

# Annual Synod Assembly

## Saturday, December 2, 2023

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Installation of the New Moderator and Vice Moderator	
Time of Appreciation and Adjournment	

## PROPOSED AGENDA

### Synod Assembly – December 2, 2023

Synod of Southern California and Hawaii  
Via Zoom

8:45 am	Zoom Room Opens	
9:00 am	Zoom Meeting Instructions	Heidi Worthen Gamble
	Welcome and Convene with Prayer	John Moser
	Worship and Communion	Yvonne Harmon
	Report / Stated Clerk	Mark Hong
	Declaration of Quorum	
	Adoption of Agenda	
	Consent Agenda	
	Treasurer's Report	Susan Skoglund
	September 31, 2023 Statements	
	Report / Finance Committee	Wendy Tajima
	Report / Restricted and Special Funds Committee	Monica Colonnier <b>ADDENDUM</b>
	Report / Partnering Grant Committee	Paul Knopf
	Reports from the Related Entities	
	Monte Vista Grove Homes	Deborah A. Herbert
	Zephyr Point Conference Center	Dick Young
	Presbyterian Camp and Conference Center Inc.	Paul Knopf
	Report / Committee on Representation and Nomination	David Won
	Report / Presbytery of San Gabriel	Wendy Tajima
	Report / Presbytery of San Fernando	Juan Sarmiento
	Report / PMA Regional Rep	Jeanie Shaw
	Report / Southern California Christian Forum	Gabriel Meyer
	Report / Presbytery of the San Diego	Sean Chow

Report / Presbytery of Los Ranchos	Tom Cramer
Report / Synod Commission of Assembly Proposed Synod Budgets for 2024	Janine Tanahuvia
Report / Committee Restructuring Task Force	N'Yisrela Watts-Afriyie
Report / The Rev. Dr. Leon Fanniel REPL	Narcissis Tucker Bishop
Report / Presbytery of Pacific	Linda Culbertson
Report / Justice, Peace, Integrity of Creation	Ann Hayman
Report / Presbytery of Santa Barbara	Jason Micheli
Report / Presbytery of Riverside	Frances Lin
Report / Synod Executive	Mark Hong
The Installation of the New Moderator & Vice Moderator	John Moser
Time of Appreciation	
Adjournment	

12:30

**Synod of Southern California and Hawaii**  
**SYNOD ASSEMBLY**  
**December 2, 2023**

**REPORT OF THE STATED CLERK**  
**Mark E. Hong**

**1. Declaration of a Quorum**

**For Action**

The Clerk recommends that the Moderator declare that a quorum is present if the following provisions are met:

Bylaws, Article IV, Structure, A. SYNOD ASSEMBLY, 9. Quorum

*A quorum of the Synod Assembly shall be **fourteen (14) commissioners**, at least **seven (7)** of whom shall be **ruling elders** and at least **seven (7)** of whom shall be **teaching elders**, representing at least **five (5) presbyteries**. Proxy voting is prohibited.*

**2. Adoption of the Agenda**

**For Action**

The Clerk recommends the adoption of the Agenda as distributed for this meeting.

**3. Corresponding Members**

**For Action**

The Clerk recommends seating any corresponding members who may be present after they have introduced themselves. The corresponding members have voice, but no vote.

**CONSENT AGENDA**

The next group of items is recommended for approval as part of a consent agenda or omnibus motion, which provides for efficient action on items that are presumed to be routine and non-controversial. All items on the consent agenda can be approved with one motion. It is important to note that any one commissioner can request that any item be removed from the consent agenda. The request does not require a second. Questions for clarification about any item may be raised without removing it from the agenda, but if a commissioner wishes to debate any item on the consent agenda it should be removed from the consent agenda.

**4. Appointment of Journal Clerk**

**For Action**

The Clerk recommends approval of appointing Heidi Worthen Gamble as Journal Clerk.

**5. Minutes of the 2022 Synod Assembly be approved**

**For Action**

**6. New board members for Zephyr Point**

**For Action**

Class of 2026: David Won (second term, PA), Sandy Thoits (SB)

**7. Moderator to appoint a three-person Task Force**

**For Action**

To approve the minutes from the 2023 Assembly.

Rationale: We need to present our 2022 and 2023 Minutes to the 2024 General Assembly, taking place in June, and the Synod Assembly will not meet until December 2024.

**8. 2023 Housing for the Executive/Stated Clerk: \$60,000**

**For Action**

**The following items are for informational purposes only:**

**9. Corporate Officers for 2024**

**For Information**

President and Commission of Assembly Chair	TE John Moser (SD)
Moderator	RE Yvonne Harmon (SG)

Vice-Moderator  
Treasurer  
Stated Clerk and Corporate Secretary

TE Sam Roberts (RS-if approved)  
RE Paul Nibarger (PA-if approved)  
TE Mark Hong (LR)

#### **10. Synod Manual of Operations**

**For Information**

The Synod has a manual of operations, a sexual misconduct policy, and a protection policy for children and youth as required by G-3.0106

#### **11. Insurance Coverage**

**For Information**

The Synod has property and liability insurance coverage as required by G-3.0112.

#### **12. Financial Review for 2022**

**For Information**

A financial review of the 2022 statements was completed by Scott Krivis & Company.

#### **13. Permanent Judicial Commission Roster**

**For Information**

The Stated Clerk as required by the Book of Order at D-5.0206b reports the names of the following members of the Synod Permanent Judicial Commission whose terms have expired in the last six years.

<u>Class of 2021</u>	<u>Class of 2019</u>	<u>Class of 2017</u>
TE Winston Presnall	TE Shelby Larson	RE Marie Castellano
TE Robert Wendel	RE Peter Lee	TE Mickie Choi
RE Janice Takeda	RE Izar Martinez	TE Peter Hintzoglou
	RE Pat Niles	

The current SPJC has handled three Remedial Cases from San Fernando, Riverside, and Santa Barbara. The case from San Fernando is now in the hands of GAPJC, and the other two are ongoing.

#### **14. The Review of the Presbytery Minutes for 2022**

**For Information**

Presbytery Minutes Review for 2022 was successfully conducted via Zoom in the month of October, attended by all Presbyteries.

#### **15. The civil court litigation**

**For Information**

Synod is named as a defendant in three sexual-misconduct cases stemming from alleged offenses taking place in 1968, 1982, and 1986. Per attorneys' advice, we are not to discuss the cases without their presence.

#### **16. Synod Meetings in 2024**

**The Commission of Assembly: March 2, June 1, October 5, December 14 (if necessary)**

**The Assembly: December 7 (Saturday)**

## Report to Synod Assembly

December 2, 2023

Treasurer, Synod of SoCal & Hi

This is my third report to the Synod as Treasurer. In 2021, we had a good year with a very good return on our investments. Our last year's report revealed a large investment loss of over \$3 million. This year, investments rebounded very modestly and Finance Committee became more actively involved in investment decisions.

The significant loss in our investment funds caused us to stop our monthly withdrawals from the Wilshire property funds and rely on cash on hand and the income from per capita payments for regular expenses. We were able to delay our drawn downs until the third quarter when we took \$70,000. We took another \$70,000 on November 15. We anticipate this will carry us through the year.

In reviewing per capita income in the Budget versus Actuals report, we see that four of our seven presbyteries are on track, two presbyteries are less than 30% paid with the remaining presbytery at slightly more than half. The \$78,000 collected through the third quarter offsets only 28% of our operating expenses through the same period.

By far, the largest source of income to meet operating expenses is the Wilshire Properties Reserve. This year to avoid realizing the losses that occurred in 2022, we took less than half of the budgeted withdrawals. These monies are currently invested with New Covenant Trust. Fortunately, expenses have stayed at or below budget with a few minor exceptions.

Of further interest is the status of the Partnering Grant Fund. Of the 3.6 million dollars allocated starting in 2015, only \$328,418 remain to be distributed to four presbyteries. Riverside, Santa Barbara and San Gabriel have used their allocations. The remaining four vary from Pacific with \$158,500 to San Fernando with \$30,000. Los Ranchos has \$95,000 and San Diego \$60,000 remaining. These funds are currently invested with New Covenant Funds. There has been some discussion of making another allocation from the Church Development Fund when the market is on a stronger footing. At third quarter ending the remaining balance of unallocated funds is \$3,310,004.14.

# The Synod of Southern California and Hawaii

## Balance Sheet

As of September 30, 2023

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1000 Cash & Cash Equivalents	
10110 Operating Chase 2956	50,548.13
10120 Restricted - Chase 3380085208	72,128.20
<b>Total 1000 Cash &amp; Cash Equivalents</b>	<b>122,676.33</b>
10200 Short Term Investments	
10220 Presbyterian Investment & Loan Program	624,249.40
10230 Charles Schwab	604,596.58
<b>Total 10200 Short Term Investments</b>	<b>1,228,845.98</b>
<b>Total Bank Accounts</b>	<b>\$1,351,522.31</b>
Accounts Receivable	
11000 Accounts Receivable (A/R)	
11030 Investment Interest Receivable	0.00
<b>Total 11000 Accounts Receivable (A/R)</b>	<b>0.00</b>
<b>Total Accounts Receivable</b>	<b>\$0.00</b>
Other Current Assets	
12000 Prepaid Expenses	0.00
13000 Other Current Assets	0.00
13001 Accounts Receivable-Others	0.00
<b>Total 13000 Other Current Assets</b>	<b>0.00</b>
<b>Total Other Current Assets</b>	<b>\$0.00</b>
<b>Total Current Assets</b>	<b>\$1,351,522.31</b>
Other Assets	
20000 Long Term Assets	
21000 Notes Receivables/Mortgage Grants	
21100 Notes Receivable	52,975.63
<b>Total 21000 Notes Receivables/Mortgage Grants</b>	<b>52,975.63</b>
22000 Unrestricted Investments - NCF	
22100 Unrestricted Reserve 1075491	757,418.51
22200 Ecclesiastical Reserve 107018	28,610.38
22300 Oiko Credit 109100000069	100,002.10
<b>Total 22000 Unrestricted Investments - NCF</b>	<b>886,030.99</b>
23000 Unrestricted Investments- NCT Council Assigned	
23100 NCTC - Wilshire Reserve 506083000164	4,325,381.22

# The Synod of Southern California and Hawaii

## Balance Sheet

As of September 30, 2023

	TOTAL
<b>Total 23000 Unrestricted Investments- NCT Council Assigned</b>	<b>4,325,381.22</b>
24000 Temporarily Restricted Investments NCF	
24100 Church Development Fund 1038031	3,648,420.14
24200 Southern California Foundation 1060390	260,573.95
24300 Langlie Fund 1033134	31,952.20
24400 Edwards Fund 1033232	27,218.93
24500 Life Income Plans - Paid in Lump Sums	24,506.20
<b>Total 24000 Temporarily Restricted Investments NCF</b>	<b>3,992,671.42</b>
25000 Permanently Restricted Funds	
25100 Pooled Presbyterian Foundation Accounts	3,018,847.88
25200 Life Income Plans - Est. Permanent Funds	22,334.33
<b>Total 25000 Permanently Restricted Funds</b>	<b>3,041,182.21</b>
27000 Fixed Assets	
27100 Furniture and Equipment	0.00
27200 Accumulated Depreciation	0.00
<b>Total 27000 Fixed Assets</b>	<b>0.00</b>
<b>Total 20000 Long Term Assets</b>	<b>12,298,241.47</b>
<b>Total Other Assets</b>	<b>\$12,298,241.47</b>
<b>TOTAL ASSETS</b>	<b>\$13,649,763.78</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
30000 Accounts Payable (A/P)	0.00
<b>Total Accounts Payable</b>	<b>\$0.00</b>
Other Current Liabilities	
31000 Other Current Liabilities	0.00
31100 Accrued Expenses	0.00
31200 Vacation / PTO Accrual	7,016.87
31300 Flexible Spending Account	3,130.72
31400 403-B Payable	1,875.00
<b>Total Other Current Liabilities</b>	<b>\$12,022.59</b>
<b>Total Current Liabilities</b>	<b>\$12,022.59</b>
<b>Total Liabilities</b>	<b>\$12,022.59</b>



# The Synod of Southern California and Hawaii

## Balance Sheet

As of September 30, 2023

	TOTAL
Equity	
40000 Net Assets	
31500 Funds Held in Trust	79,874.64
41000 Unrestricted Net Assets	334,922.08
42000 Unrestricted Net Assets - Council Designated	5,485,911.35
43000 Temporarily Restricted Net Assets	6,295,398.69
44000 Permanently Restricted Assets	2,990,762.02
<b>Total 40000 Net Assets</b>	<b>15,186,868.78</b>
Opening Balance Equity	1,226.65
Retained Earnings	-1,579,056.45
Net Income	28,702.21
<b>Total Equity</b>	<b>\$13,637,741.19</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$13,649,763.78</b>

# UNRESTRICTED RESERVE FUND

G/L		12/31/2022
Account No.	Account	YTD
Unrestricted Reserve	22100 BEGINNING BALANCE	966,007.75
001075491	76100 Market Value Change	(201,680.72)
	70135 Income Div	26.44
	70135 ST Cap Gain	920.32
	70135 Cap Gain	7,535.98
	70135 Income Reinvested	6,248.22
	70135 Shares Redeemed	(4,500.00)
	Sub Total	<u>774,557.99</u>

# **ECCLESIASTICAL FUND**

<b>Account No.</b>	<b>G/L Account</b>	<b>12/31/2022</b>
Ecclesiastical F	22200 BEGINNING BALANCE	33,460.55
1017018	76100 Market Value Change	(7,588.10)
Fund 9 use?	70135 Income Div	309.60
Inv Rev - Gen Fund	Income Reinvested	-
Int credit Qtrly	Shares Redeemed	-
	70135 Cap Gain	891.58
	Sub Total	<u>27,073.63</u>

OIKOCREDIT

G/L		
Account No.	Account	12/31/2022
Oiko Credit	22300 BEGINNING BALANCE	100,000.00
109100000069	76100 Market Value Change	0.54
	70135 Cash Disbursement	-
	70135 Income Reinvested	-
Inv Rev - Gen Fund	70135 Interest/Dividend	-
Int credit Qtrly	Sub Total	<u>100,000.54</u>
	22300	
	76100 Market Value Change	

**NEW COVENANT TRUST --WILSHIRE RESERVE FUND**

G/L		
Account No.	Account	12/31/2022
<b>NCTC - Wilshire Reserve</b>	<b>23100</b>	<b>BEGINNING BALANCE</b>
506083000164	76110	Net Money Market Activity
	70135	Receipt Transfer of Cash
	70135	Dividend
	70135	Interest
	70135	LT Capital Gain Distribution
	70135	ST Capital Gain Distribution
	70135	Gain Distributions
	70135	Disbursement Cash
	70135	Disbursement Transfer
	70135	Disbursement Fiduciary Fee
	70135	Change in Acct Activity & MV
	70135	Total Realized Gain/Loss
	70135	Unrealized Change
	23100	SUB TOTAL - Unrestricted
	23100	Net Change
	76110	Net Money Market Activity
	70135	Receipt Transfer of Cash
	70135	Dividend
	70135	Interest
	70135	LT Capital Gain Distribution
	70135	ST Capital Gain Distribution
	70135	Gain Distributions
	70135	Disbursement Cash
	70135	Disbursement Transfer
	70135	Disbursement Fiduciary Fee
	70135	Change in Acct Activity & MV
	70135	Total Realized Gain/Loss
	70135	Unrealized Change

**CHURCH DEVELOPMENT FUND**

**CHURCH DEVELOPMENT FUND- 24100**  
**Account No. 0001038031**

<b>G/L Acct</b>	<b>12/31/2022</b>
<b>24100</b> BEGINNING BALANCE	<u>4,669,438.19</u>
70120 Market Value Change	(885,292.70)
70120 Income Reinvested	42,334.33
70120 Capital Gain Reinvested	117,363.81
70120 Shortterm CG Reinvested	-
70120 Shares redeemed ACH-SD Pres	<u>(334,000.00)</u>
Sub Total - Church Development	<u>3,609,843.63</u>
	3,609,843.63
	-

24100  
70120 MV Change  
70120 Income Distribution Reinvested  
70120 Capital Gain Reinvested  
70120 Shortterm CG Reinvested

SO CAL FOUNDATION FUND

SO. CAL FOUNDATION - 24200

Account No. 0001060390

Temp Restricted

G/L Account		12/31/2022
24200	Beginning Balance	295,131.97
70160	Market Value Change	(59,368.59)
76120	Income Div - ACH	2,950.42
70160	Shortterm CG Reinvested	-
70160	Capital Gaing Reinvested	7,864.00
	Sub Total - Teporarily Restricted	246,577.80
		246,577.80
		-

Journal Entry  
24200 Net Change  
70160 Market Value Change  
76120 Income Div - ACH

**LANGLIE FUND -24300**

Account No.	G/L	Account	Langlie	12/31/2022	Mar	Jun	Sep	Dec	12/31/23
<b>LANGLIE FUND - 24300</b>	<b>24300</b>		BEGINNING BALANCE	36,189.86					-
Temp Restricted	70150		Market Value Change	(7,255.47)	1,574.73	1,096.73	(1,254.90)		1,416.56
0001033134	70150		Income Dividend	337.27	-	182.92	116.76		299.68
Any Religious or Hospital Use	70150		Shortterm CG Reinvested	-					-
	70150		Capital Gain Reinvested	964.30					-
Principal and Income Avail			SUB TOTAL - Teporarily Restricted	30,235.96	1,574.73	1,279.65	(1,138.14)	-	1,716.24
				30,235.96	31,810.69	33,090.34	31,952.20	31,952.20	
				-					
					JE	JE	JE	JE	
	24300		Net change		1,574.73	1,279.65	(1,138.14)	-	
	70150		Market Value Change		(1,574.73)	(1,096.73)	1,254.90	-	
	70150		Income Dividend		-	(182.92)	(116.76)	-	
	70150		Shortterm CG Reinvested		-	-	-	-	
	70150		Capital Gain Reinvested		-	-	-	-	
					-	0.00	(0.00)	-	



EDWARDS FUND

EDWARDS FUND - 24400

Temp Restricted  
0001033232

G/L Account	12/31/2022
24400 Beginning Balance	30,828.80
70155 Market Value Change	(6,180.63)
70155 Income Dividend	287.30
70155 ST Capital Reinvested	-
70155 Capital Gain Reinvested	821.46
Sub Total - Teporarily Restricted	25,756.93

	Journal Entry
24400	Net Change
70155	Market Value Change
70155	Income Dividend
70155	ST Capital Reinvested
70155	Capital Gain Reinvested

Account No.	G/L Account		3/31/23		6/30/23		9/30/23	
Unrestricted Reserve 001075491	22100 76100 70135 70135 70135 70135 70135	BEGINNING BALANCE Market Value Change Income Div ST Cap Gain Cap Gain Income Reinvested Shares Redeemed Sub Total	774,557.99 54,540.62 8.07 - - - -		829,106.68 62,107.36 8.44 - - 1,539.06 (106,000.00)		786,761.54 (29,351.98) 8.95 - - - -	
			<u>829,106.68</u>		<u>786,761.54</u>		<u>757,418.51</u>	
Ecclesiastical Reserve 1017018	22200 76100	BEGINNING BALANCE Market Value Change	27,073.63 1,410.03		28,483.66 982.04		29,629.48 (1,123.65)	
Fund 9 use? Inv Rev - Gen Fund Int credit Qtrly	70135	Income Div Income Reinvested Cap Gain Sub Total	- - - 28,483.66		163.78 - - 29,629.48		104.55 - - 28,610.38	
Oiko Credit 10910000069	22300 76100 70135 70135	BEGINNING BALANCE Market Value Change Cash Disbursement Income Reinvested	100,000.54 - - -		100,000.54 (500.00) 500.00 500.00		100,500.89 498.45 (500.89) (498.45)	
Inv Rev - Gen Fund Int credit Qtrly	70135	Interest/Dividend Sub Total	- 100,000.54	957,590.88	0.35 100,500.89	916,891.91	2.10 100,002.10	886,030.99
NCTC - Wilshire Reserve 506083000164 Unrestricted	23100 76110	BEGINNING BALANCE Net Money Market Activity Receipt Transfer of Cash Interest Dividend ST Capital Gain Distribution LT Capital Gain Distribution Gain Distributions Disbursement Fiduciary Fee Disbursement Transfer Disbursement Cash Change in Acct Activity & MV Total Realized Gain/Loss Unrealized Change Sub Total	4,217,785.80 - - 14,084.33 1,004.29 - - - - - - (7,109.12) - - 170,026.91 4,395,792.21	4,395,792.21	4,395,792.21 - - 22,085.06 1,393.62 - - - - - - (7,196.26) - 16,317.07 123,067.85 4,551,459.55	4,551,459.55	4,551,459.55 - 4,836.25 19,174.70 1,696.83 - - - - (70,000.00) (4,836.25) (7,280.44) - - (169,669.42) 4,325,381.22	4,325,381.22
Church Development 0001038031 Temp Restricted	24100 76120	BEGINNING BALANCE Market Value Change Income Reinvested Capital Gain Reinvested Shortterm CG Reinvested Shares redeemed ACH Sub Total	3,609,843.63 188,005.20 - - - - 3,797,848.83		3,797,848.83 149,089.99 21,838.08 - - (203,866.33) 3,764,910.57		3,764,910.57 (129,775.53) 13,285.10 - - - 3,648,420.14	
So Cal Foundation 0001060390 Temp Restricted See to the Right Income Only	24200 76120	BEGINNING BALANCE Market Value Change Income Div - ACH Shortterm CG Reinvested Capital Gaing Reinvested Sub Total	246,577.80 12,842.08 - - - 259,419.88		259,419.88 10,425.72 10.00 - - 269,855.60		269,855.60 (10,233.88) 952.23 - - 260,573.95	
Langlie Fund 1033134 Temp Restricted Religious or Hospital use Principal and Income Avail Principal and Income Avail	24300 76120	BEGINNING BALANCE Market Value Change Income Dividend Shortterm CG Reinvested Capital Gain Reinvested Sub Total	30,235.96 1,574.73 - - - 31,810.69		31,810.69 1,096.73 182.92 - - 33,090.34		33,090.34 (1,254.90) 116.76 - - 31,952.20	
Edwards Fund 1033232 Temp Restricted	24400 76120	Beginning Balance Market Value Change Income Dividend ST Capital Reinvested Capital Gain Reinvested Sub Total	25,756.93 1,341.45 - - - 27,098.38		27,098.38 634.27 155.82 - - 27,888.47		27,888.47 (769.01) 99.47 - - 27,218.93	
Life Income Plans Temp Restricted 313567	24500 76120	BEGINNING BALANCE Market Value Change Sub Total	23,171.06 906.03 24,077.09	4,140,254.87	24,077.09 429.11 24,506.20	4,120,251.18	24,506.20	3,992,671.42
GRAND TOTALS			<u>9,493,637.96</u>		<u>9,588,602.64</u>		<u>9,204,083.63</u>	

