

Saint Gabriel the Archangel Catholic Church
Finance Council Meeting Minutes
May 31, 2023 at The Rectory

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

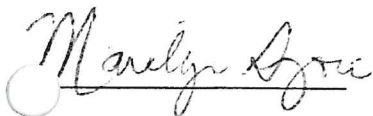
- 1) The meeting began at 6:00pm with a prayer.
- 2) Gregg received a letter of resignation from Mike Wiles since he has taken a Finance Director position at another parish.
- 3) Gregg introduced a new member of the Council, Mike Herder.
- 4) The minutes for the last meeting on April 26, 2023 were accepted as submitted.
- 5) Year-to-date Financial Statements as of April 30, 2023 were reviewed. Total income was \$11,928,856 which includes a gift of \$10M for the school construction. This will eventually be recategorized to construction-in-process. Expenses were budgeted at \$2,069,000 while actual expenses are \$1,839,000, resulting in a favorable variance of \$230,000. The Income-Expense net is \$101k favorable to budget for the parish, including the school. 1008931
- 6) The budget for the 2023/24 fiscal year no longer has to be formally submitted by a certain date. Marc provided some considerations for next year's budget. He expects the ministries to remain the same as this year but foresees the addition of a fulltime priest as of July 1, some utility cost increases, and property insurance increasing 30%. Marc projected an increase of 6% for offertory revenue for 2023/24. We will have an offertory enhancement appeal again in October.
- 7) Briarfest will produce additional income. Plans are proceeding to hold Briarfest in September.
- 8) The rectory is expected to go on the market on Monday, June 5. Offers are expected within a week. Proceeds from the sale will hopefully be available in mid July.
- 9) Gregg reported that school registration for the 23/24 school year is 152 students with a capacity of 170 students. This will include a few eighth graders as well as two classes of preschoolers. Gregg is allocating some G&A expenses to the preschool and is projecting a profit of \$11-\$15k. The grade school is projected to have a \$200k profit based on 140 students. We are expecting to receive about \$90k in awards for needy students from both the diocese and the ACE program. Tuition will be \$7,000 for preschool and \$6,250 for grade school before any sibling discounts. They are looking at hiring one additional teacher and were able to increase teachers' salaries 4%. Gregg reminded us that the school budget for the 24/25 school year will include depreciation. The school is also applying for various grants.

- 10) Bank balances were reviewed. The bank balance is \$46k, with \$199k being in restricted funds. In addition the School's bank account is \$90k which includes some campaign donations and expenses. The Catholic Foundation Investment account is \$437k and includes investment income of \$28k for the fiscal year. Gregg reported that the outstanding Accounts Receivable balance for the school is \$550. Cash flow had improved in the last few months by deferring expenses and has resulted in a \$8k savings per month.
- 11) The construction for both the school and rectory is a cost plus contract. Increased costs have been offset by design changes that decrease costs.
- 12) We are hoping to receive cash from the sale of the rectory by mid July. However, there is an immediate need to pay the contractor for the rectory for work done. Marc proposed to use \$200k of the Catholic Foundation investment balance for this payment. The current cost of the rectory is \$1,070k which includes \$100k for landscaping for the parish property that is required by the city. They are expecting income of \$550k from the sale of the rectory plus \$200k from the capital campaign leaving a cash shortfall of \$200k that would be funded with a short term loan. Marc noted that we were unable to get a construction bridge loan from the dioceses in a timely fashion. It is possible we might be able to partially reimburse the investment fund if there is a positive cash flow at the end of the fiscal year. The council also discussed establishing a "rainy day fund" to serve as a contingency fund for unexpected expenses. Rick motioned that \$200k be withdrawn from the Catholic Foundation investment fund to cover payments to the contractor for the rectory construction with the option to withdraw an additional \$100k, if needed on the condition that Fr Kirk will notify the Council of the withdrawal of funds over \$200k. Marty seconded the motion. All were in favor.
- 13) The council discussed the possibility of needing additional loans due to cash flow issues with receiving capital campaign commitments over the three year payment period and that we may look at restructuring the existing loans. The parish is looking at other revenue streams from day care and rental of parish space.
- 14) The next meeting is tentatively scheduled for July 26, 2023. We will discuss the budget and possibly the year end financials, if available.
- 15) The meeting concluded at approximately 7:30 pm with a prayer.

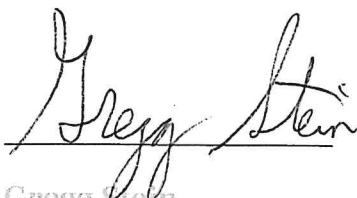
Minutes Prepared by:

Reviewed by:

Approved/Disapproved:



Marilyn Szorc
Finance Council Secretary



Gregg Stein
Finance Council Chairman



Rev. Kirk J. Slattery
Pastor