

Finance Council Meeting Minutes September 8, 2009

Present: Jim Wallace (Chair), Father Polich, Jim Willer, Dean Dutton, Dave Mote, Mike Balch, Rob Den Hartog, (Parish Council) Kathy Halliwell and Mindi Dickinson (both Board of Education) Kevin Von Schaumburg and Andy Ball (staff). Absent: Chuck Haas and Ann DiDonato.

The meeting was called to order at 5:03 and opened with a prayer by Dean Dutton.

The minutes of the May 12 meeting were reviewed and corrected to include Dean Dutton's name in the list of attendees. A motion to approve as corrected was made by Dean Dutton, seconded by Jim Wallace and passed unanimously.

Father Polich reviewed aspects of Pat Wright's report related to parish financial matters saying: Pat recommended that the school subsidy for coming fiscal years be calculated at 52.5% of prior year's tithe and plate income. The Board of Education has indicated that is not enough and so we'll have to develop some other formula that takes into account school needs and the parish's ability to pay. Pat also recommended more transparency in financial reporting, and as a result, we've published a complete Foundation accounting with fund balances and returns for the last three years. Additionally, Home & School, Royal Founder and Altar & Rosary bank balances are now included in our annual financial report to parishioners. Jim Willer asked how the school would balance a budget based on a percentage of time and plate income if tithing were to fall significantly in any given year. Father replied that Pat said that St. Augustin, like other schools should close any budget gap with fundraisers.

June financial statements were reviewed including the statement of financial position, statement of dedicated accounts and statement of activities. Father Polich said that he had heard that some council or board members did not understand our financial statements and that he wanted to take as much time as necessary to answer any questions that anyone might have. The parish deficit of \$105,846 was discussed. This figure included a planned deficit of \$64,409 and excess school spending of \$42,518. Mindi Dickinson said that she thought that the school deficit was forgivable but that we should put a plan in place so that it didn't happen again, and that she and Kathy Halliwell would meet with Kevin Von Schaumburg monthly to review financial statements. Father asked why the school missed its budget and Mindi replied that she hasn't had a chance to speak with Dr. Dowdle about it. Kevin Von Schaumburg said that school expenses were up with no tuition increase and that human resource cost cuts were the only way to keep the school budget in line. Kevin noted that the current year school budget included a 7% increase in teacher salaries and no offsetting tuition increase.

Mindi asked why the church did not take the Scott Trust money during the prior fiscal year. Jim Wallace said that we didn't think that we needed it based on her assurance that the school would make its budget. Jim asked Andy to present a summary of Scott Trust investment account performance at the next Finance Council meeting.

Andy reported that pledges and payments for this year's ADA campaign are lagging behind last year's campaign and that St. Augustin will likely owe \$35,000 to \$40,000 to the diocese for the 2009 campaign in comparison with the 2008 ADA debt of \$15,471.

The meeting closed a 6:35 p.m. with a prayer by Father Polich.