

Minutes of the regular monthly meeting of the Saint Cecilia Parish Finance Committee

Date: September 12, 2006

Location: Rectory Living Room

Members Present: Joel Thilges, Jerry Greving, Father Nienhaus, Pat Halbur, Lisa Underhill-Schmidt and Randy Dalhoff (chairperson)

Meeting started at 7:03pm

Joel reviewed the August bank statements.

Minutes were approved.

The cash flow pictured on the balance sheet looks very promising but it is only because a lot of school tuition and hot lunch money was collected in August. It is a high income month for the school.

ACH is convenient for the parishioner contributions and paying school tuition, but it does mean a lot of work for Jerry to reconcile all the transfers. **Jerry and John will investigate an easier process.**

Though ACH creates a steady income of school tuition collections, is the parish paying a penalty because in the past a lot was collected upfront and the parish earned some interest off it? Probably a wash since some parishioners are now using ACH who used to pay near the end of the school year.

In the FY06 School income, the shortage of non-parishioner income was because some families that were pegged for that income category eventually registered in the parish. This is also the reason for the in-parish income being higher than expected. **Pat and Father Nienhaus will meet with Duane again to discuss the shortcomings of non-Catholics income in the FY06 tuition income.**

What to do about school families that are registered in the parish but never contribute anything to the parish in time or money was discussed. We may create a policy, if there is not a forgotten one already, as part of the strategic parish plan stating that the parish expects those receiving the privilege of placing children in the school to also contribute to the parish operating fund. There may be a larger number of near zero contributing school families than thought.

The preschool project is going over budget and is near \$27K in expenses whereas the project was approved for \$20K. There are some restricted gifts given to bring the net cost down a bit.

In the future school tuition should include all costs for providing an education. The same idea should be carried into figuring budgets for RE, YM and preschool also. Depreciated goods and non-school affiliated support staff time directly attributable to each program, like a portion the Business Manager's salary, should be figured into the program cost. **Pat will convey that these additional factors need to be considered in the tuition setting procedure for School, Preschool and RE for FY08. Jerry will use the additional factors in the YM budget.**

The parish needs significant increases in revenue to survive. Living off the savings fund the last two years cannot continue. A presentation to the parishioners will be done to tell of needs and reasons why. This will be done in conjunction with the publication of the parish annual report. The report will be inserted in bulletins the weekend before and weekend of the presentation. At this time the talk during Mass is scheduled for the October 21 & 22 weekend. **All members of the committee need to come up with ideas on what to say.** We can communicate and form the short presentation via email. Items probably should include items like cash flow, flat contribution increase lately, and continued rise in expenses.

A chart of giving patterns will be included in the annual report. The report will now span a four page folded bulletin insert because of added material. Another item that may be useful to gain attention to needs would be handing out small cards with a very succinct statement. **Randy will work up another report for review.**

Tuition Assistance fund is very low. **Randy will ask Joan to place an article in future bulletins stressing the need for more contributions.**

Two tuition assistance forms were approved and six denied.

The leak in the new roof was repaired under warranty, but the leak also shorted smoke detectors and a light fixture. All is being taken care of. The church A/C is in need of roughly \$6K of repairs to make it functional again.

There is the potential of around \$10K in payments for PTO to past educators who left employment. **Jerry will attend to making fair payments.**

Jerry and Duane will meet to clarify how PTO applies to staff (hourly and salaried) and to educators. Because of how teachers need to be always present for classes and are employed nine months, their PTO may need to be calculated differently.

The church budget has increased a lot this year because of the addition of loan interest and preschool room construction. TAXA payments on the building fund contributions have been present in the church budget since FY2005.

As per the Parish Council mandate the different departments need to reduce expenses by 3% from this year's budget. It was decided that if that same amount could be raised in additional income above budgeted income, that the net result would be the same. Since the school budget is almost all salaries that may be their only way to lessen the net subsidy. **Pat will work on the School budget. Jerry will work on RE and YM budget. Jerry and Randy will work on the Church budget.**

Pat presented briefly a plan on BOE activities and school expansion scenarios. The School Expansion Study Committee is still working on the scenarios.

A long term strategic financial plan needs to be developed. Possibly the finance committee and other selected people need to meet in a facilitated setting to hammer this out in a day. Some ideas that need to be included are: generation of needed operating income, generating church and school construction monies, possible subsidy cap on departments, increasing savings and contingency funds, increasing endowment funds, long term balanced budgets and generating a fund for replacement of capital goods like furniture, equipment, and facilities,.

Meeting adjourned at 9:37pm

Submitted by Randy Dalhoff