

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

Minutes
Of the 7:30am meeting on Thursday, October 12, 2006

Present:

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

Howard Templin
Missy Boone
Cullum Clark

John Harris
Jay Grogan
Giffen Weinmann

Also Present: Priscilla Owens, Jay Young

Absent: Robert Wilson

I. Approval of the September minutes

The minutes of the September meeting were unanimously approved.

II. Financial Review

Review of September 2006 Financial Statements

Total Revenues:

Revenues were \$276,381, or \$36,182 under budget.

due primarily to lower than budgeted collection of current year pledges.

Outreach: \$111,443; \$22,8833 over budget

due to the timing of Outreach payments.

Total Expenses: \$265,273; \$3,995 over budget

Due primarily to positive variances in most departments and negative variances in Adult Education due to expenditures on the Lecture Series including communications, Parish Life which overspent the budget significantly on Homecoming and Facilities Audit Expenses which were \$51,000 less than budgeted. It should be noted that substantial payments for Facilities Audit Expense and for Outreach obligations have been deferred until December which is the month with the largest projected revenues.

Revenue less Expenses: (\$100,335), \$63,013 worse than budget

YTD Through September

Revenues - \$3,629,802

\$13,726 over budget as a result current year pledges at \$40,000 less than budget, prior year pledges and unpledged contributions together at \$7,000 less than budget, offset by the plate at \$25,869 more than budget and Other Income at \$34,303 more than budget.

Outreach - \$732,956

\$64,536 under budget due to timing of Outreach payments which will be made in the next two months.

Operating Expenses - \$3,097,561

\$213,496 under budget primarily due to timing of payment of Facilities Audit Expenses.

Revenue less Expenses - (\$200,715), \$291,760 better than budget but Facilities Audit Expense and Outreach Payments comprise that amount and a bit more.

Projected cash flow remainder of year

The Treasurer related to the Committee the results of an updated cash flow projection for the remainder of the year which projects a positive cash balance at the end of October but potentially a negative balance during November and returning to a positive balance of \$373,000 at the end of December. Prepaid 2007 pledges have enhanced the cash position as of the end of September but the above estimates assume no further prepayments in October or December. November is a 3 pay period month.

III. Old Business

- Jay Young reported on the status of the 2004 and 2005 audits. The audits are on schedule essentially but some personnel at our auditing firm who were on the 2003 audit have left the firm and we hope this will not slow the work product down.
- The Treasurer discussed the upcoming budget process for the 2007 year. Finance Committee liaisons are working with their department heads to prepare budgets for review by the Finance Committee on November 9th and 16th.

IV. New Business

- The Committee unanimously approved a request by Dawn Morrill for the annual Christmas Greenery sale on behalf of the St. Dunstan's Choir Guild. Gifts this year will be made to the Music Department in memory of May Walker.
- The Committee unanimously approved a request by Louise Griffith for a letter which will be sent in November to solicit underwriters for the February 16th Parish Party sponsored by the Women of Saint Michael. This event takes place every other year.

- The Committee discussed the potential expenditure of funds remaining in the Katrina Relief Fund. The purpose of the Fund is being reviewed but it was sufficiently broad to encompass a number of alternative dispositions. Various alternatives are under consideration by the Mission Outreach Committee and further reports will be made to the Finance Committee on this subject.