

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

Minutes, September 15, 2020

Present: Janice Bywaters, Mike Ernst, Kathy Kelley (Treasurer), Jeff Kilpatrick, Stacey Malcolmson, Bill McGannon, Andy McRoberts, 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), Stewart Thomas (President, Saint Michael and All Angels Foundation of Dallas)

Guests: Kimberly and Joe Colonna (Stewardship 2021 Chairs)

Meeting held via Zoom Video Conference

Ms. Kelley introduced the guests attending the meeting today. Kimberly and Joe Colonna are serving as Stewardship 2021 Chairs

1. Approval of agenda and minutes

The minutes from the August 18, 2020 meeting were approved with a change to the minutes regarding the Foundation Grant Request for church laptop computers. The agenda was approved.

2. 2021 Stewardship Kick-off

Ms. and Mrs. Colonna started the 2021 stewardship season with the finance committee. Mr. Colonna explained how the stewardship committee had to get creative going into the 2021 season. He announced that October 4th will be Stewardship Sunday. As a statement of commitment and support, all members of the Vestry, Finance Committee and Foundation are asked to make their pledges by October 1st so that leadership can announce that all major leadership bodies have pledged as of Stewardship Sunday. This year's committee is not only focusing on the financial aspect of giving, but also the spiritual aspect, encouraging parishioners to look at what their personal spending reflects. Stewardship packages are going in the mail to arrive in parishioners houses around Stewardship Sunday. Additionally, the website has been updated for the 2021 season. Messages from the pulpit will emphasize stewardship on October 4th. Members of the stewardship committee will also be participating in peer to peer discussions this year which is a new activity this year.

3. Review of August 2020 financials

Mr. Baber reviewed the results of operations for the period ending August 31, 2020. Total net year to date operating revenue was \$3,942,182 versus a budget of \$3,825,999. 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 \$116,183. Total year to date operating expenses were \$3,488,931 versus a budget of \$3,834,705 resulting in expense savings of \$345,774. This results in a net positive variance of \$461,957. Mr. Baber noted pledge revenue

was under budget by approximately \$152K for the month. Upon analysis in the previous month, several large pledges have been received earlier than normal accounting for some of the positive variance shown at this time. 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.

Mr. Baber expects a slowdown in pledge collections during the year due to the slowing economy brought on by government orders to shelter-in-place. At this point it is difficult to predict the exact revenue shortfall to be experienced by SMAA but we will watch trends and plan accordingly.

4. Budget request: laptop computers

Mr. Baber presented the budget request to the committee. This request is seeking to exceed the existing 2020 budget by \$27,000 for the purchase of 17 laptop computers for church employees that currently are working with desktop computers. A number of employees were able to take the church desktop computer home or have been able to use a personal computer for the last several months during this quarantine. In the coming weeks, church leadership anticipates employees to be working from home and at work on a rotating basis. Carrying a desktop back and forth will not work in this scenario. Approximately half of the church staff already have laptops, and an attached audit outlined the placement of the 17 laptops and the type of computer needed by each individual. The committee voted to approve this budget request due to the positive year to date variances in both revenue and expenses, in addition to the PPP loan proceeds.

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