

**Saint Gabriel the Archangel Catholic Church
Finance Council Meeting Minutes
February 23, 2023 at The Rectory**

In Attendance:	Mr. Greg Maney
Father Kirk Slattery	Mr. Rick Tarasiewicz
Mr. Marc Lanning, Business Manager	Mr. Mike Wiles (absent)
Mr. Gregg Stein, Chairman	Mr. Scott Schneider
Mr. Marty Bunker, Vice Chair	Ms. Michele Roberts
Ms. Marilyn Szorc, Secretary	

- 1) The meeting began at 6:00pm with a prayer.
- 2) The minutes of the October 26, 2022 meeting were approved as submitted.
- 3) Marc Lanning and Father Kirk provided an update on the major building activities at Church
 - a) They expect the current rectory will be offered for sale in June and the price will be \$425k-\$450k. Based on the current cost projection from Colarelli Construction of \$1,160k (up from \$650k) for the new rectory there will be a shortage of approximately \$600K. No in-kind donations were reflected in the current estimate of \$1160k. Steier Group (the company hired to run the capital campaign) believes that the original amount of \$200k can be included in the campaign, but the estimated overage of \$400k should be excluded. It was noted that \$100k in landscaping was included in the \$1160k quote. There are two bonds for landscaping that will result in \$25k coming back. Marc will contact Colarelli for details of the current cost projection.
 - b) The Mater Filius Home is in the waiting mode with only one permit received. They are working on the foundation at this time.
 - c) The Statue is at the foundry and is due to be delivered in September 2023. We have a balance of \$70k which is due at delivery. There will also be a 1 foot mockup and a 2 foot mockup. They may wrap the sale of these mockups into the capital campaign. They are also working on defining the sales of memorial stones around the base of the statue. They may wrap the \$70k balance into the capital campaign.
 - d) The feasibility study for the school building campaign was presented to council members of the parish. They are in the phase of assembling teams to present the campaign to the parish. The campaign will be from \$1.8M-\$2.2M. Father is talking with the diocese about their contribution over the \$2.2M and noted that Our Lady of the Pines is continuing to promote the school and he expects some contributions from parishioners to the campaign. Fr. Kirk is also talking to St Patrick's about their involvement in the campaign. The campaign will be held in May-July 2023. The new school is scheduled to open in August 2024.
- 4) The Finances of the School were presented by Gregory Stein
 - a) There is a cash balance of \$156K for the school as of today. As of Jan 31, 2023 the margin for the school was \$21k vs a budget of \$16K. The Tuition income for this school year is much lower than budgeted due to the lower enrollment of 75 students but the income shortfall was more than offset by reduced expenses primarily in the area of teacher's salaries. 112 Students are currently registered for the 2023-24 school year which includes 40 preschoolers. They are targeting 170 students which is the maximum they can accommodate in the church building.

They will be operating Preschool-7th grade next year. The full tuition for 2023-24 school year is \$7000 for preschool and \$6250 for K-7. The average tuition was \$4900 in 2022-23 due to sibling and employee discounts and tuition assistance provided to needy families. They have earmarked \$80k for financial aid. It is anticipated that the school will be able to support itself with tuition income.

5) Cash Balances as of 1/31/23 were reviewed

- a) The Memorandum of Understanding dated 10/31/22 that addressed releasing funds from restricted accounts was discussed. About \$100k of the proposed amount of \$172K was released. The Mass Offering balance of \$5K was not moved to a general fund due to methodology considerations. (the 30% that we pass along to the Diocese on offertory income received)
- b) Marty motioned that we allow flexibility in deciding which dedicated funds to release to take into consideration what is in the best interest of the Parish. This motion addresses the impact of methodology on movement of funds. Rick seconded the motion.
- c) Marty motioned we dissolve the \$2865.97 balance of the Hispanic Ministry Dancers' account and move it to the Ministry Development account. Rick seconded the motion. All were in favor
- d) Father would like to move all but \$5k of the Ministry Development Fund balance to the Faith Formation program. This would amount to approximately \$34k. The amount will remain restricted. A memorandum of understanding will be prepared to reflect this. Marty motioned to move the funds and Rick seconded the motion. All were in favor.
- e) The balance in The Funds Held in Trust account contains the balance from the outreach income and the \$500 donation made to the twelve organizations during the year. The balance at the end of last fiscal year was used for scholarships.
- f) The Designated Fund balance of \$41,312 can be used toward the final payment of the statue.
- g) The ENT Business Savings Account Balance of \$20,598 could be used for operating expenses.
- h) Investing in high yield savings accounts was discussed. There are some concerns about not having funds easily accessible but Marc Lanning will look into rates and availability and other options for higher yield considerations.

6) The Statement of Activities as of 1/31/23 was discussed:

- a) The budget for income was \$1473k while the actual expenses were \$1350k resulting in a shortfall of \$123k for year to date.
- b) The school accounted for a major part of this variance with the tuition shortfall due to lower student population than plan; offertory is over budget by \$26k and investment income is \$58k over budget.
- c) Expenses are \$158k under budget with the school contributing \$97k toward this favorable variance due to the reduction in teacher salaries and related expenses with the reduced student population.
- d) The bottom line shows a favorable balance against budget in expenses of \$158k thru 7 months and a net favorable variance of \$35k

7) Other Items

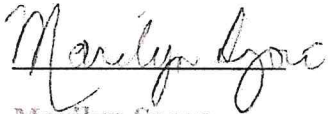
- a) The Accounts Receivable balance of \$79k was discussed. Gregg explained that this is the amount of tuition the students still owe but there aren't any concerns about delinquencies. Delinquencies are reviewed monthly. Tuition payments are paid automatically per a signed agreement with the parents.
- b) Teachers' salaries will be evaluated individually against the tier for D-20 salaries.

- c) School expenses are expected to be stable thru the remainder of the school year.
 - d) The new rectory is expected to be completed in September 2023. We will address the shortfall after the fundraiser is defined.
- 8) The next meetings will be held on April 26, 2023 and May 24, 2023. We will discuss the budget at those meetings. The budget is due on May 31, 2023.
- 9) The meeting concluded at approximately 7:30 pm with a prayer.

Minutes Prepared by:

Reviewed by:

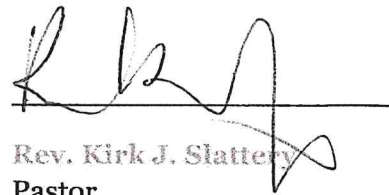
Approved/Disapproved:



Marilyn Szorc
Finance Council Secretary



Gregg Stein
Finance Council Chairman



Rev. Kirk J. Slattery
Pastor