

# St. David's Episcopal Church Vestry Meeting Minutes December 14, 2021

12/14/21 | 6:15 pm

## Vestry Members

Anne Kellett (1/22), Clerk	Loral Priest (1/24), Jr. Warden	Kathy Winder (1/22)
Katie Turley (1/23)	Gail Decker (1/23)	Vicki Greco (1/24)
Jane Krikorian (1/22), Treasurer	Debby Park (1/23)	Joy Wolf (1/24), Sr. Warden

Time	Item	Presenter
------	------	-----------

6:30	Welcome/Call to order Establish Quorum	Jocelynn+
------	---	-----------

PRESENT: Anne Kellett, Clerk, Loral Priest, Jr. Warden, Kathy Winder, Gail Decker, Vicki Greco, Jane Krikorian, Treasurer, Debby Park, Joy Wolf, Sr. Warden, Pastor Jocelynn Hughes, Karen Garcia, Katie Turley

ABSENT: John Mark Harris

Opening Prayer

Welcome Guests: No guests

Consent Agenda: Approve Minutes of last meeting, accept written reports

1. Rector/Regather Task Force
  2. Sr. Warden
  3. Jr. Warden
  4. Treasurer
  5. Preschool
  6. Music Director
  7. Outreach
- Motion to Accept: MSP

Treasurer's Update	Jane
--------------------	------

### Income/Expenses for November 2021

**Oct ending cash: \$67,712 (Balance Sheet: BofA + FC Operating accounts)**

<b>Nov Church Income:</b>	<b>\$29,642</b>	<b>(from P&amp;L Church)</b>
---------------------------	-----------------	------------------------------

<b>Nov Church Expenses:</b>	<b>\$26,746</b>	<b>(from P&amp;L Church)</b>
-----------------------------	-----------------	------------------------------

<b>Nov Preschool income:</b>	<b>\$34,838</b>	<b>(from P&amp;L Preschool)</b>
------------------------------	-----------------	---------------------------------

<b>Nov Preschool expenses:</b>	<b>\$37,641</b>	<b>(from P&amp;L Preschool)</b>
--------------------------------	-----------------	---------------------------------

<b>Nov ending cash:</b>	<b>\$67,689</b>	<b>(Balance Sheet: BofA)</b>
-------------------------	-----------------	------------------------------

---

+ FC Operating account)

**Informational Matters: (no action needed)**

1. The Church had a **positive** net income in Nov of \$2,896.
2. The Preschool had a **negative** net income in Nov of **(-\$2,803)**.
3. Total net income in Nov for Church and Preschool: \$93.
4. Total income year-to-date for the Church and Preschool is \$764,004.
5. Total expense year-to-date for the Church and Preschool is \$844,923.
6. **Total net income year-to-date for the Church and Preschool = **(-\$80,919)**.**
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.) Adding in the \$75,000 lowers the y-t-d deficit to **(-\$5,919)**.

**Discussion Items**

1. The Committee reviewed the financial reports and noted the church and preschool had a combined positive amount of \$93. This is good news! The Vestry has been monitoring both the church and preschool income/expenses and working towards surplus net incomes each month. However, December is expected to be a high negative net income month due to a third payroll so even when adding in the PPP loan money the year-end figure for Church & Preschool will most likely be negative. This will cause the bank balance to be lower than the previous year. However, the current 2022 Budget is showing a surplus (see item #4 below). This is more good news!
  2. The Balance Sheet shows a high accounts receivable figure (\$34,334). Most of this is outstanding tuition payments for the preschool. Preschool Director Karen Garcia reported these amounts are difficult to collect. One family has been catching up with outstanding payments. The Finance Committee believes most of this amount will need to be discharged as uncollectible. New systems have been put in place to avoid accumulating accounts receivable in the future.
  3. The Committee reviewed the current cell tower proceeds proposal (see Treasure's folder for Proposal) submitted to the Standing Committee. The proposal was re-worked at a Special Vestry meeting on November 14, 2021. The Vestry had been
-

asked by Bishop Snook in a letter Sept. 20, 2021 to come up with a plan to help Pastor Jocelynn and family move to San Diego. The Vestry decided to set aside additional monies to supplement the current salary package for Pastor Jocelynn. This proposal will be voted on by the Standing Committee Tuesday, December 21, 2021. Details will be shared with the congregation once the proposal is approved.

