

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

**Draft Minutes, February 12, 2013**

**Present:** Steve Black, Bill Felder, Tracy Helms, Kathy Kelley, Suzanne Lipscomb, Casey McManemin, Grady Schleier, Jim Smith, Matt Waller (Treasurer).

**Ex-officio present:** Rob Baber (Director of Accounting), Bob Dannals (Rector), Tony Briggie (Junior Warden), Sheryl Wylie (Vestry Liaison)

**Absent:** Randy Kob

**1. Approval of agenda and minutes**

The minutes from the January 15, 2013 meeting were unanimously approved. Matt Waller asked to add a Preschool Playground discussion to the agenda for this meeting. The agenda with this addition was unanimously approved.

**2. Update from the SMAA Foundation meeting regarding grant requests**

Mr. Waller reported to the committee that the four grant requests that were recommended by the Finance Committee and approved by the Vestry in January were approved by the SMAA Foundation at their last meeting.

**3. Stewardship Update**

Mr. Waller reviewed the final Stewardship Report as of 2/5/13 with a total of 1,133 pledges totaling \$4,567,698. Although the number of pledges is down modestly this year, the average pledge increased by approximately \$400 resulting in a total increase of \$165,385. As part of the budget process, 2013 pledge revenue will be determined by several assumptions about additional pledges to be received through the year, non-payment of pledges, pledge over-payments and unpledged contributions.

**4. 2013 Budget**

Mr. Baber started with the 2013 revenue worksheet. This worksheet begins with the 2013 pledges in hand and makes adjustments for anticipated pledges received later in the year, pledge overpayments and non-payment of pledges. Other pledge revenue is then added including unpledged contributions, prior year pledge payments and designated pledges. Plate contributions and other income are then added. The budget for Other Income is higher in 2013 because we are planning on utilizing the cash savings from the interest rate adjustment on the bank loan for the Fredericks Square building along with utilizing other restricted accounts in support of their stated purpose. Credit card and brokerage fees are then a budgeted contra-revenue. The total of the anticipated revenue for 2013 is \$5,502,000.

Mr. Baber then reviewed the expense side of the budget referencing a handout titled Budget Comparison by Ministry Area. This handout compared the 2013 budget by ministry area to the original 2013 submitted budget and the approved 2012 budget. It was noted that almost all ministry areas are increasing their budget either by discretionary items and/or nondiscretionary items. The use of restricted funds and the approved grant requests are also incorporated into this budget. Overall we are proposing an increase of \$498,929 over the 2012 budget.

Several items were discussed and added to the 2013 budget including the following. A line item will be added to the Operations area budget in the amount of \$25,000 to fund the Maintenance Fund held at the SMAA Foundation. The budget will also include \$120,000 in income from 8100 Lomo Alto and reflect \$90,000 of additional expense related to staff salary increases. The 2013 budget recommended to the Vestry will result in a surplus of \$3,240.

## **5. Preschool Playground**

Mrs. Helms circulated several handouts to the committee to review the large playground for the Preschool. In the spring of 2012 the Preschool held an auction to fund a large playground to be constructed on the northeast side of the parking lot property across the creek. Initially, the total cost was estimated to be approximately \$135,000 and those funds were raised during 2012 from several sources. When final construction documents were finished in the fall of 2012 the total cost was closer to \$280,000. Therefore, the Preschool requires an additional \$150,000 to complete the project. The Preschool board would like to request the funds that were deposited in to the School Transition Fund at the SMAA Foundation in the amount of \$65,000 and then request to "borrow" the remaining \$85,000 from the church reserves to be paid back over a time period not to exceed 7 years. After considerable discussion, the Finance Committee approved a recommendation to the Vestry that the playground be financed through the return of the \$65,000 School Transition Fund to the Preschool and a loan for the remaining \$85,000 from the church reserves with a term not to exceed 5 years and market floating interest rate consistent with rates published by the Bank of Texas.

## **6. Requests for Fundraising and Grant Requests**

Mr. Waller presented the Fund Solicitation Request from the Preschool regarding the upcoming 22<sup>nd</sup> Annual Barnyard Bash. The event has a budget of approximately \$11,300 and the funds will be raised by soliciting contributions from Preschool parents along with ticket sales. The event will be held on April 28, 2013 and usually breaks-even or nets \$1,000 to \$2,000 for the Preschool. This request was approved unanimously.

Mr. Baber presented a grant request from the Altar Guild in the amount of \$1,823.75 for baptismal shells. This request is for the purchase of silver baptismal shells to be used and given to the families having baptisms here at SMAA. This request is from a designated fund at the SMAA Foundation and was recommended for approval by the Vestry.

Mr. Waller presented a schedule for fundraising submitted by Music Department related to the Saint Michael Presents concert series as requested by the Finance Committee in January. The proposed fundraising schedule was unanimously approved.