

ST. MATTHEW PARISH
MINUTES – FINANCE COMMITTEE MEETING
October 21, 2008

Present: Fr. Pat O'Loughlin, Tom Schneider, Bill Ahlstrom, Jeff Slusar, Mike Kuick, Janice O'Connor, Debbie Yost & guest Alan Bronikowski (from Buildings & Grounds).

Excused: Jim Habanek, Joe Weiss & Glenn Margraff

Meeting called to order: 7:03 P.M.

1. Meeting was called to order by Bill Ahlstrom. The week's gospel was read gospel followed by Tom Schneider presenting the Question of the Week, which was discussed by the Committee. Tom then led the Committee in the stewardship prayer.
2. Boiler Proposal – Alan Bronikowski, from the Buildings & Grounds Committee, presented to the Finance Committee a proposal to replace one of our two current boilers with a new system that would include 2 new high efficiency boilers. Available is a Wisconsin Energy Incentive of approx \$7k which could offset the project cost of \$85k. The new boilers would save \$7,250 per year in energy costs at the current energy rates—we know energy costs will continue to increase. The committee was informed there are no issues or concerns with the current system from a reliability standpoint. Therefore, citing concerns over utilization of parish reserves to complete this project, the committee took no action to move this forward at this time. This “stewardship” initiative is estimated to pay for itself in a minimum of about 7 years at current rates. The suggested strategy would be to budget the savings and repay the reserves annually with the savings achieved.
3. Alan Bronikowski also asked for the opportunity address the committee on some concerns he documented in a memo. As a Committee member he expressed a desire for departments to receive a following year incentive for coming in under budget in a fiscal year. It seems there is concern about H & S, School Auction, and Athletic Association who's surpluses challenge the values of spending on wants vs. needs. He felt sometimes the attitude of use it or lose it is applied. Secondly, he expressed a concern on the approval process for major purchases. Referring to the corporate world, a capital budget may be approved, but the actual detail expenditures must all be approved on an individual basis even if included in the budget. He proposes we should have a similar process with major expenditure items. The committee listened to his concerns and advised they would be taken into consideration.
4. Cemetery Expense – Bill informed the committee of an expense incurred for the cemetery that was necessary to move a vault due to incorrect prior placement. Rather than take it from the meager \$17,000 perpetual care fund that exists to generate interest income to offset expenses of cemetery care, it was decided to record this in the Buildings and Grounds contingency just like excess snow, etc.
5. Review of Minutes from the September 16, 2008 meeting. Minutes were approved as submitted.
6. Archdiocesan Financial Review - Tom informed the committee that the outcome of the Archdiocesan Financial Review was very favorable. A few minor items were high lighted for corrective action. They include:
 - Adding Fr. Pat to the Holy Name Checking Account as a signer
 - Increase the petty cash balance on the B/S by \$75 to equal the fund raised 6 years ago.
 - Set up a Petty Cash account on the B/S for the small fund maintained to provide minor financial assistance to walk-ins.
 - Consider annually upgrading on the B/S the value of the \$500 bond we hold that was donated.
 - Enter in the Corporate Minutes Book an internal understanding reflecting the parish's intentions to prepay the mortgage and restore reserves with subsequent payments on pledges for Phase II.

- Complete a reconciliation of the Paychex exemptions to the Employee exemption forms in personnel files.
 - Improve the reflection of the Cemetery Account on the B/S as a Restricted Fund.
7. Financial Statement Review – Tom advised the committee that column 3 (“Total Budget”) of the schedules now reflect the revised management plan which incorporates the compensation changes and other items that are now better defined vs. the assumptions used during the budget process approved at the end of March. The Parish Council approved budget is in the column named “Proposed Budget.”
 - September results showed a \$42,520 loss in the subsidized operations excluding building fund. YTD we have a gain in subsidized operations of \$117,801 compared to \$106,316 in 2007.
 - Total all programs YTD before building fund was \$149,465 gain vs. \$176,499 in 2007.
 - The Phase II Building Fund had \$8,942 gain in the month and \$31,554 YTD. Stewardship is 7.8% or \$11,479 ahead of last year but \$11,473 behind budget.
 - Related to the B/S the committee discussed the \$311k balance at Peoples. The FDIC insurance has been raised to \$250k. We still have \$150k of insurance at Peoples. As our balance with them declines we can consider the elimination of the additional insurance.
 - Tom highlighted that the Athletic Association had given \$1,000 to the New Gym Fund to offset start up / study expenses. No expenses were reported, so we will need to move the \$1,000 to either Future Gym or Phase II Building.
 8. Clarification on “Restricted” designation. It was clarified for the Committee that only donor restricted funds need to be in this designation.
 9. The Gym Proposal was discussed. Father Pat shared some correspondence he has had with backers of this effort as noted at last month’s meeting in light of the Archbishop’s Faith in our Future campaign and Phase II already in progress. No action will be taken on the Gym. Father Pat noted there are fundraising issues associated with it that are beyond even the Parish Council and would require Archdiocesan approval which we know does not fit with the other efforts currently underway.
 10. The proposal for a playground supervisor was raised. The committee approved pending proper job description and approval of the Personnel Committee. Also noting it is for the balance of the school year and is being funded from the Auction funds.
 11. The Committee reviewed The Buzz which was mailed to parish members and was dedicated to finances. All agreed Tom and Janice did a great job once again communicating this subject to the parish membership with transparency.
 12. Mortgage Balance of \$21,393. The consensus of the Committee was to pay off the mortgage. It was agreed to pass the recommendation to the Parish Council for approval.
 13. Hot Lunch – The issue of an oven repair that the Hot Lunch program challenged due to no input on the used ovens that were installed. We maybe need to review the rent rate which was last changed on July 1, 1997. It was agreed to give the program relief on this item subject to approval of Building & Grounds, but to continue to assess a fair share of repairs in the future.
 14. The Committee was advised that a Scrip Tuition Rebate program proposal is circulating at Parish Council levels. No further details were known about the proposal at this time because nothing has been shared with the business office or Finance. But it was agreed that caution should be exercised until all questions of administration of such a program are known.
 15. The budget schedule was reviewed. Father Pat suggested that some aspects of his past experience be incorporated like priority setting meeting with Parish Council occurring up front. Department heads should present budget proposals. Bill shared thoughts on the current process. Tom highlighted that the Parish Council has been involved in reviewing budget assumptions from Personnel and Finance that this drives 97% of the budget. The drop dead date is April 1 because of teacher and principal

contracts and school tuition contract deadlines. Father Pat said he would give some thought to the process.

16. Meeting was adjourned

Respectfully submitted by Jeff Slusar, substituting for Jim Habanek, Secretary

Distribution:

Bill Ahlstrom, Chairperson

Rev. Patrick O'Loughlin, Pastor

Tom Schneider, D.A.S.

Mike Kuick, Trustee

Janice O'Connor, Accountant

Jeff Menz, Parish Council Liaison

Finance Committee: Glenn Margraff, Jeff Slusar, Joe Weiss, Jim Habanek, & Debbie Yost