

Finance Council Minutes

Wednesday, March 15, 2006

Present: Rick Stephan, Walter Leachman, Ron Wedding, Wayne Rickert, Jason Ivy, Julian Gorham, Dan Bork, Ken Sondag, Tony Pescatore, Jeri Stromquist, Bill Wakefield, George Blandford, Ryan VanDaniker, Chuck Garr

Not Present: Ron Clasgens, Anne Peck, Cheryl Brieske, Eugene Fox, Bill Drane, Jeff Keller, Bill Greenwell, Ben Edelen, Dave Wilhite, Scott Vogt, Pat Fitzgerald, Bernie Samuelson,

Start Time: 7:32 AM

1. Prayer – Stewardship Prayer
2. Approval of Minutes – Minutes approved as published.
3. Diocesan Assessments – Review of new Progressive Assessment from the diocese. Deacon Bill Wakefield explained some of the background of the new program. Diocese has been operating in a deficit for the last 3 years. Last year they were \$900K in the red. To address this, the diocese, through a 14 month study, looked at separating their budget into an operational budget and a philanthropy budget. Operational budget is money that keeps the lights on, and provides basic services – roughly \$2.8M annually. Philanthropy is ~\$1.5M and looks at the other needs within the diocese. The current assessment plan raised \$1.2M from parishes. Balance was made up from taking an average of 16%/year from diocesan portfolio. When Lexington looked at their assessment plan, they found they were assessing on 57 cents on the dollar on the average. Based on other dioceses' programs, the number should be 80-90 cents. Louisville diocese is at 97. 40% of parishes in our diocese require subsidies to operate, since our diocese is a mission diocese. Grants, preaching in other dioceses, and DAA all raise money for philanthropy budget, DAA at \$900K being largest. Only 25% of diocesan households even participate in DAA. Overall result was the progressive assessment methodology. 8% base will stay for all parishes, even for subsidized parishes. Next year our increase is 2.2%. Walter ran initial assessment forward look – the effect will be significant ~ \$100K. Discussion and Q&A followed. Ways to fund, options to reduce assessment, future ramping of additional funding, and options for reducing expenses were discussed. Bill said he would take back for review two items – potential restructuring and a delay in implementing the full amounts in 2 years.
4. DAA – Walter reported still short \$35K. Parish is participating at 18.4%. We are asking for credit for donation of trailer to diocese.
5. 2006/07 Budget Prep Status – Walter – church budget is due 3/15. Budget subcommittee volunteers – Jason, Julian, Ryan, Chuck.
6. Communication Sub Committee Status – Rick – There has been no update from PPC on our communication recommendations and submission. There was some discussion that there may be a PPC survey of the parish on what our needs are. No further meetings of this subcommittee are planned until additional need is identified

7. Internal Controls Sub Committee Status – Jason – presented the tentative schedule for completing this work. 85% of processes are documented. Editor has been found. Self reviews are going well, with some improvements already identified.
8. Dreamstakes Status – 74 raffle tickets and 53 event tickets sold so far, roughly the same as last year. School sales input will be final next week. Additional ticket sales will be pushed through additional avenues.
9. School Finance Update – Dan explained the school budget, based on 625 students in K-8, 36 in Pre-K. Current pre-enrollment is already above the 05-06 level, still need 37 new students to make budget level. They are asking \$30K more in parish support. Parish support has been flat for past few years. Jason recommended the budget sub-committee look at this request as part of their work, and in light of the new diocesan assessments.
10. Financials as of Month End – information was presented in packet.
11. Other Issues – Walter presented the potential impact of the new diocesan assessment. Of the roughly \$100K increase, about 72% is due to rate increase, 28% due to base increase, mostly the increase in school size, attendance, tuition.
12. Next Meeting - April 19th

End Time: 9:25 AM