

Finance Council

Meeting Minutes

4.26.16

Present: Sheryl Montabon, Bobby LeBlanc, Jared Chizek, John Moore (chair), Bob Lehmann, Mike Makelbust, Greg Forbes, John Moss, Don Rahn, Dylan Parle

Absent: Uyen Tran, Lee Mason

Guests: members of the Honduras committee

Mike led us in a stunning prayer.

Honduras Ministry

- Gave background on the relationship with the coffee partnership
- Basically seeking approval in two areas:
 - Purchase of 3,000 lbs of coffee
 - Sell coffee as part of a partnership in the Ames area, but also once a month at STA
- Finance Council would like to see a written BUSINESS PLAN, before giving approval, to include:
 - Involvement/responsibilities spelled out for STA and Honduran farmers
 - Shipping process
 - Exit strategy
 - Profit and fund oversight
 - Break-even point

Finance Council Reflection:

Review of archdiocesan self-audit: final two sections

Record Retention

Yes No

	Yes	No
1. Annual Financial Report is kept in perpetuity.		
2. Parish Council minutes are kept in perpetuity.	unsure	
3. Proxies are kept in perpetuity.		
4. Bank statements, reconcilements and canceled checks are kept for five years.		
5. Invoices are kept for five years.		
6. Parishioner's annual contribution statements are kept for five years. <i>(Contribution envelopes are to be kept for one year unless statements are not available. Then envelopes are kept for five years.)</i>		
7. Payroll records are kept for three years.		
8. Employment records (i.e. promotions, transfers, layoffs) three years.		
9. Earning records (i.e. time cards, work schedules) for three years.		
10. 1-9 and required verification, 3 years or one year after termination, whichever is later		

Financial Reporting and Other Financial Resources

Yes No

	Yes	No
1. Parishioners are given a parish financial statement at least annually.		
2. Affiliated organizations such as rosary societies and booster clubs do not have separate bank accounts.		
3. If separate checking accounts exist for affiliated organizations, these organizations report their financial activity periodically to the parish council/finance committee.		
4. Board of Education oversees the religious education program.		
5. Parish Council reviews restricted donations to ensure funds are used for the purpose intended.		
6. Written rental agreements are in place between the parish and renters, if applicable.		
7. Gambling license is obtained for ALL forms of gambling including small raffles, if applicable		

Fundraising Policy:

- Because of recent and reoccurring situations the council needs to review the Fundraising Policy to not only consider collections, sales, and small fundraising activities, but needs a clear and concise statement on earmarked gifts.
- Bobby reviewed the recent “Knights fundraiser”, “faith formation class fundraiser”, book sales, but also the earmarked gift to help bring and African family to Ames.
- In addition in light of the possible sale of coffee, what other revisions are needed in the policy?
- Will start to tackle this policy in May.

Parish Software:

- Overview of costs were distributed.
- Maximum costs: \$1,772 initial investment + \$1,692 annual maintenance fee
- Bobby, Shari Reilly, Net Larson, Don Alexander, and Joe Leisz will meet once more with the ParishSoft representative and make a final proposal on which modules to purchase for this summer at the May meeting.
- Sheryl volunteered to help Net transfer data if the new software is purchased.

Buildings & Grounds:

- Evaluation of HVAC systems has begun. Engineer has met with the Buildings & Grounds committee to present initial report and to discuss what additional information we would need.
- More work to be done – then a final report (to include binders will all HVAC information).
- Buildings and Grounds recommends the repair to the Lincoln Way entrance steps be done by Lee Moore Plastering.
 - Committee was impressed with the system to be used
 - References of past work are excellent
 - Will stand behind labor and materials for 5 years.
 - Cost: \$15,000 (quote at end of minutes)
 - A proxy is needed – would be paid by Capital Improvement Fund
 - John will bring to next Pastoral Council meeting.
- Parking Structure Maintenance in June
 - Power-wash lower level: \$2750
 - Line striping: Upper/\$778, Lower/\$685
 - Money is available in the parking maintenance line item plus had a good year of “income” from parking which is over budget on income side
- There were about 30 parishioners at the spring Clean-Up day.

Financial Reports:

- We are in the *black*, mostly because expenses are under budget
- Budget Envelope giving doing well and is up compared to 2015 – should make budget
- Offertory won’t make budget
- Program financial reviews: **no reports**
- *Reports attached at end of minutes*
- Greg suggests that we develop a *Philosophy of the Operating Reserve* and a *Philosophy of the Capital Improvements Fund* – present we don’t have anything in writing that defines these two funds and how they are to be handled. Will start working on these in May.
- Part of this process will be to evaluate the desirable level for the Operating Reserve.

Campus Ministry Deposits:

- Deposits for retreat sites, while needed in this fiscal year, should be paid from the budget in the year of retreat
- Net is asked to suspense these deposit expenses so that the actual expense shows in the fiscal year of the retreat/activity.
- As a general rule of thumb – expenses should be accounted for in the fiscal year the actual event takes place – can be paid and suspended in the previous year.

