

ST. MATTHEW PARISH
MINUTES – FINANCE COMMITTEE
October 19, 2010

Present: Father Pat O’Loughlin , Kris Wegner, Bill Ahlstrom, Jeff Slusar, Mike Kuick, Glenn Margraff & Travis Adler

Absent / Excused: Steve Anderson

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

1. The meeting was called to order by Bill Ahlstrom. Bill then led the group in an opening prayer.
2. The minutes from the September 21st meeting were approved as presented.
3. The committee conducted a review of the August 2010 financial statements. Kris provided a packet containing the balance sheet, income statement, department schedules, supporting fund analysis statements and general ledger activity. The committee agreed going forward the general ledger can be eliminated from the package to save paper.
4. Review of the statements showed a loss from operations prior to Faith in Our Future (FIOF) and Building Fund (BF) of (\$20,046). FIOF had \$4,959 of income with \$3,488 of expenditures for a net income of \$1,471 in the month. The Building fund received \$101 of income. On a YTD basis the pre-FIOF & BF revenue in excess of expense is \$99,503 with FIOF showing net revenue in excess of expense of \$8,019 and the Building Fund showing income of \$211.
5. Discussions on the statements included:

Balance Sheet:

- a. The cash balance reflects the cash proceeds from a CD maturing that was not renewed. The committee again confirmed its recommendation not to lock into any CDs of duration due to extremely low yields. Money market yields are near identical in returns to the CD rates at this time.

Individual Departmental Schedules were reviewed:

- a. It was noted that timing of revenue and expense may be difficult to judge against our flat loaded budget approach. Kris suggested perhaps a timing adjustment on significant items such as tuition could possibly be considered in future budget preparations.
- b. Related to School, it was discussed that 5 fewer students than the budget and tuition assistance will have an impact on the revenue line. This is something to be considered in the revised management plan.
- c. It was noted that there are three (3) memorials which are showing activity. Many of the transaction will appear on the September and October statements.
- d. A question was raised on the Archdiocese Assessment recorded on the General Receipts schedule. Kris explained that although it appears to be tracking over budget, the full year amount is known which is \$32k, about \$4k below the budget. Requirements by the Archdiocese on the timing has the account temporarily appear over budget.
- e. Kris indicated he will put additional focus on the controls around the Scrip account in the coming months. The volume and timing requires closer oversight on this activity.

- f. Extended Care was also discussed. Receipts in the current year are showing a credit, netting a (\$2,800) loss in the current year. With this program running barely breakeven last year, the activity here should be monitored closely.
- g. Kris suggested he will update the stewardship tracking schedule to include a comparison to last year so it can be assessed if we are in line or losing ground to prior year.

New Business

1. There was a discussion on ideas for simplification of presentation of financial statements. There is a desire to present financial data in the bulletin in a simple way that parishioners can easily understand. Some ideas were offered, but nothing was concluded at this point. Also related to presentation of financial data, the annual Buzz financial update was discussed. Kris said he would work on a financial summary to present to the parish.
2. The cyber theft subject was addressed. Glenn gave an overview of products offered by the banking community including positive pay, ACH debit block and separation of duties in transaction processing to combat cyber theft. He also provided an insightful overview of methods cyber thieves are using to circumvent controls. Kris indicated that he was to meet with M&I and this would be an opportune time to discuss these options and pricing for the products. He also plans to shop around for comparison.
3. In light of the recent staff changes, and some suggestions for internal control improvement made in the financial review conducted by Wegner & Associates, it has become clear we need a well documented procedure on "How we transact". The committee felt much was learned from the discussion of the subject and it would be good to clearly have it documented for future reference and internal control purposes.
4. Father Pat asked for a review of the stipend fund for which he maintains the checking account per Archdiocesan guidelines. Bill shared with the committee his statement of review and a compiled summarization of account activity.

Old Business

1. Wegner Internal Control Review – Kris is going to take the lead on preparing a draft of the parish response to the suggestion points in the Wegner & Associates Internal Control Review. On the point of separation of duties on accounting for cash, the plan is develop a single procedure and methodology for the handling and recording of cash deposits. This was the main point listed in the report. Secondly, we plan to state we take the suggestions seriously and will address the "suggested improvements" to the best of our ability, considering limitations in size of staff.

Meeting Adjourned: Approximately 9:00 P.M.

Next Meeting: Tuesday, November 16, 2010

Respectfully submitted by Jeff Slusar, Finance Committee Secretary

Distribution:

Bill Ahlstrom, Chairperson

Rev. Patrick O'Loughlin, Pastor

Kris Wegner, Director of Administrative Services

Mike Kuick, Trustee-Treasurer

Steve Anderson, Parish Council Liaison

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