

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

Minutes
Of the 7:30am meeting on Thursday, May 10, 2007

Present:

Allen Lassiter, Treasurer
David Martin, Sr. Warden
Missy Boone, Jr. Warden

Jim Smith
Jay Grogan
Robert Wilson

Giffen Weinmann
Richard D'Antoni
John Harris

Absent: Cullum Clark, Randy Kob

Also Present: Priscilla Owens, Jay Young

I. Approval of the April minutes

The minutes of the April meeting were unanimously approved.

II. Financial Review

Review of April 2007 Financial Statements

Total Revenues:

April revenues were \$401,181 or \$107,737 over budget due to the receipt of an unpledged contribution which had been expected to arrive in March. Operating revenues were essentially on budget in April.

Outreach:

April Outreach Payments were \$88,062 or \$23,746 over budget as a result of or Diocesan Assessment budget and timing differences associated with the M/O Committee allocations

Total Expenses: Total Operating Expenses were \$328,273 or \$8,101 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.
- Negative variances in Child Development where there is a lag in recognizing tuition income received but not yet booked offset by positive variances in most of the other departments.

Revenue less Expense: (\$15,153) compared with the budgeted deficit of (\$91,043)

YTD Through April

YTD Total Operating Revenues:

Operating revenues were \$2,118,570; \$23,188 less than budget as a result of \$38,054 lower pledge and unpledged contribution revenues, partially offset by the receipt of gifts classified as other income in excess of what was budgeted.

YTD Outreach:

\$301,008; \$3,746 over budget

YTD Total Expenses:

\$1,167,378; \$109,513 under budget

Most departments are on budget or slightly better than budget year to date with the exception of Child Development which is \$12,901 over budget. Operations is \$59,933.94 under budget through April and Capital Fund Expenditures are \$46,450 under budget. Both of those positive variances are expected to dissipate over the remainder of the year in the normal fashion.

Revenue less Expenses: \$650,183; \$82,577 better than budget

Balance Sheet Items: Restricted Assets \$1,020,794

Operating Current Assets \$771,599 which is down from \$1,014,199 last year

III. Old Business

- Jay Young updated the Committee on the Audit for 2004 and 2005. The 2004 Audit is very close to completion. Some additional testing may be needed. Much of the data required for 2005 was collected at the same time as the 2004 data. Jim Smith will augment efforts to make sure the auditors receive the appropriate data from the Exchange. A work schedule has been generated by the Auditors that would allow audits to be completed by the end of September for 2004 and 2005. Preliminarily it is conceivable that 2006 could be completed this fall as well.

IV. New Business

- The Youth Ministry staff and lay volunteers presented plans to substitute a solicitation specific to the Youth Mission trip rather than conduct another Angel Run next year. Historically the Angel Run has raised as much as \$30,000 but with heavy expenses and huge time commitments only netted \$20,000 for the Youth Mission trip. The Finance Committee unanimously approved a motion to allow the Youth Ministry department to pursue a solicitation of the requested nature as long as its timing would be roughly the same as that anticipated in the Angel Run asking.

- The Treasurer and Jay Young described the transaction work flow challenges in our business office. The Treasurer initiated discussions with Amegy Bank personnel with the purpose of alleviating the time and complexity of our transaction process. It is believed the cycle time can be reduced by scanning checks directly to the Bank at the same time they are scanned into Shelby and that the Bank can also alleviate our cash handling logistics issues as well. The Treasurer also noted that additional funds had been moved to Merrell Lynch for purposes of earning more interest in the near term while we await a proposal from Amegy Bank with respect to earning more interest in Amegy asset accounts. The Treasurer suggested separate interest bearing accounts for Restricted and Operating funds that would sweep balances from check writing accounts down to a specified balance.

V. Adjournment