

**Finance Committee of the Vestry
Saint Michael and All Angels Church**

Minutes
Of the 7:30am meeting on Thursday, May 11, 2006

Present:

Allen Lassiter, Treasurer
David Martin, Sr. Warden
Sharon Alexander, Jr. Warden
Cullum Clark

Jay Grogan
Missy Boone
Robert Wilson

Giffen Weinmann
Howard Templin
John Harris

Also Present: Priscilla Owens, Jay Young

I. Approval of the April minutes

The minutes of the April meeting were unanimously approved.

II. Financial Review

- Jay Grogan gave an update on the status of the Lomo Alto office building and the Douglas Square apartments. He noted that there were significant one-time costs associated with tenant improvements in both the office building and the apartment buildings. The Finance Committee reviewed summaries of the operations at both properties noting that a new management company is to provide a plan for improving the cash flows of the apartments. Both the office properties and the apartment properties are cash flow positive. The capital campaign will reduce the debt on the apartments and the debt on the office building which is at a lower rate. Until the debt is retired both properties will be operated commercially for maximization of cash flow. Capital expenditures will be made consistent with that strategy.

Review of April 2006 Financial Statements

Total Revenues:

April revenues were \$262,407 or \$49,949 under budget due primarily to lower than budgeted collection of current year pledges although certain pledges had been received after closing but are yet to be booked.

Outreach: \$79,444 or \$9,166 under budget but variances are not as significant here due to the timing of Outreach payments (catch up from early in the year).

Total Expenses: \$434,431; \$126,363 over budget

Due primarily to

- Timing of the payment of anticipated Facilities Audit expenses and higher utilities costs and other operating items, partially offsetting favorable variances in these items last month.

Revenue less Expenses: (\$251,468); \$167,147 worse than budget

YTD Through April

YTD Total Revenues:

\$2,255,882 revenues; \$181,931 over budget

- Higher revenues have been realized in CYP, PYP and the plate while unpledged contributions lag. Timing is also a factor here against budgeted amounts

YTD Outreach:

\$310,775; \$43,666 under budget

YTD Total Expenses:

\$1,290,800; \$24,715 over budget

Significant negative variances in department expense in Youth, Child Development, Operations and Facilities audit constituted the YTD variance, partially offset by favorable variances in Music and Administration.

Revenue less Expenses: \$654,307; \$200,882 better than budget (although we should realize that revenues are higher than budgeted so far due only to timing differences)

Balance Sheet Items: Restricted Assets \$1,135,786:

Operating Current Assets \$1,015,408

III. Old Business

- The Committee reviewed the current activity of the Capital Campaign.
- The Committee discussed the Columbarium project and the advisability of completing the drawings while the architects were totally current on the project and still in place .

IV. New Business

- The Interim Priest in Charge presented vitality initiatives for the Sunday morning services including attractive speaker appointments and music programs. He also discussed personnel opportunities in CFM to grow the scope of that department.

- Cullum Clark reviewed for the Committee the Strategic Plan and the financial requirements as they continue to evolve.