

Finance Committee of the Vestry
Saint Michael and All Angels Church
Minutes, February 14, 2023

Present: Janice Bywaters (Treasurer), Glenn Davison, Patrick Jenevein, Kathy Kelley, Bill McGannon, Becky Odlozil, Michael Reddell, Jeannie Sikes, Jim Smith, Chris Wiley.

Ex-officio present: Rob Baber (Director of Finance), The Rev. Ken Brannon (Vice-Rector), The Rev. Dr. Chris Girata (Rector), Caroline Moore (Director of Advancement), Caroline Marak (Director of Stewardship), Arnold Spencer (Senior Warden), and Kelly Reddell (Warden-at-Large).

1. **Approval of minutes and Announcements** – Ms. Bywaters moved and Mr. Jenevein seconded the minutes from the January 17, 2023 meeting be approved. With a correction noted, the minutes were unanimously approved.
2. **Stewardship Report** – Ms. Marak reviewed the 2023 Campaign Final Report as of January 31, noting pledges received total \$6,782,594 which is 102% of the \$6.6 million goal. Pledge units received were higher than goal by two. Net increase from prior year in pledges received is \$715 thousand. Total pledges received last year but not received this year are 89 units for \$199 thousand. Regarding the data analytics, Fr. Brannon emphasized the importance of improved data tools for Advancement and Stewardship.

3. Review of December 2022 Hard Close Financials

Mr. Baber presented the Statement of Activities Hard Close for December 31, 2022, with minimal changes from the Soft Close which was presented at the December Finance Committee meeting.

Revenues - Total Operating Revenue was \$291 thousand higher than budget, with Current Year Pledges exceeding budget by \$211 thousand and Prior Year Pledges and Unpledged Contributions together exceeding budget by \$44 thousand. Total Revenue Available was also higher than budget by \$291 thousand.

Expenses - Total Operating Expense reflects a \$161 thousand negative variance, driven mostly by year end performance awards which are unbudgeted items. The Net Revenue Over Expenses for the year end December 31, 2022, was \$130 thousand surplus.

Fr. Girata reviewed the proposed use of the budget surplus funds. He presented four opportunities: Information Technology database (\$52 thousand); Search Firms for key positions (\$45 thousand); Hosting of an International Music Conference (\$11 thousand); and various capital projects, such as

improved Wifi (\$22 thousand). Mr. Davison moved and Mr. Reddell seconded a motion to spend the surplus funds as proposed by Fr. Girata. The motion was unanimously approved by the Committee to be recommended to the Vestry for approval.

4. **Review of 2023 Budget - Draft** - Mr. Baber reviewed the 2023 Revenue Worksheet which details Total Revenue projected for 2023 as \$8,414 (thousands). Mr. Baber then presented the proposed 2023 budget which is a zero-based budget after Capital Expenditures and Raise Pool of \$274 thousand. Mr. Baber reviewed the key elements driving the budget. Ms. Kelley moved and Mr. Reddell seconded a motion to recommend the budget to the Vestry for approval as presented. The motion was unanimously approved by the Committee.

5. **New / Old Business –**

A proposal for additional Capital Campaign and Construction Staff Support was presented to the committee. Although staff has been added to support the campaign raise, additional staff support is needed for the demand on operations and finance. Two additional positions are proposed: an Administrative Assistant for Operations and an Accountant, with the cost for these positions to be charged to the campaign. Mr. Gannon moved the Finance Committee recommend to the Vestry adoption of this revision the Capital Campaign Expense Budget. Mr. Jenevein seconded the motion and it was approved unanimously.

The Pritchard Associates Project Management - Preliminary Budget and SMAA Pre-development Costs documents were included in the Finance Committee package for review, reflecting updates on expenditures to date which are in line with expectations.

Ms. Bywaters noted the next Finance Committee will be March 21, 2023. There being no further business, the meeting was adjourned.