

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

Minutes, October 16, 2018

Present: Janice Bywaters, Barry Hancock, Kathy Kelley (Treasurer), Stacey Malcolmson, Grady Schleier, 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), Sally Schupp (Junior Warden), Margaret Spellings (Senior Warden)

Absent: Stuart Brown, Jeff Kilpatrick, Andy McRoberts, Jim Smith

1. Approval of agenda and minutes

The agenda for the meeting was approved. The minutes from the September 18, 2018 meeting were approved pending a change in the wording regarding the treatment of the grant as a loan by FUNED.

2. Review of September 2018 financials

Mr. Baber reviewed the results of operations for the period ending September 30, 2018. Total net operating revenue was \$3,808,729 versus a budget of \$3,755,925 resulting in a positive variance of \$52,804. Total operating expenses were \$3,718,705 versus a budget of \$3,941,759 resulting in expense savings of \$223,054. This results in a net positive variance of \$275,858. 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. This variance report included a year-end forecast of an overall positive variance of approximately \$150,000 given the strength of pledge payments and the expense savings as of the end of September. The finance committee was asked by the Rector to put together a list of potential uses of an overage including possibly funding reserves held by the Foundation for the school transition, maintenance reserve, etc.

The timing of contribution statements was discussed including the mailing of the third quarter statements, which occurred earlier in October. Reminder statements will be mailed in early December in addition to statements to select pledgers that may be behind in normal giving patterns.

Fr. Girata discussed the budget process for 2019. Expenses will largely be flat with some growth in the current Initiative areas. The budget review dates of Nov. 26th through Nov. 29th was shared with the committee with a detailed schedule coming out when budget schedules are emailed to ministry leaders with finance committee liaisons copied. We are requesting additional information from the ministry areas this year to anticipate large expenditures in the next 2 to 5 years tied to growth, projects, personnel, etc. We would like to continue to focus on growing two to three areas with intention, rather than all areas showing a very small amount of growth each year. By the end of 5 years, all areas should see intentional growth. This additional information gathered in the budget process can be used by leadership to prioritize projects and growth.

3. Stewardship Update

Ms. Marak recapped the stewardship kickoff that occurred this past Sunday, October 14th. Personalized stewardship packages will be mailed to each parishioner during the current week. The message this year is primarily asking each parishioner to take responsibility for their individual pledge and commitment to their church. Handwritten thank you notes will be completed and mailed to each pledger. The stewardship committee is requesting assistance from the Vestry, staff, and others to help complete these handwritten notes. With enough volunteers, each person would only have to write approximately 20 to 25 notes. Ministry and committee leaders will be encouraged to assist getting 100% participation from their respective groups. Pledging families will be listed in the weekly bulletins.

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