

St. Mary on the Hill Catholic Church
FINANCE COMMISSION
Minutes
March 24, 2009

Members and staff present: Fr. Jerry Ragan, Pat Fair, Patti Leopard Gene McManus, Matt Nieman, Jim Purcell, Keith Darr, Joe McBride, Dori Thorstad

Members and staff not present: Harry Dolyniuk, Pat Douglas, Mike Hagler

The meeting was held in the Church Parish Hall at 5pm. Fr Jerry opened the meeting with a prayer.

Minutes: The minutes from the January 20th meeting were approved with no corrections. (Note there was no meeting held in February, 2009).

Financial Reports: The January, 2009 Financial Reports for the school and church had been mailed to the committee prior to the cancellation of the February meeting – the February, 2009 Financial Reports, agenda, January minutes were mailed to the committee prior to the March meeting for their review. Dori reviewed the reports pointing out there is still a deficit in the budgeted offertory but that all ministries, programs, and parish staff are aware of the economic downturn and are making adjustments to their budgets in light of this. Dori also pointed out that due to cash flow problems the later part of 2008 transfers to the bond escrow savings account, while budgeted at \$32,000 a month were not made for October, November and December, however in March an extra deposit of \$32,000 was made and the plan is to make up the additional \$64,000 by the end of the fiscal year (June 30, 2009). Dori also informed the committee that she had asked Charlie May and Tim Mirshak (parishioners who handle the bond payments and escrow account) to make a recommendation on the amount needed for next year's budget for the bond escrow savings. Their recommendation (based on budgeted transfers of \$384,000 for fy2009 being made) is \$324,000 - \$27,000 per month. The committee was informed that the interest rates on the bond issue are and have been very favorable, thus saving the parish a substantial amount of interest (>\$1,000,000) to date. However it was also pointed out that the annual principal payment of \$215,700 plus quarterly interest and fees are due September 1. Also the annual payment will increase to \$287,600 in 2013 until payoff, September 1, 2020. The balance in this escrow account, including the \$64,000 transferred in March (excluding March earnings), is \$590,298. The church general savings and emergency fund has a balance of \$617,520 as of February 28th. The committee was also informed that the only upcoming large expenditure (extra) is the annual pledge of \$50,000 that St Mary's made to the Aquinas Capital Improvement project for the fine arts center and cafeteria. In fy2007 the church pledged \$200,000 for this project to be paid in equal amounts over four years and the 3rd of 4 payments will be made in May, 2009. Dori also pointed out that the proposed final budget for the school will be presented in April and a draft of the church budget will also be reviewed. Still unknown are the insurances handled by the DOS – Gene McManus, who sits on the DOS Finance Committee reported that the DOS Insurance Committee has requested bids and should have information returned in April. Dori pointed out that there was no increase in health insurance and very little in property insurance for the year we are in so we could expect increases in both. Gene, however, stated that the insurance committee for the DOS does not anticipate much of an increase - the numbers are favorable again this year.

Tuition and Registration: Implementing sibling discounts for tuition paying families at St Mary School was discussed. It was decided to relook at this issue for the 2010-2011 school year but to make no changes for the 2009-2010 school year.

Keith Darr reported that registration numbers for next year exceed the current year enrollment; however, the numbers only support 2 first grade classes for the upcoming school year. He said that with attrition and reassigning current staff into other positions, no one currently at the school will lose their job, but the school will save the equivalent of a full time teacher's pay and benefits. The other savings measure taken was notifying the current janitorial service that we would bring this in-house effective June 1, 2009. Father felt this was a prudent move in light of the fact that we already have maintenance managerial staff in place.

2008 Giving Reports: The committee was given the 2008 offertory compared to pledge report for the parish and also the school families.

Immaculate Conception School: Fr Ragan updated the committee on the proposal to move Immaculate Conception School from their current location on Laney Walker Blvd to the Most Holy Trinity Parish campus. He had shared with the committee communications regarding this in the packet mailed the week before the meeting. The Bishop has approved the relocation but has also indicated that the Augusta Deanery Support will remain the same, in other words St Mary's will continue to be required to support the school financially, as it did when it was a deanery school instead of a parish school. (Current year support is \$35,000 from SMC). The finance committee expressed concern about the low student enrollment (less than 100), the fact that only 10% are Catholic especially when there are spaces available at St Mary School. Also, they expressed concern of the required financial support when we are discussing budget cuts at our school and church. Fr. Ragan asked that Pat Fair, Gene McManus discuss the next step with Eric McArdle head of our pastoral council.

The next meeting is scheduled for **Tuesday, April 28th at 5pm in the Parish Hall.**

There being no further business, the meeting ended with a prayer at 6:00pm.

Respectfully submitted,

Dori Thorstad