

St. David's Monthly Ministry Report to Vestry

Prepared by Jane Krikorian, Treasurer

Date: Oct. 12, 2021

Name of ministry: Finances

Present Oct. 4, 2021: Jane Krikorian, Craig Winder, Joy Wolf, Loral Priest, Anne Kellett, Karen Garcia, Pastor Jocelynn.

Income/Expenses for September 2021

Aug ending cash:	\$75,494	(Balance Sheet: BofA + FC Operating accounts)
Sept Church Income:	\$23,116	(from P&L Church)
Sept Church Expenses:	\$28,042	(from P&L Church)
Sept Preschool income:	\$38,557	(from P&L Preschool)
Sept Preschool expenses:	\$41,914	(from P&L Preschool)
Sept ending cash:	\$76,391	(Balance Sheet: BofA + FC Operating account)

Informational Matters: (no action needed)

1. The Church had a **negative** net income in Sept of **(-\$4,926)**.
2. The Preschool had a **negative** net income in Sept of **(-\$3,357)**.
3. Total net income in Sept for Church and Preschool: **(-\$8,283)**.
4. Total income year-to-date for the Church and Preschool is \$638,629.
5. Total expense year-to-date for the Church and Preschool is \$713,212.
6. **Total net income year-to-date for the Church and Preschool = (-\$74,583).**
7. The high y-t-d negative net income is due to the use of the PPP money (\$75,000) to cover payroll which allowed additional spending on priority projects (see previous T-Reports for lists of projects.)

Discussion Items

1. The Committee reviewed the financial reports and noted the negative amounts. The goal is to get the Church & Preschool back to positive balances each month and build up the bank balance.
2. The Balance Sheet shows a high accounts receivable figure (\$32,317). Most of this is outstanding tuition payments for the preschool. Preschool Director Karen Garcia reported progress on collecting outstanding amounts.
3. The Committee reviewed an HVAC maintenance proposal for the Mission Center AC unit. It has not been serviced in some years and several companies that have examined it say it needs maintenance work. Only one company has followed through with a bid. In addition, this company can install an 'I-wave commercial air cleaner' that kills bacteria, viruses, and other air born pathogens. A revised quote came in for \$1,500 to do both the I-wave installation (\$1,175) and AC tune-up (\$700). The Committee recommends the I-wave installation due to Covid-19 and the tune-up. The company can set-up a maintenance schedule to change the filters and check the unit for \$195 per visit. Due to this being the only company that followed through on a bid, Vestry can wave guideline for 3 bids for expenditures over \$1,000. Committee believes price is reasonable and unit needs maintenance to avoid needing emergency service which would drive up cost of service.

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4. The Committee reviewed a Draft 2022 Budget (see Treasurer's folder for copy). The current draft is #3. Last year we got up to at least #10 so we have ways to go. Current draft shows bottom line of **(-\$500)**. This includes raises for staff. Committee discussed a small increase in rent from K-House (3.5% increase). Anne Kellett is confirming current lease situation. Committee is hopeful for a good stewardship campaign that will meet (and hopefully exceed) last year's pledge amount of \$210,000.
5. The Committee reviewed a revised plan for the proceeds of the cell tower income sale. This will be presented in separate documents for Vestry review. This could change based on subsequent discussions after details of Pastor Jocelynn's discussion with the Bishop Susan (Oct. 5) are discussed.
6. The PPP Loan Forgiveness process for Loan #1 (\$108,396) is taking a lot of time and work. It has gone into "remediation" for review. Outcome is still unknown as to whether a small portion will need to be paid back (up to \$15,000).
7. The Committee continues to discuss the prohibitive cost of housing in San Diego (a nearly 20% increase in one year) and whether St. David's can support a salary increase for Pastor Jocelynn that could help with her family's relocation to San Diego and their particular housing needs. We still do not have comparative figures from the Diocese to see what other churches with comparable operating income are paying pastors although the Church Pension Group Clergy Compensation report shows we are paying at or above the median salary figure for San Diego for a church of similar size and operating revenue.

Action Items –

- 1) Approve Finance Committee recommendation for Mission Center HVAC tune-up and I-wave commercial air cleaner at cost of \$1,500, including setting up maintenance schedule for 2x a year at \$195 a visit.