

Finance Committee of the Vestry
Saint Michael and All Angels Church
Minutes, June 18, 2024

Present: Becky Odlozil, Bill McGannon, Chris Wiley, Michael Cosby, Kathy Kelley, Patrick Jenevein, Jim Smith, Janice Bywaters, Glenn Davison

Absent: Jeanie Sikes, Carol Goglia

Ex-officio present: DeeAnn Anigian (Warden At Large), Rob Baber (Director of Finance), The Rev. Ken Brannon (Vice-Rector), Caroline Moore (Director of Advancement), Kim Snyder (Stewardship Chair), Kelly Reddell (Senior Warden)

Ms. Odlozil called the meeting to order.

Fr. Brannon opened the meeting in prayer.

1. **Approval of April Minutes** – The minutes of the April 16, 2024 and May 14, 2024 meetings were reviewed and approved.
2. **Review of Finance Committee Charter** – Fr. Ken Brannon reviewed the Finance Committee Charter dated August 2023, stating that the Finance Committee is an advisory body, making recommendations regarding contracts, finances, etc. to Vestry and Church leadership. Each member serves a three-year term with terms being staggered. A schedule of term expirations was provided and there was discussion about how a new Treasurer is selected every three years. Fr. Brannon suggested that all committee members be thinking about new names to recommend so that Finance, as with all Church Standing Committees has a strong and vibrant group of leaders.
3. **Standing Committees of the Vestry** – Fr. Brannon went on to discuss the vast amount of work that has been done to elevate the duties and responsibilities of SMAA Standing Committees. There are currently 17 Standing Committees offering broad opportunities for church leadership. He reviewed the process of approval for new members joining any Standing Committee, which includes being a member of SMAA, having a history of pledge and capital campaign commitments, and has demonstrated church involvement.
4. **Advancement/Stewardship Update** –
 - Ms. Snyder commented that the Stewardship team is planning for the upcoming year by working on the brochure, having discussions with clergy about messaging and hosting discussions with church members.

- Ms. Moore said that the amount raised through the Capital Campaign stands at \$60.4 million. She plans to go back to 375 annual pledgers who have not yet donated to the campaign to ask for their participation. She discussed the fact that we will eventually need to borrow on our construction line of credit as the normal course of construction costs will accumulate faster than five year pledged payments are received. Her team will be asking pledgers if they will kindly pay their pledge early, or even increase their gift, to reduce the need to borrow and incur large interest expense. Thus far the response has been positive.
5. **Review of May, 2024 Financials** - Mr. Baber pointed out that May was a good collection month for current year pledges resulting in our YTD Total Revenue being \$186,200 over budget.

YTD Expenses are slightly below budget in the amount of \$32,754. Br. Baber noted that several line items have positive variances such as the Bookshop and CFM which are under budget due to open staff positions. On the negative side, Communications is over budget due to website costs and outside printed material needed pending transition to internal printer in the Lomo Alto building.

As of May 31, the YTD net income is \$218,954 over budget. Mr. Smith asked if we expect a positive variance at year end and Rob said hopefully so but that it's hard to predict with accuracy this early in the year.

Regarding the balance sheet, Mr. Davison inquired about the growth in our Investment in SMES. Rob replied that its due to the school's growth in net revenue along with school family contributions made to the Capital Campaign.

6. **Capital Project Update** – The Pritchard Report shows that 18% of budgeted construction costs have been spent to date. A question was raised regarding the Pre-Development Cost report which shows \$266,231 remaining unspent. Mr. Baber replied that it will be used for remaining work on the underground garage.
7. **Review of Bank of Texas Line of Credit** – Mr. Baber requested Finance Committee annual approval for Saint Michael's long held \$400,000 Line of Credit with Bank of Texas. The line matures on 8/10/24 and he is asking for a 14 month renewal. The church has had this Line for many years and has never needed to draw upon it. Approval was moved by Patrick Jenevein, then seconded and approved by the Finance Committee to be forwarded to the Vestry.

8. **Finance Committee Meeting Schedule** – Ms. Odlozil reminded everyone that we do not have a July meeting. Our next meeting will be August 20th at 8100 Lomo Alto, Room 222.

9. **Other** – Ms. Reddell, Senior Warden, reminded everyone that it is time for nominations for Vestry and Convention Delegates. She encouraged everyone to think of outstanding nominees for submission. Forms are live on the SMAA website and all nominees must have pledged to both the annual Stewardship and the Capital campaigns as a normal demonstration of their commitment to our church.

As there were no new or old business items raised, the meeting was adjourned.