



July 8, 2020

Dear CSA Community:

We have really missed seeing you over the past three months and certainly hope you are able to navigate the changes that are currently challenging all of us. Even though we post the Center's financials on our website quarterly, we thought it was now important to contact you directly to make sure you were aware of our Center's present financial state.

Over the past few years, your Board of Stewards has been taking steps to insure the future financial health of your Center. After taking care of the immediate need of refinancing the mortgage from Union Bank to loans from many of our congregants in 2018, we upgraded our kitchen, The Mindshop, children's area, lobby, bathrooms, electrical and audio-visual. We also created a separate office space for rent.

These improvements were primarily implemented to allow us to generate more passive income from our beautiful facility through an increase in building rentals from an expanded variety of outside events, e.g., weddings, conferences, memorials, large parties, etc. We also projected increased revenues from The Mindshop, the new office space, and in-house concerts, events and programs.

Prior to the pandemic, we also were ready to launch three income-generating programs:

- An expanded event rental website,
- A memorial brick fundraiser, and
- A consistent-giving program.

Our expectation was that 2020 would be the year in which these foundational improvements and other new income sources would begin to be realized financially. Due to the pandemic, the rental market has completely shut down and building-related revenue sources are not currently available, nor do we expect them to be anytime in the foreseeable future. The most optimistic estimates are 9 or more months, and then, very likely not at full capacity.

Our dedicated staff led by our Executive Director, Coleen Gsell, has done a highly commendable job in rapidly and professionally re-creating CSA's Sunday program and many classes into top quality on-line events; nevertheless, CSA's current and projected revenues have been negatively affected by recent world events.

For the first six months of 2020, we experienced a loss of approximately \$107,000 (or about \$17,800/month). Fortunately, we give thanks to our Chief Financial Officer, Cathy Cole, who successfully secured almost \$45,000 for CSA from the government's CARES Act Paycheck Protection Program (PPP) Loan (most of which is forgivable), thus reducing our shortfall year-to-date to about \$63,000.

***That being said, based on our current level of cash reserves and projected income and expenses, we have only enough liquidity to keep operating until the end of October, 2020. Barring any unexpected changes to our projections, as difficult as this may be to say, we may need to consider the sale of our building.***

Letter to CSA Community from CSA Board of Stewards

July 8, 2020

Page 2 of 3

We have also explored numerous other grant and loan options over the last three months, and are considering accepting an offer of an Economic Injury Disaster Loan (EIDL) also offered through the CARES Act. There is much to consider here however, as we are not sure that we are comfortable adding to our current level of debt.

All that CSA has accomplished over the last 29 years is because of your ongoing and generous love and support – financially and in many other ways too numerous to mention!

We feel it is irrefutable that the most important journey of a human life is Self-discovery. What is more important than supporting a Center and Teaching that gives us the gift of truly being led Home?

If there is any time to appeal to you, our blessed congregants, for financial help, now is the time. The future of our Center and its ability to address the Spiritual needs of our CSA community lies in the balance.

We invite you to go inside to your Heart and follow your Divine Intuition to support in your own special way a Center and a Teaching that affirms not only your own Divinity, but also the Sacredness of all Creation.

Please use our spiritual principles and Treat for the success of CSA.

The following page provides details on giving options and current tax-incentives.

**With great love and appreciation for your ongoing support,**

**Your Board of Stewards:**

William A. Little, President

William David Martin, Vice President

Michael F. Clark, Treasurer

Carol E. Arredondo, Secretary

Coleen A. Gsell, Steward

**Enclosures:**

- How to give to CSA (*including donations of investment securities*), and
- Recent beneficial CARES act tax-incentives related to Charitable Donations.

### **HOW TO GIVE TO CSA**

You may make your tax-deductible donations via check, cash, or credit card in the Mindshop, via US mail, on our website, via Paypal, and/or on Facebook during our Sunday program.

#### ***PLEASE NOTE:***

We are also able to accept ***donations of investment securities***, a tax-effective way of giving as a non-cash alternative. Please call for more information regarding this process.

### **RECENT CARES ACT BENEFICIAL CHANGES IN CHARITABLE CONTRIBUTIONS TAX LAW**

Provided below is a brief summary of the changes in tax law regarding charitable contributions related to the CARES Act enacted into law on March 27, 2020 effecting 2020 and beyond.

- The CARES Act allows an individual to make a cash contribution up to \$300 and deduct the contribution “above the line” when computing adjusted gross income
  - This means the taxpayer will receive an additional deduction in addition to their standard deduction
- For those who do itemize, the new law temporarily lifts the limits on charitable giving for 2020
  - Cash contributions can be deducted up to 100% of adjusted gross income for 2020 (normally limited to 60%)
  - Excess contributions can be carried over to the next five years
  - Corporate donors will be able to deduct donations totaling 25% of adjusted taxable income (normally 10%)

***NOTE: This information is not to be relied upon nor considered tax advice. Please consult with your tax professional as to the deductibility of any potential donations to CSA based on your individual facts and circumstances.***