201-2017 Budget:

- Reviewed the draft budget to make sure nothing was being overlooked
- Reviewed how budget was going to balance
- Consensus was that the budget makes sense and is sound and meets priorities
- Council approves the 2016-2017 budget and sends it to Pastoral Council for final approval
- **Along with the 2016-2017 budget, the Finance Council lists the following as our UNDERSTANDING in relation to the present budget and future budgeting:**
 - No EC Missionary expenses will come from the operating budget
 - After the present year final payment there will be no EC contract extensions or new contracts
 - The cost of a feasibility study is a cost of a Capital Campaign and would be repaid to the Operating Reserve upon the completion of a successful campaign
 - The use of a carry-over from the previous year to balance a budget needs extreme caution and should not become a normal or usual budgeting tool or continue to increase as it does for this budget

Membership Commitments:

- Term is completed – off Council for 2016-2017
 - Jared Chizek
 - Bob Lehmann
 - Dylan Parle
- Will not remain on council, although a second term is possible
 - Sheryl Montabon
- Will remain on council for 2016-2017
 - Mike Makelbust
 - John Moore
 - John Moss
 - Don Rahn
 - Greg Forbes
 - Uyen Tran
- Unsure?
 - Lee Mason
- No Choice
 - Bobby LeBlanc
- Would like to add at least one more member, two would be better. Would be good if we could add a female or two to our council.

NEXT MEETING:

- **Tuesday, May 24, 7:00 pm**
- **Don** to lead prayer
- Will look at costs/payment for **new parish software**
- **TOMS Event chair** to make a presentation
- **Discern Finance Chair** for 2016-2017
- **Fundraising Policy review**
- **Philosophy of Operating Reserve** – begin the process
- **Philosophy of Capital Improvement Fund** – begin the process

QUOTATION: 501

Date: 4/5/16

Effective till 5/30/16

Lee Moore Plastering LLC

Box 126

New Albin, IA

52160

LeeMoorePlastering@gmail.com

563-544-4923 (W) 563-608-1483 (CELL)

PROJECT:

Reconstruction of existing Lincoln Way Steps - St Thomas Aquinas Church

PROCESS	NOTES
Investigate necessary permits from City of Ames	From conversations with the City of Ames, no building permit is necessary since this is a repair job. No sidewalk closure permit is required as long as 4' of passable space is maintained.
Erect and remove fencing around construction area	Keeps area free of pedestrians
Remove damaged concrete from steps	
Powerwash steps & allow to dry	Removes any other loose debris and oils
Apply bonding agent	Makes concrete adhere better to existing concrete
Install metal lathe	Mechanically ties new concrete to existing concrete
Apply scratchcoat cement and allow to set	Initial coat of cement
Apply finish coat cement and float at the same time. Allow to set and cure	Would like 2 weeks for cure time
Pressure wash again if necessary	Removes any final oils/dirt deposited during 2 week cure time
Apply double coating of Conflex sealer	Conflex sealer applies water proofing and abrasion resistance
Clean up construction area & remove fencing	
Remove any waste materials	
PROJECT COST:	\$15,000.00

START DATE

Due to traffic on the nearby street, work would start after ISU is done with classes (On or after May 9th)

ASSUMPTIONS

1. St. Thomas will lock doors from inside so no access can be gained to construction site from inside the church
2. Water and electric will be supplied to the construction site
3. While great care will be taken to do as little damage as possible to adjacent shrubbery and landscaping, minor damage may occur. Quotation assumes any plants, shrubbery or landscaping damaged will be restored by St. Thomas Church at no cost to Lee Moore Plastering LLC.
4. From site visit measurements, sufficient gap exists that front doors will not need removal or alteration
5. Color chart will be sent to STA so sealer color can be chosen
6. From discussions with Bobby LeBlanc, STA will repaint the existing handrails. I can work around the handrails. No need to spend time removing and reinstalling them.
7. This Quotation includes all labor, materials, waste removal and travel costs

OTHER NOTES

1. The conflex seal coating may need to be reapplied as every 4 to 5 years if there is high traffic
2. Conflex can be applied by STA maintenance staff using just a paint roller. It should only take a couple hours.
3. Copy of Insurance Certificate with \$1M liability is available upon request
4. See attached photos of prior work - Immaculate Conception Catholic Church - Lansing, IA

St Thomas Aquinas Catholic Church
Budget Report-Parish Fund
 July 2015 through June 2016

