

ST. MATTHEW PARISH
MINUTES – FINANCE COMMITTEE
MARCH 16, 2010

Present: Father Pat O’Loughlin, Tom Schneider, Bill Ahlstrom, Jeff Slusar, Mike Kuick
& Travis Adler

Absent / Excused: Jeff Menz & Glenn Margraff

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

1. Meeting was called to order by Bill Ahlstrom. The committee reflected on those they would like to remember followed by Mike Kuick leading the group in prayer.
2. Review of Minutes from the February 16, 2010 meeting. Minutes were approved as presented.
3. Review of the February 2010 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. Two \$50k CD’s matured on February 28th. We renewed one for 24 months at 2.04% with the option of early withdrawal after one year if we use their “coupon” and do it in the month of the 1st year anniversary. We purchased a 2nd for 6 months at .95%.
- b. Tom commented that the small contra position of the Prepaid Insurance account is a result of timing of some transactions related to Alice’s departure and COBRA/Health Insurance continuation benefits.

Income Statement:

- a. In February, we had a \$49,575 loss in our subsidized programs. (Total of all programs excluding the Building /FIOF Funds in February resulted in a \$55,027 loss.) As a reminder, the Capital Improvements (\$72,772) is just the expense without the income offset from reserves. Our YTD gain in subsidized programs is \$3,609 compared to \$40,201 from 2009. (Total program YTD gain before Building/FIOF Funds is 8,375 compared to a \$108,357 gain in 2009.)
- b. The Phase II Building fund had a gain of \$70 for the month of February with a \$9,617 gain YTD. The amount needed to replenish our reserves from the loan pre-payment is \$133,771.
- c. The FIOF fund had a gain of \$3,380 for the month of February with a \$42,867 gain YTD.
- d. Financial Stewardship is 62.3 % of budget YTD at 66.7 % of the year. We are 2.9 % behind last year or \$12,593 and \$29,748 behind on budget. Financial Stewardship is 47% of our subsidized program budgeted income.

- e. Prayer & Worship: The expense tracking over budget in the “Flowers/Environ/Liturgy Plan Aids” account is funded by the designated \$4K recorded earlier in the year in the “Monetary Gifts” receipts account.
- f. Generations in Faith Together: Although the schedule is still tracking in a gain position, a faith festival was held in March and will reflect spending in next month’s statements.
- g. School: Tuition delinquencies are at \$30,050 this year from 27 families; \$17,685 of this has been identified as hardship (12 families) without noting whether they are up to date on their payment plans. This total compares to last year of 18 families totaling \$22,255.
- h. Extended Care: A/R is \$1,912 as of March 1st which would offset the loss on this departmental schedule of \$1,512. Therefore, this program is operating very close to breakeven.
- i. Social Ministry: Special Collections In and Out reflects activity related to the Haiti effort.
- j. Pastoral Care: Medical & Dental Insurance continues to be over budget as we now await a 4 month credit from United Healthcare. Musician Reimb from Stole Fees expense is offset by higher Stole Fees receipts recorded. Clergy Salaries is tracking over budget due to Retirement Saving Supplement included in salaries per archdiocesan policy.
- k. Building & Grounds: Heat bills appear to be tracking lower, but weather plays a factor in addition to the new boiler. Time will tell on the savings being realized. The milder winter (snow wise) has resulted in \$3,758 of spending against the \$7,000 budget YTD in snow removal, a favorable situation compared to the last two years.
- l. Capital Improvements - Auction expenditures of \$15k reflected in the month relates to Smart Boards. The March schedule will show a progress payment paid on the boiler installation of approximately \$15k.
- m. Rental Property - A new tenant was signed to a lease beginning April 15, 2010 for two years. Repair expenses included paint, sump pump, exhaust fan, and plumbing supplies. Any loss of rent will impact the bottom line as about \$10,500 subsidizes parish operations.
- n. Hot Lunch – The program is still running favorable. Tom indicated there is a recurring drain problem in the cafeteria that a plumber is currently diagnosing the root cause. The lunch program may be asked to participate in the resolution once the issue is known.
- o. Little Brick Church will see revenue to offset the current loss position as a Fish Boil is scheduled for March.

- p. Scrip: We did not have an inventory on the 1st of the month, so the schedule does not reflect the inventory change this month. Sales of scrip are tracking higher than last year.

Old Business

1. Budget: The committee reviewed the updated budget proposal summary. There were minor adjustments to the schedules reviewed last month. The committee has agreed to move ahead with proposing the budget in its current state to the Parish Council. Although financial Stewardship in the budget still appears to be a stretch compared to current reality, the committee also acknowledges there are some contingent items in the budget, along with potential savings in heating cost that are not in the budget, which could serve as an offset in the event the budgeted stewardship is not realized.

The committee also discussed the concerns with the rate of school tuition increase, but Fr. Pat indicated he has had discussions with the Board of Ed. He feels there is a lot of thought behind the plan and they wish to move ahead under the assumptions built in the budget.

Tom will draft a summary for the Finance Committee to present the budget to the Parish Council in its current state. The summary will highlight the risk areas, open items and the contingent and opportunity items that may serve as an offset to the risks.

New Business

1. Tom updated the committee on a topic that is currently being discussed within the Athletic Association. There is a desire to build a new outdoor basketball court. Building & Grounds gives their support to the project and a location has been identified. Tom also shared that there is some discussion as to whether funds on the balance sheet restricted for Future Gym would have the possibility of being accessed for this project. The issue is: how could the restriction on past donor restricted funds be changed? Exploration with those who made the contributions is underway. No action was taken nor is recommended. This was just being shared for informational purposes at this point.

2. External Review required to be completed by the Archdiocese: Tom asked the committee what procedure we should use for selecting a firm for the required external review. Bill shared insight he had on the firms approved by the Archdiocese. Since we are working from an approved list and the prices are stated, our desire is the try to lock into one of the firms on the low end of the cost scale. Tom said the desired timing of the review would be in the August time frame after we close the books for the year. With that in mind, the committee recommended that Tom makes contact with two or three firms in the desired price range and see if this timing feasible. We believe we

have the best chance at securing a low price firm to work within our desired timeframe if we commit early in this process.

Meeting Adjourned: Approximately 8:18 P.M.

Next Meeting: Tuesday, April 20, 2010

Respectfully submitted by Jeff Slusar, Finance Committee Secretary

Distribution:

Bill Ahlstrom, Chairperson

Rev. Patrick O'Loughlin, Pastor

Tom Schneider, Director of Adm. & Stewardship

Mike Kuick, Trustee-Treasurer

Janice O'Connor, Accountant

Jeff Menz, Parish Council Liaison

Finance Committee: Glenn Margraff, Jeff Slusar & Travis Adler
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