

Finance Committee of the Vestry
Saint Michael and All Angels Church
Minutes, October 19, 2021

Present: Janice Bywaters (Treasurer), Brad Davis, Terese Finitzo, Jeff Kilpatrick, Bill McGannon, Becky Odlozil, Jim Smith and 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), Stacey Malcolmson (Junior Warden), and Caroline Marak (Stewardship Director)

Absent: Kathy Kelley and Grady Schleier

1. Approval of minutes

The minutes from the September 14, 2021 meeting were approved as presented.

- 2. Stewardship** – Ms. Marak presented the Stewardship Campaign status. The campaign got off the ground one week later than usual due to a mail house issue. Total pledges received to date are behind same time last year by \$632,000 due to the delay in the solicitation packet mailing. Ms. Marak reviewed the strategy and prioritization around how to address those not received. Rev. Girata directed attention to the lower one-third of the Stewardship Summary where the detailed comparative analysis is presented. It was noted that both the average and median pledge amounts have increased and are comparisons from the same week of the prior year. Additionally, in 2020 and 2019, many pledges were received early which may account for some of the negative variance.

3. Review of September 2021 Financials

Revenues – Mr. Baber reviewed the result of operations for the period ending September 30, 2021. Revenue for the month of September was \$38 thousand under budget, and \$141 thousand under budget for the year to date. Pledge revenue was \$39 thousand under budget for the period and \$206 thousand under budget for year to date. The receipts for the current year are consistent with timing of receipts in both 2017 and 2018.

Expenses – Positive expense variances are noted for most departments, mostly due to salary and benefits for unfilled positions. Discussion was held around the several challenges in filling the open positions. It was noted that professional entities have been engaged to assist with some of the searches. Ministry has the largest variance, followed by Operations, Outreach, and Welcome & Engagement. The potential for opening a Human Resources position or using a firm which offers these services was discussed.

SMES positive variance results from adding 14 more students than budgeted and adding classes and enrichment programs. A \$651 thousand positive variance is projected for the year. The Committee discussed how positive budget variances would be used versus usage of reserves established in prior years. The Vestry decides the amount of any reserves and how they may be used; changes to those decisions would have to be approved by the Vestry.

2020 Audit Update - Mr. Baber indicated the Audit Committee met last week and will present the audit report to the Vestry tomorrow. Mr. Baber will bring the report to the Finance Committee next month.

Review of Campus Plan - Fr. Girata provided a general overview of the Campus Plan, its anticipated timing and how the plan allows for future improvement initiatives in later years, should they be desired. The timing of the first three components is estimated to take about five years to complete and is driven by when ground is first broken, before which 70 to 80% of capital required needs to be raised.

New / Old Business – Ms. Bywaters noted that she will reach out to Committee members to ask if they want to serve another year on the Committee. Also she will let Committee members know of their respective Budget area assignments in preparation for the 2022 budgeting process.

The next Finance Committee meeting will be November 16 to be held at the Church or via Zoom, based on Committee preferences.

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