

St. David's Monthly Ministry Report to Vestry

Prepared by Jane Krikorian, Treasurer

Date: June 13, 2023

Name of Ministry: Finances

Present June 6: Jane Krikorian, Anne Kellett, Elaine Turnbull, Joy Wolf, Loral Priest, Craig Winder, MK Mason, Preschool Director Karen Garcia, Parish Administrator Treena Roman. APP Team Members: Equilla Luke, Jan Romerdahl. Guest: David Priest

Income/Expenses for May 2023

Apr ending cash:	\$72,399	(Balance Sheet: BofA + FC accounts)
May Church income:	\$22,642*	(from P&L Church)
May Church expenses:	\$31,248	(from P&L Church)
May Preschool income:	\$42,463	(from P&L Preschool)
May Preschool expenses:	\$44,470	(from P&L Preschool)
May ending cash:	\$94,396	(Balance Sheet: BofA + FC account)

*before ERTC amount of \$24,898 – see information item #1 below

BofA Savings Acct = \$562,471

Net income y-t-d for the Church (-\$3,731) and Prschl (-\$7,997): (\$11,728)

Total net income year-to-date for the Church only:	(\$3,731)
Monthly Transfer (\$3,200 x 5) for Verizon Replacement Income :	\$16,000
Yearly transfers from Savings (see Informational Item #10):	<u>\$35,000</u>
Net Income after transfers:	\$47,269

Informational Matters: (no action needed)

1. The Church had a **negative** net income in May of **(-\$8,606)**. Adjusted by \$24,898 ERTC = **\$16,292**.
2. The Church finally received the Employee Retention Tax Credit for a total of \$24,898. This is a federal tax credit for businesses who kept employees during the Covid-19 pandemic. St. David's Church & Preschool retained all of its employees during the pandemic.
3. The Preschool had a **negative** net income in May of **(-\$2,007)**.
4. Total net income in May for Church and Preschool: **\$14,285**.
5. Total income year-to-date for the Church and Preschool is \$369,757.
6. Total expense year-to-date for the Church and Preschool is \$381,485.
7. **Total net income year-to-date for the Church and Preschool = (\$11,728)**.
8. Total net income y-t-d for Church is **(-\$3,731)** and total net income y-t-d for Prschl is **(\$7,997)**.
9. Transfers from Savings y-t-d on Church side: \$25,000 transferred to cover classroom repairs, \$10,000 for new sound system (yet to be spent), \$16,000 to cover lost Verizon income = \$47,269.
10. Adjusted Church net income = **\$47,269**.

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Discussion Items

1. David Priest gave an update on facilities projects. Please see report in Google Drive for details,
2. The Committee reviewed May Financial Reports and noted the negative income for Church and the negative income for the Preschool.
3. On the Church side, negative net income was offset by the receipt of an Employee Retention Tax Credit, as noted in item #2 above.
4. The Committee noted that pledges were down from budget in May and are down by about \$8,000 for the year. Jan Romerdahl suggested that action be taken regarding pledges and ways to increase short term income. Committee discussed that usually the wardens or the priest made an announcement at weekly services and sometimes the Stewardship Committee was also asked to assist. No final decision was made.
5. The Committee noted that water expenses were high and Treena explained that the water department had not sent a bill out in March so the high amount reflected two billing cycles.
6. Jan Romerdahl requested that a "best guess" be made on capitalization amounts and put in report notes. Usually this amount is determined at the end-of-the-year. Treena has worked with Jake Young to determine this figure and can put it in the notes.
7. Anne Kellett updated the Committee on the grant request made to the Diocese to help cover the large water damage expenses (approx. \$25,000). The Diocese has requested more investigation into the causes and mitigation efforts to stop the water damage from occurring in the future.
8. Preschool Director Karen Garcia discussed the Preschool P&L. See her report in Google Drive for details.
9. Currently, St. David's Ch & Prschl is at 95% accrual accounting. The APP team recommends we try to get closer to 100%. On April 27, 2023 Treena, Jake Young and myself met with Jan Romerdahl to discuss if closing the books mid-month will result in getting closer to 100% accrual accounting. At the meeting, Jake suggested that the Vestry decide whether to keep the Vestry meetings on the 2nd Tuesday of the month and get financial reports for the month before the previous month or move the meeting to later in the month and get previous month financial figures. Elaine suggested that we recommend to Vestry re: moving the Finance Committee and Vestry meetings to the 2nd and 3rd Tuesdays of the month (currently meeting 1st and 2nd Tuesday of month, respectively).

Action Items

Motion to move Finance Committee and Vestry meetings to 2nd and 3rd Tuesdays of the month to fulfill APP recommendation of attaining as close to 100% accrual accounting as possible.

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Verizon Cell Tower Proceeds – Tracking Chart	
2021 - December	\$700,000
2022 – March	\$30,000 transfer to First Citizens savings
March, May, June	\$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 – May	\$16,000 monthly transfers \$3,200 x 5 months
Interest	\$217
2023 May 30 Balance	\$562,471

Church 2023 Actuals Rprt G	January	February	March	April	May	Totals
Income	\$25,162	\$33,936*	\$29,306	\$31,526	\$47,540*	\$167,472*
Expense	\$27,486	\$27,511	\$50,318	\$34,638	\$31,248	\$171,203
Net Income	(-\$2,324)	\$6,425	(-\$21,012)	(-\$3,112)	\$16,292	(-\$3,731)
Verizon Transfers	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000
Water Damage Transfers			\$25,000			\$25,000
Sound System			\$10,000			\$10,000
Net after Transfers	\$876	\$9,622	\$16,991	\$63	\$19,027	\$47,269
*Extraordinary Income		*\$3,215			*\$24,898	