 for new sound system (yet to be spent), \$22,400 (\$3,200 x 7) to cover lost Verizon income = \$57,400.

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Discussion Items- The Finance Committee:

1. Spent nearly 40 minutes discussing the Balance Sheet, noting the new Charles Schwab account with the \$500,000 in Verizon cell tower money transferred from BofA Savings and the \$100,000 gift from the James Scorey trust deposited into Bank of America Savings account.
2. Decided to recommend that the \$100,000 be deposited into a 30 day Certificate of Deposit at Charles Schwab for the time being (see action items below).
3. Decided to recommend that any gift over \$2,000 be deposited into a Money Market account through the Charles Schwab brokerage account rather than being deposited directly into the BofA Operating account. This way the gift is not co-mingled with operating money and the Vestry can have the time to discern best uses for it. (May need to be added to "Gift Acceptance Policy.")
4. Reviewed the monthly P&Ls for Church & Preschool noting the positive net incomes.
5. Preschool Director noted that as of September 1, 2023, all students will be paying the same tuition rate.
6. Preschool Director presented an amended budget showing positive net incomes for each month except December (3rd payroll month). While not mitigating the entire 2023 deficit, the plans to enroll several more students will help with income and alleviating some of the accumulated deficit.
7. David Priest reported that the Facilities Committee had no needs or changes to advise the Finance Committee.
8. Reviewed the budget submitted by Nancy Holland for the September 10, 2023 Baptism and Confirmation celebration. Decided to recommend an additional \$1,000 for celebration expenses and \$2,000 for cleaning before the event. Some of these expenses may be offset by donations.
9. Loral Priest gave an update on tree trimming around the property.
10. Jan requested that we begin the upcoming Finance Committee meetings with an agenda item and discussion on "income generation."

Action Items:

Motion to direct the \$100,000 Scorey gift from the BofA Savings Account into a 30-day Certificate of Deposit at the Charles Schwab brokerage account.

Motion to approve \$1,000 in expenses (gifts, food, etc.) for the Baptism and Confirmation celebration on September 10, 2023.

Motion to approve \$2,000 for cleaning expenses for the Baptism and Confirmation celebration on September 10, 2023.

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| | |
|--|--|
| Verizon Cell Tower Proceeds – Tracking Chart BofA Savings | |
| 2021 - December | \$700,000 |
| 2022 – March | \$30,000 transfer to First Citizens savings |
| March, May, July | \$35,000 transfers to cover Admin office floor/paint |
| March – December | \$32,000 monthly \$3,200 transfers x 10 months |
| Interest | \$254 |
| 2022 Ending Balance | \$603,254 |
| 2023 – March | \$10,000 for new sound system in Sanctuary |
| | \$15,000 to cover preschool water damage expenses |
| Jan – July | \$22,400 monthly transfers \$3,200 x 7 months |
| July 2023 | \$500,000 transfer to Charles Schwab |
| Interest | \$245 |
| 2023 July 30 Balance | \$56,099 |

| Church 2023 Actuals Rprt G | January | February | March | April | May | June | July |
|-----------------------------------|-------------------|-----------------|--------------------|-------------------|-------------------|-----------------|------------------|
| Income | \$25,162 | \$30,721 | \$29,306 | \$31,526 | \$22,642 | \$36,337 | \$29,544 |
| Expense | \$27,486 | \$27,511 | \$50,718 | \$34,638 | \$31,248 | \$7,635 | \$20,865 |
| Net Income | (-\$2,324) | \$3,210 | (-\$21,412) | (-\$3,112) | (-\$8,606) | \$28,702 | \$8,679 |
| | | | | | | | |
| Extraordinary Income | | \$3,215 | | | \$24,898 | | \$100,000 |
| Extraordinary Expense | | | | | | (\$11,077) | |
| Capitalization | | | | | | (\$14,966) | |
| Net before transfers | (-\$2,324) | \$6,425 | (-\$21,412) | (-\$3,112) | \$16,292 | \$17,625 | \$108,678 |
| Verizon Transfers | \$3,200 | \$3,200 | \$3,200 | \$3,200 | \$3,200 | \$3,200 | \$3,200 |
| Water Damage Transfers | | | \$25,000 | | | | |
| Sound System | | | \$10,000 | | | | |
| Net after Transfers | \$876 | \$9,625 | \$16,788 | \$88 | \$19,492 | \$20,825 | \$111,878 |

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| Church 2023 Actuals Rprt G | Totals | Budget |
|--|--------------------|--------------------|
| Income | \$206,304 | \$186,274 |
| Expense | \$199,969 | \$202,562 |
| Net Income | \$6,334 | (-\$16,288) |
| | | |
| Extraordinary Income | \$128,113 | |
| Extraordinary Expense | (\$11,077) | |
| Capitalization (moved to Balance Sheet) | <i>(\$14,966)</i> | |
| Net before transfers | \$123,370 | |
| | | |
| Verizon Transfers | \$22,400 | |
| Water Damage Transfers | \$25,000 | |
| Sound System | \$10,000 | |
| | | |
| Total y-t-d Transfers | \$57,400 | |
| Preschool y-t-d Net Income | (-\$22,125) | |

Beginning Bank Balance (BofA Operating & FC) January 1, 2023 = \$61,084

Ending Bank Balance (BofA Operating & FC) July 30, 2023 = \$93,977