

Finance Committee of the Vestry
Saint Michael and All Angels Church
Minutes, September 20, 2022

Present: Janice Bywaters (Treasurer), Glenn Davidson, Kristi Hornsby, Kathy Kelley, Bill McGannon, Becky Odlozil, Jeanie Sikes, Jim Smith, Chris Wiley.

Ex-officio present: Rob Baber (Director of Finance), The Rev. Ken Brannon (Vice-Rector), Richard D’Antoni (Senior Warden), Caroline Law (Director of Advancement).

Approval of minutes – Ms. Bywaters moved the minutes from the August 16, 2022, meeting be approved with correction of three typographical changes. With those changes reflected, the minutes were unanimously approved.

1. Approval of Line of Credit with Bank of Texas – Ms. Bywaters presented the request for renewal of a \$400 thousand line of credit with no associated fees to mature August 10, 2024. The line has been in place for many years and never used; it has been retained in case needed. Mr. Smith moved and to approve the renewal. The motion was unanimously approved.
2. Review of 2021 Audit – Mr. Baber reviewed the Independent Auditors’ Report for the years ended December 31, 2021, and 2020, which resulted in a “clean opinion.” The Committee discussed how best to make the audit available to parishioners who requested to view the document.
3. Stewardship – Ms. Law noted the current year-to-date pledges are \$220 thousand under budget as of August 31. Ms. Law noted the under-budget population comprises 52 pledges and her team is working to contact those parishioners to close the gap. They continue to work to improve the granularity with which amounts owed can be reviewed given the current systems. The Committee discussed whether to send periodic statements to parishioners, regardless of pledge status. Stewardship letters for the new season will be personally tailored to the recipients.

The Capital Campaign is still in the “quiet phase”, with \$38.6MM in pledges received.

4. Review of August 2022 Financials
Mr. Baber reviewed the results of operations for the period ending August 31, 2022.

Revenues – Total Revenue Available for the period was lower than budget by \$28 thousand and year-to-date was lower than budget by \$183 thousand. Mr. Baber noted the current period pledges were under budget by \$31 thousand with year-to-date under budget by \$220 thousand, as noted in Ms. Law’s report.

Expenses – Operating Expenses for the period were \$28 thousand less than budget. Total Year-to-Date Operating Expenses were \$113 less than budget.

Most larger expense variances relate to the timing of hiring, both earlier and later than expected. Communications budget remains impacted due to printer issues requiring some outsourcing, but the issue has been addressed going forward.

Total Revenue Over/Under Expenses was a negative \$70 thousand.

5. Review of Construction Project Budget – Mr. D’Antoni presented an updated recommendation from the CCC. Beck’s recent estimated costs for Phase 1 and Phase 2 exceeded our budget. CCC recommends moving anticipated principal onsite construction back, allowing additional time for design and the hope that costs will stabilize over the next year.

The next Finance Committee will be October 18, 2022. The meeting was adjourned.