	Mar 2016		Year-To-Date		Annual	
	Actual	Budget	Actual	Budget	Budget	Remainder
Income						
05-Personnel Income	0.00	4,500.00	27,000.00	40,500.00	54,000.00	27,000.00
10-Administrative Income	68,146.06	76,791.66	679,778.46	691,124.58	921,499.56	241,721.10
15-Development Income	15,698.07	9,645.37	114,241.83	86,808.24	115,744.35	1,502.52
20-Faith Formation Children Income	30.00	491.68	5,340.06	4,424.96	5,900.00	559.94
25-Faith Formation Youth Income	0.00	491.67	0.00	4,424.99	5,900.00	5,900.00
30-Faith Formation Adult Income	576.75	462.52	2,529.35	4,162.44	5,550.00	3,020.65
35-Campus Ministry Income	7,253.08	4,950.01	37,674.05	44,549.97	59,400.00	21,725.95
40-Stewardship Income	0.00	0.00	0.00	0.00	0.00	0.00
45-Parish Family Life Income	178.90	591.67	6,437.83	5,324.99	7,100.00	662.17
50-Liturgy Income	243.64	225.02	1,205.42	2,024.94	2,700.00	1,494.58
55-Service & Justice Income	5,050.27	3,541.67	62,307.22	31,874.99	42,500.00	-19,807.22
Total Income	97,176.77	101,691.27	936,514.22	915,220.10	1,220,293.91	283,779.69
Expense						
PERSONNEL EXPENSES	67,456.70	56,100.83	477,716.85	504,906.41	673,208.90	195,492.05
GENERAL EXPENSES	3,307.46	2,554.21	20,110.60	22,987.37	30,650.00	10,539.40
OFFICE EXPENSES	1,552.20	1,462.55	13,072.86	13,162.35	17,550.00	4,477.14
BUILDING EXPENSES	32,014.88	15,210.48	98,061.45	136,893.56	182,525.00	84,463.55
15-Development Expenses	779.01	3,750.00	20,553.66	33,750.00	45,000.00	24,446.34
20-Faith Formation Children Expense	421.59	933.41	4,040.94	8,399.77	11,200.00	7,159.06
25-Faith Formation Youth Expense	0.00	2,441.68	14,606.12	21,974.96	29,300.00	14,693.88
30-Faith Formation Adult Expense	996.66	2,821.74	16,072.57	25,394.78	33,860.00	17,787.43
35-Campus Ministry Expenses	15,010.89	6,505.90	51,419.27	58,552.30	78,070.00	26,650.73
40-Stewardship Expense	74.10	220.85	226.85	1,987.45	2,650.00	2,423.15
45-Parish Family Life Expenses	559.40	1,516.81	11,091.75	13,650.57	18,201.00	7,109.25
50-Liturgy Expense	1,353.27	777.55	5,428.77	6,997.35	9,330.00	3,901.23
55-Service & Justice Expense	9,843.84	7,665.43	64,220.60	68,988.71	91,985.00	27,764.40
Total Expense	133,370.00	101,961.44	796,622.29	917,645.58	1,223,529.90	426,907.61
Net Income	-36,193.23	-270.17	139,891.93	-2,425.48	-3,235.99	-143,127.92

Budget Summary – *March 2016* – 3rd Quarter

Major Sources of Income

*Easter in April Numbers

	March 2016 (4)	March 2015 (5)*	March 2014 (5)*	March 2013 (4)*	YTD	YTD 2015	YTD 2014	YTD 2013	Budget ANNUAL YTD
Budget envelopes	61,558.41	63,701.84	53,097.27	52,792.07	592,924.45	540,163.44	499,140.11	501,204.04	750,000.00 562,500.00
Offertory	5,787.65	4,440.90	5,761.70	3,103.82	47,335.94	50,321.82	49,173.19	38,348.47	72,500.00 54,374.99
Alumni	1,478.00	1,755.00	300.00	1,625.00	60,075.83	58,966.29	36,736.60	34,458.57	50,000.00 37,499.99
Other parishes	405.07	818.70	374.17	23.67	6,081.64	4,184.73	3,940.85	4,137.90	5,000.00 3,749.99
Parents	13,815.00	7,595.00	240.00	470.00	49,388.00	39,977.00	27,592.30	29,217.10	45,000.00 33,750.00
Endowment [salary]	0.00	0.00	0.00	0.00	27,000.00	25,000.00	20,815.00	22,965.00	54,000.00 40,500.00
Endowment [CM]	0.00	0.00	0.00	0.00	17,500.00	17,500.00	17,222.50	15,072.50	35,000.00 26,249.99
LYN/HON	5,050.27	6,209.00	7,374.00	0.00	62,307.22	48,356.20	78,556.49		42,500.00 31,874.99

TOTAL PARISH INCOME

97,176.77	93,214.77	76,604.37	59,315.56	936,514.22	888,046.17	838,105.19	698,728.35	1,220,293.91
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TOTAL PARISH EXPENSES

133,370.00	69,014.67	124,784.19	90,811.65	796,622.29	724,630.81	742,527.05	701,614.58	1,223,529.90
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-36,193.23

139,891.93