

Finance Committee of the Vestry
Saint Michael and All Angels Church
Minutes, February 20, 2024

Present: Janice Bywaters, Michael Cosby, Glenn Davison, Kathy Kelley, Bill McGannon, Becky Odlozil, Michael Reddell, Jeanie Sikes, Jim Smith, Chris Wiley

Absent: Patrick Jenevein

Ex-officio present: Dee Ann Anigian (Warden-at-Large), Rob Baber (Director of Finance), The Reverend Ken Brannon (Vice-Rector), Martha Bogdon (Director of Stewardship), Tom Fenton (Stewardship Chair), Caroline Moore (Director of Advancement), Kelly Reddell (Senior Warden)

Fr. Brannon opened the meeting with a prayer.

- 1. Approval of January Minutes** – The minutes for the January 23, 2024, meeting were approved.
- 2. Review of December 2023 Financials – Hard Close** - Mr. Baber reviewed the Statement of Activities and Statement of Position as of December, representing a “hard close” for the year.

Revenues – Revenue Available year-to-date of \$7.7 million was higher than budget by \$164 thousand. Variances include higher Unpledged Contributions and Other Income (interest), which were partially offset by lower Current Year Pledges. Mr. Smith noted that the Diocese is working to reduce their internal expenses with a goal of reducing the assessment to the parishes.

Expenses – Operating Expense of \$7.7 million was higher than budget by \$160 thousand. Revenue Over Expense for the year was \$4 thousand. Mr. Baber addressed the larger budget variances, such as Communications (due to outside printing costs) and Operations (HVAC repair).

Mr. Baber reviewed the Statement of Financial Position as of December 31, 2023. He noted that the \$1 million balance in the Operating account includes \$808 thousand in prepaid pledges. The Committee discussed management of liquidity and the availability of accounts from which to draw funds if needed. Mr. Baber also explained that the Capital Campaign Pledges Receivable (\$17 million) are included in the Statement of Position for unrestricted accounts, however, they do have designated restrictions by the donors.

- 3. Advancement/Stewardship Update** – Ms. Bogdon reported that the Stewardship Campaign has reached \$6.8 million with 1,026 pledge units as of February 1, which is 98% of both the dollar and unit goals. The LYBNT (Last Year But Not This Year) total of \$462 thousand included \$325 thousand from parishioners who had left the parish or were deceased, so therefore, were unavailable to

obtain a pledge for 2024. Highlights included increased number and amount of pledges, including an increase in “new” pledges as compared to the prior year. The Stewardship team discussed plans for data analytics and strategy for 2024. For the Capital Campaign, Ms. Moore reported \$59.5 million in pledges have been secured and work continues to reach the “stretch goal” of \$65 million.

4. **2024 Budget** – Mr. Baber reviewed the budget for the Church for 2024. He reviewed the Revenue assumptions and the Operating Expenses budgeted for the year. The budget presented included Net Operating Revenue of \$7.6 million, Operating Expenses-Ministries of \$3.9 million, Operating Expenses -Facilities & Support of \$3.5 million and Capital Expenditures/Other of \$190 thousand. The Committee voted unanimously to recommend the budget presented to the Vestry.
5. **Capital Project Update**– Mr. Baber reviewed the Project Management budget and amounts spent to date as prepared by Pritchard. The Vestry will receive this report monthly to keep abreast of the costs incurred and status on the project.

Ms. Bywaters noted the next Finance Committee will be March 19, 2024. The Committee thanked her for her three years of service, leadership, and dedication. There being no further business, the meeting was adjourned.