

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

Minutes, May 14, 2019

Present: Stuart Brown, Janice Bywaters, Barry Hancock, Kathy Kelley (Treasurer), Jeff Kilpatrick, Bill McGannon, Andy McRoberts, Grady Schleier, Jim Smith, Chris Wiley

Ex-officio present: Bonner Allen (Junior Warden), Rob Baber (Director of Finance), Rev. Chris Girata (Rector), Warren Houser (Senior Warden), Jay Lipscomb (Warden At-Large), Caroline Marak (Stewardship Manager), Keith Quarterman (Executive Director of Operations)

Guests: Jonathan Ryan (Director of Music & Organist), Darrell Rice (Saint Michael Presents Co-Chair)

Absent: Stacey Malcolmson

1. Approval of agenda and minutes

The agenda for the meeting and the minutes from the April 23, 2019 meeting were approved.

2. Review of Fund Solicitation – Saint Michael Presents

Mr. Ryan addressed the committee regarding the fund solicitation for the Saint Michael Presents 19-20 season. This is an annual fundraiser that supports the concert series. No contracts are in place at this time for the artists, but each concert costs an average of \$25,000 and they usually host a fall and spring concert. Funds are usually raised from church members that have expressed an interest in the concert series in the past. A mailer to approximately 300 past participants will be mailed in the early summer. Additionally, attendees receive a program at each concert with an invitation to give. This is also an opportunity to collect updated information from members and non-members alike. The goal is to raise \$50,000 to support the next season. The committee approved this fund solicitation.

3. Review of Clergy Housing Loan – Vice Rector

Mr. Baber presented details regarding a housing loan for the incoming Vice Rector. It has been customary to offer the Rector and Vice Rector interest free housing loans when they are required to move here from another city. This loan is part of the hiring package offered and is in compliance with IRS regulations. The proposed loan for the incoming Vice Rector is \$100,000. This is the same amount as the loan to the last clergyperson that held the same position. The loan is secured by a second lien filed on the residence. The loan is due upon the earlier of; selling the residence, 15 years, or within 6 months of the clergyperson leaving employment with Saint Michael. The chancellor has reviewed all documents associated with this loan. The loan closing will occur in June and the Vice Rector will start in July. The committee voted to recommend approval of the loan to the Vestry.

4. Review of April 2019 financials

Mr. Baber reviewed the results of operations for the period ending April 30, 2019. Total net year to date operating revenue was \$2,440,759 versus a budget of \$2,164,187 resulting in a positive variance of \$276,572. Total year to date operating expenses were \$1,449,661 versus a budget of \$1,511,115 resulting in expense savings of \$61,454. This results in a net positive variance of \$338,026. The large positive variance in pledge revenue is largely due to numerous early payments of pledges. Several sizeable pledge payments have been received early in the year versus later in the year. Mr. Baber also noted that that approximately \$30,000 to \$40,000 in credit card expenses are not accrued at the end of the month because of the wide variety of charges and the timing of when the statements are received and the date of our finance committee meetings.

5. Stewardship Update

Ms. Marak updated the committee regarding the current activity in the stewardship area including meeting weekly with former Treasurer and Senior Warden, Van Sheets. Together they are exploring the past giving data to look for new ways of better expanding our stewardship efforts to parishioners that participate in the annual stewardship campaign and those that do not participate. A retreat is planned in June.

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