

ST. MATTHEW PARISH
MINUTES – FINANCE COMMITTEE
August 17, 2010

Present: Tom Schneider, Bill Ahlstrom, Jeff Slusar, Mike Kuick, Travis Adler & Steve Anderson

Absent / Excused: Father Pat O'Loughlin , & Glenn Margraff

Meeting called to order: Approximately 7:00 P.M.

1. The meeting was called to order by Bill Ahlstrom. The meeting opened with the reading of the Magnificat by Tom followed by the group sharing in the Prayer of Thanksgiving.
2. Review of Minutes from the May 18, 2010 meeting. Minutes were approved as presented.
3. Steve Anderson was introduced as the new Liaison to the Parish Council, replacing Jeff Menz in this role.
4. Review of the July 2010 Year End Financial Statements and Schedules. Tom Schneider presented an overview of the financial statements with discussions on the various departmental schedules. Items of note from the financials are as follows:

Balance Sheet:

- a. The credit in the M&I Cash account is the result of a timing issue, as funds are sufficient.
- b. Accounts receivable reflects a pending health insurance credit for a former employee (\$5,635) and extended care fees received in July (\$1,233)
- c. There is \$54k in ST investments for the FIOF receipts. We must maintain a \$10k daily balance for higher investment rates.
- d. The accounts payable balance is the scrip credit applied to school family tuition accounts.
- e. It was noted that two \$50k CDs were maturing soon at Waterstone Bank. Since the difference in CD vs. money market interest rates are negligible at this point, the committee recommended rolling one over and letting the 2nd mature. The funds would be transferred to the money market account.

Income Statement:

- a. We concluded the year with a (\$99,275) loss in subsidized operations vs. our revised management plan surplus of \$33,765. This also compares to a (\$56,956) loss last year. Explanatory items of note are \$40k of capital spending improvements from designated reserves, boiler investment expenses from parish reserves of \$64k and \$4,900 of security system expenses from reserves, both of which were approved after establishing the revised management plan. Also included in the results is a hot lunch program surplus of \$6,834 that will need to become a designated reserve.
- b. Support activity programs had a surplus of \$14,426, resulting in a net loss of (\$84,850) before FIOF and the Building Fund.

- c. The Building Fund ended with a \$12,392 surplus for the fiscal year, leaving the project to date loss to restore reserves at (\$130,996).
- d. Faith in Our Future had income of \$61,410 with expenses of (\$12,139) resulting in a net gain for the year of \$49,271. This is included in the \$54,242 restricted reserve Money Market account mentioned in the balance sheet section.
- e. Financial stewardship was 92.6% of budget or (\$49,806 short). This is 3.2% or (\$20,410) below last years level.
- f. The individual department schedules were reviewed. Items of noted were as follows:
 - General and Prayer & Worship: Include in Bequests/memorials is income with restrictions that will require movement to restricted reserves.
 - School gifts included a memorial for library needs, Oak Creek-Franklins Title I funds for continuing education for teachers of \$1,651 for webGrader software and \$750 from DPI for new teacher mentoring.
 - School tuition delinquency stands at \$19,267 for the year with \$17,275 deemed hardship. The committee questioned whether a policy of preventing reenrollment with outstanding tuition was in place. No one at the meeting had the information to answer that question.
 - Extended care: It was noted that additional payroll for the year exceeded additional revenues resulting in a loss in the program of (\$1,233). July receipts were applied to cover the loss.
 - Pastoral Care: Bank fees continue to rise. It was suggested by Tom that there may be an opportunity with Tri-City as he has learned of other parishes getting favorable banking relationships. It may also be advantageous to bid out payroll services to see if additional reductions could be achieved.
 - Building and Grounds: The year ended favorably in utility cost. Several factors could be contributing including milder winter, improved insulation and the new boiler. Also B&G closed the year favorable in snow removal.
 - Capital Improvements were \$108k for the year including the boiler of \$64k, security equipment of \$4.9k, \$10k from a restricted reserve bequest to benefit the school (smartboards) and \$30k from restricted auction and athletic association funds.
 - Rental property was below budget (\$6k) due to tenant turnover, but is now occupied with a 2 year lease in place.
 - Hot Lunch had the \$6.8k gain previously mentioned. Funds will be needed for a hot water holding tank and a grease trap repair that is pending.
 - Home & School has \$3k that will be added to their designated fund after the carry over of \$9k allowed by policy. There are no plans communicated for fund use other than \$5,000 that will be used for the outdoor sports court.
 - Little Brick church surplus of \$2,500 will be moved to the designated reserve. The new concrete fire pit previously approved will be built this summer.

New Business

1. Consideration of Items to be included in the Revised Management Plan for the Coming Year:
 - a. The tuition reduction that was adopted by the board of education, but not incorporated in the budget - \$7,230 income shortfall expected.

- b. School Census – Budget is 206 with current enrollment at 195 (? Need verification)
 - c. Health Insurance – Actual is projected at \$5k additional over the budget.
 - d. Savings from removal of the 2nd boiler that was budgeted, but completed in current FY - \$4,000 budget that will not be needed.
 - e. Tuition credit – added tuition credit for child & family director of \$3,164
 - f. The Music Teacher requiring single insurance will add cost and exceed the budget by \$2,800. The net of the above items, excluding school census is a budget shortage of \$14,164.
 - g. Stewardship continues to track below budget levels, another point of concern.
2. Transition with Tom & Janice leaving. Tom to leave passwords with Mike/staff. Mike has limited knowledge of the system and segregation of duties prevents his involvement in various areas, especially initiating payments. Staff is knowledgeable on routine transactions but will need guidance on accounts to use on occasion. Bill made the statement financials may be on a lag for a while during the transition period.
3. Bill updated the committee on the search for a director of administrative services. The personnel committee was meeting simultaneously to the Finance Committee meeting. He was to join that meeting and the discussion of potential candidates. It appeared that interviews would be commencing within the week.

Meeting Adjourned: Approximately 8:45 P.M.

Next Meeting: Tuesday, September 21, 2010

Respectfully submitted by Jeff Slusar, Finance Committee Secretary

Distribution:

Bill Ahlstrom, Chairperson

Rev. Patrick O'Loughlin, Pastor

Mike Kuick, Trustee-Treasurer

Steve Anderson, Parish Council Liaison

Finance Committee: Glenn Margraff, Jeff Slusar & Travis Adler and minutes@stmattoc.org