

St. Mary on the Hill Catholic Church
FINANCE COMMISSION

Minutes
May 25, 2010

Members and staff present: Fr Jerry Ragan, Mike Hagler, Patti Leopard, Matt Nieman, Keith Darr, Joe McBride, Dori Thorstad

Members and staff absent: Pat Fair, Pat Douglas, Harry Dolyniuk (consultant who will attend as needed), Gene McManus, Jim Purcell.

Fr Jerry opened the meeting with a prayer at 5pm.

Fr Jerry conducted the meeting in Pat Fair's absence.

Minutes: The minutes from the March 23, 2010 meeting were approved.

Financial Reports: The April, 2010 Financial Reports for the church and school and a draft of the fy2011 church budget were mailed to the committee the week before for their review prior to the meeting. The monthly financial reports were discussed with no major concerns other than the fact that the offertory is basically unchanged compared to the last two years and therefore under the budgeted amount. The administration and staff are aware of this and working very diligently to try to keep expenses under budget. Dori mentioned that we have been fortunate not to have any expensive emergency situations this year so the capital expense budgeted items are \$92,000 under budget for the year.

Church Budget fy2011: A draft of the church budget for the upcoming year was presented. Dori reviewed each section as follows:

- Offertory budgeted amount remains unchanged for the third year in a row as we are currently \$100,000 under the budgeted amount. Even with this information it was decided not to reduce the amount needed.
- Other income budgeted amount has been reduced mainly due to lower interest rates and other incidental income, advertising as an example.
- Clergy salary & benefits – The DOS sets these and as of the time the budget was prepared, we had received no information for the upcoming year except for the health insurance which, in addition to changing companies, will increase 10%. The health increase is reflected in the budget draft but no other changes for clergy were entered. After this budget was prepared, Dori did speak with Larry Saunders, Diocesan Finance Officer, who indicated he felt salary increases for clergy will be no greater than 5% with no changes in other benefits. There is also no allowance in the draft for an additional priest, although none is anticipated. The clergy salary amounts will be adjusted when data is received from the DOS.
- Lay salary & benefits – With the exception of adjusting two employees whose job responsibilities have increased, lay salaries remain unchanged. The health insurance increase is in the budget based on current insured – no allowance was made should other employees opt for this.
- Overhead line items were reviewed individually and determined by looking at the year to date figures through May 20th and adjusting for possible increases (utilities were adjusted by 5%). It was pointed out that we have no figure for the property liability insurance but Larry Saunders indicated that even though the DOS had properties appraised this year (for the first time in many years) no substantial increase is anticipated. For budgeting purposes a 3.8% increase was put in. Maintenance categories were based on the budget prepared by the church administration and staff.
- The Church Tithe budget was prepared by a sub committee (Fr. Jerry, Deacon Ken Maleck and Dori Thorstad). It was mentioned that two large commitments (\$30,000 - \$10,000 over 3 years for the new church in Folkston and the \$200,00 - \$50,000 over 4 years for the Aquinas grand dining hall) had been met this fiscal year. With the \$60,000 reduction in the title expenditures due to the completion of these 2 commitments, the pastoral council at the recommendation of the service commission, agreed to have the St Mary Church Community fund and build a Habitat for Humanity House. Other new programs are Veterans Services and the Lydia Project. Included in the tithe budget are the commitments made by Augusta Deanery. The tithe budget for the upcoming year remains unchanged.
- Church Programs – The ministry directors were asked to submit budgets that were no more than the previous year. With the exception of Adult education – Fr Jerry asked for an increase for the Coming Home program for fy2011 – there were few changes.

- St Mary School Stewardship – The budgeted amount for the school operating costs remained unchanged at \$1,968,840. The budgeted amount to be transferred to our escrow account for future bond payment obligations was reduced from \$324,000 to \$300,000. This reduction is due to the fact that interest rates used to project future payments have been far less than expected. This account is managed by Tim Mirshak and Charlie May who monitor it weekly.
- Diocesan Assessments – The cathedraticum, the parish assessment by the DOS for diocesan operating costs, is also less this year as this is based on our previous fiscal year offertory minus a percentage of the transfers to the school (because of our stewardship mission) and resulted in a reduction of \$13,400. The budget for the assessment by the Southern Cross remains unchanged. This is based on 50% of registered parishioners and our census has remained unchanged for the past few years.
- Capital Expenses – Although under budget this current year it was felt prudent to keep this unchanged for future needs.

The committee approved the budget. Pat Fair, Pat Douglas and Gene McManus had given their approval to Fr. Jerry prior to the meeting as they were unable to attend.

No further meetings are scheduled for this fiscal year unless Fr Jerry, the staff or the committee deem it necessary.

There being no further business the meeting adjourned at 6:00pm.

Respectfully submitted,

Dori Thorstad