

St. Mary's Parish Family Finance Council

Minutes

January 21, 2016

Present: Margaret Elkin, Kirk Greff, Brian VerDouw, Dick Heidt, Paul Morth, Msgr. Gene, Steve Braus
Absent: Bob Schmidt, Marie Horning, Keith Horner

A. Call to Order

- A. Dick led the opening Pope Francis Prayer for Mercy.
- B. November 19, 2015 minutes were approved.
- C. 3 Additional Agenda Items were added.

B. Information Items

- A. To streamline meeting time, monthly review of financial reports will take on a Question/Answer style instead of more a detailed review. Council members are asked to come prepared to ask questions. Steve provided a summary using projections to the end of the fiscal year. Even without the \$100,000 bequest-related gift received in December we will likely have a surplus budget of ~\$45,000.
- B. The 2014-15 Annual Stewardship Report was published.
- C. 2015 Contribution Statements are being produced at this time.
- D. The 2014-15 annual report for the Diocesan Foundation was published. St. Mary's received \$10,025 in new endowment donations during 2015. The donors have been contacted with a Thank-You.
- E. The Cavan Corp. that assisted us with the Fall 2014 Treasure Renewal provided us an updated report after one year of the campaign (September 2014). Contributions have eroded some since the April 2015 report, but the response remains very positive (~+28%). Most impressive is the fact that those who didn't return Treasure commitments have maintained as high a giving level as those who did return a commitment (+27%). This was true in the April report as well as the September report. The Fall 2015 Time, Talent, and Treasure Renewal had a good response (403), 393 with Treasure commitments averaging 28% increase for 2016. Adult contributions remain strong with projections we'll be above budget ~\$27,800 for 2015-16.
- F. The unrestricted \$100,000 bequest-related gift was received in December. As part of the accounting changes we will make, it was used to reimburse the Cemetery dedicated funds the parish had been holding by opening a separate Cemetery checking account. The Parish will continue to pay ~\$68,000 to the Cemetery in future budgets for the remaining dedicated funds it holds.
- G. Brian reported on Budget Committee work.
 - 1. The 2016-17 budget timeline was reviewed.
 - 2. By the next Budget Committee meeting on February 9th the staff will have drafted

2016-17 budgets that are status quo with options for ministry innovations and improvements. They will update their budget proposals monthly until April so they have more year-to-date data on spending in the 15-16 FY. The Finance Council will receive a Budget Committee proposal at the March 17th meeting with hopes of being able to present to the Pastoral Council in April or May.

3. The biggest line items we need to decide on are:
 - a. Facility Costs % for Light of Christ (the Grade School Principal LaMere Director are being consulted on a total Facility Cost budget)
 - b. Adult Contributions
 - c. Staff Wages. 2016-17 is the year we are due to adjust salary schedules to market wages. This will be included as an innovation/improvement.
- H. Finance Council members are invited to the Tuesday, January 26th 5:30 p.m. Pastoral Council meeting in the south multi-purpose room to participate in the discussion with Light of Christ President, Gerald Vetter, and Director of Mission Development, Tim McCaffrey. Discussion will focus on Light of Christ and St. Mary's Parish capital campaign plans/options.
- I. The annual diocesan financial review was completed January 7th. We are awaiting the formal report that the Council will consider. We've already begun implementing some of the recommended improvements.
- J. After the meeting adjourned members looked at architectural concept drawings and floor plans from YHR Architects that could be used in remodeling the Pizza Hut building after the lease is completed in May-June 2017. The estimated cost is \$1.2 Million can be used in a case statement for a capital campaign to raise funds for several parish needs; including paying off the Pizza Hut and Annex loans (\$592,300 on 12/31). The architects have been asked to provide cost savings estimates on several modifications of the plans.

C. Discussion Items

- A. Brian will invite Kathy Glass to join the Finance Council. She volunteered as part of the Fall 2015 Time, Talent, and Treasure Renewal.
- B. Sections II & III of the Standards of Excellence self-assessment questionnaire were discussed. Steve will add these deliberations to those we had on Section I in May. The Council was asked to provide written feedback on Sections IV (Human Resources) and V (Financial & Legal) to Marie by February 5th so she can compile again in advance of the February 18th meeting.

D. Action Items

- A. Parish/Diocesan accounting subcommittee recommendations were reviewed and approved for implantation as soon as possible with these suggestions:
 1. Move the \$570 Cemetery bequest received this Fall into the Cemetery General Agency Fund because it was the final payment of the Unser bequest that was invested in this Agency Fund.
 2. Work out details of the Scrip accounting with the Grade School staff that manages Scrip. Since Scrip will now show as income/expense instead of a dedicated fund, all

activity will need to be completed before the end of the fiscal year since there will be no carry-over.

3. Steve will contact the Cemetery Manager and Committee so they understand the new checking account and accounting procedures we'll use.
 4. A Parish repayment plan for the remaining ~\$68,000 will become a part of the general fund budget.
- B. No additional budget line items for Pizza Hut and Annex payments will be added to the 2015-16 budget, but will be integrated into the 2016-17 budget.
- C. The Council reviewed annual distributions (\$13,875) from 6 Diocesan Foundation Agency and Endowment accounts St. Mary's holds. It was decided to reinvest the 3 Cemetery Agency Funds and the Grade School General Endowment and take proceeds from the Grade School Tuition and Parish General Endowments.

E. There were no additional Pastor's Comments

F. Next Meetings: February 18, 2016
 March 17, 2016 – 2016-17 Budget Proposal from Budget Committee