

St. David's Monthly Ministry Report to Vestry

Prepared by Jane Krikorian, Treasurer

Date: Oct. 11, 2022

Name of Ministry: Finances

Present Oct 4: Jane Krikorian, Joy Wolf, Craig Winder, Karen Garcia, Mother Susan, Equilla Luke. Absent: Loral Priest and Jan Romerdahl.

Income/Expenses for Sept 2022

Aug ending cash:	\$100,848	(Balance Sheet: BofA + FC accounts)
Sept Church Income:	\$20,576	(from P&L Church)
Sept Church Expenses:	\$29,244	(from P&L Church)
Sept Preschool income:	\$37,839	(from P&L Preschool)
Sept Preschool expenses:	\$49,524	(from P&L Preschool)
Sept ending cash:	\$82,268	(Balance Sheet: BofA + FC account)

BofA Savings Acct = \$612,914

Transferred from Savings to Operating in September per Verizon Proceeds Plan: \$3,200

Total transfers from March to September: \$3,200 x 7 = \$22,400

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

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

Informational Matters: (no action needed)

1. The Church had a **negative** net income in Sept of **(\$8,668)**. Adjusted by \$3,200 transfer = **(\$5,468)**.
2. The Preschool had a **negative** net income in Sept of **(\$11,685)**.
3. Total net income in Sept for Church and Preschool: **(\$20,353)**.
4. Total income year-to-date for the Church and Preschool is \$647,884.
5. Total expense year-to-date for the Church and Preschool is \$694,870.
6. **Total net income year-to-date for the Church and Preschool = (\$46,986)**.
7. Please note y-t-d Church net income = **(\$29,642)** and y-t-d net income for the Preschool is **(\$17,344)**.
8. The negative income for the Church is mainly due to approved capital improvements (office and library flooring and paint projects plus new office furniture) and have been covered by the approved amount of \$35,000 in the Verizon Proceeds Plan Agreement with the Diocese. Adding the total transferred amount of **\$35,000** plus the **\$22,400** (\$3,200 for last 7 months to cover lost monthly Verizon income) to the **(\$29,642)** **the Church actual y-t-d amount = \$27,758**. Some of the \$35,000 will be capitalized on the Church P&L at the end of the year.
9. APP Team Member Jan Romerdahl suggested preparing the 2023-2025 Budgets for approval at the November Vestry meeting. The Finance Committee reviewed a Draft 2023 Budget. See Vestry folder for 2023 Budget Draft #1 and supplemental salary & wages information.

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Discussion Items

1. Both Church & Preschool showed negative net incomes for Sept. Please see item #8 under informational matters for explanation regarding Church deficit. Preschool deficit was largely due to high substitute expenses and lower-than-expected tuition payments. Accounts Receivables amounts (\$7,406) are being carefully monitored and addressed by Karen Garcia and Treena Roman.
2. APP Team Member Jan Romerdahl suggested at the September Finance Committee meeting that the lump sum (now \$613,000 in the Bank of America Savings Account) be transferred to a 30 or 60 day Certificate of Deposit account to gain more interest. I have contacted BofA several times. Due to branch closures it is difficult to reach a manager. I will keep trying.
3. The Episcopal Church Foundation (ECF) presented to the congregation via zoom on Sept. 18. The San Diego Foundation (SDF) can present to the congregation Nov. 6. The Finance Committee is researching wealth management and investment options to provide recommendations to the Vestry.

Action Items

1. **Approve K-House rental increase of 3% from \$3,725 to \$3,835.**