

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

Draft Minutes, January 15, 2013

Present: Bill Felder, Tracy Helms, Kathy Kelley, Suzanne Lipscomb, Alan Pierce, Jim Smith, Matt Waller (Treasurer).

Ex-officio present: Rob Baber (Director of Accounting), Bob Dannals (Rector), Tony Briggie (Junior Warden), Grady Schleier (Vestry), Van Sheets (Senior Warden), John Wilson (Stewardship Chair), Sheryl Wylie (Vestry Liaison)

Others Present: James Diaz (Choirmaster), Hyeon Jeong (Associate Choirmaster)

Absent: Steve Black, Randy Kob, Casey McManemin

1. Approval of agenda and minutes

The agenda and the December 11, 2012 minutes were unanimously approved.

2. Review of December 2012 YTD Income Statement and Balance Sheet

Mr. Baber reviewed the year-to-date results of operations for December 2012. Mr. Baber reminded the committee that the YTD numbers presented were from a soft close and several accruals have not yet been made, but to expect another \$30,000 in expenses. Total YTD operating revenue was \$5,154,024 versus a budget of \$4,934,000 resulting in a positive variance of \$220,024. Total year to date operating expenses were \$4,173,000 versus a budget of \$4,201,967 resulting in expense savings to date of \$28,968. Mr. Baber noted when the full 5% pension accrual in the amount of \$110,991 was subtracted from the positive revenue variance and the positive expense variance there was still a net revenue amount of \$61,755. This is a \$138,001 positive variance against the original budgeted deficit of <\$76,246>.

Mr. Baber also noted that the soft close numbers did not include approximately \$45,000 in pledge revenue that came in via stock contributions. A discussion of what to do with these additional pledge proceeds was discussed by the committee. It was decided to recommend to the Vestry that these additional proceeds be submitted to the SMAA Foundation for deposit in the Operations Maintenance Fund established several years ago at the Foundation.

Mr. Waller presented a recommendation that had been discussed between the Rector, Senior Warden, Treasurer and Director of Accounting to re-purpose a portion of the Koinonia Restricted Fund to be used to subsidize numerous outreach and pastoral care opportunities budgeted in Pastoral and Congregational Care in the amount of \$16,500. The Rector further explained how the Koinonia Fund has grown in the last few years to a balance over \$58,000 and probably should be closer to \$20,000 to accommodate the needs of this congregation. The committee agreed to recommend to the Vestry the repurpose of \$16,500 from the Kiononia Fund.

3. Stewardship Update

Mr. Wilson presented the 2013 pledge numbers as of 1/8/13. 1,009 pledges have been received in the total amount of \$4,283,746. Although at the same time last year the number of pledges received was 1,067 only \$4,104,593 was pledged. The per pledge average is about \$400 higher this year. The direct

calling campaign is currently underway to follow up with parishioners that have not pledged in 2013, but had pledged in 2011 or 2012.

4. Presentation of Foundation Grants

Mr. Diaz presented a Foundation request in the amount of \$25,000 to the committee. The requested funds would provide roughly 50% seed money to start a concert series here at Saint Michaels. The Music Department would host two concerts per church year similar to the 9/11 concert in 2011 and the Christmas concert in December. Both of these concerts were supported by private fundraising and attracted several hundred attendees, most of who, do not attend Saint Michael. The grant received approval to be recommended to the Vestry.

The Rector presented a Foundation grant request to the committee in the amount of \$30,000 to subsidize the Farmers Market for the first full season in 2013. There has been very positive feedback for the market from all people involved. The only concern expressed was how the market would be funded in subsequent years. Several options were discussed. The grant received approval to be recommended to the Vestry.

Mr. Waller presented a Foundation grant request to the committee in the amount of \$38,750 which is the second year of the Lay Ministry Engagement initiative. This represents 75% of the salary and benefits of the Director of Lay Ministry Engagement while Saint Michael is including the balance of the salary and benefits along with the operating expenses of the department within the 2013 budget. The grant received approval to be recommended to the Vestry.

Mr. Waller presented a Foundation grant request in the amount of \$8,500 which is the second year of the Parish Nurse program. There were unused funds in the amount of \$2,782 left from the 2012 grant making the net request \$5,718 for this request. This request covers a stipend paid for the administrator over the Parish Nurse program along with providing liability insurance for the 5 Parish Nurses. The grant received approval to be recommended to the Vestry.