

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

Minutes, April 17, 2018

Present: Janice Bywaters, Barry Hancock, Kathy Kelley (Treasurer), Jeff Kilpatrick, Stacey Malcolmson, Andy McRoberts, Grady Schleier, Katie Webb, Chris Wiley

Ex-officio present: Caroline Marak (Stewardship Manager), Keith Quarterman (Executive Director of Operations), Sally Schupp (Junior Warden), Margaret Spellings (Senior Warden)

Absent: Stuart Brown, Jim Smith

Guests: None

1. Approval of agenda and minutes

The agenda and minutes from the March 20, 2018 meeting were approved.

2. Update on Saint Michael Episcopal School

Mr. Grady Schleier, Chairman of the SMES Board, updated the Finance Committee about a leadership change at the school. Katie Riley, the Executive Director, will be resigning at the end of the school year due to health reasons. She is highly regarded and will remain with the Board as an advisor. The school decided not to do a full search for her replacement this late in the year and will instead hire Ms. Amy McMahan as an Interim Head of School. She is the mother of an existing student who and has a degree in Early Childhood education, additionally, she has taught elementary school and is a curriculum specialist. She has been deeply involved with the school and has agreed to take on the management role through the next school year. Together with Ms. McMahan, the SMES Board will decide next Fall as to whether to put out a search for a permanent Executive Director.

Mr. Schleier also reported that four new board members have been selected for next year. These new members have professional expertise in valuable areas such as legal and finance, which rounds out the existing members' expertise in education and child development.

3. Review of March 2018 Financials

Ms. Kathy Kelley reviewed the results of operations for the period ending March 31, 2018. Total net operating revenue was \$1,945,483 versus a budget of \$1,926,649 resulting in a positive variance of \$18,834. Total operating expenses were \$1,118,184 versus a budget of \$1,225,395 resulting in expense savings of \$107,211. This results in a net positive variance of \$126,045. As this is the end of the first quarter, we are pleased to be slightly ahead of budget but we know that expenses will increase over the year as ministry programs get into full gear.

Discussion continued about the emphasis being put on getting quarterly pledge statements out in a timely manner. For the quarter ended 3/31, there were 400 statements sent via email and the balance will be mailed through postal system. There were concerns voiced that that email statements often go to recipients' spam, that the email statements require a password to open, and that we may have outdated email addresses for many pledgers. For these reasons, consideration is being given to printing and mailing all statements as the year goes on.

Another suggestion was that SMAA should be offering electronic payment options, in real time, via iPhone or kiosks. This is being considered as it will need to be integrated into the current church management software system.

4. Stewardship Update

Ms. Caroline Marak provided an update on Stewardship for 2018. A new Stewardship Committee has been formed and is starting with its first meeting today. The committee will meet once monthly through August, and twice per month thereafter. She has established a year long campaign theme of “One Heart, One Mind, One Purpose” to remind everyone that we need full participation and a common goal. The stewardship effort will kick off with its first meeting today in anticipation of a busy Fall season.

5. Establishment of Chorister Restricted Fund

The fundraising effort for a new chorister program has been very successful. Thus far, \$42,000 has been raised and will be deposited into a newly established Restricted Account. The account will provide for a five-year life, after which any unspent funds will be rolled into music operations. The Finance Committee reviewed the paperwork for this new account and approved its establishment.

No other discussions of new or old business was needed and no other fund solicitations were presented, the meeting was adjourned.