

St. David's Monthly Ministry Report to Vestry

Prepared by Jane Krikorian, Treasurer

Date: September 19, 2023

Name of Ministry: Finances

Present September 12: 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.

Income/Expenses for Aug 2023

July ending cash:	\$93,977	(Balance Sheet: BofA + FC accounts)
Aug Church income:	\$24,618	(from P&L Church)
Aug Church expenses:	\$26,613	(from P&L Church)
Aug Preschool income:	\$36,454	(from P&L Preschool)
Aug Preschool expenses:	\$36,655	(from P&L Preschool)
Aug ending cash:	\$81,154	(Balance Sheet: BofA + FC account)

BofA Savings Acct = \$52,902

Charles Schwab Acct = \$600,152 (includes \$100,000 James Scorey Gift; \$500,000 Verizon sale)

Don Searles Endowment Fund = \$52,791

Informational Matters: (no action needed)

1. The Church had a **negative** net income of **(-\$1,995)**.
2. The Preschool had a **negative** net income in Aug of **(-\$201)**.
3. Total net income in Aug for Church and Preschool: **(-\$2,196)**.
4. Total income year-to-date for the Church and Preschool is \$550,656.
5. Total expense year-to-date for the Church and Preschool is \$568,765.
6. **Total net income year-to-date for the Church and Preschool = (-\$18,109)**.
7. Church y-t-d net income is \$4,217 and Preschool y-t-d net income is **(\$22,326)**.
8. After adding in extraordinary income of \$128,113 (Church), deducting extraordinary expenses **(-\$11,077)** (Church – preschool flood) and deducting depreciation for flooring **(-\$9,874)** (Preschool – preschool flood) total net income y-t-d Ch&Prschl: **\$89,052**.
9. Church y-t-d net income = \$121,254 and Preschool y-t-d net income **(-\$32,201)** which = **\$89,052**
10. Transfers to BofA Operating y-t-d: \$15,000 transferred from BofA Savings and \$10,000 from First Citizen Savings to cover preschool classroom repairs, \$10,000 from BofA Savings for new sound system (spent Aug. 2023), \$25,600 (\$3,200 x 8) to cover lost Verizon income = \$60,600.

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Discussion Items- The Finance Committee:

1. The Committee Spent 45 minutes discussing "Income Generation" at the request of APP member Jan Romerdahl. Anne gave a presentation on outside income and groups along with a word document that had all the available times that space around the St. David's campus could be offered for rent or lease. Discussed providing this information to Kidder-Matthews, a commercial real estate firm, to help market and lease space that could generate income for the church.
2. Committee also discussed embarking on a "decarbonization plan" including pairing batteries with a new solar system in order to store and sell electricity. Idea would be to decrease (and possibly eliminate) any future SDG&E bills and create an income stream by selling back excess electricity to the grid.
3. Fr. Kirby mentioned the "unused land" as a possibility for low-income housing. Loral reminded the committee of the unstable way the lower parking area was compacted and the way the property lines were changed when the upper parking lot was paved close to the K-house, meaning any building in and around the lower parking area could be very complicated.
4. Fr. Kirby noted that he and Deacon Nancy needed to get added to the pastoral accounts with the suggestion that Nancy get added to the First Citizens pastoral account and he get added to the Bank of America account. Both will need to go to the respective banks with copies of meeting minutes that show a motion reflecting the changes. First Citizens may require a signed letter from Fr. Michael Tinnon that he is no longer an employee of St. David's Church & Preschool as he was the last signor of the First Citizens pastoral account.
5. David Priest provided an update on facilities including that Dave Holland had found the other end of the drain at the Education Center. An assessment will be made to see if the drain is plugged and needs a jetting procedure.
6. Committee noted that pledges were down nearly \$9,000 y-t-d. While lower pledges are normal for summer, the Committee discussed what type of follow-up may be appropriate at this time. Fr. Kirby agreed to make a few announcements, in person and in print.
7. Preschool Director offered her report. It is still a challenge to hire teachers, enroll students and break even each month. Teachers are hoping for raises and the Director raised concerns of possibly losing a teacher due to needing higher pay. Director will continue working on her revised budget plan with goal of breaking even each month for the rest of this year.

Action Items:

Motion to provide a list of St. David's space and times available for rent or lease to Kidder-Matthews for a listing agreement.

Motion to approve adding Fr. Kirby Smith to the Bank of America Pastoral Account and Deacon Nancy Holland to the First Citizens Pastoral Account.

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.

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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, Aug	\$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 – Aug	\$25,600 monthly transfers \$3,200 x 8 months
Aug 2023	\$500,000 transfer to Charles Schwab
Interest	\$248
2023 Aug 30 Balance	\$52,902

Church 2023 Actuals Rprt G	January	February	March	April	May	June	July
Income	\$25,162	\$30,721	\$29,306	\$31,526	\$22,642	\$37,400	\$29,556
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)	\$29,765	\$8,691
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	\$18,688	\$108,691
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	\$21,888	\$111,891

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Church 2023 Actuals Rprt G	Aug	Totals	Budget
Income	24,618	\$230,934	\$212,721
Expense	26,613	\$226,717	\$228,458
Net Income	(-\$1,995)	\$4,217	(-\$15,737)
Extraordinary Income		\$128,113	
Extraordinary Expense		(\$11,077)	
Capitalization (moved to Balance Sheet)	<i>(\$9,292)</i>	<i>(\$24,258)</i>	
Net before transfers	(-\$1,995)	\$121,254	
Verizon Transfers	\$3,200	\$25,600	
Water Damage Transfers		\$25,000	
Sound System		\$10,000	
Net After Transfers	\$1,205		
Total y-t-d Transfers		\$60,600	
Preschool y-t-d Net Income		(-\$22,326)	

Affording a full-time priest could include a salary of (\$100,000/yr) pension (\$18,000/yr) and healthcare (\$16,800/yr) for a total of \$134,800. The Church is currently paying \$52,000/yr for a part-time interim priest with no healthcare or pension benefits. ***A full-time salary package with these amounts would add \$82,800/yr (\$134,800 - \$52,000 = \$82,800) to the current budget or \$6,900 a month.***