

St. Mary on the Hill Catholic Church
FINANCE COMMISSION

Minutes
May 17, 2011

Present: Fr. Jerry, Pat Fair, Pat Douglas, Mike Hagler, Gene McManus, Matt Nieman, Joe McBride and Dori Thorstad

Absent: Patti Leopard, Jim Purcell, Harry Dolyniuk (attends when asked)

Pat Fair called the meeting to order at 5pm. Fr. Jerry opened with a prayer.

The minutes from the March 15th meeting were approved.

Financial Reports: The committee reviewed the April financial reports. No concerns except for the lagging offertory although it was noted that the last few weekends have been better. Still if the remainder of the year tracks similar to last year we could be \$250,000 under the budgeted amount. Fortunately the parish has been able to save for emergency situations mainly because \$125,000 is budgeted for capital improvements each of the past few years (and while this is about ½ of the annual depreciation) except for the chiller replacement there has been no need to tap these funds; there by helping us to build a much needed reserve. We will continue to budget for capital improvements. For the school reports, Pat Fair questioned why tuition was much higher than budgeted. Joe explained that we have always been conservative in our tuition budget, basing it on historical data as to the number of children charged tuition. He also stated that once the school year began we have had 10 additional students coming during the year, all tuition payers.

Audit: The committee agreed to have Anderson and Adkins Accounting firm do the annual audit for the next three years. At that time bids will be requested from other firms as the pastoral council and finance committee feel we should change every 5 to 6 years.

Pledge/Giving Data: Parish pledges as of May 11, 2011 for this calendar year from 931 families are \$3,211,446 compared to 919 families for \$3,253,993 in 2010. It was reported that school family pledges have increased by \$73,612 to \$1,118,735. This is based on the families enrolled for the 2010-2011 school year. Final class information for next year is not available at this time. Hopefully church systems will be updated in July for the upcoming year. While only 931 families have pledged, 1440 have made at least 1 gift to date for calendar year 2011. Gifts to date are \$1,278,334.

Budgets: Drafts (final budgets will be presented at the August meeting as we are still waiting on information from the Diocese of Savannah (DOS) for priest salary and benefits; lay benefits; property insurance) of the church and school budgets were presented and reviewed. For the purpose of preparing these budgets a 10% increase in property insurance was used and 5% for all other DOS billed expenses – the diocesan parish assessment should be accurate as it is 9.25% of offertory and gifts (less a credit for school stewardship) from the prior fiscal year. Dori calculated the new amount based on the formula used in past years. Because of the decrease in pledges and gifts Father asked that we reduce the expected offertory by \$100,000 therefore the school stewardship amount was reduced by \$50,000 (school stewardship is approximately 53 % of the church budget). Interest income was also reduced. The budget was prepared with no increases in lay payroll, or parish programs. Overhead items were adjusted for inflation based on March, 2011 year to date figures. The tithe account was reduced somewhat due to the fact that offertory was reduced. Dori pointed out that the Habitat House (\$38,000) in fy2011 budget was a one time project. Since the service commission had no recommendation for a similar project, Dori suggested that the money set aside at

the arbitration for the repair of the gym (\$50,000) be donated this year as the McKnight Company instructed – the Trinity on the Hill Methodist Church pastor and St Mary pastor to determine the needy cause(s) and that the funds in the current year tithe account be used to repair the gym flat roofs which have leaked since the construction of the facility. This suggestion had already been discussed with Fr Ragan and Jim Purcell (chairman of the pastoral council) who agreed. The finance committee also agreed. Dori reviewed other projects regarding facility upkeep that are planed for the upcoming year for both the school and church.

Finance Meeting Calendar, fy2012: Because several committee members have a conflict with the third Tuesday of the month, it was decided to move the meetings to the 4th Tuesday beginning with the first meeting in fy 2012 scheduled for August 23. Other scheduled meetings September 27 – Audit Report; November 15 or 16 (tbd) – School tuition and fees; January 24, March 27 and May 22 – Church and School Budgets. All meetings are held in the church parish hall at 5pm and are subject to change.

Fr Ragan thanked Pat Fair for his service as facilitator and committee member over the past 6 years.

The next finance meeting is scheduled for **August 23, 2011 at 5pm** in the Parish Hall.

There being no further business the meeting adjourned with a prayer at 6:30pm.

Respectfully submitted

Dori Thorstad