

ST. MATTHEW PARISH
MINUTES – FINANCE COMMITTEE MEETING
October 20, 2009

Present: Father Pat O’Loughlin, Tom Schneider, Bill Ahlstrom, Jeff Slusar, Joe Weiss, Debbie Yost, Mike Kuick, Janice O’Connor, Jeff Menz, Mike Hofmann, Glenn Margraff, & Jim Habanek

Absent: None

Excused: None

Meeting called to order: 7:04 P.M.

1. Meeting was called to order by Bill Ahlstrom. Mike Hofmann read the Gospel of the Week. Tom Schneider read the Question of the Week, which was then discussed by the Committee. Tom Schneider then led the Committee in the Prayer of Gratitude.
2. Review of Minutes from the September 15, 2009 meeting. They were approved with two amendments, one of which related to a retraction by Fr. Pat regarding the use of Phase I Building Campaign corporate matching gifts, and the second related to the timing of the start of the Generations Of Joy Campaign relative to the issuance by the Archdiocese in 2008 of policies governing parish fund raising during the Archdiocesan Faith In Our Future fund raising campaign. Details can be found in the amended minutes from that meeting.
3. Review of the September, 2009 Financial Statements and Schedules. Tom Schneider presented an overview of the financial statements, and Janice O’Connor discussed the various departmental schedules. Items of note included:
 - a. Fiscal year-to-date Financial Stewardship is \$ 10,233, or 6.5%, below that of the prior fiscal year, and \$21,706 below the year’s budgeted level.
 - b. The Phase II Building Fund had a gain of \$310 for the month of September, and \$2,380 fiscal YTD. The remaining balance on the loan from the parish is \$141,008.
 - c. Subsidized Operations realized a gain of \$10,431 in September. The total of All Programs, excluding the building fund, had a gain of \$29,387. YTD, the gain in subsidized programs is \$85,926 compared to \$117,799 in 2008. The total program YTD gain before the building fund is \$131,820, compared to \$149,464 last year at this time. The difference is largely the result of approximately \$43,000 less in school revenue, \$8,000 less in school expenses, \$10,000 less in financial stewardship, and \$14,000 less in interest income. Declines in health insurance and salary expenses are helping to offset the declines in revenue.
 - d. The Pastoral Care schedule expense line item for Dues/Licenses/Memberships is already more than \$900 over budget for the entire fiscal year. The cause is national and state criminal background checks required for Safeguarding All of God’s Family.
 - e. The loss shown on the Extended Care schedule is due to billing and collection delays. The program is most likely in surplus.
 - f. \$1,000 was transferred from the Scrip program to the Home & School schedule in September
 - g. The parish’s YTD Faith In Our Future (FIOF) receipts, including interest income, are \$19,005.

Old Business

1. The Committee discussed the 2010 - 2011 Budget Timetable. The budget process is on schedule, and the Committee reviewed a timetable which had been prepared by Tom Schneider and Janice O’Connor. Bill Ahlstrom commented that, due to delays in last year’s budget process, Parish Council had requested that the Finance Committee begin the process sooner. Mike Kuick stated that Finance has little to do early in the process, and does not become involved until the Personnel and Stewardship Committees are well along with their work. Also, Parish Council did not approve last year’s budget at the meeting at which it was presented to them; doing so at a later date, further delaying the process.

2. In continuation of the discussion that had occurred at the September 15 meeting, the Committee spent the major portion of the meeting reviewing the handling of Phase I construction project corporate matching funds, and the accounting treatment that was applied to those gifts. At the direction of the Archdiocese, Fr. Pat shared a letter from John Marek, Diocesan Finance Officer, and Jay Frymark, Director of the Office for Parish Finances, stating that “parish documentation has been reviewed once again and we see no evidence” that staff members at St. Matthew Parish may have engaged in fraud or other malfeasance related to parish finances. Independent of this position by the Archdiocese, the consensus of the Finance Committee was of the same mind. The letter further directed that any and all parish records be immediately corrected to reflect the above conclusions, and that all committee members, staff, and parishioners with whom accusations may have been shared in any way receive a copy of the aforementioned letter from Mr.’s Marek and Frymark. Jay Frymark had recommended that the parish review its documentation and add notations as necessary to clarify that all matching gifts can be traced to the projects for which they were intended. While not reaching any definitive conclusions or acting upon any motions, the consensus of the Committee is largely in agreement with Mr. Frymark’s recommendations, and that the issues can be remedied through more thorough documentation, and the restatement or expansion of some entries on parish financial statements and departmental schedules. This topic will be revisited at the Finance Committee’s November meeting. In the interim, Bill Ahlstrom will seek some advice from the accounting firm of Kerber, Eck, & Braeckel, LLP, of which he is an associate, and Tom Schneider and Janice O’Connor will seek more precise guidance from finance personnel at the Archdiocese.

New Business

1. The parish is once again having problems with one of the two required heating boilers. Two boilers are required to adequately heat the school/church during cold weather. Repairs would be costly and not long lasting, so the Building & Grounds Committee has requested that a new boiler be installed to replace the one that is in the worst condition. The projected cost, net of WE Energies rebates, is approximately \$72,000. It is estimated that the parish will save approximately \$15,000 in the first year (rebates, repair costs, and reduced heating expenses), and the estimated payback of the total expenditure in energy cost savings will be approximately 10 years. The Committee unanimously recommended that the Parish Council approve the expenditure for the replacement of the boiler.

2. Bill Ahlstrom asked Tom Schneider about the status of the edition of the parish Buzz will be devoted to parish finances. Tom replied that it will be ready for the November 15, 2009 Annual Parish Meeting. It was not intended to be available and used at the October Town Hall Meeting.

3. The parish Town Hall Meeting will be held on Saturday, October 24. Bill Ahlstrom will represent the Finance Committee and give an oral presentation, which will include the long and short-range goals of the Committee. The Committee discussed what it believes to be its strategic goals, as well as its accomplishments.

4. The Committee was reminded by Mike Kuick that St. Stephen Parish will be opening in November. The Committee agreed that we will need to closely monitor our financial stewardship and membership changes/levels for any negative affects.

Next Meeting: Tuesday, November 17, 2009

Meeting Adjourned: 9:37 P.M.

Respectfully submitted by Jim Habanek, Secretary

Distribution:

Bill Ahlstrom, Chairperson

Rev. Patrick O'Loughlin, Pastor

Tom Schneider, Director of Adm. & Stewardship

Mike Kuick, Trustee

Janice O'Connor, Accountant

Jeff Menz, Parish Council Liaison

Finance Committee: Glenn Margraff, Jeff Slusar, Joe Weiss, Jim Habanek, & Debbie Yost
and minutes@stmattoc.org