# The Synod of Southern California and Hawaii

## Budget vs. Actuals: 2023 Budget - FY23 P&L

January - September, 2023

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Income</b>				
52000 Per Capita				
52100 Los Ranchos	23,181.90	18,521.46	4,660.44	125.16 %
52110 Pacific	26,634.21	17,781.84	8,852.37	149.78 %
52120 Riverside	4,463.85	5,660.10	-1,196.25	78.87 %
52130 San Fernando	11,305.95	9,020.25	2,285.70	125.34 %
52140 San Gabriel		9,695.70	-9,695.70	
52150 Santa Barbara	2,225.92	7,816.86	-5,590.94	28.48 %
52160 San Diego	10,672.89	18,874.17	-8,201.28	56.55 %
52990 Uncollectible PCA		-29,705.94	29,705.94	
<b>Total 52000 Per Capita</b>	<b>78,484.72</b>	<b>57,664.44</b>	<b>20,820.28</b>	<b>136.11 %</b>
55110 Chaplaincy-PF Olmstead	20,726.45	19,874.97	851.48	104.28 %
55120 JPIC	1,729.38		1,729.38	
55130 LEF REPL	407.98	6,000.03	-5,592.05	6.80 %
55160 Foundation Pass Through Grants	13,978.01	20,774.97	-6,796.96	67.28 %
55165 Investment Dividend/Interest	1,557.25	2,999.97	-1,442.72	51.91 %
55580 General Fund Use				
54000 Misc Inc	15,843.88		15,843.88	
55560 Dividend from Foundation for General Fund	5,948.75	6,599.97	-651.22	90.13 %
55570 Wilshire Properties Reserve Fund	70,000.00	245,277.63	-175,277.63	28.54 %
<b>Total 55580 General Fund Use</b>	<b>91,792.63</b>	<b>251,877.60</b>	<b>-160,084.97</b>	<b>36.44 %</b>
<b>Total Income</b>	<b>\$208,676.42</b>	<b>\$359,191.98</b>	<b>\$ -150,515.56</b>	<b>58.10 %</b>
<b>GROSS PROFIT</b>	<b>\$208,676.42</b>	<b>\$359,191.98</b>	<b>\$ -150,515.56</b>	<b>58.10 %</b>
<b>Expenses</b>				
Budgeted Expense				
60000 Operating Expenses				
62100 Payroll				
62110 Salaries & Wages - Administrative	150,726.06	150,725.97	0.09	100.00 %
62111 Salaries & Wages -REPL	6,261.84	6,261.84	0.00	100.00 %
62120 Pension & Medical	46,798.74	50,634.63	-3,835.89	92.42 %
62130 FICA	4,545.72	4,806.63	-260.91	94.57 %
62140 Workers Compensation	-300.00	825.03	-1,125.03	-36.36 %
62150 Study Leave		4,050.00	-4,050.00	
<b>Total 62100 Payroll</b>	<b>208,032.36</b>	<b>217,304.10</b>	<b>-9,271.74</b>	<b>95.73 %</b>
62300 Office Expenses				
62310 Office Supplies	805.10	675.00	130.10	119.27 %
62315 Postage & Delivery	446.47	450.00	-3.53	99.22 %
62320 Communication	1,074.84	2,469.78	-1,394.94	43.52 %
62325 Equip Maint	492.74	375.03	117.71	131.39 %
62330 Equipment Leases	7,407.87	5,249.97	2,157.90	141.10 %
62333 Equipment Purchased		749.97	-749.97	
62335 Rent	1,082.87	2,580.75	-1,497.88	41.96 %

# The Synod of Southern California and Hawaii

## Budget vs. Actuals: 2023 Budget - FY23 P&L

January - September, 2023

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
62345 Gen Liab & Prop Ins	3,173.25	2,999.97	173.28	105.78 %
62350 Taxes, Licenses & Fees	300.00	450.00	-150.00	66.67 %
62355 Dues & Subscriptions	965.61	150.03	815.58	643.61 %
62515 Bank	160.60	74.97	85.63	214.22 %
62990 Miscellaneous Expenses	1,263.25	375.03	888.22	336.84 %
<b>Total 62300 Office Expenses</b>	<b>17,172.60</b>	<b>16,600.50</b>	<b>572.10</b>	<b>103.45 %</b>
62400 Meetings				
62360 Exec Mileage & Travel	12,942.58	16,499.97	-3,557.39	78.44 %
62370 Employee Mile & Travel	562.99	2,250.00	-1,687.01	25.02 %
62402 REPL		74.97	-74.97	
62403 COA		225.00	-225.00	
62404 Work Groups		150.03	-150.03	
62405 Polity & Records		150.03	-150.03	
62406 Committee on Rep & Nominations		150.03	-150.03	
62407 Permanent Judicial Commission		375.03	-375.03	
62409 Synod Assembly		749.97	-749.97	
62411 Synod Moderator Training & Travel		1,199.97	-1,199.97	
<b>Total 62400 Meetings</b>	<b>13,505.57</b>	<b>21,825.00</b>	<b>-8,319.43</b>	<b>61.88 %</b>
62550 Professional Services				
62500 Audit	7,500.00	5,850.00	1,650.00	128.21 %
62510 Legal	9,355.15	9,000.00	355.15	103.95 %
62520 Technical Support		450.00	-450.00	
62551 Payroll Fee	2,197.58	2,250.00	-52.42	97.67 %
62552 Website Maintenance	2,500.00	2,362.50	137.50	105.82 %
62553 Hardware & Software Maintenance	1,199.94	2,999.97	-1,800.03	40.00 %
62800 Training & Conference	1,323.82	10,500.03	-9,176.21	12.61 %
<b>Total 62550 Professional Services</b>	<b>24,076.49</b>	<b>33,412.50</b>	<b>-9,336.01</b>	<b>72.06 %</b>
62750 Special Program				
61600 Missioninsite	6,734.25	6,750.00	-15.75	99.77 %
62700 Gift		1,874.97	-1,874.97	
62710 Monte Vista Grove Fndraiser		900.00	-900.00	
62751 Presbytery of Pacific - HI Delegates	1,152.41	4,875.03	-3,722.62	23.64 %
62752 Ecumenical (SCalForum)	9,000.00	9,500.01	-500.01	94.74 %
<b>Total 62750 Special Program</b>	<b>16,886.66</b>	<b>23,900.01</b>	<b>-7,013.35</b>	<b>70.66 %</b>
<b>Total 60000 Operating Expenses</b>	<b>279,673.68</b>	<b>313,042.11</b>	<b>-33,368.43</b>	<b>89.34 %</b>
61000 Program Services				
61100 JPIC	3,500.00		3,500.00	
61200 Racial Ethnic Pastoral Leadership	6,000.00	6,000.03	-0.03	100.00 %
61300 Chaplaincy Consortium	22,083.30	19,875.01	2,208.29	111.11 %
61710 Witness for Peace	2,955.26	9,000.00	-6,044.74	32.84 %
61720 Union Station Foundation	1,880.62	5,474.97	-3,594.35	34.35 %
61730 Franciscan Friars JPIC	1,880.62	5,474.97	-3,594.35	34.35 %

# The Synod of Southern California and Hawaii

## Budget vs. Actuals: 2023 Budget - FY23 P&L

January - September, 2023

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
61740 La Casa de SG Comm Center	152.98	450.00	-297.02	34.00 %
61750 Presbyterian Women	0.00	375.03	-375.03	0.00 %
<b>Total 61000 Program Services</b>	<b>38,452.78</b>	<b>46,650.01</b>	<b>-8,197.23</b>	<b>82.43 %</b>
<b>Total Budgeted Expense</b>	<b>318,126.46</b>	<b>359,692.12</b>	<b>-41,565.66</b>	<b>88.44 %</b>
Non Budgeted				
70000 Restricted/Unrestricted Special Programs				
55565 Restricted Dividend/Interest	-10,237.21		-10,237.21	
70115 Investment Revenue-Temporary Restricted-Pooled and Unitrust Funds	-1,335.14		-1,335.14	
70125 PLIP McKee Funds	-10,258.40		-10,258.40	
70130 Wilshire Properties Reserve Funds	-333,673.75		-333,673.75	
70135 Revenue Reinvested-Gen And Adm	226,059.21		226,059.21	
70140 Revenue Reinvested-Restricted Account	-104.55		-104.55	
70150 Revenue Reinvested - Langlie Fund	-1,716.24		-1,716.24	
70155 Revenue Reinvested - Edwards Fund	-1,462.00		-1,462.00	
70160 Reinvested Revenue - So Cal Foundation	-13,043.92		-13,043.92	
76000 Unrealized Gain (Loss) On Investment				
70120 Church Development Fund	-38,576.51		-38,576.51	
76100 Unrestricted Investments	14,601.19		14,601.19	
76120 Temporarily Restricted Investments	171.42		171.42	
76130 Permanently Restricted Investments	-17,425.00		-17,425.00	
<b>Total 76000 Unrealized Gain (Loss) On Investment</b>	<b>-41,228.90</b>		<b>-41,228.90</b>	
<b>Total 70000 Restricted/Unrestricted Special Programs</b>	<b>-187,000.90</b>		<b>-187,000.90</b>	
72600 Grants				
55140 Unrestricted Reserve 1075491	-56,000.00		-56,000.00	
55151 Partnering Grant	-203,866.33		-203,866.33	
61400 Partnering Grants	213,866.33		213,866.33	
61505 Grants - Chase Saving	51,453.92		51,453.92	
61540 Unrestricted Reserve 10754 Grant	56,000.00		56,000.00	
61800 KPC Grant - Chase	700.00		700.00	
72602 Chaplaincy SF - Chase	11,328.90		11,328.90	
72611 Grants funded - Chase savings	-53,000.00		-53,000.00	
<b>Total 72600 Grants</b>	<b>20,482.82</b>		<b>20,482.82</b>	
<b>Total Non Budgeted</b>	<b>-166,518.08</b>		<b>-166,518.08</b>	
<b>Total Expenses</b>	<b>\$151,608.38</b>	<b>\$359,692.12</b>	<b>\$ -208,083.74</b>	<b>42.15 %</b>
NET OPERATING INCOME	<b>\$57,068.04</b>	<b>\$ -500.14</b>	<b>\$57,568.18</b>	<b>-11,410.41 %</b>
NET INCOME	<b>\$57,068.04</b>	<b>\$ -500.14</b>	<b>\$57,568.18</b>	<b>-11,410.41 %</b>

SYNOD OF SOUTHERN CALIFORNIA AND HAWAII  
Foundation Accounts  
9-2023-25100

**Permanently Restricted:**

<b>New</b>	
<b>ACCOUNT NO.</b>	<b>Fund Name</b>
102240000219	James McCreight
102240000222	Lillian Mc Elhaney
102240000232	Marie Messick
102240000240	G.Walter Monroe
102240000294	Frances Greenlee Memorial Fund
102240000352	Ralph & Beulah Speelmon
102240000457	Rex & Laura Lane 1976
102240001001	Alberta Fund
102240004054	Elias Family (4/4)
102240004068	Alfred A & Jody Gregory Fund
102240004070	Alfred & Jody Gregory Family FD 1
102240004133	Josephine Leonard
102240004708	Stewart Lacy Mem Scholarship
102240004787	Scott McFarland Memorial FD-19
102240004982	Berger Memorial FD-1987 4
102240005061	Dorcas Davis 1986 (7/20)
102240005066	Dorcas Davis 1986(12/20)
102240005257	Addison S & Flora Moore H Fund
102240005337	Clifford & Miriam Drury
102240005383	Trinidad Salazar Memorial Fund
102240005701	Gladys Whitmore Fund 2
102240005891	A&A Smith Memorial
102240005926	Racial Ethnic Pastoral Fund
102240005946	Olmstead Trust
102240006050	Black Advisory Comm.
102240070027	Elias Family Memorial Fund
102240070030	Elias Family Memorial Fund
102240070587	Sam & Mildred Rue Fund
102240070798	Dorcas Davis Mem Fnd-2002
102240095020	Youth Opportunity Fund
102240100854	Dorothy H. Arnim
102240101570	Ray & Leatrice Thurston
102240101619	Rex & Laura Lane 1999
102240101747	Choate McClellan Family
102240102053	Curtis Fund 12/3/2001
102240200516	Van H & Olive M Eakes
102240200772	Rex & Laura Lane Mem Fnd '06
102240201908	Hessel-Wonder Family Mem Fnd
102240202290	Elias Family Memorial Fund
102240202291	Elias Family Memorial Fund
102240202303	Elias Family Memorial Fund
102240202307	Elias Family Memorial Fund
102240202527	Bates-Coon Family Mem Fund
102240202774	Bates-Coon Trust Fund
102241004023	Anonymous Fund #8
<b>Total Permanently Restricted</b>	

Permanent Funds with Income Benefiting Synod of Southern California and Hawaii -

Fund ID	Fund Description	Fund Open Date	Agreement No	Market Value 12/31/22	Market Value 9/30/23	Change in FMV	Fund Use
102240000222	Lillian McElhane Memorial Fund-35416	6/30/1980	19801028	17,406.35	17,447.33	(497.39)	Capital Expense
102240000232	Marie D. Messick Memorial Fund-34273	3/30/1973	19730755	18,008.92	18,051.31	(514.62)	General Fund
102240000294	Francis Greenlee Memorial Fund-33403	12/15/1967	19670622	8,822.89	8,843.68	(252.12)	REPL
102240000352	Ralph M. and Beulah Speelman Memorial Fund-32993	12/31/1973	19640092	10,721.25	10,746.50	(306.36)	General Fund
102240001001	The Alberta Fund-34447	5/25/1975	19750527	2,717.52	2,723.90	(77.66)	General Fund
102240004054	Elias Family Memorial Fund-34069	9/30/1979	19720539	44,624.33	44,729.45	(1,275.17)	33% - Disaster Relief 67% - Neighborhood Centers, Campers, church day care center, hospital chaplaincies
102240004068	Alfred A. and Jody Gregory Fund-34730	3/28/1977	19715546	102,857.87	103,100.12	(2,939.20)	Urban work
102240004070	Alfred A. and Jody Gregory Family Fund-34732	3/28/1977	19770605	161,952.82	162,334.25	(4,627.88)	General Fund
102240004787	O. Scott and Ila W. McFarland Memorial Fund-36521	12/19/1986	19860656	13,917.05	13,949.83	(397.70)	Partnering Grant
102240005383	Trinidad Salazar Memorial Fund-37116	7/17/1989	19890618	20,845.52	20,894.61	(595.67)	Hispanic Ministry
102240005891	Albert E. and Avanelle M. Smith Memorial Fund-36839	9/30/1992	19880067	11,794.80	11,822.58	(337.04)	Hungry and homeless
102240005926	Racial Ethnic Pastoral Scholarship Fund-38372	10/22/1992	19920662	151,706.70	160,958.70	1,740.45	REPL - Scholarship
102240005946	Olmstead Trust-38371	1/11/1900	19920661	696,841.38	698,482.43	(19,912.60)	Chaplaincy Consortium
102240006050	Black Advisory Committee Fund-38965	8/12/1993	19930647	9,835.86	10,146.73	(90.04)	Black Advisory Committee
102240070027	Elias Family Memorial Fund-34064	11/7/2002	19720538	14,820.52	14,855.42	(423.50)	Neighborhood Centers, Campers, church day care center, hospital chaplaincies
102240070030	Elias Family Memorial Fund-34067	11/7/2002	19720538	9,866.46	9,897.56	(282.15)	Disaster Relief
102240070587	Samuel C. and Mildred L. Rue Fund-34457	2/19/2003	19750549	31,994.59	32,069.95	(914.26)	General Fund
102240070798	The Synod of Southern California & Hawaii's Dorcas Davis Memorial Fund - 2002-30645	5/8/2003	20030120	677,731.32	679,327.37	(19,366.53)	28% - JPIC 28% - Union Station 44% - Witness for Peace
102240101747	Choate - McClellan Family Memorial Fund-45632	5/19/2000	20000223	6,460.57	6,475.79	(184.62)	La Casa de San Gabriel
102240202290	Elias Family Memorial Fund-55976	10/31/2009	19790301	54,035.03	54,162.29	(1,544.08)	Disaster Relief
102240202291	Elias Family Memorial Fund-55977	10/31/2009	19790301	108,070.13	108,324.61	(3,088.18)	Neighborhood Centers, Campers, church day care center, hospital chaplaincies
102240202303	Elias Family Memorial Fund-57953	10/31/2009	19720537	25,313.14	25,372.74	(723.34)	Neighborhood Centers, Campers, church day care center, hospital chaplaincies
102240202307	Elias Family Memorial Fund-57957	10/31/2009	19720537	12,656.55	12,686.36	(361.67)	Disaster Relief
102241004023	Anonymous No. 8 - 2 of 3 - Southern California Foundation-32840	6/30/1986	19624841	5,332.12	5,344.65	(152.38)	General Fund
<b>Total Presbytery Foundation</b>				<b>2,218,333.69</b>	<b>2,232,748.16</b>	<b>(57,123.71)</b>	
				784,380.28	786,099.72	(22,485.06)	
Per GL				<b>3,002,713.97</b>	<b>3,018,847.88</b>	<b>(79,608.77)</b>	
102240100648	Betty W. Moore Memorial Fund-36299	10/31/1995	19850417	8,975.89	8,997.02	(256.49)	La Casa de San Gabriel
102240101592	Albert E. and Avanelle M. Smith Memorial Fund-36832	9/30/1992	19880067	11,790.25	11,817.98	(336.92)	Presbyterian Women of the Synod
102240101978	Rose M. Baguez Memorial Fund-36846	7/24/2001	19880075	12,187.98	12,216.66	(348.28)	Hispanic Ministry

**Presbyterian Foundation Restricted Funds (Direct Distributions) Balance**

Fund ID	Fund Description	Agreement No	Market Value 12/31/22	Market Value 9/30/23	Change in FMV	Fund Restrictions
102240000219	Dr. James T. McCreight Memorial Fund-34573	19760537	6,933.07	6,949.41	(198.10)	For its use in the care and support of retired ministers, missionaries and/or full-time lay persons who have been workers or employees and/or the spouses of same of the United Presbyterian Church in the USA who live in Presbyterian-related retirement facilities within the boundaries of said Synod. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240000240	G. Walter Monroe Memorial Fund-90424	19835375	1,290.58	1,293.25	(36.86)	For the purposes of Christian Education. Support the operation of Presbyterian Camps & Conference Center
102240000457	Rex and Laura Lane Memorial Fund-33496	19680154	153,817.31	154,179.55	(4,395.40)	to support the operation of Presbyterian camps & Conferences center
102240004133	Josephine W. Leonard Fund-34431	19750504	3,874.37	3,883.50	(110.72)	For support of retired ministers, missionaries, full-time lay persons who have been workers or employees and/or spouses of same of The United Presbyterian Church in the U.S.A. who live in Presbyterian-related retirement facilities within the boundaries of said Synod. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240004708	Stewart Lacy Memorial Scholarship Fund-37551	19860638	4,087.35	3,969.51	(187.85)	to support the operation of Presbyterian camps & Conferences center
102240004982	Carl E. Berger and Florence L. Berger Memorial Fund-34444	19750525	17,930.35	17,972.57	(512.37)	For the support of the work of the Church in the care of retired clergy and missionaries, and other provisions for the elderly in Southern California. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240005061	Dorcas D. Davis Memorial Fund - 7-36510	19860651	197,638.05	198,103.49	(5,647.61)	To support its work with the Witness for Peace - Pacific Southwest Region, 3782 Holden Avenue, Los Alamitos, California, 90720, to support their work among refugees, and for the oppressed or needy in the United States of America and the world.
102240005066	Dorcas D. Davis Memorial Fund - 12-36513	19860651	123,523.82	123,814.71	(3,529.76)	To support its [Synod of Southern California & Hawaii] work with Pasadena Union Station, 132 North Euclid Street, Pasadena, California, 91101, to support activities which provide any or all of the following: shelter, food, counseling, job placement or emergency care to people in need. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240005257	Addison S. and Flora H. Moore Fund-34432	19750508	12,584.07	12,613.72	(359.59)	The net income only therefrom shall be paid in quarterly payments to the Synod of Southern California for Support of Retired ministers, missionaries, full-time lay persons who have been workers or employees, and/or the spouses of same, of The United Presbyterian Church in the U.S.A. who live in Presbyterian-related retirement facilities within the boundaries of said Synod. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240005337	Clifford M. and Miriam L. Drury Fund-34452	19750532	3,578.82	3,587.26	(102.26)	To the Synod of Southern California of The United Presbyterian Church in the U.S.A., for support of retired servants of The United Presbyterian Church in the U.S.A., or their spouses, who live in Presbyterian-related retirement facilities within the boundaries of said Synod. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240005701	Dr. Gladys Whitmore Memorial Fund 2-34559	19760514	5,829.20	5,842.92	(166.58)	For its [Synod of Southern California] use in the care and support of retired ministers, missionaries and/or full-time lay persons who have been workers or employees and/or the spouses of same of the United Presbyterian Church in the USA who live in Presbyterian-related retirement facilities within the boundaries of said Synod. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240095020	Youth Opportunity Fund-53463	19710506	3,326.32	3,334.17	(95.06)	to support the operation of Presbyterian camps & Conferences center
102240100854	Dorothy H. Arnim Fund-34557	19760507	3,292.66	3,300.41	(94.08)	For its [Synod of Southern California] use in the care and support of retired ministers, missionaries and/or full-time lay persons who have been workers or employees and/or the spouses of same of The United Presbyterian Church in the USA who live in Presbyterian-related retirement facilities within the boundaries of said Synod. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240101570	Ray L. and Leatrice I. Thurston Memorial Fund-36952	19880642	4,698.65	4,709.73	(134.26)	shall use its proportionate share of the said net income for camp development. If there is no development need then it is to be used for maintenance. Zephy Point Conference Center
102240101619	Rex and Laura Lane Memorial Fund-34167	19730508	30,570.48	30,642.46	(873.58)	to support the operation of Presbyterian camps & Conferences center
102240102053	Curtis Fund-47459	20010593	57,079.81	57,214.24	(1,631.08)	For the relief and benefit of deserving aged persons residing in Southern California and who need the same and who are chosen by said Synod in its discretion. Monte Vista Grove Homes and Westminster Garden Home a 50% - 50% basis. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240200516	Van H. and Olive M. Eakes Memorial Fund-52958	19939063	4,124.69	4,134.41	(117.85)	For support of retired ministers, missionaries, and full-time lay persons who have been workers or employees and/or the spouses of same of the Presbyterian Church (U.S.A.) who live in a Presbyterian-related retirement facility. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240200772	Rex and Laura Lane Memorial Fund-53341	19680536	64,515.93	64,667.88	(1,843.56)	to support the operation of Presbyterian camps & Conferences center
102240201908	Hessel-Wonder Family Memorial Fund-53156	19910522	30,926.44	30,999.27	(883.74)	For support of retired ministers, missionaries, and full-time lay persons who have been workers or employees and/or the spouses of the same of the Presbyterian Church (USA) who live in a Presbyterian-related retirement facility located in Pasadena. [effective April 2015 Synod of Southern California and Hawaii requested we pay the income from this fund directly to Monte Vista Grove Homes on their behalf.]
102240202527	Bates-Coon Family Memorial Fund-56268	19900312	11,474.16	11,501.17	(327.87)	For the support of the Presbyterian Camps & Conference center, Camperships for minority or disadvantaged youth. If this ministry no longer exists, then said income shall be used for purposes as similar as possible to the original intent of donor.
102240202774	Bates-Coon Trust Fund-101208	20120038	43,284.15	43,386.09	(1,236.88)	For the support of the Presbyterian Camps & Conference center, Camperships for minority or disadvantaged youth. If this ministry no longer exists, then said income shall be used for purposes as similar as possible to the original intent of donor.
<b>Totals</b>			<b>784,380.28</b>	<b>786,099.72</b>	<b>(22,485.06)</b>	



