

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

Minutes, January 19, 2021

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

Ex-officio present: Rob Baber (Director of Finance), Rev. Ken Brannon (Vice-Rector), Richard D'Antoni (Warden-At-Large), Stacey Malcolmson (Junior Warden), Rev. Chris Girata (Rector), Caroline Marak (Stewardship Manager), Blair Oden (Senior Warden)

Meeting held via Zoom Video Conference

1. Approval of agenda and minutes

The minutes from the December 15, 2020 meeting were approved with two minor change, additionally, the agenda for the meeting was also approved.

2. 2021 Stewardship Update

Ms. Marak updated the committee regarding the current activity in the 2021 stewardship campaign. Through January 10th, 854 pledges in the amount of \$5,674,976 have been received. This is behind the 2020 campaign by 9 pledges, but ahead in amount by \$230,930. The average 2021 pledge is \$6,645 which is ahead of the 2020 average of \$6,308 over the same time frame. At this time there are 450 parishioners that pledged last year that have not yet pledged for 2021. With two weeks to go in the campaign we have about \$415,000 in pledges to make the goal of \$6,250,000.

3. Review of December 2020 financials – soft close

Mr. Baber reviewed the results of operations for the period ending December 31, 2020 reminding the committee this is a soft close and we will receive additional expenses that are from 2020. Most, if not all revenue has been included. Total net year to date operating revenue was \$6,044,147 versus a budget of \$5,913,716. 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 \$70,407. Total year to date operating expenses were \$5,752,624 versus a budget of \$5,912,727 resulting in expense savings of \$160,103. This results in a net positive variance of \$290,534 overall. Mr. Baber reminded the committee that we anticipate additional expenses possibly around \$30,000. Most ministry areas were under budget with a couple operational departments over budget such as Communications and Operations. Communications has been tasked with additional responsibilities around the streaming of all services, pod cast series and producing and editing pre-recorded services and special events. Mr. Baber also noted that \$118,000 in the maintenance reserve fund and ESD transition fund, budgeted to be used in 2020, did not have to be used. Mr. Baber will present a hard close for 2020 in the February meeting.

4. 2021 Budget Update

Mr. Baber updated the committee on the 2021 budget process stating currently the church leadership is working with the proposed budgets from each department and aligning them with the vision and core focus of the church. With the positive current church involvement and financial position, leadership sees the opportunity for the managed growth in a few areas positioning us for greater engagement and growth in the future.

5. 2021 Finance Committee Calendar

Mr. Baber reviewed the calendar that was included in the finance committee package noting the finance committee always meets the Tuesday before the Wednesday Vestry meetings. The Vestry meetings are usually on the third Wednesday of the month unless there is a conflict with a holiday or event. No meeting is scheduled in the month of July. At this point meetings will be via Zoom until we are able to meet in person.

6. Additional Comments

Mr. Smith spoke to the possibility of churches that received PPP loan funds will be required to include those funds in the parochial report and these funds would be included in the determination of the annual diocesan assessment. This discussion is currently at the national church level and the local diocese has not yet made any determination. Additionally, Rev. Girata updated the committee on the north land status and the church's income from the land lease. These funds are in addition to the funds the church has reserved in the school transition fund. These sources will largely offset the loss of revenue from the ESD lease that was terminated in 2020.

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