

Finance Council
St. Martin de Porres Catholic Church
January 31, 2012
MINUTES

The regular meeting of the Finance Council (“FC”) was called to order and opened with prayer by Fr. Ed at 10:00 am. Members present: Rev. Ed Koharchik, Glenn Rosilier, David Boone, Judy Tixier, and Mary Armatta.

FY 2012 Financials – Second Quarter

The FC reviewed the Second Quarter FY 2012 Financial Results Report and recommended that it is ready to present in the bulletin to the Parish. Fr. Ed so approved. It was noted that the financial support of the Parish, especially in the month of December, had exceeded the financial projections for the period. Glenn Rosilier prepared the attached commentary to accompany the financial report in the bulletin. Fr. Ed so approved.

Quarterly Report to Diocese

The FC reviewed and approved the Second Quarter FY2012 Report for submission to the Diocese. The FC found this report to accurately report the Parish’s financial records and recommended this report be submitted. Fr. Ed so approved.

Finance Council Non-Budgeted Expenditure Approval

There have been four non-budgeted items presented to the FC:

1. Facility deposit of \$1,000 for the CreekSide Pavilion: The request was for \$1,000 which was within Fr. Ed’s authorization. However, the FC discussed that the total amount was \$2,995 and that is the amount that should have been requested. FC recommended deposits be presented with the whole expense when seeking authorization of non-budgeted expenditure approval.
2. Mardi Gras Budget: Glenn Rosilier had met with the Fund Raising Committee and received information on anticipated receipts and expenses. The information was drafted into a pro forma statement attached. The FC has the information to recommend that the expenses will be supported by the receipts and recommended that Fr. Ed support the Mardi Gras, Casino Night, and Auction Fund Raiser.

The FC recommended that an office staff person be assigned to work with the Fund Raising Committee to monitor receipts and expenses within the budgeted guidelines. The FC also recommended a budget be developed for all projects, that the Business Manager work closely with the Fund Raising Committee, and that at the conclusion of an event a report recapping the performance be completed.

3. Education Building Repairs: The Parish received \$6,505 from a donor to cover expenses for various repairs to the Education Building. The work is totally funded, therefore the FC recommended the Parish proceed with the bid selected by the Building Committee. The bid is \$5,295 from New Image Construction. The FC recommended that Fr. Ed discuss with the donor the balance remaining. He will see if the funds can be directed to another repair project in consultation with the Building Committee.
4. Staff Bonuses / Mass Stipends. A request had been made to the FC to pay Christmas bonuses. The FC did not recommend paying bonuses this fiscal year from the general fund. Fr. Ed was asked to use Mass stipends for the bonuses and he agreed. Mass stipends were \$1,846; \$1,346 was taken out of Mass stipends and \$529 was taken out of the general operating funds for staff bonuses. The \$529 was below the FC authorization.

Budget Forecast Update

David Boone prepared an updated forecast for the FY 2012. Key assumptions made were:

Receipts:

- Collections – Sunday & Holy Days: based on 85% of the average collection for October, November and the 1st half of December. Debt: based on 75% of the run rate for the first half of the year.
- Fundraising – conservative profit for the two remaining events: Mardi Gras \$5,000 and SMdP Day \$1,000. (*Note: net profits (1) Raffle \$1,410.10 and (2) Fall Festival \$9,736.60. Fr. Ed will update the Chart in the Church*)

Expenditures:

- Expenses have been doing well and are under control. There are a few categories that the FC will continue to monitor and evaluate.
- Rectory loan principal and interest begins in February. Up to this point we have been paying interest only at the construction rate.
- Administrative Compensation – 12-15% over budget. FC had asked Mary Armatta to address. She stated it was higher due to increased hourly rates and hours worked. Mary will closely monitor the administrative time. Fr. Ed addressed a compensation issue. He will make a recommendation for next year's budget based on job description and evaluation. The FC recommended that Mary Armatta plan and manage the parish staffing -- review all compensation levels, job descriptions, time requirements, and institute a written performance evaluation for the next fiscal year. There was discussion on having a fulltime business manager.
- Growing with God Preschool – Mary Armatta said that this year's enrollment has not met budget but that the next academic year this program will be full. The FC asked if there were any expenses that could be adjusted. Mary will meet with Lisa Phillips and review the advertising and supply expenses for the program. She noted that February was the start of registration for the 12/13 school year.

FY 2012 Budget Forecast updated 1/30/12

Cash Balance	\$ 29,424
Receipts:	\$732,016
Expenditures:	<u>666,074</u>
Net Income	65,942
Special Collections Net	<u>(2,486)</u>
Ending Cash Balance	\$92,880

Priorities for Cash:

The Forecast update is \$49,788 better than the FY 2012 Budget. The parishioners have responded to the push made through pulpit talks, distribution of financial statements with commentary and updates, and the Cavan Project to increase offertory collections. The FC recommended that if we meet the forecasted numbers, we should reduce the debt (in addition to the scheduled principal payments) at minimum by \$25,000.

Glenn Rosilier will schedule a meeting with Mary Armatta and the Dioceses Finance Office to inquire if the Parish can defer the principal payment on the rectory and continue to pay the construction interest through the end of the fiscal year. The proposal would be to make a lump sum contribution to draw down the debt at the end of the fiscal year.

Other Business

Mary Amatta noted some repairs and maintenance concerns on the property: the fence around the preschool and the roof leaks in the Church. The FC recommended that she consult with the Building Committee immediately regarding the leaks and the fence issue.

Fr. Ed informed the FC that the Diocese asked if SMdP would host one of the seminarians from August to May. He would live in the rectory and the cost would be \$100 per week plus food. There were no objections and stated it should be included in the budget planning for the next fiscal year.

Meeting Schedules & Due Dates

- December YtD Financial Results report is scheduled for submission as an insert in the 2/5/12 Bulletin.
- Fr. Ed will arrange a Working Session to include the Fund Raising Committee, Finance Council, and Parish Council.

There being no further business, the FC adjourned at 12:00 pm.

*Respectfully Submitted,
Judy Tixier*

Attachments:

December YtD Financial Results Report and Commentary
2nd Quarter Diocese Report
Fund Raising Budget – Mardi Gras, Casino Night, and Auction Event