**Synod of Southern California Hawaii  
2023 Partnering Grant**

	Totals	Los Ranchos	San Fernando	San Gabriel	Riverside	San Diego	Santa Barbara	Pacific
Fund allocation	2,400,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00
Additional approved fund allocation	1,200,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00
Reallocation of Hanmi Funds	-	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
<b>Sub-totals</b>	<b>3,600,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>
<b>Fund usage/allotment:</b>								
2015 Grants Allocation	(1,676,801.67)	(300,000.00)	(375,000.00)	(240,668.00)	(166,133.67)	(145,000.00)	(450,000.00)	-
<b>2016 Grants</b>								
Boyle Heights Mission Hub ck 1333	(15,000.00)	(15,000.00)						
Shower Ministry Garden Grove ck 1333	(20,000.00)	(20,000.00)						
Cyclical Los Ranchos ck 1333	(50,000.00)	(50,000.00)						
Anchor City Church apprvd by COA on 9/17/16 ck 1165 issued 9/27/16	(25,000.00)					(25,000.00)		
2016 Grants Allocation	(110,000.00)	(85,000.00)	-	-	-	(25,000.00)	-	-
<b>2017 Grants</b>								
1st Inglewood	(10,000.00)							(10,000.00)
Westminster	(7,500.00)							(7,500.00)
Bridge at Union Church	(35,000.00)							(35,000.00)
1st Pres Altadena ck 1376 issued 3/14/17	(16,666.00)			(16,666.00)				
2015 Grants Allocation	(69,166.00)	-	-	(16,666.00)	-	-	-	(52,500.00)
<b>2018 Grants</b>								
Bridge at Union Church	(25,000.00)							(25,000.00)
Korean Hope Church ck 1624	(28,000.00)							
KIPC Artesia ck 1624	(25,000.00)							
Reclass to Chaplaincy Fund	(75,000.00)		(75,000.00)					
Confessing Korean Church ck 1683	(28,625.00)							
SB Mission Fair	(5,000.00)						(5,000.00)	
Joshua Initiative	(15,000.00)							(15,000.00)
CPG - Korean Good Shepherd PC ck 1746 issued 10/23/18	(45,000.00)							
CPG - Pasadena PC ck 1745 issued 10/23/18	(25,000.00)							
Korean United (PA)	(20,875.00)							
2018 Grant Allocation	(292,500.00)	-	(75,000.00)	-	-	-	(5,000.00)	(40,000.00)
<b>2019 Grant</b>								
P Korean United ck 1788 issued 2/25/19	(11,250.00)							
P Hosanna ck 1789 issued 2/25/19	(11,250.00)							
P Honolulu ck 1789 issued 2/25/19	(11,250.00)							
LR Community Bellflower ck 1787 issued 2/25/19	(11,250.00)							
LR Woori ck 1787 issued 2/25/19	(11,250.00)							
LR Orange Canaan ck 1787 issued 2/25/19	(11,250.00)							
SD Korean United ck 1853	(13,750.00)					(13,750.00)		
P Faith PC ck 1790 issued 2/25/19	(24,000.00)							(24,000.00)
P Bethesda ck 1790 issued 2/25/19	(10,000.00)							(10,000.00)
P Westminster ck 1790 issued 2/25/19	(10,000.00)							(10,000.00)
SD Ebenezer Church ck 1803 issued 3/13/19	(50,000.00)					(50,000.00)		
First Pres of Inglewood ck 1873 issued 7/16/19	(15,000.00)							(15,000.00)
2019 Grant Allocation	(190,250.00)	-	-	-	-	(63,750.00)	-	(59,000.00)
<b>2020 Grant</b>								
Korean ministry adjust to Chase Restricted	-							
SG Pasadena Presb Church Relaunch SLM ck 1960 1/17/20	(26,000.00)			(26,000.00)				
P of SD Anchor City Church (NWC)	(25,000.00)					(25,000.00)		
PoR Stonewall Ministries (NWC) matching grant	(15,000.00)				(15,000.00)			
PofP Faith Presbyterian Church (2nd Generation)	(20,000.00)							(20,000.00)
PofP Fund for Ministry Innovation - (Post pandemic 54 church & 2NWC)	(125,000.00)							(125,000.00)
Presbytery of San Gabriel - Rowland Height Pres	(24,000.00)			(24,000.00)				
2020 Grant Allocation	(235,000.00)	-	-	(50,000.00)	(15,000.00)	(25,000.00)	-	(145,000.00)
<b>2021 Grant</b>								
Presbytery of Pacific - NWC: Beloved Everybody Church 2/13/21	(15,000.00)							(15,000.00)
San Gabriel Presbytery Lincoln Corridor Pasadena (Altadena) 6/15/21	(50,000.00)			(50,000.00)				
2021 Grant Allocation	(65,000.00)	-	-	(50,000.00)	-	-	-	(15,000.00)
<b>2022 Grant</b>								
Presbytery of SD Cyclical San Diego - New Worshiping Communities	(50,000.00)	-	-	-	-	(50,000.00)	-	
First Presbyterian Church Redlands (Riverside Pby)	(120,000.00)	-	-	-	(120,000.00)	-	-	
Temple City NWC	(28,000.00)	-	-	(28,000.00)	-	-	-	
Interwoven NWC	(25,000.00)	-	-	(25,000.00)	-	-	-	
Fletcher Hills Presbyterian Church	(31,000.00)	-	-	-	-	(31,000.00)	-	
Westminster Presbyterian Church	(35,000.00)	-	-	-	-	(35,000.00)	-	
First Presbyterian Church, El Cajon	(45,000.00)	-	-	-	-	(45,000.00)	-	
2022 Grant Allocation	(334,000.00)	-	-	(53,000.00)	(120,000.00)	(161,000.00)	-	-
<b>2023 Grant</b>								
<b>2023 Grant Allocation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Allocated</b>	<b>(2,972,717.67)</b>	<b>(385,000.00)</b>	<b>(450,000.00)</b>	<b>(410,334.00)</b>	<b>(301,133.67)</b>	<b>(419,750.00)</b>	<b>(455,000.00)</b>	<b>(311,500.00)</b>
<b>Net Remaining Allocated Balance as of 3/31/23</b>	<b>627,282.33</b>	<b>95,000.00</b>	<b>30,000.00</b>	<b>69,666.00</b>	<b>178,866.33</b>	<b>60,250.00</b>	<b>25,000.00</b>	<b>168,500.00</b>
<b>Church Development Unallocated Balance</b>	<b>3,170,566.50</b>							
<b>Church Development Fund Balance at 3/31/23</b>	<b>3,797,848.83</b>							

**Synod of Southern California Hawaii  
2023 Partnering Grant**

	Totals	Los Ranchos	San Fernando	San Gabriel	Riverside	San Diego	Santa Barbara	Pacific
Fund allocation	2,400,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00
Additional approved fund allocation	1,200,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00
Reallocation of Hanmi Funds	-	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Sub-totals	3,600,000.00	480,000.00	480,000.00	480,000.00	480,000.00	480,000.00	480,000.00	480,000.00
Fund usage/allotment:								
2015 Grants Allocation	(1,676,801.67)	(300,000.00)	(375,000.00)	(240,668.00)	(166,133.67)	(145,000.00)	(450,000.00)	-
2016 Grants								
Boyle Heights Mission Hub ck 1333	(15,000.00)	(15,000.00)						
Shower Ministry Garden Grove ck 1333	(20,000.00)	(20,000.00)						
Cyclical Los Ranchos ck 1333	(50,000.00)	(50,000.00)						
Anchor City Church apprvd by COA on 9/17/16 ck 1165 issued 9/27/16	(25,000.00)					(25,000.00)		
2016 Grants Allocation	(110,000.00)	(85,000.00)	-	-	-	(25,000.00)	-	-
2017 Grants								
1st Inglewood	(10,000.00)							(10,000.00)
Westminster	(7,500.00)							(7,500.00)
Bridge at Union Church	(35,000.00)							(35,000.00)
1st Pres Altadena ck 1376 issued 3/14/17	(16,666.00)			(16,666.00)				
2015 Grants Allocation	(69,166.00)	-	-	(16,666.00)	-	-	-	(52,500.00)
2018 Grants								
Bridge at Union Church	(25,000.00)							(25,000.00)
Korean Hope Church ck 1624	(28,000.00)							
KIPC Artesia ck 1624	(25,000.00)							
Reclass to Chaplaincy Fund	(75,000.00)		(75,000.00)					
Confessing Korean Church ck 1683	(28,625.00)							
SB Mission Fair	(5,000.00)						(5,000.00)	
Joshua Initiative	(15,000.00)							(15,000.00)
CPG - Korean Good Shepherd PC ck 1746 issued 10/23/18	(45,000.00)							
CPG - Pasadena PC ck 1745 issued 10/23/18	(25,000.00)							
Korean United (PA)	(20,875.00)							
2018 Grant Allocation	(292,500.00)	-	(75,000.00)	-	-	-	(5,000.00)	(40,000.00)
2019 Grant								
P Korean United ck 1788 issued 2/2519	(11,250.00)							
P Hosanna ck 1789 issued 2/25/19	(11,250.00)							
P Honolulu ck 1789 issued 2/25/19	(11,250.00)							
LR Community Bellflower ck 1787 issued 2/25/19	(11,250.00)							
LR Woori ck 1787 issued 2/25/19	(11,250.00)							
LR Orange Cnaan ck 1787 issued 2/25/19	(11,250.00)							
SD Korean United ck 1853	(13,750.00)					(13,750.00)		
P Faith PC ck 1790 issued 2/25/19	(24,000.00)							(24,000.00)
P Bethesda ck 1790 issued 2/25/19	(10,000.00)							(10,000.00)
P Westminster ck 1790 issued 2/25/19	(10,000.00)							(10,000.00)
SD Ebenezer Church ck 1803 issued 3/13/19	(50,000.00)					(50,000.00)		
First Pres of Inglewood ck 1873 issued 7/16/19	(15,000.00)							(15,000.00)
2019 Grant Allocation	(190,250.00)	-	-	-	-	(63,750.00)	-	(59,000.00)
2020 Grant								
Korean ministry adjust to Chase Restricted	-							
SG Pasadena Presb Church Relaunch SLM ck 1960 1/17/20	(26,000.00)			(26,000.00)				
P of SD Anchor City Church (NWC)	(25,000.00)					(25,000.00)		
PoR Stonewall Ministries (NWC) matching grant	(15,000.00)				(15,000.00)			
PoP Faith Presbyterian Church (2nd Generation)	(20,000.00)							(20,000.00)
PoP Fund for Ministry Innovation - (Post pandemic 54 church & 2NWC)	(125,000.00)							(125,000.00)
Presbytery of San Gabriel - Rowland Height Pres	(24,000.00)			(24,000.00)				
2020 Grant Allocation	(235,000.00)	-	-	(50,000.00)	(15,000.00)	(25,000.00)	-	(145,000.00)
2021 Grant								
Presbytery of Pacific - NWC: Beloved Everybody Church 2/13/21	(15,000.00)							(15,000.00)
San Gabriel Presbytery Lincoln Corridor Pasadena (Altadena) 6/15/21	(50,000.00)			(50,000.00)				
2021 Grant Allocation	(65,000.00)	-	-	(50,000.00)	-	-	-	(15,000.00)
2022 Grant								
Presbytery of SD Cyclical San Diego - New Worshipping Communities	(50,000.00)	-	-	-	-	(50,000.00)	-	
First Presbyterian Church Redlands (Riverside Pby)	(120,000.00)	-	-	-	(120,000.00)	-	-	
Temple City NWC	(28,000.00)	-	-	(28,000.00)	-	-	-	
Interwoven NWC	(25,000.00)	-	-	(25,000.00)	-	-	-	
Fletcher Hills Presbyterian Church	(31,000.00)	-	-	-	-	(31,000.00)	-	
Westminster Presbyterian Church	(35,000.00)	-	-	-	-	(35,000.00)	-	
First Presbyterian Church, El Cajon	(45,000.00)	-	-	-	-	(45,000.00)	-	
2022 Grant Allocation	(334,000.00)	-	-	(53,000.00)	(120,000.00)	(161,000.00)	-	-
2023 Grant								
Beaumont	(12,000.00)	-	-	-	(12,000.00)	-	-	
El Buen Pastor	(20,000.00)	-	-	-	(20,000.00)	-	-	
Hemet	(10,000.00)	-	-	-	(10,000.00)	-	-	
Lake Arrowhead	(7,400.00)	-	-	-	(7,400.00)	-	-	
Riverside Magnolia	(87,446.33)	-	-	-	(87,446.33)	-	-	
Northkirk	(1,269.00)	-	-	-	(1,269.00)	-	-	
San Bernardino	(20,525.00)	-	-	-	(20,525.00)	-	-	
Ridgecrest	(20,226.00)	-	-	-	(20,226.00)	-	-	
Stonebridge Community Church	(25,000.00)	-	-	-	-	-	(25,000.00)	

**Synod of Southern California Hawaii  
2023 Partnering Grant**

	<b>Totals</b>	<b>Los Ranchos</b>	<b>San Fernando</b>	<b>San Gabriel</b>	<b>Riverside</b>	<b>San Diego</b>	<b>Santa Barbara</b>	<b>Pacific</b>
Fund allocation	2,400,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00
Additional approved fund allocation	1,200,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00
Reallocation of Hanmi Funds	-	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
<b>Sub-totals</b>	<b>3,600,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>	<b>480,000.00</b>
<b>Fund usage/allotment:</b>								
2015 Grants Allocation	(1,676,801.67)	(300,000.00)	(375,000.00)	(240,668.00)	(166,133.67)	(145,000.00)	(450,000.00)	-
<b>2016 Grants</b>								
Boyle Heights Mission Hub ck 1333	(15,000.00)	(15,000.00)						
Shower Ministry Garden Grove ck 1333	(20,000.00)	(20,000.00)						
Cyclical Los Ranchos ck 1333	(50,000.00)	(50,000.00)						
Anchor City Church apprvd by COA on 9/17/16 ck 1165 issued 9/27/16	(25,000.00)					(25,000.00)		
2016 Grants Allocation	(110,000.00)	(85,000.00)	-	-	-	(25,000.00)	-	-
<b>2017 Grants</b>								
1st Inglewood	(10,000.00)							(10,000.00)
Westminster	(7,500.00)							(7,500.00)
Bridge at Union Church	(35,000.00)							(35,000.00)
1st Pres Altadena ck 1376 issued 3/14/17	(16,666.00)			(16,666.00)				
2017 Grants Allocation	(69,166.00)	-	-	(16,666.00)	-	-	-	(52,500.00)
<b>2018 Grants</b>								
Bridge at Union Church	(25,000.00)							(25,000.00)
Korean Hope Church ck 1624	(28,000.00)							
KIPC Artesia ck 1624	(25,000.00)							
Reclass to Chaplaincy Fund	(75,000.00)		(75,000.00)					
Confessing Korean Church ck 1683	(28,625.00)							
SB Mission Fair	(5,000.00)						(5,000.00)	
Joshua Initiative	(15,000.00)							(15,000.00)
CPG - Korean Good Shepherd PC ck 1746 issued 10/23/18	(45,000.00)							
CPG - Pasadena PC ck 1745 issued 10/23/18	(25,000.00)							
Korean United (PA)	(20,875.00)							
2018 Grant Allocation	(292,500.00)	-	(75,000.00)	-	-	-	(5,000.00)	(40,000.00)
<b>2019 Grant</b>								
P Korean United ck 1788 issued 2/25/19	(11,250.00)							
P Hosanna ck 1789 issued 2/25/19	(11,250.00)							
P Honolulu ck 1789 issued 2/25/19	(11,250.00)							
LR Community Bellflower ck 1787 issued 2/25/19	(11,250.00)							
LR Woori ck 1787 issued 2/25/19	(11,250.00)							
LR Orange Canaan ck 1787 issued 2/25/19	(11,250.00)							
SD Korean United ck 1853	(13,750.00)					(13,750.00)		
P Faith PC ck 1790 issued 2/25/19	(24,000.00)							(24,000.00)
P Bethesda ck 1790 issued 2/25/19	(10,000.00)							(10,000.00)
P Westminster ck 1790 issued 2/25/19	(10,000.00)							(10,000.00)
SD Ebenezer Church ck 1803 issued 3/13/19	(50,000.00)					(50,000.00)		
First Pres of Inglewood ck 1873 issued 7/16/19	(15,000.00)							(15,000.00)
2019 Grant Allocation	(190,250.00)	-	-	-	-	(63,750.00)	-	(59,000.00)
<b>2020 Grant</b>								
Korean ministry adjust to Chase Restricted	-							
SG Pasadena Presb Church Relaunch SLM ck 1960 1/17/20	(26,000.00)			(26,000.00)				
P of SD Anchor City Church (NWC)	(25,000.00)					(25,000.00)		
PoR Stonewall Ministries (NWC) matching grant	(15,000.00)				(15,000.00)			
PofP Faith Presbyterian Church (2nd Generation)	(20,000.00)							(20,000.00)
PofP Fund for Ministry Innovation - (Post pandemic 54 church & 2NWC)	(125,000.00)							(125,000.00)
Presbytery of San Gabriel - Rowland Height Pres	(24,000.00)			(24,000.00)				
2020 Grant Allocation	(235,000.00)	-	-	(50,000.00)	(15,000.00)	(25,000.00)	-	(145,000.00)
<b>2021 Grant</b>								
Presbytery of Pacific - NWC: Beloved Everybody Church 2/13/21	(15,000.00)							(15,000.00)
San Gabriel Presbytery Lincoln Corridor Pasadena (Altadena) 6/15/21	(50,000.00)			(50,000.00)				
2021 Grant Allocation	(65,000.00)	-	-	(50,000.00)	-	-	-	(15,000.00)
<b>2022 Grant</b>								
Presbytery of SD Cyclical San Diego - New Worshiping Communities	(50,000.00)	-	-	-	-	(50,000.00)	-	
First Presbyterian Church Redlands (Riverside Pby)	(120,000.00)	-	-	-	(120,000.00)	-	-	
Temple City NWC	(28,000.00)	-	-	(28,000.00)	-	-	-	
Interwoven NWC	(25,000.00)	-	-	(25,000.00)	-	-	-	
Fletcher Hills Presbyterian Church	(31,000.00)	-	-	-	-	(31,000.00)	-	
Westminster Presbyterian Church	(35,000.00)	-	-	-	-	(35,000.00)	-	
First Presbyterian Church, El Cajon	(45,000.00)	-	-	-	-	(45,000.00)	-	
2022 Grant Allocation	(334,000.00)	-	-	(53,000.00)	(120,000.00)	(161,000.00)	-	-
<b>2023 Grant</b>								
Beaumont	(12,000.00)	-	-	-	(12,000.00)	-	-	
El Buen Pastor	(20,000.00)	-	-	-	(20,000.00)	-	-	
Hemet	(10,000.00)	-	-	-	(10,000.00)	-	-	
Lake Arrowhead	(7,400.00)	-	-	-	(7,400.00)	-	-	
Riverside Magnolia	(87,446.33)	-	-	-	(87,446.33)	-	-	
Northkirk	(1,269.00)	-	-	-	(1,269.00)	-	-	
San Bernardino	(20,525.00)	-	-	-	(20,525.00)	-	-	
Ridgecrest	(20,226.00)	-	-	-	(20,226.00)	-	-	
Stonebridge Community Church	(25,000.00)	-	-	-	-	-	(25,000.00)	
Interwoven - Year 2 Per COA on 10-7-23	(25,000.00)	-	-	(25,000.00)	-	-	-	
Temple City - Per COA on 10-7-23	(25,000.00)	-	-	(25,000.00)	-	-	-	
Matthew 25 Grant for Anti-Racism - Per COA 10-7-23	(15,000.00)	-	-	(15,000.00)	-	-	-	
Asylum Accompaniment	(20,000.00)	-	-	(10,000.00)	-	-	-	(10,000.00)
2023 Grant Allocation	(288,866.33)	-	-	(75,000.00)	(178,866.33)	-	(25,000.00)	(10,000.00)
<b>Total Allocated</b>	<b>(3,261,584.00)</b>	<b>(385,000.00)</b>	<b>(450,000.00)</b>	<b>(485,334.00)</b>	<b>(480,000.00)</b>	<b>(419,750.00)</b>	<b>(480,000.00)</b>	<b>(321,500.00)</b>
<b>Net Remaining Allocated Balance as of 9/30/23</b>	<b>338,416.00</b>	<b>95,000.00</b>	<b>30,000.00</b>	<b>(5,334.00)</b>	<b>-</b>	<b>60,250.00</b>	<b>-</b>	<b>158,500.00</b>
<b>Church Development Unallocated Balance</b>	<b>3,310,004.14</b>							
<b>Church Development Fund Balance at 9/30/23</b>	<b>3,648,420.14</b>	<b>27</b>						

Synod of Southern California and Hawaii  
Finance Committee Report to Synod Assembly  
December 2, 2023

In 2023, the Synod Finance Committee focused on managing the assets of the Synod more intentionally. The primary accomplishments were:

- Met with the Presbyterian Foundation, and then researched the nature and management of all funds held by the Presbyterian Foundation, with recommendations that the Finance Committee is considering for adoption (special thanks to committee member CRE Jack Irwin and Synod Business Manager Heidi Worthen Gamble)
- Structured half of the McKee Fund investments as three 12-month CDs with Schwab that mature on a “laddered” schedule
- Interviewed an investment manager and considered moving some Synod investments to his management, to balance and compare performance with that of the New Covenant funds of the Presbyterian Foundation
- Updated the allocation of Synod investments in PILP for maximum benefit for member churches with investor-supported loans with PILP
- Worked with the Business Manager as she continues to find ways to transfer titles of properties to presbyteries and congregations
- Clarified the role of the Finance Committee in financial reporting and budget development.

## RECOMMENDATIONS FOR ACTION

1. **Presbyterian Foundation income distribution:** to request that the Presbyterian Foundation release income for all eligible accounts (permanent or named funds) once per year, effective January 1, 2024.

Background: Currently, income from these funds are released on a quarterly basis. With 49 funds, half of which have capital under \$15,000, the accounting burden for relatively small dollars is unnecessarily high. An annual distribution (when allowed by the terms of the original donation) will streamline accounting and also allow the Synod to forecast better the expected income available from each fund.

2. **Savings account transfer:** to direct the Synod staff to research and open an interest-bearing savings account, to be selected by the staff, to replace the current Chase savings account.

Background: When income is sent by the Presbyterian Foundation, the funds are deposited in a savings account with Chase Bank. This account earns 0.02% APY. For instance, from March 1-31, 2023, the account held \$74,810.35 and earned \$1.25 interest. There are online, no-fee savings accounts that currently earn 4.3%-5.0% APY. This is not a typo; there are FDIC-insured savings accounts available that earn 250 times what is currently earned with Chase. While the goal is to utilize the funds that are released by the Presbyterian Foundation for mission, it would be prudent to earn better interest while the funds sit with the Synod.

3. **PILP investment allocation:** to direct PILP to apply Synod investments to support certain outstanding church investor-funded loans, as suggested by PILP on November 7, 2023.

Background: Investments with PILP can be used to contribute to reduced interest rates or rebates for loans that are funded by PILP investments (as opposed to endowment-funded loans, which tend to be smaller and already are given a 1% discount in interest). There are different levels of benefit based on the size of the loan and investment (with a maximum cap of \$300,000 in investments). Because of the complexity of eligibility and available investments, PILP suggests a distribution that contributes to various eligible loans, which the Finance Committee is recommending for adoption. See attached.

There was a further suggestion for presbyteries to invest in PILP to aid their congregations.

## FOR INFORMATION

1. **Oikocredit:** For many years, the Synod has maintained a \$100,000 balance in Oikocredit, a global investment fund that provides credit in developing nations. This year, the fund produced \$500 in income for the Synod. While the cash return of 0.5% is low, the work of Oikocredit is in alignment with the PC(USA)'s efforts to eradicate systemic poverty. The Finance Committee is requesting that the JPIC (Justice, Peacemaking and the Integrity of Creation) Committee offer guidance on the value of maintaining this investment. The Committee also wants to notify the Synod about this investment fund in case others are interested in global economic development. Go to <https://www.oikocredit.coop/en/> for information.
2. **Role of Finance Committee in financial reporting and budget development:** Based on the Synod bylaws and standing rules of the Commission of Assembly (the Finance Committee is a committee of the Commission of Assembly), the Committee clarified that they are not responsible for reviewing financial reports for accuracy, and the Committee has no stated role in the development of the Synod budget; there is a task force appointed to do that. However, the Finance Committee does review the financial reports and draft budget in light of its responsibility for monitoring the budget actuals, investment performance, and financial health of the Synod. As an example, the Committee raises a question regarding the Church Development Fund; see the next item for details.
3. **Partnering grants allocation:** The Synod has a Church Development Fund valued at about \$3.8 million. The Synod has utilized this fund by allocating funds for use by the presbyteries to aid the development or maintenance of ministries within their regions. Over several years, the Synod allocated a total of \$480,000 per presbytery; the last such allocation was approved in 2015. Of the seven presbyteries, four have \$60,000 or less left in their allocations, and as of March 31, 2023, the Synod Church Development Fund has \$3,170,566.50 unallocated. While it is not the responsibility of the Finance Committee to direct the use of the Synod's funds, it is suggesting that Synod leadership consider releasing a new allocation in 2024.
4. **Unrestricted funds:** Two issues that the Finance Committee is interested in researching relate to the management of two major funds that represent over half of the Synod's total assets: the Wilshire Fund and the Church Development Fund (which is restricted by the Synod, so can be changed by action of the Synod). The two issues are:
  - a) Guidelines on the use of unrestricted funds. Currently the Wilshire Fund is being used to fund operations of the Synod and as approved by the Synod. Because there are also several smaller permanent funds that have no restrictions on use, Synod staff has been given authority to determine which fund to draw from for grants that do not fit existing restricted funds. The question is whether there should be limits to how much can be withdrawn from the Wilshire Fund in a given year. As of March 2023, the balance of the Wilshire Fund is \$4,395,792.21.
  - b) Investing for optimal return. The goal of the Finance Committee is to maximize financial assets of the Synod which the Synod can use for mission. Until this year, all of the assets of the Synod were held by PC(USA) agencies: the Presbyterian Foundation, New Covenant Trust and Mutual Fund (which came out of the Foundation), and PILP. Now, approximately half of what was invested with PILP is now invested with Schwab CDs; the interest rates on the CDs are 4.45%-5.29% for Schwab and 2.55% for PILP (they just announced a promotional rate of 4.0%).

