

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

**Minutes, May 15, 2018**

**Present:** Stuart Brown, Barry Hancock, Kathy Kelley (Treasurer), Jeff Kilpatrick, Stacey Malcolmson, , Grady Schleier, Jim Smith, Katie Webb, Chris Wiley

**Ex-officio present:** Rob Baber (Director of Finance), Chris Girata (Rector), Warren Houser (Warden at Large), Caroline Marak (Stewardship Manager), Keith Quarterman (Executive Director of Operations), Charles Sartain (Chairman of Saint Michael Foundation), Sally Schupp (Junior Warden), Margaret Spellings (Senior Warden)

**Absent:** Janice Bywaters, Andy McRoberts

**1. Approval of agenda and minutes**

The agenda and minutes from the April 17, 2018 meeting were approved.

**2. Review of April 2018 Financials**

Mr. Baber reviewed the results of operations for the period ending April 30, 2018. Total net operating revenue was \$2,331,544 versus a budget of \$2,200,907 resulting in a positive variance of \$130,637. Total operating expenses were \$1,492,985 versus a budget of \$1,631,745 resulting in expense savings of \$138,760. This results in a net positive variance of \$269,397. Mr. Baber reminded the committee that we do not accrue miscellaneous expenses at the end of each month. These expenses are approximately \$30,000 to \$40,000 on average. Additionally, SMAA has filled a couple of vacant positions that have started or will start in the near future. These positions were budgeted, but timing and rate differences will bring more variances in the months to come. Mr. Baber will communicate with department leaders to determine which variances are temporary and which might be permanent.

Ms. Kelley reviewed the balance sheet with the committee, specifically speaking to the recent visit of the men and boys choir from the Magdalen Choir in Oxford. This group was brought in to kick-off and showcase the chorister program here at SMAA. Total expenses for these events did not impact the operating budget, but were funded by Saint Michael Presents Funds and two discretionary funds.

Ms. Kelley and Mr. Baber updated the committee regarding the first quarter contribution statements that were sent to parishioners in April. Approximately 400 statements were emailed to parishioners, while the balance of 600 statements were printed and mailed. Due to the difficulty of emailing statements with the current contribution software, we have decided to print and mail statements for the remaining quarters this year.

**3. Stewardship Update**

Ms. Marak provided an update on Stewardship for 2018. The stewardship committee had its first meeting last month and is off to a great start. The committee is larger this year and will be more involved in the upcoming pledge season. The committee looks forward to growing the overall giving of our parish by engaging more parishioner's and teaching the importance of stewardship.

#### **4. Fund Development Consultant – Foundation Request**

Ms. Marak spoke regarding the Foundation Grant request for engaging a development consultant. This funding in the amount of \$46,000 would come from the Vestry controlled School Transition Fund held at the Saint Michael Foundation. These funds would be used to engage a consultant in a Phase 1 study primarily regarding the giving capacity of the Saint Michael parish. This three to four month engagement would result in the reporting of expected giving levels of the parish in both annual giving and one-time capital giving potential. Additionally, this firm would be giving advice regarding the structure of our development department, communication methods, data analytics, and instruction on improving planned giving here at Saint Michael. The committee voted to recommend this Foundation Grant to the Vestry.

#### **5. Contract Review – Development Consultant**

Ms. Marak spoke to the proposed contract with Community Counselling Service Co., LLC. CCS is a development company that was selected by a committee that looked at about 8 different companies. This company was selected based on its track record with Episcopal churches and its overall effectiveness with church fundraising. The price is fixed with an agreed upon list of deliverables. In accord with the approval of the Foundation Request for funding, the finance committee approved the contract with CCS and will recommend the contract to the Vestry.

#### **6. Children & Youth Curriculum – Foundation Request**

Mr. Houser addressed the finance committee regarding a Foundation Grant request for the funding of a new curriculum for the Children's Ministry. This curriculum is part of the Godly Play curriculum using the Montessori method. This curriculum will be focused on children from Pre-K through 3<sup>rd</sup> grade and outfit up to 4 Sunday school rooms, benefitting 60-80 children. This is a one-time cost of \$12,500 for the materials that will be used for many years. Additionally, this grant request includes \$3,000 to purchase two laptop computers for new hires in the CFM and Youth area. This grant is requested from the Youth Ministry Fund at the Foundation which has a balance of approximately \$44,000 as of 12/31/17. The committee voted to recommend this Foundation Grant to the Vestry.

No other discussions of new or old business was needed and the meeting was adjourned.