

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

**Minutes, December 15, 2020**

**Present:** Janice Bywaters, Mike Ernst, Kathy Kelley (Treasurer), Jeff Kilpatrick, Stacey Malcolmson, Bill McGannon, Becky Odlozil, Grady Schleier, Jim Smith, Chris Wiley

**Ex-officio present:** Rob Baber (Director of Finance), Rev. Ken Brannon (Vice-Rector), John Ellerman (Junior Warden), Rev. Chris Girata (Rector), Jay Lipscomb (Senior Warden), Caroline Marak (Stewardship Manager)

**Absent:** Andy McRoberts

**Meeting held via Zoom Video Conference**

**1. Approval of agenda and minutes**

The minutes from the November 17, 2020 meeting and the agenda were approved. Ms. Kelley announced Mike Ernst and Andy McRoberts would be rolling off of the finance committee at the end of the year and thanked them for their service while on the committee. Ms. Kelley also announced that Janice Bywaters would be taking over as Treasurer after the annual meeting in February. Ms. Kelley will remain as an Assistant Treasurer on the committee.

**2. 2021 Stewardship Update**

Ms. Marak updated the committee regarding the current activity in for the 2021 stewardship campaign. Through December 6th, 704 pledges in the amount of \$4,896,246.50 have been received. This is ahead of the 2020 campaign by 7 pledges and \$326,500. The average 2021 pledge is \$6,955 which is ahead of the 2020 average of \$6,556 over the same time frame. All parishioners that normally pledge in October and November have been called by members of the Stewardship Committee. Additionally, those parishioners that normally pledge in the month of December have been emailed by Ms. Marak. Rev. Girata mentioned more work is going into intentional asks from families encouraging more engagement and commitment to the church. Additionally, young parishioners are being taught about tithing and creating habits at a young age.

**3. Review of November 2020 financials**

Mr. Baber reviewed the results of operations for the period ending November 30, 2020. Total net year to date operating revenue was \$5,021,285 versus a budget of \$4,891,783. This included a positive variance of \$60,024 because the Diocese of Dallas elected to not collect the monthly assessment due in April. This was budgeted at \$60,024 for the month, therefore, the total positive net revenue variance was \$69,479. Total year to date operating expenses were \$5,199,462 versus a budget of \$5,578,603 resulting in expense savings of \$379,141. This results in a net positive variance of \$508,644 overall. Mr. Baber reminded the committee that we do not accrue for expenses that are placed on church credit cards during the month that usually total \$30,000-\$35,000. Most ministry areas were under budget with a couple operational departments over budget such as Communications and Operations. Communications has been tasks with additional responsibilities around the streaming of all services, pod cast series and producing and editing

pre-recorded services and special events. Mr. Baber walked through a forecast of yearend variance by department. Since we budget a large collection of pledges in December, we are assuming we will miss the budget by approximately \$200K, which is purely an estimate. This would give us a negative net revenue variance of about \$90K. We do anticipate to have a large positive expense variance of approximately \$299K. This would still net a nice positive variance of around \$209K. In the next meeting of the finance committee, we will have a soft close for the month of December.

#### **4. 2021 Budget Update**

Mr. Baber updated the committee on the 2021 budget process and thanked the committee members that assisted and attended budget meetings with their assigned departments. At this time the individual departmental budgets are being consolidated in a large budget model with the salary and benefit information. Stewardship will continue through January while we refine the budget model and finalize the expenses inline with stewardship.

#### **5. Additional Comments**

Rev. Girata added comments regarding how much the church has done in the wake of the current events and being very limited in the in-person events we can host. We will be focusing on more engagement in the future and building on the communication methods that we have relied upon during these times. Consistent giving is also a part of engagement and Christian growth. All of these areas of focus are critically important in the growth and health of the church.

This Christmas season, Saint Michael will concentrate on saying “thank-you” for a successful year in these trying times.

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