There are factors that may limit the options for investment: screens for ethical investing as adopted by the General Assembly; loyalty to PC(USA) agencies; and actions of the Synod, such as the investment in Oikocredit (see above). The Finance Committee met with a minister member of San Fernando Presbytery who is an investment manager, and who manages the investments of San Fernando and San Gabriel presbyteries and some congregations. In 2024, the Finance Committee may move some funds from New Covenant Trust (which does not comply with GA guidelines) to this investment manager, who has produced better returns while adhering to GA guidelines.

**SYNOD OF SO CALIFORNIA & HAWAII - LOANS, INVESTMENTS, SUPPORT - Oct 2023**

**Presbytery of Los Ranchos - October 2023**

Loan Number	Church	Initial Loan	Loan Balance	% of Loan from Investor Funds	Portion from Investor Funds (Investment levels based on this amount)	Total Investments	Current % of Investment Support	Amount to reach 20% level	Amount to reach 35% level	Amount to reach 50% level	Amount to reach 75% level	Amount to reach 100% level	Current Synod Support	Suggested Change to Synod Support	Change to % of Investment Support with Suggested change
1006699	Yorba Linda - Yorba Linda CA	\$ 800,000	\$ 74,160	100%	\$ 74,160	\$ 118,462	159.74%	\$ -	\$ -	\$ -	\$ -	\$ -			159.74%
1036311	Anaheim Korean - Anaheim CA	\$ 300,000	\$ 116,126	83%	\$ 96,385	\$ 100,337	104.10%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,000	\$ 82,000	100.99%
1048317	Anaheim Korean - Anaheim CA	\$ 366,000	\$ 298,236	12%	\$ 35,788	\$ 39,650	110.79%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	110.79%
1056520	Canyon Hills - Anaheim CA	\$ 775,000	\$ 471,575	30%	\$ 141,473	\$ 108,758	76.88%	\$ -	\$ -	\$ -	\$ -	\$ 32,715	\$ 62,258	\$ 62,258	76.88%
1058521	New Hope - Anaheim CA	\$ 630,000	\$ 599,415	31%	\$ 185,819	\$ 231,142	124.39%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 5,000	102.86%
1060822	San Clemente - San Clemente***	\$ 3,500,000	\$ 3,390,301	100%	\$ 3,390,301	\$ 305,824	9.02%	\$ 372,236	\$ 880,781	\$ 1,389,327	\$ 2,236,902	\$ 3,084,477			9.02%
1061422	Shephards Grove - Irvine	\$ 2,180,000	\$ 2,129,140	75%	\$ 1,596,855	\$ 95,000	5.95%	\$ 224,371	\$ 463,899	\$ 703,428	\$ 1,102,641	\$ 1,501,855		\$ 100,000	12.21%
1057721	Korean Hope - Cerritos	\$ 470,000	\$ 298,236	100%	\$ 298,236	\$ 154,759	51.89%	\$ -	\$ -	\$ -	\$ 68,918	\$ 143,477	\$ 57,000	\$ 57,000	51.89%
1064123	Trabuco	\$ 856,490	\$ 850,410	100%	\$ 850,410	\$ 497,487	58.50%	\$ -	\$ -	\$ -	\$ 140,321	\$ 352,923			
Amounts needed to reach investment levels:								\$ 596,607	\$ 1,344,681	\$ 2,092,754	\$ 3,408,461	\$ 4,762,524	\$ 249,258	\$ 306,258	

\*\*\* Capped at \$300,000

**Presbytery of Riverside - October 2023**

Loan Number	Church	Initial Loan	Loan Balance	% of Loan from Investor Funds	Portion from Investor Funds (Investment levels based on this amount)	Total Investments	Current % of Investment Support	Amount to reach 20% level	Amount to reach 35% level	Amount to reach 50% level	Amount to reach 75% level	Amount to reach 100% level	Current Synod Support	Suggested Change to Synod Support	Change to % of Investment Support with Suggested change
1016003	Grace - Temecula CA	\$ 1,755,000	\$ 866,969	75%	\$ 650,227	\$ 366,794	56.41%	\$ -	\$ -	\$ -	\$ 120,876	\$ 283,433	\$ 116,000	\$ 100,000	53.95%
1037411	Northkirk United - Rancho Cucamonga CA	\$ 450,000	\$ 231,271	100%	\$ 231,271	\$ 256,404	110.87%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	\$ 45,000	102.22%
1037511	First/Elsinore - Lake Elsinore CA	\$ 481,000	\$ 252,360	90%	\$ 227,124	\$ 108,420	47.74%	\$ -	\$ -	\$ 5,142	\$ 61,923	\$ 118,704	\$ -		47.74%
Amounts needed to reach investment levels:								\$ -	\$ -	\$ 5,142	\$ 182,799	\$ 402,137	\$ 181,000	\$ 145,000	

**Presbytery of San Diego - October 2023**

Loan Number	Church	Initial Loan	Loan Balance	% of Loan from Investor Funds	Portion from Investor Funds (Investment levels based on this amount)	Total Investments	Current % of Investment Support	Amount to reach 20% level	Amount to reach 35% level	Amount to reach 50% level	Amount to reach 75% level	Amount to reach 100% level	Current Synod Support	Suggested Change to Synod Support	Change to % of Investment Support with Suggested change
1015802	Faith - San Diego CA	\$ 2,100,000	\$ 716,369	81%	\$ 580,259	\$ 577,497	99.52%	\$ -	\$ -	\$ -	\$ -	\$ 2,762	\$ 78,700		85.96%
Amounts needed to reach investment levels:								\$ -	\$ -	\$ -	\$ -	\$ 2,762	\$ 78,700	\$ -	

**Presbytery of San Fernando - October 2023**

Loan Number	Church	Initial Loan	Loan Balance	% of Loan from Investor Funds	Portion from Investor Funds (Investment levels based on this amount)	Total Investments	Current % of Investment Support	Amount to reach 20% level	Amount to reach 35% level	Amount to reach 50% level	Amount to reach 75% level	Amount to reach 100% level	Current Synod Support	Suggested Change to Synod Support	Change to % of Investment Support with Suggested change
1017703	Confessing Korean - Granada Hills CA	\$ 500,000	\$ 24,652	100%	\$ 24,652	\$ 53,000	214.99%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,500	\$ 35,000	103.44%
1037911	First - Burbank CA	\$ 2,500,000	\$ 320,914	100%	\$ 320,914	\$ 120,000	37.39%	\$ -	\$ -	\$ 40,457	\$ 120,686	\$ 200,914	\$ 71,000	\$ 71,000	37.39%
1051217	La Canada - La Canada CA	\$ 4,250,000	\$ 754,333	100%	\$ 754,333	\$ 168,702	22.36%	\$ -	\$ 95,315	\$ 208,465	\$ 397,048	\$ 585,631	\$ -		22.36%
Amounts needed to reach investment levels:								\$ -	\$ 95,315	\$ 248,922	\$ 517,733	\$ 786,545	\$ 133,500	\$ 106,000	

**Presbytery of San Gabriel - October 2023**

Loan Number	Church	Initial Loan	Loan Balance	% of Loan from Investor Funds	Portion from Investor Funds (Investment levels based on this amount)	Total Investments	Current % of Investment Support	Amount to reach 20% level	Amount to reach 35% level	Amount to reach 50% level	Amount to reach 75% level	Amount to reach 100% level	Current Synod Support	Suggested Change to Synod Support	Change to % of Investment Support with Suggested change
1048917	Presbytery of San Gabriel	\$ 2,400,000	\$ 1,028,141	60%	\$ 616,885	\$ 160,000	25.94%	\$ -	\$ 55,910	\$ 148,442	\$ 302,663	\$ 456,885	\$ -		25.94%
1051417	Presbytery of San Gabriel	\$ 200,000	\$ 162,817	100%	\$ 162,817	\$ 40,000	24.57%	\$ -	\$ 16,986	\$ 41,409	\$ 82,113	\$ 122,817	\$ -		24.57%
1055119	Presbytery of San Gabriel	\$ 300,000	\$ 265,610	100%	\$ 265,610	\$ 60,000	22.59%	\$ -	\$ 45,000	\$ 90,000	\$ 165,000	\$ 240,000	\$ -		22.59%
Amounts needed to reach investment levels:								\$ -	\$ 117,896	\$ 279,851	\$ 549,776	\$ 819,702	\$ -	\$ -	

**Presbytery of Santa Barbara - October 2023**

Loan Number	Church	Initial Loan	Loan Balance	% of Loan from Investor Funds	Portion from Investor Funds (Investment levels based on this amount)	Total Investments	Current % of Investment Support	Amount to reach 20% level	Amount to reach 35% level	Amount to reach 50% level	Amount to reach 75% level	Amount to reach 100% level	Current Synod Support	Suggested Change to Synod Support	Change to % of Investment Support with Suggested change
1016403	First - Grover Beach CA	\$ 465,000	\$ 146,097	100%	\$ 146,097	\$ 202,263	138.44%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	138.44%
Amounts needed to reach investment levels:								\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

**Presbytery of the Pacific - October 2023**

There are no investor-funded loans open in Pacific Presbytery.

Grand total of amounts needed to reach investment levels: \$ 596,607 \$ 1,557,891 \$ 2,621,526 \$ 4,475,970 \$ 6,371,532

	Current % of investment support from investors supporting this loan
	Current support from the Synod
	ILP's suggested changes to Synod's support for maximum benefit
	Effect of the suggested change to the % of investment support

Synod Investments	Current Investments	Suggested Change
Mission Market Funds	\$0	\$0
Certificates	\$628,227	\$620,339
Total Investments in Investor Funds	\$628,227	\$628,227
Total Synod Support	\$461,458	\$557,258
Remainder for Additional Support	\$166,769	\$70,969

\*Suggested

**MONTE VISTA GROVE HOMES SYNOD REPORT**  
**SUBMITTED BY: Deborah Herbert, CEO DECEMBER 2, 2023**

**BOARD MEMBER REPORT: 2024 NEW BOARD MEMBERS**

Al Boegh	San Marino CC	1 <sup>st</sup> Term, Class of 2026
John "Pat" Reddy	San Marino CC	1 <sup>st</sup> Term, Class of 2026
Rev. Terry McGonigal (Resident)	Knox PC	1 <sup>st</sup> Term, Class of 2026
Mark Burns	Pasadena PC	1 <sup>st</sup> Term, Class of 2025
Chris Duryee (Resident)	La Canada PC	Unexp. Term, Class of 2024
Betty Glick (Resident)	Westwood PC	Unexp. Term, Class of 2024

**2023 RENEWING BOARD MEMBERS**

Jim Cronk	San Marino CC	1 <sup>st</sup> Term, Class of 2026
Janet Wells	San Marino CC	2 <sup>nd</sup> Term, Class of 2026
Helen Darsie	Westminster PC	1 <sup>st</sup> Term, Class of 2026
Deborah Owen	Westminster PC	1 <sup>st</sup> Term, Class of 2026

**2023 CONTINUING BOARD MEMBERS**

Pat Martinez-Miller	Calvary PC	1 <sup>st</sup> Term, Class of 2025
Denise Jackson	Non-PCUSA, Victory Bible Church	1 <sup>st</sup> Term, Class of 2025
Rev. Dr. Marilyn Manning (Resident)	San Marino CC	2 <sup>nd</sup> Term, Class of 2025
Lloyd Wong	1 <sup>st</sup> Presbyterian, Hollywood	1 <sup>st</sup> Term, Class of 2025
Rev. Dr. Norman Thomas (Resident)	Non-PCUSA, All Saints	2 <sup>nd</sup> Term, Class of 2025
Myron Oakes	Pasadena PC	1 <sup>st</sup> Term, Class of 2025
Michael Romo	Non-PCUSA	1 <sup>st</sup> Term, Class of 2024
Rev. David Won	New PC	1 <sup>st</sup> Term, Class of 2024
Gerry Herter	Tustin PC	1 <sup>st</sup> Term, Class of 2024
Rev. Jason Gamble	Calvary PC	1 <sup>st</sup> Term, Class of 2024





Consolidated Financial Statements  
December 31, 2022 and 2021

## Monte Vista Grove Homes & Subsidiary

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## **Independent Auditor's Report**

To the Board of Trustees  
Monte Vista Grove Homes & Subsidiary  
Pasadena, California

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the consolidated financial statements of Monte Vista Grove Homes & Subsidiary (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of operations, changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2022 and 2021, and the results of its operations, changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit for the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; and for design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Information***

Management is responsible for the other information included in the California Department of Social Services Annual Report. The other information comprises the Forms 1-1, 1-2, and 7-1, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Pasadena, California  
May 15, 2023

Monte Vista Grove Homes & Subsidiary  
Consolidated Statements of Financial Position  
December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 404,585	\$ 182,779
Accounts receivable, net	998,095	735,216
Promises to give	9,525	28,543
Current maturities of note receivable	44,816	43,493
Prepaid expenses and other assets	210,778	368,167
Total current assets	<u>1,667,799</u>	<u>1,358,198</u>
Noncurrent Assets		
Restricted cash	56,000	75,417
Investments	11,574,570	15,155,510
Long-term promises to give, net	-	4,369
Note receivable, less current maturities	1,932,741	1,977,557
Property and equipment, net	12,103,775	10,015,966
Operating lease right-of-use assets	94,909	-
Master development plan	-	78,886
Split-interest agreements	50,512	59,362
Beneficial interests in perpetual trusts	357,149	440,551
Other assets	953	1,148
Total noncurrent assets	<u>26,170,609</u>	<u>27,808,766</u>
Total assets	<u><u>\$ 27,838,408</u></u>	<u><u>\$ 29,166,964</u></u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 698,363	\$ 246,653
Accrued payroll and employee benefits	377,940	365,574
Current maturities of operating lease liabilities	21,746	-
Refundable and repayable entrance fees, current	95,600	-
Refundable advance	432,491	-
Total current liabilities	<u>1,626,140</u>	<u>612,227</u>
Noncurrent Liabilities		
Refundable and repayable entrance fees, net of current portion	761,112	761,112
Deferred revenue from entrance fees	2,940,225	1,951,087
Operating lease liabilities, less current maturities	72,902	-
Deposits and other liabilities	303,269	263,736
Total noncurrent liabilities	<u>4,077,508</u>	<u>2,975,935</u>
Total liabilities	<u>5,703,648</u>	<u>3,588,162</u>
Net Assets		
Without donor restrictions	19,055,148	22,911,805
With donor restrictions	3,079,612	2,666,997
Total net assets	<u>22,134,760</u>	<u>25,578,802</u>
Total liabilities and net assets	<u><u>\$ 27,838,408</u></u>	<u><u>\$ 29,166,964</u></u>

See Notes to Consolidated Financial Statements

# Monte Vista Grove Homes & Subsidiary

## Consolidated Statements of Operations Years Ended December 31, 2022 and 2021

	2022	2021
Revenues, Gains, and Other Support Without Donor Restrictions		
Operating Revenues		
Skilled Nursing	\$ -	\$ 1,893,572
Enhanced Assisted Living	1,626,987	-
Assisted Living	512,047	544,313
Independent Living	1,391,232	1,221,467
Memory Care	793,957	753,509
Ancillary services	62,811	520,240
Dietary	1,013,089	1,061,839
Wellness	1,510	1,170
Amortization of entrance fees	460,876	199,825
Other revenue	301,635	147,261
Contribution - Paycheck Protection Program loan	-	951,000
Contributions - residents	451,828	440,841
Contributions - others	348,060	784,675
COVID-19 funding programs	7,403	224,275
Realized gains on investments	317,660	938,464
Investment income, net	206,070	179,298
Interest income - note receivable	60,121	61,899
Distributions from beneficial interests in perpetual trusts	18,680	14,565
Loss on disposal of property and equipment	(11,073)	(8,415)
Net assets released from restrictions, used for operations	90,095	2,517,420
Total operating revenues	7,652,988	12,447,218
Operating Expenses		
Skilled Nursing	-	3,067,356
Enhanced Assisted Living	2,150,923	-
Assisted Living	582,471	392,612
Independent Living	1,653,376	1,527,622
Memory Care	969,521	754,891
Dietary	1,745,078	1,677,822
Housekeeping	482,051	489,955
Wellness	171,516	155,591
Management and general	1,231,915	1,642,113
Fundraising	106,167	161,376
COVID-19 expenses	72,876	448,338
Total operating expenses	9,165,894	10,317,676
Total operating income (loss)	(1,512,906)	2,129,542
Other Gains (Losses)		
Unrealized gains (losses) on investments	(2,381,622)	606,283
Impairment of master development plan	(39,443)	-
Total other gains (losses)	(2,421,065)	606,283
Revenues in Excess of (Less Than) Expenses	\$ (3,933,971)	\$ 2,735,825

See Notes to Consolidated Financial Statements

Monte Vista Grove Homes & Subsidiary  
Consolidated Statements of Changes in Net Assets  
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Net Assets Without Donor Restrictions		
Revenues in excess of (less than) expenses	\$ (3,933,971)	\$ 2,735,825
Net assets released from restrictions, used for purchase of property and equipment	<u>77,314</u>	<u>155,641</u>
Change in net assets without donor restrictions	<u>(3,856,657)</u>	<u>2,891,466</u>
Net Assets With Donor Restrictions		
Contributions - residents	35,219	38,257
Contributions - others	712,647	2,561,699
In-kind contributions - residents	84,001	85,367
Realized gains on investments	13,924	6,215
Investment income, net	62,646	59,793
Unrealized gains (losses) on investments	(235,966)	8,257
Change in value of split-interest agreements	(8,850)	3,900
Change in value of beneficial interests in perpetual trusts	(83,402)	59,350
Other gains (losses)	(195)	136
Net assets released from restrictions, used for operations	(90,095)	(2,517,420)
Net assets released from restrictions, used for purchase of property and equipment	<u>(77,314)</u>	<u>(155,641)</u>
Change in net assets with donor restrictions	<u>412,615</u>	<u>149,913</u>
Change in Net Assets	<u>(3,444,042)</u>	<u>3,041,379</u>
Net Assets, Beginning of Year	<u>25,578,802</u>	<u>22,537,423</u>
Net Assets, End of Year	<u><u>\$ 22,134,760</u></u>	<u><u>\$ 25,578,802</u></u>



Monte Vista Grove Homes & Subsidiary  
Consolidated Statements of Functional Expenses  
Year Ended December 31, 2022

	Program Services					Supporting Services			
	Enhanced Assisted Living	Assisted Living	Independent Living	Memory Care	Total	Management and General	Fundraising	Total	Total
Salaries and employee benefits	\$ 2,279,834	\$ 703,477	\$ 729,295	\$ 1,080,088	\$ 4,792,694	\$ 806,844	\$ 105,601	\$ 912,445	\$ 5,705,139
Depreciation	121,583	20,807	719,689	128,302	990,381	17,388	22	17,410	1,007,791
Professional fees and purchased services	171,175	58,848	221,460	54,995	506,478	232,610	4,699	237,309	743,787
Food	114,649	75,836	98,153	61,834	350,472	6,468	782	7,250	357,722
Assessment and insurance	69,771	35,836	142,355	29,829	277,791	55,227	10,002	65,229	343,020
Utilities	84,023	44,272	128,695	27,660	284,650	16,555	121	16,676	301,326
Supplies and equipment rental	111,989	30,670	45,231	26,562	214,452	28,596	556	29,152	243,604
Sundry	53,856	19,298	26,738	16,299	116,191	28,183	20,760	48,943	165,134
Residential financial aid	112,736	-	-	-	112,736	-	-	-	112,736
Facility operations, repairs and maintenance	4,293	1,329	51,784	1,011	58,417	152	8	160	58,577
Telephone	22,499	8,260	8,596	1,894	41,249	10,146	608	10,754	52,003
Provision for doubtful accounts	23,523	2,803	-	-	26,326	-	-	-	26,326
Education	8,190	3,894	4,492	4,271	20,847	3,552	1,440	4,992	25,839
Printing and postage	325	185	239	148	897	6,417	522	6,939	7,836
Travel and entertainment	3,507	133	66	533	4,239	3,115	301	3,416	7,655
Advertising	-	-	-	-	-	7,333	-	7,333	7,333
Interest	-	-	-	-	-	66	-	66	66
	<u>\$ 3,181,953</u>	<u>\$ 1,005,648</u>	<u>\$ 2,176,793</u>	<u>\$ 1,433,426</u>	<u>\$ 7,797,820</u>	<u>\$ 1,222,652</u>	<u>\$ 145,422</u>	<u>\$ 1,368,074</u>	<u>\$ 9,165,894</u>

See Notes to Consolidated Financial Statements

Monte Vista Grove Homes & Subsidiary  
Consolidated Statements of Functional Expenses  
Year Ended December 31, 2021

	Program Services					Supporting Services			
	Skilled Nursing	Assisted Living	Independent Living	Memory Care	Total	Management and General	Fundraising	Total	Total
Salaries and employee benefits	\$ 2,879,894	\$ 761,726	\$ 873,481	\$ 1,021,000	\$ 5,536,101	\$ 679,067	\$ 135,362	\$ 814,429	\$ 6,350,530
Depreciation	127,492	20,169	747,950	128,224	1,023,835	22,088	48	22,136	1,045,971
Professional fees and purchased services	433,953	69,045	174,629	77,161	754,788	236,345	4,209	240,554	995,342
Food	134,692	79,503	103,431	59,049	376,675	7,333	1,930	9,263	385,938
Assessment and insurance	204,534	26,396	123,349	17,820	372,099	56,130	10,355	66,485	438,584
Utilities	93,156	42,245	114,569	25,447	275,417	16,167	256	16,423	291,840
Supplies and equipment rental	196,007	26,879	47,528	33,254	303,668	35,166	1,106	36,272	339,940
Sundry	27,556	15,735	11,137	8,067	62,495	37,301	39,931	77,232	139,727
Residential financial aid	75,697	-	-	-	75,697	-	-	-	75,697
Facility operations, repairs and maintenance	2,687	1,305	39,567	1,295	44,854	419	-	419	45,273
Telephone	16,039	5,638	7,380	1,141	30,198	8,924	608	9,532	39,730
Provision for doubtful accounts	40,520	-	-	-	40,520	-	-	-	40,520
Education	2,996	1,180	1,633	998	6,807	7,485	582	8,067	14,874
Printing and postage	386	228	296	178	1,088	20,792	7,615	28,407	29,495
Travel and entertainment	2,753	848	892	672	5,165	3,036	227	3,263	8,428
Advertising	-	-	-	-	-	5,450	-	5,450	5,450
Interest	-	-	-	-	-	70,337	-	70,337	70,337
	<u>\$ 4,238,362</u>	<u>\$ 1,050,897</u>	<u>\$ 2,245,842</u>	<u>\$ 1,374,306</u>	<u>\$ 8,909,407</u>	<u>\$ 1,206,040</u>	<u>\$ 202,229</u>	<u>\$ 1,408,269</u>	<u>\$ 10,317,676</u>

See Notes to Consolidated Financial Statements

# Monte Vista Grove Homes & Subsidiary

Consolidated Statements of Cash Flows  
Years Ended December 31, 2022 and 2021

	2022	2021
Operating Activities		
Cash received from residents for monthly services	\$ 5,230,763	\$ 5,885,040
Cash received from residents for entrance fees	1,354,076	763,126
Investment income received	328,837	272,581
Contributions received	892,991	3,753,674
Other	301,635	147,261
Cash paid to employees and suppliers	(7,618,963)	(9,328,071)
Cash received from distributions from beneficial interests in perpetual trusts	18,680	14,565
Cash received from COVID-19 funding programs	439,894	224,275
Interest paid	(66)	(70,337)
Net Cash from Operating Activities	947,847	1,662,114
Investing Activities		
Purchase of property and equipment	(2,764,537)	(978,487)
Proceeds from sale of property and equipment	2,500	-
Principal payments of note receivable	43,493	26,951
Purchase of investments	(4,853,076)	(4,575,571)
Proceeds from sale of investments	6,148,012	5,668,143
Net Cash from (used for) Investing Activities	(1,423,608)	141,036
Financing Activities		
Contributions restricted for purchasing property and equipment	678,150	171,138
Repayments under line of credit	-	(2,567,736)
Net Cash from (used for) Financing Activities	678,150	(2,396,598)
Net Change in Cash and Cash Equivalents and Restricted Cash	202,389	(593,448)
Cash and Cash Equivalents and Restricted Cash, Beginning of Year	258,196	851,644
Cash and Cash Equivalents and Restricted Cash, End of Year	\$ 460,585	\$ 258,196
Cash and Cash Equivalents	\$ 404,585	\$ 182,779
Restricted Cash	56,000	75,417
Total cash and cash equivalents and restricted cash	\$ 460,585	\$ 258,196
Supplemental Disclosure of Non-cash Investing and Financing Activities		
Construction in progress costs financed through accounts payable and accrued expenses	\$ 221,192	\$ -
Master development plan transferred to property and equipment	\$ 39,443	\$ -

See Notes to Consolidated Financial Statements

# Monte Vista Grove Homes & Subsidiary

Consolidated Statements of Cash Flows  
Years Ended December 31, 2022 and 2021

	2022	2021
Operating Activities		
Change in net assets	\$ (3,444,042)	\$ 3,041,379
Adjustments to reconcile change in net assets to net cash from operating activities		
Amortization of entrance fees	(460,876)	(199,825)
Change in value of split-interest agreements	8,850	(3,900)
Change in value of beneficial interests in perpetual trusts	83,402	(59,350)
Other (gains) losses	195	(136)
Realized and unrealized (gains) losses on investments	2,286,004	(1,559,219)
Loss on disposal of property and equipment	11,073	8,415
Impairment of master development plan	39,443	-
Noncash contributions	(84,001)	(85,367)
Contribution - Paycheck Protection Program loan	-	(951,000)
Provision for doubtful accounts	26,326	40,520
Depreciation	1,007,791	1,045,971
Contributions restricted for purchasing property and equipment	(678,150)	(171,138)
Changes in assets and liabilities		
Accounts receivable	(289,205)	113,723
Promises to give	23,387	99,340
Prepaid expenses and other assets	157,389	(58,284)
Operating lease assets and liabilities	(261)	-
Accounts payable and accrued expenses	230,518	(64,241)
Accrued payroll and employee benefits	12,366	(120,395)
Deferred interest income	-	(28,409)
Refundable advance	432,491	-
Refundable and repayable entrance fees and deferred revenue from entrance fees	1,545,614	707,064
Deposits and other liabilities	39,533	(93,034)
Net Cash from Operating Activities	<u>\$ 947,847</u>	<u>\$ 1,662,114</u>

See Notes to Consolidated Financial Statements

**Note 1 - Principal Activity and Significant Accounting Policies****Organization**

Monte Vista Grove Homes (MVGH) is a senior community established in 1924 by the Synod of California. MVGH is a nonprofit California corporation dedicated to providing a retirement community primarily for the benefit of retired Teaching Elders (Ministers), missionaries, Certified Christian Educators, Certified Musician Associates, and Commissioned Ruling Elders of the Presbyterian Church (USA) and their spouses (qualified applicants). MVGH has independent living available to qualified applicants. The facility includes approximately 81 individual apartments (75 are being actively used for Independent Living and 6 are for being used for other purposes), a 16-apartment assisted living facility Residential Care Facility for the Elderly (RCFE)) with a lounge and nursing station, a 10-bedroom memory care assisted living facility (RCFE) with a great room and kitchen, and (until December 30, 2021) a 40-bed Medicare-certified skilled nursing facility (SNF), which provided skilled nursing and custodial care. On December 29, 2021 MVGH surrendered its Skilled Nursing license to the Department of Public Health. As of December 30, 2021, the RCFE (assisted living) license was expanded to include the 40, former SNF beds, for bedridden/wheelchair bound residents who need more assistance with activities of daily living. Assisted living, memory care, enhanced assisted living (beginning December 30, 2021) and skilled nursing (through December 29, 2021) were/are available to MVGH's residents and the surrounding community at the per diem rate in effect at the time services are rendered; and beginning in 2013, these services are available to qualified applicants under a Continuing Care Retirement Community (CCRC) contract.

