

**Finance Committee of the Vestry**  
**Saint Michael and All Angels Church**  
**Minutes, August 17, 2021**

**Present:** Janice Bywater (Treasurer), Brad Davis, Terese Finitzo, Kathy Kelley, Bill McGannon, Becky Odlozil, Jim Smith, Chris Wiley.

**Ex-officio present:** Rob Baber (Director of Finance), The Rev. Ken Brannon (Vice-Rector), Richard D’Antoni (Warden-at-large), The Rev. Dr. Chris Girata (Rector), Caroline Marak (Stewardship Director), Blair Oden (Senior Warden), Stewart Thomas (SMAA Foundation President).

**Absent:** Jeff Kilpatrick, Grady Schleier

**Guest:** Jonathan Ryan, representing Saint Michael Music Department – Chorister Program

**Meeting held via Zoom Video Conference**

**1. Approval of minutes**

The minutes from the June 15, 2021 meeting were approved as presented.

**2. Fund Solicitation Request – Chorister Events** – Mr. Ryan presented a request to have the plate offerings at two Evensongs (October 17 and March 16) and the May 17 end of year all choirs Gala Concert dedicated to support the Chorister Pilgrimage/Travel Fund. Funds will be used to help choristers who need financial assistance to be able to participate in tours to sing in significant churches and cathedrals nationally and internationally. The motion was approved unanimously with an agreement that a separate restricted account be established to house the funds.

**3. St. Michael’s Woman’s Exchange Invitation** – Ms. Odlozil presented an overview of the Exchange and invited the Finance Committee to a private shopping event at the Store on September 8 from 5:30 to 7:00.

**4. PPP Loan Update** – Mr. Smith provided an update of the status of the Payroll Protection Program loan. The loan has officially been forgiven. The funds will be transferred to the Vestry designated fund supporting payroll for new positions over the next three years. Under direction from the National Church, our Diocese will assess the forgiveness as income for the Church’s portion which was about \$771,000. However, our Diocese is also lowering the assessment percentage so the initial impact will be negative, the net effect of the payment coupled with the lowering of the overall assessment rate will be positive

**5. Stewardship Update** – Ms. Marak presented the update for Stewardship. The campaign will kick off on Thursday with a retreat for a shared vision for future annual stewardship, capital campaign,

and leadership of the school which will be moderated by the Rev. Canon Suzanne Culhane. A goal is to increase participating units and average amount per unit. A five-week scavenger hunt is planned to focus children on the meaningful artwork in the Church. October 4<sup>th</sup> is Stewardship Sunday and the start of the season. The goal will be for 100% of lay leaders in the Vestry, Finance Committee and Foundation to have pledged by the beginning of the campaign, as occurred last year. Ross Taylor, this year's Stewardship Chair, will join the Finance Committee next month.

## **6. Review of July 2021 Financials**

Revenues - Mr. Baber reviewed the results of operations for the period ending July 31, 2021. Stairstep positive variances have been realized since May. Current pledge revenue is \$66,909 ahead of budget but Total Operating Revenue is \$47,106 behind budget. Mr. Baber reminded the committee that last year many pledges were received up front from parishioners trying to offset the impact of the pandemic which has distorted the seasonality view.

Expenses – Positive expense variances are noted in 2021 budget funds for volunteerism engagement and computer infrastructure. Volunteerism engagement is housed in Outreach and in Welcome and Engagement, both of which show a positive variance. Computer infrastructure expenditures are currently on tract with the church switching IT contractors and plans for training.

The negative variance for SMES of \$19,219 results from construction of an approximately \$55,000 playground which was not budgeted. Funds will be used from school operations, the parent association, and the CCC budget to make up for the cost of the playground. The negative variance for summer camp was not due to attendance but rather purchase of fall supplies in June.

Operating Expenses for the month of July show a \$76,437 positive variance and for the year a \$136,303 positive variance.

Staffing – Budgeting for staffing and underspending was discussed. Leadership is using an agency to assist in the hiring of a Director of Engagement. Additionally, a search for a Director of Mission and Outreach has been slow due to the importance of hiring the right people. Positive variances will continue until people right for the positions can be hired.

7. Capital Campaign – Fr. Girata reviewed the phases of the capital campaign. The first Phase was an audit of the giving process, and the second Phase was the feasibility study. Fr. Girata reminded the Committee of the strong survey response rates, and the adjustment to plans given those responses. The Church is in the third phase which is the actual execution and support of the campaign. Leadership for the campaign has been recruited and is attending the Stewardship retreat this Thursday, which will include leaders from the different giving arms of the Church. The

plans will be announced to the congregation on the 1<sup>st</sup> Sunday in October. The need to expand the Capital Campaign staffing and to focus on planned giving was discussed.

The next Finance Committee meeting will be September 14 where it will be at the Church if possible, but options remain open to hold via Zoom.

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