

Finance Council  
St. Martin de Porres Catholic Church  
June 10, 2011 Meeting  
**MINUTES**

The regular meeting of the Finance Council (“FC”) was called to order and opened with prayer by Fr. Ed at 2:06 pm. Members present: Rev. Ed Koharchik, Glenn Rosilier, David Boone, Judy Tixier and Mary Armatta. Geoffrey Unger, Pastoral Council President, was also present.

**FC Minutes**

Glenn Rosilier made a motion, seconded by Mary Armatta, that the minutes for April 27, 2011 and May 17, 2011 be approved as submitted. Motion passed. The minutes will be posted on the St. Martin de Porres (“SMdP”) web site.

**Review and Approval of the 3<sup>rd</sup> Quarter Financial Report to the Diocese**

The attached 3<sup>rd</sup> Quarter Financial Report was reviewed. All questions have been satisfactorily answered. The FC approved the report for submission to the Diocese.

**4<sup>th</sup> Quarter Review**

David Boone reported that the 4<sup>th</sup> quarter forecast through May is close to projection. There have been no extra-ordinary expenditures requiring FC approval other than the payment to Encino Homes which was approved by the FC in the special meeting 5/17/11.

**Ways to Give**

In conjunction with a review of new banking services, Mary Armatta will also investigate adding “Ways to Give” through e-giving services. Recommendations will be presented to the FC and the Pastoral Council.

**Our Faith Our Legacy (“OFOL”)**

Father Ed reported that SMdP has achieved its goal of \$385,000 having received \$387,000 to date. 192 families had pledged \$500,000 to OFOL. 80% of any and all funds received over \$385,000 will be distributed back to the parish. Father Ed will make an announcement this Sunday presenting an update on OFOL and encourage parishioners to honor their pledge. It was suggested that a letter be sent from Father Ed to those families who have not fulfilled their pledges. Also provide a status of OFOL on the web site and/or in the Bulletin monthly. Mary Armatta will draft a letter and also follow-up with the Diocese on the forecasted schedule of anticipated payment.

**Update – Pledge Response, Feedback from Pulpit Talk**

89 Pledge Cards have been returned to date. \$200,000 has been pledged to the Operating fund and \$48,000 to the Debt Reduction fund. Most cards turned in indicated a pledge to both funds. The response represents only 12% of the registered families in the parish.

Glenn Rosilier stated the ushers estimate 250 families, on average, attend the scheduled weekend Masses.

There was discussion on the low response. Geoff Unger stated that we need to address participation – (1) we want to hear from the parishioners and get a response, and (2) we want them to participate.

The purpose of the pledge cards was to facilitate in the budget process. The FC has moved forward without the responses. Given the number of pulpit talks on money, it was recommended that the Pastoral Council follow-up with the parishioners in the 1<sup>st</sup> Quarter of FY 2012 – presentation and format to be determined.

Feedback from the FC pulpit talk has been largely favorable. Some parishioners commented that they were unaware of the current financial situation and appreciated the update and oversight going forward by the FC.

### **FY 2012 Preliminary Budget**

David Boone presented the preliminary budget for the new fiscal year for review.

#### Revenue – Conservative Estimate.

- Regular Collection forecasted based on FY 2011 income with no increase.
- Debt Reduction forecasted up based on recent 3 months collection pattern.
- Growing with God preschool (“GWG”) based on projected registration and new tuition fees.

#### Expenditures – Based on FY 2011 and FY 2012 Department Budgets. Certain Assumptions for FY 2012 include:

- Diocesan Assessment – Current Year’s Assessment of 10%
- Mortgage Payments – P&I for the two current loans, Rectory Loan based on a 10 year term at 6.98%
- General & Administration – Business Manager’s compensation is now being allocated between G&A and Religious Education. There were no increases in compensation rates budgeted for FY 2012 in any department.
- Pastoral Services – Still waiting on confirmation for Salary, Health Insurance & Pension figures from the Diocese. Taken out of the budget this year are Sr. Yvonne’s expenses and incidental rectory expenses.
- Plant Operation – Included is a budgeted amount of \$5,000 for HVAC repair for the Church, increase in property insurance to include the rectory, and staffing adjustments. Taken out of the budget this year are expenses associated with the Education Center, land clearing and other one time expenses in FY 2011.
- Religious Education
  1. One local Catholic Heart Work Camp.
  2. Growing with God – based on projected budget to include one new teacher for increased attendance.
  3. ACTS – operates on a calendar year basis utilizing ACTS fund raising proceeds in retained earnings.

FC members were asked to review the detailed schedules and direct any comments, changes, and/or clarifications to David Booth.

David Booth also presented a cash flow analysis and recommended SMdP make arrangements to secure a line-of-credit to cover cash shortfalls throughout the year. Even though the current budget projects a positive net income, there will be a significant payment from cash (retained earnings) for the principle on the three notes resulting in a negative cash flow projection. Mary Armatta and Glenn Rosilier will schedule a July meeting with the Diocese Office regarding a line-of-credit.

FY 2012 Preliminary Budget Summary

Forecasted Cash Balance:	\$ 35,249
Revenue:	\$644,023
Expenses:	<u>(618,997)</u>
Net Income:	25,027
Less Principal 3 Loans:	<u>(69,192)</u>
Ending Cash Balance:	(\$ 8,917)

**Meeting Schedule**

David Boone requested that a couple of working sessions be set up to prepare for the budgets final approval. Open questions as well as input from the Diocese will require adjustments. The initial work session is scheduled for Thursday, June 16th at 4:00 pm; with a second work session, if needed, scheduled for Tuesday, June 21st at 4:00 pm. The final FY 2012 Budget will be presented for approval at the FC meeting scheduled for Wednesday, June 29th at 4:00 pm.

Father Ed invited the FC to attend the Staff Planning Day with the Pastoral Council on June 30, 2011 from 9:00 am to 4:00 pm at the Giles' Cabin.

**Other Business**

Geoff Unger informed the FC that they have received three bids for the Church A/C and for the Church Roof. The Pastoral Council will review the proposals, determine if the bids fix or patch the issues, and make a viable recommendation on how to proceed. The FC will review the financial issues associated with the recommended proposals.

There being no further business, the FC adjourned at 5:25 pm with a prayer.

*Respectfully Submitted,  
Judy Tixier*

**Attachments:**

3<sup>rd</sup> Quarter FY2011 Financial Report to the Diocese  
FY 2012 Budget Review Statements (preliminary detailed worksheets – not attached)