On January 1, 2013, MVGH received its Provisional Certificate of Authority (PCOA) to enter into CCRC contracts in accordance with the provisions of the Health and Safety Code of the State of California, and on September 8, 2014, MVGH received its Certificate of Authority. The certification applies to the assisted living and, and until December 30, 2021, the skilled nursing portions of the campus only. The Certificate of Authority allows MVGH to offer CCRC contracts to incoming qualified applicants.

A requirement of this partial licensure was to create a separation between the independent living and the CCRC (RCFE and SNF) portions of the campus. To meet this requirement, MVGH re-organized the independent living portion of the campus as The Grove Campus, LLC (a California LLC) (the LLC) on September 4, 2012. The LLC operates the unlicensed senior housing apartments (independent living) only.

**Principles of Consolidation**

The consolidated financial statements include the accounts of MVGH and its wholly owned subsidiary, The Grove Campus, LLC, hereinafter referred to collectively as the "Organization". All significant intercompany accounts and transactions have been eliminated in consolidation.

**Change in Accounting Principles**

Effective January 1, 2022, the Organization adopted the new lease accounting guidance in Accounting Standards Update No. 2016-02, *Leases* (Topic 842). The Organization elected to apply the guidance as of January 1, 2022, the beginning of the adoption period. The comparative financial information and disclosures presented are in accordance with the legacy standard, ASC 840, as applicable.

The standard requires the recognition of right-of-use assets and lease liabilities for lease contracts with terms greater than 12 months. Operating lease costs are recognized in the consolidated statement of operations as a single lease cost and finance lease costs are recognized in two components, interest expense and amortization expense. The Organization has elected the package of practical expedients permitted in ASC Topic 842.

Accordingly, the Organization accounted for its existing leases as either finance or operating lease under the new guidance, without reassessing (a) whether the contract contains a lease under ASC Topic 842, (b) whether classification of the operating lease would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in ASC Topic 842 at lease commencement.

As a result of the adoption of the new lessee lease accounting guidance, the Organization recognized on January 1, 2022, the beginning of the adoption period, no cumulative effect adjustment to net assets, operating lease liabilities of \$109,601 and operating right-of-use assets of \$109,601. The adoption of the new standard did not materially impact the Organization's consolidated statements of operations or statements of cash flows. See Note 9 for further disclosure of the Company's lease contracts. The adoption of the new lessor lease accounting guidance did not significantly impact how the Organization accounts for its current lease contracts.

As of January 1, 2022, the Organization adopted the provisions of Accounting Standards Update (ASU) 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The standard requires enhanced presentation and disclosure of contributed nonfinancial assets. Management has adopted the amendments of this update on a retrospective basis because it provides increased and more transparent disclosure around contributed nonfinancial assets.

### **Cash and Cash Equivalents**

All cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

### **Restricted Cash**

Restricted cash on the consolidated statements of financial position represents amounts from donor restricted contributions for the acquisition of property and equipment.

### **Accounts Receivable**

The Organization carries its accounts receivable at cost less allowance for uncollectable accounts. The Organization provides for an allowance for uncollectable accounts based on management's assessment of the collectability of existing specific accounts, a history of past write-offs, and collections. Accounts receivable are written off as uncollectable at the time management determines that collection is unlikely.

### **Promises to Give**

The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset applicable to the year in which the promise was received. In subsequent years, amortization of the discounts is included in contributions in the consolidated statements of changes in net assets. Allowance for uncollectable promises to give is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. No allowance for uncollectable promises to give has been established as of December 31, 2022 and 2021, as management believes that the remaining promises are fully collectable.

### **Intentions to Give**

From time to time, the Organization is informed of intentions to give by prospective donors. Such expressions of intent are revocable and unenforceable. The ultimate value of these expressions has not been established nor have they been recognized in the accompanying consolidated financial statements.

### **Investments**

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return/(loss) is reported in the consolidated statements of operations and consolidated statements of changes in net assets and consists of interest and dividend income, realized and unrealized capital gains and losses, less external investment expenses.

### **Property and Equipment**

Property and equipment additions over \$1,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 years. When assets are sold or otherwise disposed of, the cost and related depreciation is removed from the accounts, and any resulting gain or loss is included in the consolidated statements of operations. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. Construction in progress consists of costs incurred on remodel projects. Depreciation starts once the related assets are placed in service.

Gifts of long-lived assets such as land, buildings, or equipment are reported as additions to net assets without donor restrictions, and are excluded from the performance indicator, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Once the long-lived assets are acquired and placed into service, and if there are no donor restrictions on the long-lived asset's use, the donor restrictions are considered met and the net assets with donor restrictions are released and reclassified to net assets without donor restrictions.

The Organization considers whether indicators of impairment are present and performs the necessary analysis to determine if the carrying values of property and equipment are appropriate. No impairment was identified for the years ended December 31, 2022 and 2021.

### **Master Development Plan**

Master Development Plan (the Master Plan) is related to costs incurred for future development of the campus to expand the Organization's ability to serve additional residents and enhance the quality of life for existing residents. These costs included fees for plan development, tree inventory survey/map work, architectural services, legal services, and consultation.

The Organization considers whether indicators of impairment are present and performs the necessary analysis to determine if the carrying values of the Master Plan are appropriate. During 2022, a portion of the costs pertaining to the Master Development Plan were capitalized and it was determined that the remaining previously capitalized costs were no longer realizable. As a result, \$39,443 was written off in 2022. No impairment was identified for the year ended December 31, 2021. As of December 31, 2021, the capitalized costs totaled \$78,886.

### **Assets Held Under Split-Interest Agreements**

The Organization is a beneficiary of several charitable lifetime income gifts. The charitable lifetime income gifts provide one or more individuals income for his or her lifetime or a period of years, after which the remaining funds will either be distributed to the Organization or used to establish a permanent fund at the Presbyterian Church (USA) Foundation, from which income will be distributed to the Organization. These amounts are recorded at present value, which represents the current fair market value of the account, reduced by the estimated actuarial liability necessary to meet the future payments to the life income beneficiaries. The portion of the gift attributable to the present value of the future benefits to be received by the Organization is recorded in the consolidated statements of changes in net assets as contributions with donor restrictions in the period the gift is established.

### **Beneficial Interests in Perpetual Trusts**

The Organization has been named as an irrevocable beneficiary of several perpetual trusts held and administered by an independent trustee (the Presbyterian Church (USA) Foundation). Perpetual trusts provide for the distribution of the net income of the trusts to the Organization; however, the Organization will never receive the assets of the trusts.

At the date the Organization receives notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the consolidated statements of changes in net assets and a beneficial interest in perpetual trust is recorded in the consolidated statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts' assets in the consolidated statements of financial position, with trust distributions recognized in the consolidated statements of operations, and changes in fair value recognized in the consolidated statements of changes in net assets.



### **Deferred Revenue from Entrance Fees and Refundable and Repayable Entrance Fees**

For the right to become a continuing care resident of the extended care facilities at the Organization, residents are required to pay an entrance fee, a portion of which may be refundable based upon the contract terms.

Under the Organization's Amortized Entrance Fee Option contract, the entrance fee is refundable pro-rata if a continuing care resident should leave within five years from admission as follows:

1. During the first 150 days (60 days after the contract is signed plus a 90-day cancellation period), the entrance fee paid by the resident is refunded in full.
2. If the resident's tenancy is longer than the 90-day cancellation period and up to five years, the Organization retains 1/60th of the entrance fee for each month of residency or portion thereof. However, the minimum entrance fee retained by the Organization for any termination after the 90-day cancellation period shall be 10% of the entrance fee.
3. No refunds are made after sixty months.

The Organization amortizes entrance fees over the resident's expected life, and a liability is recognized for the expected amount that will be refunded to those residents who will not remain at the facility for the stipulated time.

Under the Organization's 90% Repayment Option contract, the entrance fee is refundable as follows:

1. During the first 150 days (60 days after the contract is signed plus a 90-day cancellation period), the entrance fee paid by the resident is refunded in full.
2. If the resident's tenancy terminates subsequent to the 90-day cancellation period, the resident will receive a reoccupancy benefit equal to 90% of the paid entrance fees once the resident's unit is re-occupied by another resident.

The Organization amortizes 10% of the paid entrance fee over the resident's expected life and a liability is recorded for the remaining 90% of the entrance fee.

Under the Organization's 75% Repayment Option contract, the entrance fee is refundable as follows:

1. During the first 150 days (60 days after the contract is signed plus a 90-day cancellation period), the entrance fee paid by the resident is refunded in full.
2. If the resident's tenancy terminates subsequent to the 90-day cancellation period, the resident will receive a reoccupancy benefit equal to 75% of the paid entrance fees once the resident's unit is re-occupied by another resident.

The Organization amortizes 25% of the paid entrance fee over the resident's expected life and a liability is recorded for the remaining 75% of the entrance fee.

Under all contracts, the refund is reduced by any unpaid fees and any costs of refurbishing the unit, as defined in the contracts. Contractually refundable entrance fees, included in refundable and repayable entrance fees and deferred revenue from entrance fees in the accompanying consolidated statement of financial position, were approximately \$2,829,000 and \$1,959,000 at December 31, 2022 and 2021, respectively.

### **Obligation to Provide Future Services and Use of Facilities to Current Residents**

If the present value of estimated future cash outflows to provide services to residents exceeds the present value of estimated future cash inflows from residents, a liability is recognized. The Organization's computation has been made which indicated that as of December 31, 2022 and 2021, the estimated amounts received or to be received from current continuing care residents will exceed the estimated costs of providing future services and use of facilities to those residents. Consequently, no liability is shown on the consolidated statement of financial position.

The California Health and Safety Code Section 1790 mandates a statutory reserve and a liquid asset requirement. The mandates were met for the years ended December 31, 2022 and 2021.

### **Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of restrictions imposed by donors. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. At December 31, 2022, the total net assets without donor restrictions of \$19,055,148 include a Board-designated component of the Quality of Life Endowment Fund totaling \$856,319. At December 31, 2021, the total net assets without donor restrictions of \$22,911,805 include a Board-designated component of the Quality of Life Endowment Fund totaling \$999,787.

*Net Assets with Donor Restrictions* - Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization reports unconditional contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of operations and consolidated statements of changes in net assets as net assets released from restrictions. The Organization reports contributions for all restricted activity that were initially classified as conditional contributions as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized.

### **Revenue Recognition**

#### *Skilled Nursing*

Until the Organization surrendered its skilled nursing license on December 29, 2021, skilled nursing revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled to in exchange for providing care. These amounts are due from residents, third-party payors (including health insurers and government programs) and others and includes variable consideration for retroactive adjustments due to settlement of audits, reviews, and investigations.

## Monte Vista Grove Homes & Subsidiary

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

The Organization bills private pay residents and third-party payors in the month following in which services were provided. Revenue is recognized in the month in which the performance obligations are satisfied.

Revenue for skilled nursing performance obligations satisfied over time is recognized based on actual charges incurred. The Organization believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to residents in the skilled nursing facility. The Organization measures the performance obligation from admission into the skilled nursing facility to the point when it is no longer required to provide health care services to that resident, which is typically at the time of discharge. The Organization determines the transaction price based on standard charges for goods and services provided reduced by contractual adjustments provided to third-party payors. The Organization determines their estimate of contractual adjustments based on contractual agreements and historical experience.

A summary of the payment arrangements with major third-party payors is as follows:

**Medicare** - Certain health care services are paid at prospectively determined rates per discharge based on clinical, diagnostic, or other factors. Certain services are paid based on cost reimbursement methodologies subject to certain limits. Rehabilitation services are paid based upon established fee schedules.

**Secondary Insurance** - Payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Generally, residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Organization estimates the transaction price for residents with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by adjusting the standard charge with contractual adjustments determined on a resident by resident basis. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to skilled nursing revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the resident's ability to pay are recorded as bad debt expense.

The following table shows skilled nursing revenue by payors for the years ended December 31, 2022 and 2021:

	2022	2021
Private payors	\$ -	\$ 1,673,814
Medicare and other insurance	-	219,758
	<u>\$ -</u>	<u>\$ 1,893,572</u>

### *Ancillary Services*

The Organization also provides ancillary services to residents as needed. Ancillary services are billed in the month following in which services were provided. Revenue is recognized in the month in which the performance obligations are satisfied.

The Organization determines the transaction price based on standard charges for goods and services provided reduced by contractual adjustments. The Organization determines their estimate of contractual adjustments based on contractual agreements and historical experience.

#### *Resident Services*

Resident services revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled to in exchange for the services provided. The Organization provides senior living services to residents for a stated per diem or monthly fee. The Organization recognizes revenue for senior living services for enhanced assisted living, assisted living, independent living, and memory care in accordance with the provisions of Accounting Standards Codification 842, *Leases* (ASC 842).

The Organization bills private pay residents in the month following in which services were provided. Revenue is recognized in the month in which the performance obligations are satisfied.

#### *Amortization of Entrance Fees*

Revenue from nonrefundable entrance fees received is recognized on a straight-line basis over the actuarially-based estimated life of each resident, which approximates the period of time the goods and services under the agreements that are expected to be transferred to residents.

#### *Contributions and Special Events*

Contributions are recognized when cash, securities or other assets, or an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

As of December 31, 2022 and 2021, conditional contributions totaling \$500,000 and \$1,000,000, respectively, for which no amounts had been received in advance, have not been recognized in the accompanying consolidated financial statements.

The Organization includes gross revenues from special events with total contributions and gross expenses from special events with total fundraising expenses, in the accompanying consolidated statements of operations. There were no special events held in 2022. The total gross revenues from special events were \$136,707 for 2021. The total gross expenses for special events were \$33,112 for 2021.

#### **Donated Services and In-Kind Contributions**

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by accounting principles generally accepted in the United States of America (U.S. GAAP). Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received (Note 15).

### **Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of functional expenses, which presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The consolidated statements of operations report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses that cannot be directly attributed to a specific program area are charged to individual program areas based on the most appropriate allocation base, such as time and effort.

### **Performance Indicator**

Revenues in excess of (less than) expenses is the performance indicator. The performance indicator excludes contributions of long-lived assets, including assets acquired using contributions which were restricted by donors.

### **Income Taxes**

MVGH is organized as a California nonprofit corporation and has been recognized by the IRS as exempt from federal income taxes under IRC Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for the charitable contribution deduction, and has been determined not to be a private foundation. MVGH is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, MVGH is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. MVGH determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The LLC is organized as a nonprofit limited liability company in the State of California. The LLC has not applied for its own tax exemption for income tax purposes because it is a disregarded entity. While the LLC is disregarded for federal income tax purposes, it is still subject to the California annual minimum tax and the annual fee. Nonprofit organizations are generally not liable for taxes on income; therefore, other than the California annual minimum tax and annual fee related to the LLC, no provision is made for such taxes in the consolidated financial statements in accordance with U.S. GAAP.

Management believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. MVGH and the LLC would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

### **Estimates**

The preparation of consolidated financial statements in conformity with U.S. GAAP requires the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

## Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash and cash equivalents and investments with financial institutions believed to be creditworthy. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

The Organization maintains its cash and cash equivalents in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. At December 31, 2022, no balances exceeded of FDIC-insured limits. At December 31, 2021, the Organization had \$66,933 in excess of FDIC-insured limits.

## Recent Accounting Guidance

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-13, Financial Instruments – *Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13), which replaces the incurred loss method of estimating credit losses with an expected loss method referred to as the current expected credit loss (CECL) model. The CECL model is applicable to the measurement of credit losses on financial assets measured at amortized cost, including trade and loan receivables, and held to maturity debt securities. Under the CECL model, an entity measures all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The standard expands the disclosure requirements regarding an entity's assumptions, models, and methods for estimating the allowance for loan and leases losses. The update also requires that credit losses on available-for-sale debt securities be presented as an allowance rather than a write-down of the security. ASU 2016-13 is effective for the Organization in its annual reporting period beginning after December 15, 2022. The Organization is currently evaluating the impact the new standard will have on its consolidated financial statements and related disclosures.

## Note 2 - Liquidity and Availability of Resources

The financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statements of financial position date, comprise the following:

	2022	2021
Cash and cash equivalents	\$ 370,535	\$ 181,670
Accounts receivable, net	998,095	735,216
Promises to give	9,525	28,543
Current maturities of note receivable	44,816	43,493
	<u>\$ 1,422,971</u>	<u>\$ 988,922</u>

## Monte Vista Grove Homes & Subsidiary

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization has a revolving line of credit of \$500,000, which it can draw upon (see Note 8). Additionally, the Organization could liquidate investments that are without donor restrictions (including their Board- designated fund) totaling \$9,682,690 and \$13,066,100 as of December 31, 2022 and 2021, respectively. Although the Organization does not intend to spend these for purposes other than those identified, the amounts could be made available for current operations, if necessary.

### Note 3 - Accounts Receivable

As of December 31, 2022 and 2021, the Organization's accounts receivable and allowance for doubtful accounts were as follows:

	2022	2021
Accounts receivable	\$ 1,000,898	\$ 762,201
Less allowance for uncollectable accounts	<u>(2,803)</u>	<u>(26,985)</u>
	<u>\$ 998,095</u>	<u>\$ 735,216</u>

### Note 4 - Promises to Give

As of December 31, 2022 and 2021, unconditional promises to give were as follows:

	2022	2021
Due within one year	\$ 9,525	\$ 28,543
Due in one to five years	-	4,500
Less discount to present value at 3%	<u>-</u>	<u>(131)</u>
	<u>\$ 9,525</u>	<u>\$ 32,912</u>

### Note 5 - Note Receivable

In 1989, the Organization received a gift of an \$800,000 (99% limited partnership interest in the Faulding Hotel, Inc.), an affiliate of the Santa Barbara Community Housing Corporation (SBCHC). The partnership was formed to own and operate the Faulding Hotel for low-income seniors and others eligible for assistance under either State or Federal programs. In 1990, to enable SBCHC to issue bond financing for improvements to the Faulding Hotel, MVGH exchanged its limited partnership interest for an \$800,000 Shared Appreciation Promissory Note (Note) with 6% interest per annum, payable annually. The Note is subordinate to debt owed to several entities of the City of Santa Barbara and the County of Santa Barbara. The Note was due on December 12, 2016. In September 2017, the Faulding Hotel, Inc., and the Organization entered into an agreement, which revised the terms of the note receivable. As part of the revised terms, the principal amount of the note receivable was increased to \$2,048,000.

## Monte Vista Grove Homes & Subsidiary

### Notes to Consolidated Financial Statements

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
\$2,048,000 note receivable from Faulding Hotel, Inc., bearing interest at 3% per annum. Payments of principal and interest of \$8,634 to be made in monthly installments beginning on June 1, 2021, maturing on May 1, 2051. The note receivable is secured by the Deed of Trust of the property and is subordinate to other loans on the property.	\$ 1,977,557	\$ 2,021,050
Less current maturities	<u>(44,816)</u>	<u>(43,493)</u>
	<u>\$ 1,932,741</u>	<u>\$ 1,977,557</u>

### **Note 6 - Property and Equipment**

Property and equipment consists of the following as of December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Land and improvements	\$ 1,791,720	\$ 1,784,326
Buildings and improvements	28,408,728	27,453,545
Furniture and equipment	3,866,750	3,845,182
Construction in progress	<u>2,603,770</u>	<u>683,637</u>
	36,670,968	33,766,690
Less accumulated depreciation	<u>(24,567,193)</u>	<u>(23,750,724)</u>
	<u>\$ 12,103,775</u>	<u>\$ 10,015,966</u>

### **Note 7 - Fair Value Measurements and Disclosures**

Certain assets are reported at fair value in the accompanying consolidated financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting the Organization's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available. A three-tier hierarchy categorizes the inputs as follows:



# Monte Vista Grove Homes & Subsidiary

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets that can be accessed at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.
- Level 3 – Unobservable inputs for the asset. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of an input to entire measurement requires judgment, considering factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of the Organization's investments are classified within Level 1 because they are comprised of investments with readily determinable fair values based on daily redemption values. The Organization's investments in corporate bonds and government and agency obligations are based on an independent pricing service and based on recent sales of similar securities and other observable market data and are classified within Level 2.