4. The Committee reviewed a Draft 2022 Budget (see Treasurer's folder for copy). The current draft is #8. This draft shows a year-end surplus of \$10,777. There are 46 pledges totaling \$220,230, just shy of the goal for \$220,500. Last year we had 54 pledges for \$209,274 so our higher pledge amount with fewer pledgers is very impressive! This reflects a national trend for the church as shown in the Episcopal Church Parochial Report (less pledgers giving more money).
5. The PPP Loan Forgiveness process for Loan #1 (\$108,396) is still in review. We are contesting Bank of America's determination that we owe \$15,000 back. The hope is the entire amount will be forgiven. A final determination should be made this month or next.
6. The Church received a \$4,000 bill from Quality Interiors after the pew cushion project was completed. The project should have been put on hold back in June due to ongoing concerns about income/expenses. A gift of \$2,000 was given to help pay off the bill. \$500 was paid by the church in November. Anne Kellett paid off the remaining amount and will be paid back at \$500 a month for the next three months.

#### **Action Items –**

- 1) MOTION: Committee recommends paying Quality Interiors \$2,000. **MSP**
- 2) MOTION: Committee recommends paying Anne Kellett in \$500 monthly payments for next three months. **MSP**
- 3) MOTION: Committee recommends year-end cash bonuses for all full and part-time employees. **MSP**

#### **New Business**

1. Rector Housing Allowance Motion to approve \$98,000 as Pastor Jocelynn's her Housing Allowance for 2022 **MSP** Attached
  2. Nominating Committee Updates- still in process.
-

Time	Item	Presenter
	3. Update on Cell Tower Proposal – Plan sent to Diocesan Finance Committee and Standing Committee to be decided by them next week. Looks positive at this point.	
	Important Dates Coming Up	
	<ol style="list-style-type: none"> <li>1. Music Concert with John Mark, Dec. 12 4:30</li> <li>2. Holden Evening Prayer, Dec. 13, 5:30 pm</li> <li>3. Christmas Eve, 4 pm music, 4:30 Family Mass</li> <li>4. Vestry meeting with the Bishop, January 10<sup>th</sup> 6:30 pm</li> <li>5. Annual Meeting, January 23 after 9:30 am service</li> </ol>	
	Closing Prayer	Jocelynn+
	<p>Lord God, you have called your servants to ventures of which we cannot see the ending, by paths as yet untrodden, through perils unknown. Give us faith to go out with good courage, not knowing where we go, but only that your hand is leading us and your love supporting us; through Jesus Christ our Lord. Amen.</p>	
7:12 pm	Adjournment	

---

Next Meeting: Monday January 10<sup>th</sup>, 6:15 pm in person

## Housing Allowance Resolution 2022

Whereas section 107 of the Internal Revenue Code permits a minister of the gospel to exclude from gross income the rental value of a rectory furnished to her as part of her compensation, and a church-designated rectory allowance represents compensation for ministerial services; is used to pay rectory-related expenses such as utilities, repairs, furnishings; and does not exceed the fair rental value of the rectory (furnished, plus utilities); and

Whereas Jocelynn Hughes is compensated by St. David’s Church exclusively for services as a minister of the gospel; be it

Resolved, that the annual compensation paid to Jocelynn Hughes for calendar year 2022 shall be \$98000, of which \$98000 is hereby designated as a rectory allowance pursuant to section 107 of the Internal Revenue Code.