

**ST. CATHERINE OF SIENA CATHOLIC CHURCH  
MINUTES OF A  
MEETING OF THE FINANCE COUNCIL**

August 1, 2019

A meeting of the Finance Council (the "Council") of St. Catherine of Siena Catholic Church (the "Church") was held at the Church's Parish Center on August 1, 2019 beginning at 7:00 p.m. Fr. Pat, Marilyn O'Daniel, Sue LeFevre, Mel Schmidt and Anh Thomas, constituting the entire Council, were in attendance

Fr. Pat called the meeting to order and chaired the meeting. Sue acted as Secretary for the meeting.

**Review of June 30 Financials and Budget Compliance**

The Council was presented with a Balance Sheet and a Profit and Loss Statement for the periods ended June 30, 2018, September 30, 2018, December 31, 2108, March 31, 2109 and June 30, 2019. The Council was also presented with a Statement of Cash flows for the year ended June 30, 2019. The Council noted that contrary to expectations the Church's fiscal year had ended positively with a net income of \$46,671. It was generally agreed that the financials showed general budget compliance for the entire fiscal year.

Anh Thomas questioned why the Statement of Cash Flows showed a net income number that was higher than that show on the Profit and Loss Statement. Sue promised to make inquiries and explain the discrepancies at a later date. Subsequent to meeting Sue learned that QuickBooks prepares a Statement of Cash Flow on an accrual basis only. The Church has traditionally presented all numbers on a cash basis. When the Diocese was consulted they advised that cash basis was acceptable but that accrual basis was preferred. When Erin Hummel prepared a Profit and Loss Statement on the accrual basis, the net income numbers matched. To avoid further confusion, Erin and Sue decided to present future financials on an accrual basis.

**Proposed Financials for Bulletin Presentation**

Sue presented the Fiscal Year End Report to be presented to the Church. The Council recommended that the Report be modified to remove the information pertaining to the Parish Center Loans. They thought that it would be more prudent to provide that information supplementally. Sue agreed and said that she would provide the debt information as part of the explanation that accompanies the Report.

**Recent Stock Sales**

Sue advised that \$37,205 of stock had been sold to cover the cost of a new HVAC system for Fr. Pat's home and the addition of a large drop down screen for Johnson Hall. Sue explained that Fr. Pat's HVAC had recently experienced some problems and the Church had been advised that the system was of an extremely poor quality and likely to completely fail soon. Fr. Pat and

Sue were concerned that the failure might cause more leakage like that which occurred last year resulting in substantial damage to the home. For these reasons it was decided to replace the entire system at a cost of \$13,000. Additionally, Sue noted that he two video monitors in Johnson Hall were insufficiently sized for very large crowds. She recalled Christmas Eve Masses last year and the difficulty of viewing the presiding Priest in the rear of the hall. The religious education team has been using supplemental screens to project in the back of the hall. Consequently it was determined that a larger screen was very much needed for Johnson Hall. The cost of the screen and some additional modifications to allow viewing of Masses in Siena Hall was expected to cost approximately \$24,000. It was expected that the monies realized by the sale of stock would cover these expenses. The Council agreed with the proposed acquisitions.


### **Diocesan Loan Status**

Sue presented a Parish Center Loan Summary for the year ended June 30, 2019. The summary showed that the 20 year long term loan had been reduced by \$100,693 leaving a balance of \$1,919,307. Principal payments of the bridge loan had been \$256,712 leaving a balance of \$462,922. Sue expected that the bridge loan would be retired during the fall of 2020. It was hoped that the long term loan would be retired within 10 years if the Church can continue to make additional quarterly principal payments.

### **Pending Diocesan Campaign**

Sue explained that she had conversations with Scott Whitaker of the Diocese concerning the agreement he proposed covering the independent campaign to be undertaken by St. Catherine in the fall of 2020. The document presented to Sue required that St. Catherine guarantee that they would raise the \$1.64 million required contribution to the Diocese. Sue declined to agree as she could not make any guarantees at this time. St. Catherine has yet to undertake a feasibility study so it cannot project any likely outcome. She explained that she agreed with Whitaker that the Diocese could collect the first monies raised until their goal was realized. After consultation with the diocesan campaign committee, Sue's proposed accommodation was accepted.

There being no further business to come before the meeting, the meeting was duly adjourned.

  
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Susan M. Lefevre, Secretary  
Dated: November 14, 2019