The following table presents assets measured at fair value on a recurring basis as of December 31, 2022, except those measured at cost as identified in the following:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Cash and cash equivalents (at cost)	\$ 723,743	\$ -	\$ -	\$ -
Equities	6,060,181	6,060,181	-	-
Alternative investments	372,163	372,163	-	-
Government obligations and agencies	1,745,211	-	1,745,211	-
Corporate bonds	2,673,272	-	2,673,272	-
	<u>\$ 11,574,570</u>	<u>\$ 6,432,344</u>	<u>\$ 4,418,483</u>	<u>\$ -</u>
Beneficial interests in perpetual trusts	<u>\$ 357,149</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 357,149</u>
Split-interest agreements	<u>\$ 50,512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,512</u>

# Monte Vista Grove Homes & Subsidiary

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

The following table presents assets measured at fair value on a recurring basis as of December 31, 2021, except those measured at cost as identified in the following:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments				
Cash and cash equivalents (at cost)	\$ 1,467,520	\$ -	\$ -	\$ -
Equities	8,747,591	8,747,591	-	-
Alternative investments	556,704	556,704	-	-
Government obligations and agencies	1,461,469	-	1,461,469	-
Corporate bonds	2,922,226	-	2,922,226	-
	<u>\$ 15,155,510</u>	<u>\$ 9,304,295</u>	<u>\$ 4,383,695</u>	<u>\$ -</u>
Beneficial interests in perpetual trusts	<u>\$ 440,551</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 440,551</u>
Split-interest agreements	<u>\$ 59,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,362</u>

## Note 8 - Lines of Credit and Available Financing

The Organization has a \$500,000 revolving line of credit with Citizen Business Bank, which is secured by certain investment assets owned by the Organization. The line bears interest based upon Citizen Business Bank's prime rate less 0.75 percentage points. The Organization is required to make monthly interest payments. The interest rate was 6.50% and 3.00% per annum as of December 31, 2022 and 2021, respectively. There were no outstanding borrowings on this line of credit at December 31, 2022 and 2021. The line of credit matures on September 22, 2023.

In 2016, the Organization obtained a \$3,000,000 line of credit with Citizens Business Bank to be used for construction as necessary, which was secured by certain investment assets owned by the Organization. The line bore interest at a variable interest rate based upon the Intercontinental Exchange London Interbank Offer Rate and was not to be less than 3% per annum. The Organization received an interest rate discount of .25% off the effective interest rate if they maintained a demand deposit account and payments were automatically debited from the designated checking account each month. The Organization was required to make monthly interest payments and the line of credit matures on September 22, 2023. The line of credit was paid in full during 2021.

The Organization is required to comply with certain non-financial covenants.

The Organization entered into an agreement with their dining service provider (the Company) effective August 1, 2021. In accordance with the agreement, the Company is willing to invest up to \$500,000 toward improvements of the dining services facility. In the event funds are utilized, the Organization will be charged on a monthly basis over a sixty month period until the Company has been reimbursed for any advances. In the event that the agreement is terminated prior to the completion of the sixty month period, all outstanding advances would be due on demand. \$250,000 was available to the Organization as of August 1, 2021 and an additional \$250,000 was available on August 1, 2022. The Organization has not utilized any of these available funds as of December 31, 2022 and 2021. Subsequent to year-end, the Organization identified outstanding contractor and equipment improvements to the dining services facility that will utilize the entire \$500,000 in 2023.

## Note 9 - Leases

The Organization leases certain office equipment at various terms under long-term non-cancelable operating lease agreements. The leases expire at various dates through 2027 and provide for renewal options up to three months. The Organization includes in the determination of the right of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. Additionally, the operating lease agreement requires the Organization to pay taxes and insurance.

The Organization has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Total lease costs for the year ended December 31, 2022 were as follows:

Operating lease cost	\$ 22,635
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The following table summarizes the supplemental cash flow information for the year ended December 31, 2022:

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 22,688
Right-of-use assets obtained in exchange for lease liabilities	
Operating leases	\$ 6,324

## Monte Vista Grove Homes & Subsidiary

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

The following summarizes the weighted-average remaining lease term and weighted-average discount rate at December 31, 2022:

Weighted-average remaining lease term	
Operating leases	4.29 Years
Weighted-average discount rate	
Operating leases	1.37%

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of December 31, 2022:

<u>Years Ending December 31,</u>	
2023	\$ 22,884
2024	22,884
2025	22,884
2026	21,284
2027	<u>7,478</u>
Total lease payments	97,414
Less interest	<u>(2,766)</u>
Present value of lease liabilities	<u>\$ 94,648</u>

### Note 10 - Paycheck Protection Program

During 2020, the Organization was granted a \$951,000 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the federal government. The Organization has elected to account for the funding as a conditional contribution by applying ASC 958-605, *Not-for-Profit – Revenue Recognition*. The Organization initially recorded the loan as a refundable advance and subsequently recognized contribution revenue in accordance with guidance for conditional contributions, that is, once the measurable performance or other barrier and a right to return of the PPP loan no longer existed. The Organization has recognized \$951,000 as contribution revenue for the year ended December 31, 2021.

## Note 11 - Provider Relief Funds

The Organization received \$432,491 and \$31,809 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Provider Relief Funds administered by the Department of Health and Human Services (HHS) during 2022 and 2021, respectively. The funds are subject to terms and conditions imposed by HHS. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for healthcare-related expenses or lost revenues that are attributable to coronavirus. Recipients may not use the payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse.

In accordance with ASC 958-605 these funds are recorded as a refundable advance when received and are recognized as revenues in the accompanying consolidated statements of operations as all terms and conditions are considered met. The terms and conditions are subject to interpretation, changes, and future clarification, the most recent of which have been considered through the date that the consolidated financial statements were issued. In addition, this program may be subject to oversight, monitoring and audit. Failure by a provider that received a payment from the Provider Relief Fund to comply with any term or condition can subject the provider to recoupment of some or all of the payment. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

As of December 31, 2022, the Organization reported \$432,491 as a refundable advance on the consolidated statements of financial position. During the year ended December 31, 2021, the Organization recognized \$31,809 as revenue, included in COVID-19 funding programs on the consolidated statements of operations.

## Note 12 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at December 31, 2022 and 2021:

	2022	2021
Subject to expenditure for specified purpose or period		
Capital improvements	\$ 745,067	\$ 76,525
Time restrictions	23,246	26,694
Other purposes	34,050	-
Total subject to expenditure for specified purpose or period	802,363	103,219
Endowments		
Quality of Life	1,412,815	1,528,219
Richmond Endowment	457,850	536,343
Ridings Fund	21,214	24,848
Split-interest agreements	28,221	33,817
Total endowments	1,920,100	2,123,227
Perpetual in nature, not subject to spending policy or appropriation		
Beneficial interests in perpetual trusts	357,149	440,551
Total net assets with donor restrictions	\$ 3,079,612	\$ 2,666,997

### **Note 13 - Endowment Funds**

The Organization's endowment consists of three individual funds established for a variety of purposes:

Quality of Life - Endowment funds subject to restrictions requiring that the principal be invested in perpetuity. Income is to be utilized to subsidize costs for qualified Organization residents and is recorded as revenue with donor restrictions.

Richmond Endowment - Endowment funds subject to restrictions requiring that the principal be invested in perpetuity. Income from the investments can be utilized at the discretion of the Board of Trustees for the skilled nursing facility and the Organization's operating expenses and is recorded as revenue without donor restrictions.

Ridings Fund - Endowment funds subject to restrictions requiring that the principal be invested in perpetuity. Income from the investments can be utilized at the discretion of the Board of Trustees for the skilled nursing facility and the Organization's operating expenses and is recorded as revenue without donor restrictions.

In addition, the Organization's endowment consists of funds designated by the Board of Trustees to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including a fund designated by the Board of Trustees to function as an endowment, are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization has interpreted relevant state law as requiring preservation of the fair value of the original gift as of the date gifted, for the donor restricted endowment funds explicit donor stipulations to the contrary.

According to the Organization's investment guidelines, the endowment assets are currently invested in an investment portfolio managed by professional money managers. The primary long-term investment objective is to preserve and enhance the real (inflation adjusted) purchasing power of the portfolio. This objective should be achieved based on an investment horizon of three to five years. The Organization's policy is to have the portfolio earn an average return in excess of inflation over time.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized). Because of the short-term volatility in rates of return for those investments, the total return could be negative at times. At times, especially for new funds, the balance of a fund could drop below the historic gift value. Historic gift value is defined as the total dollars of the original gift at the date the gift is contributed for endowment.

If the balance of a fund is below the historic gift value, then no appropriations shall occur until the fund is at or above the historic gift value.

The goals of the funds are as follows: (a) maximize monthly income within reasonable and prudent levels of risk; and (b) subsidize costs for qualified Organization residents.

The Organization employs a high-income investment policy with the objective of producing high current income with a secondary objective of preserving the endowment's capital.

## Monte Vista Grove Homes & Subsidiary

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

With these objectives in mind, the portfolio is invested subject to the following guidelines:

1. Bonds and debentures represent at least 70% of total investments.
2. Securities other than bonds and debentures do not exceed 30% of total investments. No more than 10% at market value of the investment portfolio may be invested in any one company with no more than 40% being invested in one economic sector.
3. Cash and cash equivalents represent no more than 20% of the investment portfolio.

As of December 31, 2022, endowment net asset composition by type of fund is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 1,920,100	\$ 1,920,100
Board-designated endowment funds	856,319	-	856,319
	<u>\$ 856,319</u>	<u>\$ 1,920,100</u>	<u>\$ 2,776,419</u>

As of December 31, 2021, endowment net asset composition by type of fund is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 2,123,227	\$ 2,123,227
Board-designated endowment funds	999,787	-	999,787
	<u>\$ 999,787</u>	<u>\$ 2,123,227</u>	<u>\$ 3,123,014</u>

Changes in endowment net assets for the year ended December 31, 2022, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 999,787	\$ 2,123,227	\$ 3,123,014
Investment return, net	(111,040)	(159,396)	(270,436)
Contributions	-	24,512	24,512
Change in value of split-interest agreements	-	(5,597)	(5,597)
Appropriation of endowment assets pursuant to spending-rate policy	(32,428)	(62,646)	(95,074)
Endowment net assets, end of year	<u>\$ 856,319</u>	<u>\$ 1,920,100</u>	<u>\$ 2,776,419</u>

## Monte Vista Grove Homes & Subsidiary

Notes to Consolidated Financial Statements

December 31, 2022 and 2021

Changes in endowment net assets for the fiscal year ended December 31, 2021, are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 984,007	\$ 2,072,910	\$ 3,056,917
Investment return, net	27,636	74,265	101,901
Contributions	-	35,684	35,684
Change in value of split-interest agreements	-	161	161
Appropriation of endowment assets pursuant to spending-rate policy	(11,856)	(59,793)	(71,649)
Endowment net assets, end of year	<u>\$ 999,787</u>	<u>\$ 2,123,227</u>	<u>\$ 3,123,014</u>

### Note 14 - Revenue from Contracts with Customers

Contract assets include accounts receivable. Contract liabilities include deferred revenue from entrance fees, and refundable and repayable entrance fees. The beginning and ending balances for accounts receivable, deferred revenue from entrance fees, and refundable and repayable entrance fees were as follows for the years ended December 31, 2022 and 2021:

	2022	
	January 1	December 31
Accounts receivable, net	\$ 735,216	\$ 998,095
Refundable and repayable entrance fees	761,112	856,712
Deferred revenue from entrance fees	1,951,087	2,940,225
	2021	
	January 1	December 31
Accounts receivable, net	\$ 889,459	\$ 735,216
Refundable and repayable entrance fees	531,792	761,112
Deferred revenue from entrance fees	1,673,168	1,951,087

### Note 15 - In-kind Contributions

In-kind contributions recognized within the consolidated statements of operations consisted of donated property and equipment, and for the years ended December 31, 2022 and 2021 totaled \$84,001 and \$85,367, respectively. The donated property and equipment is valued based on the invoiced amounts reported by professional contractors.



#### **Note 16 - Retirement Plan**

The Monte Vista Grove 401(k) Plan (the Plan) covers substantially all employees of the Organization who have completed one year of service and attained the age of 21. Participants vest at varying percentages over five years. The Organization makes matching contributions on the first 3.5% of each participant's salary deferred through employee contributions to the Plan. The Organization's matching contributions to the Plan totaled approximately \$104,000 and \$125,000 for 2022 and 2021, respectively.

In addition, each year, the Organization determines a discretionary contribution, if any, to be contributed to the Plan. The discretionary contribution is equal to a percentage of all eligible participants' compensation, the exact percentage to be approved each year by the Board of Trustees. There were no discretionary contributions to the Plan for the years ended 2022 and 2021.

#### **Note 17 - Contingencies**

The Organization is subject to many complex federal, state, and local laws and regulations. Compliance with these laws and regulations is subject to government review and interpretation. Violations of these laws can result in large fines and penalties, sanctions on providing future services, and repayment of past patient revenues. Management believes any actions that may result from investigations of noncompliance with laws and regulations will not have a material effect on the Organization's future financial position or results of operations.

#### **Note 18 - Health and Safety Code Section 1790(a)(3) Disclosure**

The Board of Trustees has directed that prudent reserves be established to safeguard against contingencies and maintains a Board Designated Fund (Quality of Life) which is used to subsidize costs for qualified residents (see Note 13).

#### **Note 19 - Subsequent Events**

Management has evaluated for subsequent events through May 15, 2023, the date the consolidated financial statements were available to be issued.

Subsequent to year-end, the Organization is expected to receive a benefit of approximately \$1,919,000 under the Coronavirus Aid, Relief, and Economic Security Act which is a refundable tax credit against certain employment taxes for eligible employers.

There was also one other event that met the criteria for disclosure in the consolidated financial statements (see Note 8).



2023 Annual Report to the Synod of So Cal & Hawaii Assembly, by Dick Young,  
Executive Director of Zephyr Point Presbyterian Conference Center, Zephyr Cove, NV

Dear Friends and Colleagues in Ministry,

It is a pleasure to bring you this report on the eve of Zephyr Point's centennial. Established in 1924, Zephyr Point has been engaged in camping and retreat ministry on the shores of Lake Tahoe for almost 100 years. We are making plans for a celebration weekend, September 20-22, 2024, and hope some of you will be able to join us as we mark this significant milestone as a ministry of both the Synod of So Cal and Hawaii and the Synod of the Pacific.

Since being named Executive Director of Zephyr Point in April of 2020 I have been working with the Zephyr Point Board of Directors, 1/3 of which are elected by the Synod of So Cal & Hawaii, to create a post pandemic plan that will carry Zephyr Point into its next century of ministry. I am pleased to report that 2023 represented a return to pre-pandemic levels of participation at Zephyr Point even as we focused on programs and operations that fully embody the values of the PC(USA).

A few highlights:

- We were able to complete the 2019 Audit (attached) which resulted in an unqualified opinion from our auditor. The 2020 audit is in process and we are expecting the report to be delivered early in the new year. As soon as that is in our hands we will forward it to the appropriate committee of the Synod.
- We hired an HR firm that is now providing a full range of HR services to ensure Zephyr Point is in compliance with all state and federal regulations, as well as observing best practices as an employer to our approximately 70 full-time and 40 seasonal employees.
- We have made significant progress with our BMP (best management practices) plan. BMP's are required site improvements related to stormwater management through paving, curbing, water drainage/retention, etc. We are just completing year 2 of a 5 year plan which we have been able to fund from operations. Our financial position is such that we now have the resources to complete this plan within the required time frame.
- We are developing a plan for the renovation of our Zephyr Point Cabins and will launch a Capital Campaign in 2024 to coincide with our centennial.

I am excited about the position Zephyr Point finds itself in, confident in the future of this ministry, and grateful for the opportunity to serve the Synod the PC(USA) as Executive Director of Zephyr Point.

With my best wishes,

Dick

Rev. Dr. Richard Young

P.O. Box 289 (660 Hwy. 50) Zephyr Cove, NV 89448  
775.588.6759 • [www.zephyrpoint.org](http://www.zephyrpoint.org)

# Synod of Southern California and Hawaii Nominations

Worksheet for 2023

- *Green cells need to be filled*

<b><u>Commission of Assembly</u></b>			
<b>-----Synod Officers-----</b>		<b>---Presbytery Executives---</b>	
TE John Moser (COA Mod) Wm	SD	TE Jason Micheli Wm	SB
RE Yvonne Harmon (Moderator) Bf	SG	TE Juan Sarmiento Lm	SF
TE Sam Roberts (Vice Mod) Bm	RS	TE Sean Chow Am	SD
TE Mark Hong (Stated Clerk) Am	LR	TE Linda Culbertson Wf	PA
RE Paul Nibarger (Treasurer) Wm	PA	TE Frances Lin Af	RS
<b>-----Commissioners Rep-----</b>		TE Wendy Tajima Af	SG
RE Sue Currie (2 <sup>nd</sup> ) Wf	LR	TE Tom Cramer Wm	LR
		<b>--BIPOC Rep--</b>	
TE N'Yisrela Watts-Afryie (2 <sup>nd</sup> ) Bf	SG	TE Joseph Shin (2 <sup>nd</sup> ) Am	LR
		TE Jpetul J'ernantes (2 <sup>nd</sup> ) Lm	SD
<b>-----Committee Chair-----</b>		TE Charles Mark Bm	PA
TE David Won (CoRN) Am	PA		
RE Sandy Thoits (P&R) Wf	SB		

<b><u>Permanent Judicial Commission (11)</u></b>			
<b>-----Class of 2029-----</b>		<b>-----Class of 2023-----</b>	
TE Suzanne Malloy Wf	SB	RE Linda Therien Wf	SD
RE Tony Cook	SD	RE Jeff Heath Wm	RS
		TE John Langfitt (Chair) Wm	SF
TE K.C. Wahe Wm	SF	RE Carole Wheeler (Clerk) Wf	SF
<b>-----Class of 2025-----</b>		<b>-----Class of 2027-----</b>	
RE Tracie Lyons Bf	PA	RE Wendy Peterson Af	LR
TE Tina Blair Wf	RS	RE Alan Young Wm	LR
TE David Won Am	PA	TE Dongwoo Lee Am	SG

<b><u>Polity and Records Committee (9)</u></b>			
<b>-----Class of 2026-----</b>		<b>-----Class of 2023-----</b>	
		RE Don Reiersen (2 <sup>nd</sup> ) Wm	RS
		RE Carole Ostrander (2 <sup>nd</sup> ) Wf	SD
TE Dave Wilkinson (2 <sup>nd</sup> ) Wm	SF	TE Dave Wilkinson Wm	SF
<b>-----Class of 2025-----</b>		<b>-----Class of 2024-----</b>	
RE Sandy Thoits (2 <sup>nd</sup> ) (Chair) Wf	SB		
TE Daniel Ko (2 <sup>nd</sup> ) Am	PA	RE Steve Salyards (2 <sup>nd</sup> ) Wm	SG
RE Areta Crowell (2 <sup>nd</sup> ) Wf	SG	RE Izar Martinez Lm	RS

<b>Committee on Representation and Nominations (12)</b>			
-----Class of 2026-----		-----Class of 2023-----	
RE Jane Parker (2 <sup>nd</sup> ) Wf	LR	TE Jim Pazan Wm	SB
TE Don Thursby (2 <sup>nd</sup> ) Wm	RS	RE Jane Parker Wf	LR
TE Jim Pazan (2 <sup>nd</sup> ) Wm	SB	RE Frances Lin Af	SD
		TE Don Thursby Wm	RS
----Class of 2025----		----Class of 2024----	
TE Linda Culbertson Wf	PA	TE David Won (2 <sup>nd</sup> ) (chair) Am	PA
TE K. C. Wahe Wm	SF	TE Robert Stewart Wm	RS
		RE Janice Takeda Af	SG

<b>Partnering Grants Committee (9)</b>			
-----Class of 2026-----		-----Class of 2023-----	
TE Paul Knopf (2 <sup>nd</sup> ) Am	RS		
TE Jeya So (2 <sup>nd</sup> ) Af	SD	TE Paul Knopf 10/2020 Am	RS
		TE Jeya So 10/2020 Af	SD
----Class of 2025----		----Class of 2024----	
RE Lee Kirkpatrick Wm	SB	RE Chae Shim Am	LR
TE N'Yisrela Watts-Afriyie Bf	SG		
		TE Dave Worth 12/2022 Wm	PA

<b>Restricted and Special Funds Committee (9)</b>			
-----Class of 2026-----		-----Class of 2023-----	
RE Monica Colonnier (2 <sup>nd</sup> Chair) Wf	LR	RE Sallie Cuaresma (2 <sup>nd</sup> ) Nf	PA
		RE Monica Colonnier (Chair) Wf	LR
RE Wilson Kayange (2 <sup>nd</sup> ) Bm	RS	RE Wilson Kayange Bm	RS
----Class of 2025----		----Class of 2024----	
RE Jane A. Vasquez (2 <sup>nd</sup> ) Wf	SG	TE Kristin Leucht (2 <sup>nd</sup> ) Wf	SF
TE Sam Roberts (2 <sup>nd</sup> ) Bm	RS	RE Areta Crowell (2 <sup>nd</sup> ) Wf	SG
TE Grace Park (2 <sup>nd</sup> ) Af	PA	RE Frances Lin Af	SD

Justice, Peace and Integrity of Creation Committee (12)			
----Class of 2026----		----Class of 2023----	
RE Kathleen Julian (2 <sup>nd</sup> ) Wf	LR	RE Kathleen Julian Wf	LR
TE Ann Hayman (2 <sup>nd</sup> Chair) Wf	PA	TE Ann Hayman (Chair) Wf	PA
RE Emily Fuentes (2 <sup>nd</sup> ) Wf	LR	RE Emily Fuentes Wf	LR
RE Rae Huang (2 <sup>nd</sup> ) Af	PA	RE Rae Huang Af	PA
----Class of 2025----		----Class of 2024----	
TE Cliff O'Daniel (2 <sup>nd</sup> ) Bm	PA	RE Carole Wheeler Wf	SF
RE Carolyn Harris (2 <sup>nd</sup> ) Wf	SG	TE N'Yisrela Watts-Afriyie Bf	SG
RE Karen Speros Wf	LR	TE In Yang Am	RS

Racial Ethnic Pastoral Leadership Committee (9)			
----Class of 2026----		----Class of 2023----	
TE Timm Cyrus (2 <sup>nd</sup> ) Bm	PA	RE Hagar Benitez Lf	SG
TE Jose Felix Acosta (2 <sup>nd</sup> ) Lm	SF	TE Timm Cyrus Bm	PA
		TE Jose Felix Acosta Lm	SF
----Class of 2025----		----Class of 2024----	
TE Jeya So (2 <sup>nd</sup> ) Af	SD	TE John Moon (2 <sup>nd</sup> ) Am	SG
TE Alfredo Delgado (2 <sup>nd</sup> ) (Chair) Lm	LR	RE Damon Green (2 <sup>nd</sup> ) Bm	PA
		TE Jennifer Fraser Wf	SB

Finance Committee (9)			
----Class of 2026----		----Class of 2023----	
TE Matthew Colwell	SG	RE Maurice Caskey Wm	SD
RE Maurice Caskey (2 <sup>nd</sup> ) Af	SD	TE Wendy Tajima (Chair) Af	SG
		TE Juan Sarmiento Lm	SF
----Class of 2025----		----Class of 2024----	
CRE Bonnie Boe (2 <sup>nd</sup> ) Wf	SB	RE Richard Deming (2 <sup>nd</sup> ) Wm	LR
TE Cheryl Raine (2 <sup>nd</sup> ) Wf	RS	RE Anita Chombeng (2 <sup>nd</sup> ) Bf	PA
RE Paul Nibarger (2 <sup>nd</sup> ) Wm	PA	RE Jack Irwin (2 <sup>nd</sup> ) Wm	SF
Treasurer is ex officio			

## **SCCF REPORT: 2023**

The Southern California Christian Forum (SCCF) is the regional ecumenical body for our area. We are the latest iteration of a century-old ecumenical organization in the region, when we previously operated under the name of the Southern California Ecumenical Council. The Forum continues its mission of building relationships between Christian churches across ethnic and denominational lines. We are especially focused on broadening the scope of encounter to include Christian communities that historically have operated outside of ecumenical organizations and commitments.

We carry out our mission through the various programs of the Forum. Our most prominent activity is our monthly ecumenical Bible studies. Since the pandemic, these have shifted to an online format, which has required some creative restructuring, but they have also allowed us to expand our reach to become a truly regional expression of Christian unity. In addition, the Forum sponsors a Commission on Faith and Order, which is a monthly space for churches in the region to dialogue together on the issues that divide them.

In January, we hosted our annual ecumenical service for the Week of Prayer for Christian Unity, which runs from January 18–25, at St. Andrew Russian Greek-Catholic Church in El Segundo. It was a hybrid event with both in-person and online participation. We organized a workshop on “grass roots ecumenism” at Fuller Theological Seminary, with Pastor Karen Finch Petersen, which had to be rescheduled due to illness.

We hosted an ecumenical prayer service on ecology and spirituality, on “care of our common home,” at Christ Cathedral in Orange County to coincide with the annual Roman Catholic and Eastern Orthodox liturgical focus on the environment in the month of September. This afternoon event featured an address by Orthodox archdeacon John Chrissavgis, a major Greek Orthodox theologian on ecological issues. The Forum plans to host an annual September event on the environment each year.

