

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

Minutes
Of the 7:30am meeting on Tuesday, July 18, 2006

Present:

Allen Lassiter, Treasurer	Missy Boone
David Martin, Sr. Warden	Jay Grogan
Sharon Alexander, Junior Warden	

Also Present: Jay Young

Absent: Cullum Clark, John Harris, Howard Templin, Robert Wilson, Giffen Weinmann

I. Approval of the June minutes

The minutes of the June meeting were unanimously approved.

II. Financial Review

Review of June 2006 Financial Statements

Total Revenues:

June revenues were \$226,403 or \$60,917 under budget due primarily to lower than budgeted collection of current year pledges and unpledged contributions.

Outreach:

\$90,944; \$2,333 over budget due to the timing of Outreach payments.

Total Expenses:

\$447,533; \$44,780 over budget due primarily to a \$58,000 variance in Operations caused by paying 2 months of Utilities bills, building maintenance costs and higher audio/visual costs and to negative variances in Ministry and CFM resulting from a prepayment of the Rector's July compensation and costs of Vacation Bible School in advance of revenues, respectively. Partially offsetting these and other minor departmental variances was a positive variance in Administrative expense.

Revenue less Expenses: (\$312,062), \$108,029 worse than budget

YTD Through June

Revenues - \$2,716,555

\$5,335 less than budget with Current Year Pledges and Unpledged Contributions at \$64,058 and \$45,681, respectively, worse than budget and Prior Year Pledges, Plate and Other Income better than budget.

Outreach - \$472,412

\$59,249 under budget due to timing of Outreach payments

Operating Expenses - \$2,221,817

\$19,642 over budget primarily due to timing of payment of costs relative to the budget

Facilities Audit - \$146,788

\$115,712 under budget due to timing of Facilities Audit work, primarily on the boiler

Revenue less Expenses - \$22,326, \$34,272 better than budget

III. Old Business

- The Committee was briefed by Bob Wilbur on the current operations at both Frederick Square and Douglas Square. We will probably experience significantly higher taxes this year on these properties even after protest procedures. We have to make basic tenant improvements at the office building to keep it leased and it was recommended these be approved. These costs included renovations to the restrooms, corridor lighting, painting and carpeting, a new unisex bathroom and replacement of door locks and hardware.
- The Committee discussed the potential need for working capital borrowing arrangements and agreed to proceed to continue with the Vestry's recommendation to put in place a borrowing facility with Amegy Bank. Borrowings, if any, would occur in the low revenue months of September through November and repayment would occur in December if accordance with expected fulfillment of 2006 Stewardship commitments.
- The Committee approved the recommendation to the Vestry of the expenditure of \$85,000, from funds available for the purpose at the Foundation, to complete the construction drawings on the Columbarium. It is important to complete these drawings while the architectural team is together and the concept is fresh.

Construction and financing options will be considered at a future date. It was agreed that such future options should be considered under the premise that further financing burdens on the Parish are undesirable given the obligations involved in the Frederick and Douglas Square properties.

IV. New Business

- A request by Rod Leacock to undertake a musical recital in the Chapel by the Pathways interns was approved unanimously by the Finance Committee. Donations would be collected at the recital and distributed to the Needy Family Fund and the Jubilee Center.
- A request by Beth Hise, Chair of the Angel Run Committee to approach past sponsors, current and past youth mission trip participants and other families involved in Youth programs with grant requests to underwrite the Angel Run was unanimously approved.