This past year we welcomed a new intern. For years, the Forum has had an internship program that helps train students for ecumenical ministry in various capacities inside and outside the church. Starting this past January, we had the benefit of the services of our new intern, Abendas, who is currently a Master of Divinity student and a member of the Presbyterian Church USA.

*Report prepared by Josiah Baker, administrative assistant, SCCF*

## **The Report from the Commission of Assembly**

The Personnel Committee had a productive and impactful year in 2023. I had the pleasure of working alongside Yvonne Harmon, Susan Skoglund, John Moser, Mark Hong and many more to mention a few. Here are key highlights of the activities that took place this year.

- **Turkey/Syria Earthquake Relief:**

On February 6th 2023, a 7.8 earthquake struck southern and central Turkey and northern and western Syria. To help out victims, we made a donation of \$50,000 to Presbyterian Disaster Assistance's Turkey/Syria Earthquake Relief, from the Unrestricted Reserves.

- **Disaster Relief for Mountain Communities:**

This year, California faced record-breaking snowfall with some areas receiving up to 6 feet of snow. There were two churches from the Riverside Presbytery that were heavily affected. For that reason, we made a donation of \$10,000 to the Presbytery of Riverside to aid in its effort with the relief work for the mountain congregations and their community that have been affected by the recent snow storms. This donation came from the Church Development Fund.

- **Listening Session:**

Synod hosted a listening session for the staff from the PMA, OGA, and BOP on May 23 with a total of forty in attendance representing all seven Presbyteries.

- **Maui Wildfire Disaster Relief:**

In early August, a series of wildfires broke out in the state of Hawaii, taking the lives of over 100 people. To help support recovery efforts, we donated \$50,000 to the Presbyterian Disaster Assistance.

- **Task Force:**

The Commission of Assembly initiated a committee restructuring process by appointing a task force to review the current Synod committee structure to determine a more efficient way of operation. In the Task Force was Susan Skoglund, David Won, & N'Yisrela Watts-Afriyie.

- **Annual Performance Reviews:**

The Personnel Committee conducted performance reviews with Synod Executive/Stated Clerk Mark Hong, Bookkeeper Joanne Yi-Bortfeld, Business Manager Heidi Worthen

Gamble, and to Rev. Dr. Leon Fanniel REPL Coordinator Narcissis Tucker Bishop. A self-evaluation document was provided, which was then followed with a Zoom Meeting. Additionally, a survey on Mark's performance was sent out to all EP's and Stated Clerks. As a result, the committee recommended the following to the Budget Committee:

- 1) Implement the 3.2% Cost of Living Adjustment (SSA adjustment for 2024);
- 2) The following merit pay raises for 2024: Mark Hong, 2%; Heidi Worthen Gamble, 1%.



The Synod of Southern California and Hawaii				
General Operating Funds Projections - DRAFT				
as of August 31, 2023				
		2023 Budget vs. Actuals		2024
	Actual	Budget	Remaining	Projected Budget
Income				
52000 Per Capita				
52100 Los Ranchos	23,181.90	24,695.25	1,513.35	21,640.05
52110 Pacific	25,701.08	23,709.15	(1,991.93)	22,534.95
52120 Riverside	3,778.42	7,546.80	3,768.38	6,529.35
52130 San Fernando	11,305.95	12,027.00	721.05	10,547.85
52140 San Gabriel		12,927.60	12,927.60	12,713.85
52150 Santa Barbara	2,225.92	10,422.45	8,196.53	9,288.15
52160 San Diego	8,771.51	25,165.50	16,393.99	21,922.20
52990 Uncollectible PCA		(39,607.87)	(39,607.87)	(31,552.92)
Total 52000 Per Capita	74,964.78	76,885.88	(1,921.10)	73,623.48
55580 General Fund Use				
55165 Investment Dividend/Interest	1,481.39	4,000.00	(2,518.61)	4,000.00
54000 Misc Inc - ERC Payment	15,843.88		15,843.88	-
55560 Dividend from Foundation for General Fund	5,126.91	8,800.00	(3,673.09)	8,800.00
55570 Wilshire Properties Reserve Fund		327,036.86	(327,036.86)	370,433.42
Total 55580 General Fund Use	22,452.18	339,836.86	(317,384.68)	383,233.42
Total Income	97,416.96	416,722.74	(319,305.78)	456,856.90
Expenses				
Budgeted Expense				
62100 Payroll				
62110 Salaries & Wages - Administrative	133,978.72	200,967.96	(66,989.24)	210,393.97
62111 Salaries & Wages -REPL	5,566.08	8,349.14	(2,783.06)	8,616.31
62120 Pension & Medical	45,108.94	67,512.85	(22,403.91)	67,112.79
62130 FICA	4,031.10	6,408.79	(2,377.69)	6,644.77
62140 Workers Compensation	(300.00)	1,100.00	(1,400.00)	1,939.05
62150 Study Leave	-	5,400.00	(5,400.00)	5,400.00
Total 62100 Payroll	188,384.84	289,738.74	(101,353.90)	300,106.90
62300 Office Expenses				
62310 Office Supplies	805.10	900.00	(94.90)	1,200.00
62315 Postage & Delivery	446.47	600.00	(153.53)	1,000.00
62320 Communication	1,074.84	3,293.00	(2,218.16)	3,500.00
62325 Equip Maint	-	500.00	(500.00)	-
62330 Equipment Leases	6,530.91	7,000.00	(469.09)	9,850.00
62333 Equipment Purchased	-	1,000.00	(1,000.00)	1,000.00
62335 Rent	1,082.87	3,441.00	(2,358.13)	2,400.00
62345 Gen Liab & Prop Ins	3,173.25	4,000.00	(826.75)	4,000.00
62350 Taxes, Licenses & Fees	300.00	600.00	(300.00)	600.00

The Synod of Southern California and Hawaii				
General Operating Funds Projections - DRAFT				
as of August 31, 2023				
		2023 Budget vs. Actuals		2024
	Actual	Budget	Remaining	Projected Budget
62355 Dues & Subscriptions	965.61	200.00	765.61	1,500.00
62515 Bank	155.60	100.00	55.60	300.00
62990 Miscellaneous Expenses	880.00	500.00	380.00	1,000.00
Total 62300 Office Expenses	15,414.65	22,134.00	(6,719.35)	26,350.00
62400 Meetings			-	
62360 Exec Mileage & Travel	6,219.00	22,000.00	(15,781.00)	22,000.00
62370 Employee Mile & Travel	125.45	3,000.00	(2,874.55)	3,000.00
62401 General & Admin	383.25		383.25	5,000.00
62402 REPL	-	100.00	(100.00)	100.00
62403 COA	-	300.00	(300.00)	300.00
62404 Work Groups	-	200.00	(200.00)	200.00
62405 Polity & Records	-	200.00	(200.00)	200.00
62406 Committee on Rep & Nominations	-	200.00	(200.00)	200.00
62407 Permanent Judicial Commission	-	500.00	(500.00)	500.00
62409 Synod Assembly	-	1,000.00	(1,000.00)	1,000.00
62411 Synod Moderator Training & Travel	-	1,600.00	(1,600.00)	1,600.00
Total 62400 Meetings	6,727.70	29,100.00	(22,372.30)	34,100.00
62550 Professional Services			-	
62500 Audit	7,500.00	7,800.00	(300.00)	24,000.00
62510 Legal	9,355.15	12,000.00	(2,644.85)	15,000.00
62520 Technical Support	-	600.00	(600.00)	600.00
62551 Payroll Fee	1,949.70	3,000.00	(1,050.30)	3,000.00
62552 Website Maintenance	2,250.00	3,150.00	(900.00)	3,000.00
62553 Hardware & Software Maintenance	1,199.94	4,000.00	(2,800.06)	4,000.00
62800 Training & Conference	1,323.82	14,000.00	(12,676.18)	14,000.00
Total 62550 Professional Services	23,578.61	44,550.00	(20,971.39)	63,600.00
62750 Special Program			-	
61600 Missioninsite	5,986.00	9,000.00	(3,014.00)	9,000.00
62700 Gift	-	2,500.00	(2,500.00)	4,000.00
62710 Monte Vista Grove Fndraiser	-	1,200.00	(1,200.00)	1,200.00
62751 Presbytery of Pacific - HI Delegates	1,152.41	6,500.00	(5,347.59)	6,500.00
62752 Ecumenical (SCalForum)	2,000.00	12,000.00	(10,000.00)	12,000.00
Total 62750 Special Program	9,138.41	31,200.00	(22,061.59)	32,700.00
Total Expenses	243,244.21	416,722.74	(173,478.53)	456,856.90
Net Operating Income	(145,827.25)	-	(145,827.25)	0.00

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Total 62100 Payroll	188,384.84	289,738.74	(101,353.90)	300,106.90
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62325 Equip Maint	-	500.00	(500.00)	-
62330 Equipment Leases	6,530.91	7,000.00	(469.09)	9,850.00
62333 Equipment Purchased	-	1,000.00	(1,000.00)	1,000.00
62335 Rent	1,082.87	3,441.00	(2,358.13)	2,400.00
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62350 Taxes, Licenses & Fees	300.00	600.00	(300.00)	600.00

The Synod of Southern California and Hawaii				
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62402 REPL	-	100.00	(100.00)	100.00
62403 COA	-	300.00	(300.00)	300.00
62404 Work Groups	-	200.00	(200.00)	200.00
62405 Polity & Records	-	200.00	(200.00)	200.00
62406 Committee on Rep & Nominations	-	200.00	(200.00)	200.00
62407 Permanent Judicial Commission	-	500.00	(500.00)	500.00
62409 Synod Assembly	-	1,000.00	(1,000.00)	1,000.00
62411 Synod Moderator Training & Travel	-	1,600.00	(1,600.00)	1,600.00
Total 62400 Meetings	6,727.70	29,100.00	(22,372.30)	34,100.00
62550 Professional Services			-	
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62750 Special Program			-	
61600 Missioninsite	5,986.00	9,000.00	(3,014.00)	9,000.00
62700 Gift	-	2,500.00	(2,500.00)	4,000.00
62710 Monte Vista Grove Fndraiser	-	1,200.00	(1,200.00)	1,200.00
62751 Presbytery of Pacific - HI Delegates	1,152.41	6,500.00	(5,347.59)	6,500.00
62752 Ecumenical (SCalForum)	2,000.00	12,000.00	(10,000.00)	12,000.00
Total 62750 Special Program	9,138.41	31,200.00	(22,061.59)	32,700.00
Total Expenses	243,244.21	416,722.74	(173,478.53)	456,856.90
Net Operating Income	(145,827.25)	-	(145,827.25)	0.00

The Synod of Southern California and Hawaii				
Special Funds Projections - DRAFT				
	2023 Budget vs. Actuals			2024
	Actual	Budget	Remaining	Projected Budget
Income				
55110 Chaplaincy-PF Olmstead	7,194.55	26,500.00	(19,305.45)	26,500.00
55130 LEF REPL	3,407.98	8,000.00	(4,592.02)	8,000.00
55160 Foundation Pass Through Grants	7,293.12	27,700.00	(20,406.88)	27,700.00
Total Income	17,895.65	62,200.00	(44,304.35)	62,200.00
Expenses				
Budgeted Expense				
61200 Racial Ethnic Pastoral Leadership	3,000.00	8,000.00	(5,000.00)	8,000.00
61300 Chaplaincy Consortium	19,874.97	26,500.00	(6,625.03)	26,500.00
61710 Witness for Peace	2,955.26	12,000.00	(9,044.74)	12,000.00
61720 Union Station Foundation	1,880.62	7,300.00	(5,419.38)	7,300.00
61730 Franciscan Friars JPIC	1,880.62	7,300.00	(5,419.38)	7,300.00
61740 La Casa de SG Comm Center	152.98	600.00	(447.02)	600.00
61750 Presbyterian Women	-	500.00	(500.00)	500.00
Total Expense	29,744.45	62,200.00	(32,455.55)	62,200.00

## **SYNOD COMMITTEE RESTRUCTURE TASK FORCE**

**DECEMBER 2, 2023**

### **BACKGROUND INFORMATION**

The Synod Committee Restructure Task Force was formed in June 2023 after a request to the Commission of Assembly (COA) by the Committee on Representation and Nominations (CoRN) to address mounting challenges in filling committee vacancies and in facilitating viable committee functioning.

The Task Force made the following three recommendations to COA on October 7; they were approved:

(1) That the following seven (7) committees be reduced in membership size (new size indicated):

Committee on Representation and Nominations (CoRN) - 9\*

Finance - 7

Justice, Peace and Integrity of Creation (JPIC) - 9

Partnering Grants - 7

Polity and Records - 7\*

Restricted and Special Funds - 7

The Rev. Dr. Leon E. Fanniel Racial Ethnic Pastoral Leadership - 7

\*Changes to CoRN and to Polity and Records will require an amendment to the Synod By-laws. The Permanent Judicial Commission (PJC) is set at 11 members by the Book of Order.

(2) That reductions be made no later than selection of the Class of 2027, with amendment to the Synod By-Laws as appropriate.

(3) That the Task Force remains viable to develop recommendations on committee guidelines and standards and presents them to the Synod Assembly in December 2023.

Accordingly, the Task Force is working on steps and guidelines that will include committee meeting schedules, minutes requirements, annual educational/informational workshops and enhanced publication on the Synod website. Specific guidelines and standards will be recommended to the COA at the March 2024 meeting.

In the interim, the Stated Clerk has agreed to conduct an educational/informational workshop in early 2024 to facilitate optimum committee functioning and member participation.

The Synod Committee Restructure Task Force is committed to supporting the Synod Statement of Purpose and Charge adopted in October 2022. The Statement includes the commitment that "Each Standing Committee and Commission aligns the work with the Synod's Statement of Purpose and Charge". The Task Force seeks to enable committees to be more viable and effective agents of the Synod.

Respectfully submitted,

N'Yisrela Watts-Afriyie, Chair

Susan Skoglund

David Won

**The Rev. Dr. Leon E. Fanniel**  
**Racial Ethnic Pastoral Leadership Scholarship Committee**  
**The Synod of Southern California and Hawaii**  
**Synod Assembly Report--December 2, 2023**

Greetings and Shalom from the Synod's newly named forty-one-year-old committee! Next year will be our forty-second year of mission and ministry with the Synod of Southern California and Hawaii! Wow!

We feel honored and privileged to continue serving our racially and ethnically diverse communities with scholarship funds! Scholarships continue to primarily award students pursuing the M.Div. degree or an equivalent qualification, as well as other programs approved by the Presbytery, as they prepare for various ministry vocations including Pastor, Commissioned Ruling Elder (CRE) and Certified Christian Educator (CCE).

A special thank you to our committee members: Alfredo Delgado (TE, Chair, Los Ranchos), Jose Felix Acosta (TE, San Fernando), Hagar Benitez (RE, San Gabriel), Timm Cyrus (honorably retired, TE, Pacific), Damon Green (RE, Pacific), Jennifer Fraser (TE, Recorder, Santa Barbara), John Moon (TE, San Gabriel), Jeya So (TE, San Diego), Mark Hong (TE, Synod Executive, Los Ranchos) and Narcissis TuckerBishop (TE, REPL Coordinator, Riverside). *A very special thank you to Hagar Benitez who ended her decades-long commitment to REPL. Hagar served with dedication, faith, and love, and we express our deepest gratitude for her service, which ended this year. Thank you! We love you! May the Good Lord bless you and keep you forever and ever, Amen.* We are happy to announce our committee has approved extending Alfredo's position as chairperson for one more year. Our committee also approved Jeya So to work beside Alfredo as co-chair with the understanding that after one year of service with Alfredo, Jeya will become our chairperson in 2025. We thank the Good Lord for their continued ministry in these capacities.

This year-end report is two-fold. The first part is a brief history of the 1979 Synod report, which details a task force convened by Rev. George McDonald. This re-typed document is taken directly, verbatim, from the type-written report. It highlights the continued necessity for our program. The second part of this report recaps our accomplishments, goals, and needed support.

**Part One: A Brief History: (this was taken directly from the task force report)**

In 1979, a task force was convened by Mr. George McDonald. This was in response to a progress report made to the Synod in 1980 (1980 minutes, page 121). Pastors, seminary staff and students, ethnic caucuses and Presbytery candidate(s) committee chairpersons took part in this survey. There were other groups also included in this survey. **Findings included: 1)** most ethnic minority church pastors are overworked and underpaid which consequently leads to not functioning as a good vocational role model. Despite full education preparation the pastor often is not perceived by young people to be on a par with other professionals, **2)** our church does not adequately emphasize and underscore the need for ethnic pastoral leadership. This is true at the present time. There is also insufficient concern evident about the increasing need for qualified ethnic minority leadership in the future, **3)** there is no functional entity with a clear responsibility for the enlistment of ethnic leadership within the Synod or in any of the Presbyteries.

**Task force recommendations:** (also taken directly from the report)

- 1** That the Synod commit itself to encourage and coordinate Presbytery efforts in developing and strengthening ethnic pastoral leadership. This responsibility should be assigned to a committee formed by and accountable to the Leadership and Education Support Commission.



- 2 That vigorous programs be developed for the enlightenment of ethnic candidates for the ministry and other leadership positions. Programs of enlistment should be included in camp and conferences as well as in local church and Presbytery career days.
- 3 That the Presbyteries and Synod develop a program of seminary scholarship assistance for ethnic candidates.
- 4 That Synod prepare attractive and effective resources including audio-visual and printed materials in order to create a positive image of the ethnic church leadership, to aid in the enlistment of ethnic candidates, and to develop a support base for ethnic church leadership.
- 5 That Synod-wide support for ethnic persons presently in seminary be enhanced through a more creative use of Seminary Sunday and through visits to the ethnic ministry candidates in seminary by representatives of sessions, Presbyteries and Synod.
- 6 That Presbyteries be encouraged to develop special internship opportunities for ethnic minority seminarians to prepare them for the work of the church.
- 7 That Synod General Council annually (page cut off) .... To review the status and ongoing support ethnic pastoral leadership development with the Synod... (page cut off)
- 8 That the Synod General Council study, and when appropriate, recommend implementation of the Vocation Agency Special Report (F) entitled "Racial/Ethnic Professional Church Leadership – the United Presbyterian Church (USA)" to be presented to the 193<sup>rd</sup> General Assembly at Houston, Texas.

***(This was not in the report but represents current procedures.)***

*The Synod Assembly approved the REPL program in 1982. The initial funds for the program were provide by contribution from the existing racial ethnic caucuses and from the Synod. The funds were subsequently invested with the Presbyterian Foundation as a Permanent Fund with only interest and principal above \$80,000 to be used for scholarships. The initial individual scholarship in 1983 was \$200.00. Today we offer scholarships up to \$3,000 for qualified student applicants. **Find REPL on the synod.org website.***

## **Part Two: Accomplishments, growing edges, goals, support, and long-term objective**

### **Accomplishments:**

- a. Capped student scholarships to \$3,000/ask to maintain REPL's financial account.
- b. Class and 'terms of service' clarified
- c. Intentionally practiced Mutual Invitation, devotionals, and relational ministry to each other
- d. Collaborated with Synod committees to ensure diversity and inclusion on our committee
- e. Approved ACH Deposit authorization form that streamlined scholarship distribution
- f. Collaborated w/ Synod to design a user-friendly financial report to enhance comprehension
- g. Updated REPL documents on the Synod's website to reflect REPL's adoption of The Rev. Dr. Leon E. Fanniel Racial Ethnic Pastoral Leadership Scholarship Program as our new name
- h. Coordinated quarterly ZOOM meetings
- i. Collaborated with the National Black Presbyterian Caucus leadership team to continue ongoing conversations around REPL's relationship with the Black churches within our Synod.

### **Growing edges:**

- a. Keep REPL's mission statement before Presbyteries and CPM committees
- b. Encourage more intentional liaison relationships with applicants and committee members
- c. Develop marketing materials to share with our Presbyteries
- d. Represent REPL in Presbyteries meetings and CPM meetings
- e. Approve and revise the REPL Coordinator's job description (see 9/17/15 draft)
- f. Develop an operation manual

### **Goals:**

- a. Build stronger relationships with committee members by showing interest in their professional growth and development, understanding their strengths and growing edges
- b. Improve communication skills by active listening, providing constructive feedback
- c. Develop relationships with CPM committees and Presbytery Clerk of Sessions to attend meetings
- d. Develop a student mentorship program (this student would be a guest in our meetings to further their understanding of Presbyterian polity, procedures, and committee work)
- e. Delegate tasks and responsibilities – calling CPM chairs, liaison with their Presbytery, liaise with students, represent REPL at Presbytery, recruiting students, (becoming a working committee by setting clear goals and objectives that align with the mission and values of the Synod of Southern CA and Hawaii)
- f. Develop the committee by offering a training, workshop, or development program to enhance their skills and knowledge (social/ethnic/gender equity, etc.)
- g. Continue to foster a diverse and inclusive atmosphere where all members feel valued, respected and where their perspectives are embraced
- h. Seek feedback and reflection from committee members and leadership to identify areas for growth and improvement.

### **Support:**

Doing a good job and being a support involves a balance of guidance and autonomy. This requires coordination, responsiveness, regular communication, and feedback to maintain healthy working relationships, and this is for the sole purpose of ensuring we feel supported and valued by the leadership team. Some considerations:

- a. **Clear communication** – regular check-ins, feedback meetings can help maintain the alignment of goals and objectives. (ZOOM set ups, financials)
- b. **Empowerment** – avoiding micromanaging, giving autonomy while providing support and guidance (recruiting new committee members)
- c. **Resource allocation** – financial planning (reporting to ensure comprehension), reimbursements, gas for travel, brochure development
- d. **Professional development** – professional training opportunities, mentorships, skill development, investing in the coordinator's capabilities

- e. **Feedback and recognition** – constructive feedback on performance, reviews and recognition can boost morale and motivation
- f. **Conflict resolution** – offer guidance and mediation when necessary
- g. **Goal alignment** – clarify expectations and key performance indicators to measure success (balancing gender, TE/RE representation on REPL)
- h. **Problem solving** – addressing complex issues, encourage problem-solving
- i. **Feedback loop** – establish a loop where thoughts, insights, concerns, and suggestions with leadership can be shared. Act on actionable feedback promptly.
- j. **Long-term planning** – strategically develop the future of REPL
- k. **Celebrate success** – recognize and reward outstanding performance
- l. **Advocacy** – for the needs of REPL and the committee, ensure contributions are recognized and valued

### **Long Term Objective:**

Program longevity is before us. Improving REPL's performance within our committee and beyond our committee, will increase our exposure, and our long-term sustainability. We need and want REPL to exist for another 40+ years! Your help in creating a welcoming atmosphere with honest discussions about how to do this is appreciated. This open dialogue and definitive goal and objective-making is up to us. Our student applications have decreased over the years. Re-imagining (visioning) REPL to our Presbyteries may be a key component to its continued success. The consequences of inaction – the program becoming obsolete – is real. Your voice, your agency, and your commitment to leading REPL into the next 40 years is appreciated. Thank you for your support.

Submitted by:

Rev. Narcissis TuckerBishop, MDiv  
 REPL Coordinator  
 Interim Pastor  
 Westminster Presbyterian Church, Ontario



## Pacific Presbytery's Christmas Appeal for Maui 2023

**Help us raise \$20,000 in a matching grant for Maui!!**

In early November, a delegation of Pacific Presbytery and Presbyterian Disaster Assistance visited Maui and Rev. Dr. Kimberly Fong, minister member of Pacific Presbytery and Pastor of Po'okela Church in Maui. We clearly heard there is still a great need for emergency help for victims of the Maui fires. We also heard that our emergency unmet needs fund through Po'okela Church is giving the community hope.

As a result, Presbyterian Disaster Assistance is releasing an additional \$20,000 in emergency relief for Maui, and Pacific Presbytery's Mission Interpretation and Promotion Committee has decided to match it!! ***Will you help the Mission Interpretation and Promotion Committee of Pacific Presbytery raise \$20,000 in emergency unmet needs for the people of Maui this Christmas?*** Our fundraising deadline is to raise \$20,000 as a Presbytery by December 31, 2023.

[Send this link to your church](#), your mission committee, your friends and family over the holidays! 100% of your donation goes directly to the people. Mahalo for your support at this critical time.

### WAYS TO GIVE:

**Online:** [www.pacificpresbytery.org](http://www.pacificpresbytery.org)

**Text:** "\$ (amount) MAUI" to 84321

**Check:** Make check out to "Pacific Presbytery" write "Maui" in the memo. Send to: Pacific Presbytery 811 No. Catalina Ave. Ste. 2006 Redondo Beach, CA 90277

JUSTICE, PEACE, AND INTEGRITY OF CREATION COMMITTEE OF THE  
SYNOD OF SOUTHERN CALIFORNIA AND HAWAII  
OCTOBER 28, 2023 at 9:00 AM via Zoom  
Minutes

PRESENT Carolyn Harris (SG), Ann Hayman (PA), Rae Huang (PA), Karen Speros (LR), N'Yisrela Watts-Afriyie (SG), Carole Wheeler (SF), In Yang (RS)

Ann Hayman opened the meeting at 9:15 AM with the prayer, "It Could Be Me."

The agenda was approved with the addition of Creation Care.

REQUEST APPROVALS - The requests for funding approved by the email vote for the United University Church and the Beehive Ministry from Faith Presbyterian Church were both approved in person at this meeting.

NEW FUNDING REQUEST FROM HEIDI WORTHEN GAMBLE AND WENDY GIST from San Gabriel and Pacific Presbyteries on behalf of 5 Presbyteries to launch a Migration Mission Network to bring together people and organizations from Central and North America via 5 virtual sessions and a 9 day in-person conference in San Salvador.

The funding request is for \$7,500 to cover the registration fee of \$750 each for 10 representatives from JPIC with 2 from each of the 5 participating presbyteries. After discussion which included requests that we have a written report, how this experience will contribute to the work of JPIC, and the inclusion of BIPOC representatives among the ten participants, the motion passed unanimously to approve the request for the \$7,500 in funding for the project. Ann Hayman will follow up with Heidi Worthen Gamble on this project.

#### ISSUES FOR DISCUSSION

1) ISRAEL/PALESTINE: KAREN SPEROS reported that she is following events related to Israel/Palestine and mentioned a message that Darrel Meyers had sent out on the current war affecting Israel and Palestine and information from Middle East Children's Alliance. Gary Burge also did a one hour program that Ann Hayman will forward to JPIC members.

2) HOMELESSNESS: RAE HUANG reported on several bills that Gov. Newson has signed including a rent cap of 10% increase, but there is no accountability, a bill to allow faith communities and schools to use land they have to build housing for the homeless and a bill to study the possibility of creating "social housing" that could be community controlled. N'Yisrela asked where we could access more information on "social housing".

N'Yisrela also mentioned a bond bill for Mental Health coming up in 2024.

3) N'YISRELA WATTS-AFRIYA has been serving on the San Gabriel Presbytery Reparations Committee for nearly two years asking churches if they would be willing to identify properties they hold that could be used for permanent housing for the homeless. They are planning a workshop on Zoom in early February. She asked if Rae Huang could be available to help.

4) CREATION CARE: N'Yisrela is also working on Climate Action as part of Creation Care.

MEETING ADJOURNED at 10:30 AM. NEXT MEETING - JANUARY 27, 2024 AT 9 AM.

Respectfully Submitted, Carolyn Harris, Secretary

## EXECUTIVE REPORT TO THE ASSEMBLY

December 2, 2023

In 2022, the Synod adopted a new strategy with a Purpose Statement that read, "*Listening to the working of the Holy Spirit, the Synod serves to resource our covenantal relationships with Presbyteries and the greater Bodies of Christ.*" I am so glad to report that Synod has the capability to follow our Purpose Statement with several aids. We were able to aid our Presbyterian Disaster Agency's work with donations of \$50,000 each to support the Turkey/Syria Earthquake Relief and Maui Fire Disaster Recovery. We also sent an aid for the Mountain community to recover from the considerable snowfall. I am proud that Synod is sensitive to our communities' needs near and far.

The Commission of Assembly is trying to adjust to the different times that we live in. Finding volunteers to fill our committees continues to be challenging, as all mid-councils experience. The COA has created a task force to review our current committee structure to find ways to be more effective with our structures. I believe changes are coming soon and will become official by 2025. I am glad to see our leaders recognize the needs in this post-pandemic era and find ways to adapt to the different circumstances.

Due to the changes in California law, which opened the victims of old sexual misconduct cases to file litigations in 2022, Synod has been served with three cases dating back to 1968, 1982, and 1986. The COA decided to retain the services of the Brockman, Qualy, Bennet Law Firm, which specializes in non-profit litigations. Unfortunately, our insurance company covers retroactively only from 1990, leaving us to defend on our own. These cases may have substantial financial implications.

We now have all our seven Presbyteries with Executive leadership as follows.

Pacific: Linda Culbertson.  
Los Ranchos: Tom Cramer  
San Gabriel: Wendy Tajima  
San Fernando: Juan Sarmiento  
Santa Barbara: Jason Micheli  
San Diego: Sean Chow  
Riverside: Frances Lin

Synod had an opportunity to host a listening session with the staff from our National Office. Rev. Diane Moffet, the President and the Director of the Presbyterian Mission Agency brought several staff not only from her office, but also from the Office of General Assembly, the Board of Pension, and the Presbyterian Investment and Loan Program. They visited SoCal for about six days to worship and to visit our mission sites, culminating a gathering of about forty for a day of dialog. I am proud that we showed our hospitality, and they thoroughly enjoyed their time in SoCal.

I am thankful that I was given an opportunity for a Sabbatical this year. I was blessed to spend a month in South Korea, gaining the experience of a more extended stay in the city of Jeonju, located in southwest Korea. The Presbytery of Jeonju has a sister relationship with the KPC (Korean Presbyterian Caucus) of Southern California, which made my stay there much easier, as the locals welcomed me in their midst. I gained a valuable experience and rest, which I longed for many years.

# **ADDENDUM**

## **MOTION FROM THE RESTRICTED AND SPECIAL FUNDS COMMITTEE:**

1. MSP to recommend that the Synod Assembly approve a grant request to distribute \$15,000 from the Matthew 25 Fund to the Presbytery of San Diego, to be used for Ebenezer Church's Homelessness, Scholar-Athlete Initiative and Urban Gardening petals of the Linda Vista Life Economics Flower project.
2. MSP to recommend that the Synod Assembly approve a grant request to distribute \$15,000 from the Matthew 25 Fund to the Presbytery of Riverside, to be used for Family Promise of Riverside's shelter programs and Day Center.

**SYNOD OF SOUTHERN CALIFORNIA AND HAWAII**  
**APPLICATION FOR USE OF RESTRICTED FUNDS**  
**MATTHEW 25 GRANT REQUEST**

1. To Be Completed by Requesting Session, Related Mission Partner or Presbytery			
If application was made to other restricted funds for <u>same program/project</u> , please list fund numbers: <b>N/A</b>		Grant amount requested (must equal or exceed \$500): <b>\$15,000</b>	
Have you previously received a restricted fund grant? "No" is the default selection. To answer "Yes" click the "Yes" box.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	Total Program/Project Budget (Please complete budget worksheet):
If so, which year did you receive the restricted fund grant? Please enter the year in the box to the right -----> <div style="text-align: right;">YEAR &gt;&gt;&gt;&gt;</div>		For Synod Use Only – Amount Grante	

Applicant name and address (presbytery, church or related mission partner):

Name Magnolia Presbyterian Church

Address 7200 Magnolia Avenue

City, State, Zip Riverside, CA 92504

Designated program/project contact:

Name Paul Knopf

Phone Number 9516847200

**Digits only!** paul@magpres.com

E-mail Address paul@magpres.com

If applicant is a church (session) or New Worshipping Community (NWC), please provide the following information for the prior calendar year:

Church Membership (or NWC average attendance)	<u>190</u>
Operating Budget	<u>\$463,000</u>
Amounts Contributed to Presbytery, Synod and GA (Excluding Per Capita)	<u>\$18,000</u>

Proposed Use: This should be responsive to Evaluation Guidelines found in the application instructions. Approved applications receive a one-time grant. Grants must be used within one year of distribution or specified time period stated in this Application.

There are 4 parts to this "Proposed Use" section, listed below; space for your responses begins on the next page. Please limit your response to sections a – d to no more than two pages and indicate where each of your four responses begins by beginning each response with the letter (a, b, c, d) in this manner:

- a) Your response.....
- b) Your response .....
- c) Your response .....
- d) Your response .....

- a) Short Description (briefly describe the program/project for which funding is requested):
- b) Is this an ongoing program/project or a new initiative? (Please explain.):
- c) Are funds being received from other sources to support this program/project? If so, what are the sources and how much?
- d) Background: A more detailed description of program/project, and please indicate partnership with other governing bodies or other entities:

The two pages provided for your responses to these four sections in the "Proposed Use" query begin on the next page.

**Please remember that you will use the following two blank pages to answer all 4 of the questions a-d.**



**SYNOD OF SOUTHERN CALIFORNIA AND HAWAII**  
**APPLICATION FOR USE OF RESTRICTED FUND**

Proposed Use (Page 1):

a) Family Promise of Riverside is a local affiliate of the national Family Promise organization (familypromise.org) which delivers innovative solutions for family homelessness including prevention, shelter, and stabilization services. While other organizations in Riverside city and county are working to combat homelessness, Family Promise focuses on families and works to move them from being unsheltered into stable housing. Since opening their doors in January 2023, FPR has helped four families move from living in their vehicles into permanent housing by supporting these families through community based partnerships.

Magnolia Presbyterian Church was instrumental in founding this local affiliate when one of our families sought to do mission work together, which was difficult because their children were under 16 years of age (many organizations require volunteers to be a minimum of 16). This family was driving to Tustin Presbyterian Church to participate in their expression of Family Promise, and had a vision for bringing a similar model to Riverside. Working with many members of our congregation and pulling in members from other congregations and faith communities in Riverside, we were able to help launch FPR and are currently housing the Family Promise Day Center on our campus. MagPres is able to express its Matthew 25 identity by acknowledging how structural racism has disproportionately affected people of color (a significant majority of clients in FPR are people of color) and how systemic poverty creates cycles of homelessness that is being passed on to multiple generations (some of FPR clients are now third generation homeless).

b) Magnolia Presbyterian Church was the fiscal sponsor for Family Promise of Riverside from its start in 2019 until it received its own 501(c)3 status in September 2021. Since then, FPR worked to establish itself, completing the necessary work of communication, volunteer resourcing, and community involvement. Even though the pandemic hampered a lot of the excitement, energy, and faith communities who had committed to the program, FPR was able to open its doors in January of 2023. So while FPR has four years of corporate organization, it really has been only been fully operational since January of this year. FPR is a continuing program and separate 501(c)3 from Magnolia Presbyterian Church.

c) Family Promise of Riverside receives funding from many sources. Since its initial inception in 2019, MagPres has donated over \$100,000 (including donations made directly to FPR but housed at MagPres as fiscal sponsor), over 2,000 person hours in volunteer work, and is providing building use and utilities estimated at \$30,000 and \$20,000 respectively. Currently, two MagPres members serve on the board of FPR and the Session receives regular updates from FPR. FPR receives contributions from Individuals, from Faith Communities, from the City of Riverside and also other grant organizations. Last year (2022), FPR received a \$5,000 grant from the Presbytery of Riverside. One thing that has been learned is that because FPR provides wrap-around and case management services, it is not eligible for certain city and state homelessness funding, which seems silly. In order to qualify for those funds, you can only provide food and shelter, not the services that will actually help to get these families housed.

d) Family Promise of Riverside helps the Riverside community coordinate their compassion and current resources to address the root causes of family homelessness, addressing the issue holistically. FPR provides prevention services before a family reaches crisis, shelter and case management when they become homeless, and stabilization programs once they have secured housing to ensure they remain independent, tapping local resources to empower families toward economic stability. Families come to FPR in crisis and receive help to rebuild their lives with new skills and ongoing support.

In prevention, FPR offers a variety of strategies to ensure that people served do not fall into the cycle of housing instability that can devastate families and alter the course of children's lives. These strategies include administering formal diversion programs with government funding, providing rental assistance and landlord mediation, and community-based approaches that keep families housed.

Originally, FPR was planned to be a rotational model with 13 faith communities hosting up to 5 families (no more than 16 people total) 1 week at a time, 4 times a year. Host sites provide dinners for families in shelter and staff the shelter with an on-site, emergency contact. Post-pandemic, only 4 faith communities have committed to being host sites, resulting each community hosting for 1-3 months at a time. These communities include: Calvary Presbyterian Church; First UMC, Wesley UMC, and MagPres. Because of this change, the staff and volunteers have taken on the responsibilities for providing dinners and staffing the host site overnight. Families stay at the host site in the evening hours, typically from 6pm-6am. During the day, they go to work, school, or the day center (which is housed at Magnolia Presbyterian Church). At the day center, they work with the FPR Executive Director and Case Manager on things like looking for work, arranging for reliable transportation, securing housing, connecting to services like counseling, and more.

FPR has transformed the life of Magnolia Presbyterian Church, providing congregants the opportunity to share meals, play with children, read to children, and provide these families with community of support around them. MagPres is able to be the hands and feet of Jesus through actions, and if asked about faith, through words too.

When FPR knows that a family is securing housing, the staff transitions the family to prepare to live on their own. Moving from shelter living, where meals are provided and cleaning happens regularly, to one's own home, where one needs to cook and clean on their own, is drastic. FPR provides transitional space where families are prepared for this transition. And after they move into their own housing, FPR continues to provide support services, case management, and regular check-ins for up to two years.

Family Promise of Riverside has been a wonderful expression of revitalizing our congregation, educating and working to dismantle structural racism, and is a small but significant effort toward eradicating systemic poverty. FPR is helping MagPres live out its Matthew 25 commitment.

**SYNOD OF SOUTHERN CALIFORNIA AND HAWAII**  
**APPLICATION FOR USE OF RESTRICTED FUND**

**Budget for Project/Program (Revenue Should Equal Expenses)**

<b>Revenue Item</b>	<b>Amount</b>
Individual Contribution(s)	\$72,000
Presbytery	\$5,000
Synod Funding Request	\$15,000
Other: (Describe and list a revenue amount for each additional item over 10% of budget)	
Other: Private Foundations and City	\$70,000
<b>Total Project Revenue</b>	<b>\$162,000</b>

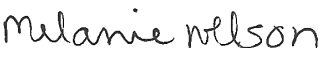

<b>Expense Item</b> (List and describe each major expense item)	<b>Amount</b>
Day Center: Operations and expenses	\$81,000
Shelter: Operations and expenses	\$81,000
<b>Total Project Expense</b>	<b>\$162,000</b>

**SYNOD OF SOUTHERN CALIFORNIA AND HAWAII**  
**APPLICATION FOR USE OF RESTRICTED FUND**

**2. Presbytery Comment(s) on Proposals from Local Churches and Related Mission Partners**

Endorsed by the Presbytery Assembly on November 4, 2023

**3. Required Signatures**

Melanie Nelson, Clerk	Magnolia Presbyterian Church		10/25/23
Clerk of Session or NWC Leader or Related Mission Partner Signer	Church Name or NWC or Related Mission Partner	Signature	Date
Paul Knopf, Stated Clerk	Presbytery of Riverside PO Box 1165 Redlands, CA 92373		11/10/23
Presbytery Representative	Presbytery Name and Address	Signature	Date
Presbytery Representative*	Presbytery Name and Address*	Signature*	Date*

\*Additional Presbytery information and signatures only required for Synod Related Mission Partners

The completed application, with required signatures, should be emailed to the Synod's Business Manager ([businessmanager@synod.org](mailto:businessmanager@synod.org)) who will forward your application to the appropriate Synod Work Group.

# SYNOD OF SOUTHERN CALIFORNIA AND HAWAII APPLICATION FOR USE OF RESTRICTED FUNDS **MATTHEW 25 GRANT REQUEST**

1. To Be Completed by Requesting Session, Related Mission Partner or Presbytery			
If application was made to other restricted funds for <u>same program/project</u> , please list fund numbers:			Grant amount requested (must equal or exceed \$500):
Have you previously received a restricted fund grant? "No" is the default selection. To answer "Yes" click the "Yes" box.	Yes	No	Total Program/Project Budget (Please complete budget worksheet):
If so, which year did you receive the restricted fund grant? Please enter the year in the box to the right ----->			For Synod Use Only – Amount Granted
YEAR >>>>			

Applicant name and address (presbytery, church or related mission partner):

Designated program/project contact:

Name \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

Phone Number \_\_\_\_\_  
**Digits only!**

City, State, Zip \_\_\_\_\_

E-mail Address \_\_\_\_\_

If applicant is a church (session) or New Worshipping Community (NWC), please provide the following information for the prior calendar year:

Church Membership (or NWC average attendance) \_\_\_\_\_

Operating Budget \_\_\_\_\_

Amounts Contributed to Presbytery, Synod and GA (Excluding Per Capita) \_\_\_\_\_

**Proposed Use:** This should be responsive to Evaluation Guidelines found in the application instructions. Approved applications receive a one-time grant. Grants must be used within one year of distribution or specified time period stated in this Application.

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- a) Your response.....
- b) Your response .....
- c) Your response .....
- d) Your response .....

a) Short Description (briefly describe the program/project for which funding is requested):

b) Is this an ongoing program/project or a new initiative? (Please explain.):

c) Are funds being received from other sources to support this program/project? If so, what are the sources and how much?

d) Background: A more detailed description of program/project, and please indicate partnership with other governing bodies or other entities:

The two pages provided for your responses to these four sections in the "Proposed Use" query begin on the next page.

**Please remember that you will use the following two blank pages to answer all 4 of the questions a-d.**

## **A. Brief Description**

Systemic racism colludes with poverty and creates devastation in the lives of people in our community. We've seen this first hand- everyday we hear stories of gangs and gang violence, and it isn't unusual to hear gunshots. Year after year we see more neighbors being gentrified out of the neighborhood, with some sliding into homelessness. We live in close proximity to "the least of these", and it is because of these friends that we resolved to embark on a project that generates hope in our neighborhood, and vitality in the lives of our people .

We have called the project the Linda Vista Life Economics Flower

The vision of project is to holistically bring together the dreams of the people of our neighborhood by creating a catalytic space that curates and funds them.

Our project will is a flower that consists of 8 petals, each of them dreams or rumors that we have heard everyday leaders of our community share with us over the years. Each petal or sub-project is focused on selected individuals that will participate in a cohort style process of learning, practically applying the leanings and developing those areas of work for future funding. The cohorts will also have opportunities for cross-learning on an intra and cross-neighborhood level.

The petals are — **Homelessness, Sports pathway, Micro-Enterprise, Money for the Neighborhood, Pop-up Music & Art, Urban Gardening, Culinary Arts and a space for experimentation.**

## **B. Is this an ongoing program/project or a new initiative?**

Yes. We have already started to lay the foundation for the project and programs. The relational side of the work has already started, the leaders are in place and we have even been able to purchase some of the equipment that we will need for the work. We are requesting funding to meet phase two of the project.

## **C. Are funds being received from other sources to support this program/project? If so, what are the sources**

We had Westminster Presbyterian Church support the work with \$5,000 which we combined with funding from people in our community to purchase a mobile shower truck. Currently people in our community are building out the truck to make it not only functional but also to meet legal requirements from our city.

We also had a group called Cyclical Inc provide \$5,000 which we used to start developing the community garden space that allows people from our community, including the houseless a place for therapy. This space or petal is already functional.

## **D. Background: A more detailed description of program/project, and please indicate partnership with other governing bodies or other entities:**

The Following are the sub-visions and practice of the neighborhood flower:

### **Homelessness**

— — —

**Vision:** To engage the unsheltered population in community development and to position them closer to flourishing.

### **Practice:**

- Recruit formerly houseless community
- Train them on how to operate mobile shower unit
- Divide the unsheltered community into teams and assign them to the trained folk
- Create micro parties with BBQ and music on shower day
- Create potential income streams that can be used to employ them to operate the mobile shower unit

### **Scholar-athlete development**

— — —

**Vision:** To change the neighborhood reality and narrative of "School to prison pipeline" into a practical neighborhood sports pine line from K-12 which emphasizes both athletic and academic development.

**Practice:**

- Recruit students in interdisciplinary sports (Soccer, Football, Track and field etc)
- Recruit coaches and mentors with upstanding character
- Connect the athletes to mentors who walks with them on a weekly basis
- Facilitate local sports competitions at the elementary and middle school levels to encourage connection between the athletes before they transition to the local high school
- Work with colleges and college coaches for potential scholarships for our student athletes

**Urban Gardening**

— — —

**Vision:** To train community members in urban farming to help fill in the gaps of living in a “food desert”.

**Practice**

- Work with students in the community
- Build an out of school club where we educate students and families on nutrition and the importance of vegetables
- Students take produce home
- Create neighborhood rock garden that connects the community that starts from the neighborhood garden

**Micro Enterprise**

— — —

**Vision:** To train young people in business and business development

**Practice:**

- Engage young people who want to learn how to run small businesses
- Connect them with seasoned business leaders who can teach and mentor them
- Provide seed money for the small businesses

**Pop-up Music & Art**

— — —

**Vision:** To bring music training to the community

**Practice:**

- Buy a box truck and convert it into a music & art hub
- Park it at local schools for out of school lesson
- Park it at the local library in the summer
- Give free music instrument lessons
- Use it for community art days

**Policy Defining**

— —

**Vision:** To make local policy understandable to everyday Linda Vistans

**Practice:**

- Breakdown the 5 most applicable policy issues for Linda Vistans
- Create compelling video and infographics for the policies
- Create micro parties to teach the policy work in everyday hangout hubs
- Work with town council to create a feedback loop
- Encourage our people to serve on the town council

\*\*\* Work in collaboration with City Heights Youth for cross training and sharing of best practices

**Culinary Arts**

— —

**Vision:** To teach young people how to cook

**Practice:**

- Recruit neighborhood chefs
- Create 5 workshops per semester
- Feed unsheltered community with food prepared
- Focus on community cultural recipes
- Make sure everyone leaves with 3 recipes they can make from concept to table

### **Money In The Neighborhood**

— — —

**Vision:** To teach young people how to manage money

#### **Practice:**

- Recruit a team of young people
- Teach them how to become financially literate
- Teach them how to invest including in crypto currency
- Do a “clean hustle” competition where they run a small business with a designated capital
- Students leave with money invested

**\*\*\*WE ARE REQUESTING FUNDING FOR THE FIRST THREE PETALS -  
Homelessness, Scholar-athlete initiative and Urban Gardening\*\*\*\***



Table 1

	<b>EBENEZER NWCMatthew 25 Grant Budget</b>				
	<b>ITEM</b>	<b>COST</b>			
	<b>Homeless mobile shower outreach</b>				
	Hygiene kits	\$800.00			
	Tarps	\$400.00			
	Food	\$3,000.00			
	Socks	\$200.00			
	Towels	\$500.00			
	Coordinator stipends	\$2,000.00			
	Wifi extender	\$400.00			
	<b>Sub Total</b>	<b>\$7,300.00</b>			
	<b>Urban Gardening</b>				
	Metal beds	\$600.00			
	Seeds	\$300.00			
	Art supplies for therapy days	\$500.00			
	Coordinator stipends	\$1,500.00			
	Irrigation system	\$1,500.00			
	Workshops	\$500.00			
	<b>Sub Total</b>	<b>\$4,900.00</b>			
	<b>Youth Engagement</b>				
	Sport training equipment supplies (Soccer, football, basketball)	\$500.00			
	Prizes	\$300.00			
	Coaches training	\$500.00			
	Coordinator stipends	\$500.00			
	Snacks	\$400.00			
	Competitions	\$600.00			
	<b>Sub Total</b>	<b>\$2,800.00</b>			
	<b>TOTAL</b>	<b>\$15,000.00</b>			

**SYNOD OF SOUTHERN CALIFORNIA AND HAWAII**  
**APPLICATION FOR USE OF RESTRICTED FUND**

**2. Presbytery Comment(s) on Proposals from Local Churches and Related Mission Partners**

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**3. Required Signatures**

**Clerk of Session or  
NWC Leader or  
Related Mission Partner Signer**

**Church Name or  
NWC or  
Related Mission Partner**

**Signature**

**Date**

**Presbytery Representative**

**Presbytery Name and Address**

**Signature**

**Date**

**Presbytery Representative\***

**Presbytery Name and Address\***

**Signature\***

**Date\***



\*Additional Presbytery information and signatures only required for Synod Related Mission Partners

The completed application, with required signatures, should be emailed to the Synod's Business Manager ([businessmanager@synod.org](mailto:businessmanager@synod.org)) who will forward your application to the appropriate Synod Work Group.





FOR GOD SO LOVED  
LINDA VIST

TOGETHER  
TOGETHER  
TOGETHER











