

**ST. THERESA of the CHILD JESUS  
FINANCE COUNCIL  
September 13, 2018**

Fr. Ray Higgins  
Tom Hueholt  
Kevin Olsen  
Margie Pope  
Steve Michaud  
Jim Langeness - Absent  
Paul Johnson  
Paul Galloway

Mary Gisler  
John McMichael  
Ellen Stemler

Tom Hueholt called the meeting to order at 5:05 pm on September 13, 2018

**Opening Prayer: Fr. Ray Higgins**

**Roll Call**

All members of the Finance Council were present except Jim Langeness. Also present were Ellen Stemler, Mary Gisler, and John McMichael.

**Reading and Approval of Minutes from Last Meeting**

A motion was made to approve the minutes from the July 2018 meeting. Motion was seconded and approved. (No Finance Council meeting was held in August 2018).

**Reports**

**A. Childcare Program**

There was no report for the childcare program.

**B. School Progress Reports**

1. **Enrollment:** The actual enrollment for the 2018/2019 school year stands at 282 for pre-K to 8<sup>th</sup> grade and 242 for kindergarten to 8<sup>th</sup> grade. It was unclear as to the final budget enrollment for the 2018/2019 school year; however, minutes from the prior Finance Council meeting had the enrollment K to 8<sup>th</sup> grade at 255.
2. **FACTS Tuition:** Ellen reported that the transition from Smart Tuition to FACTS has been difficult. The user interface is not intuitive and there are some reporting capabilities that are not available in FACTS.
3. **Recovering from Flood:** Ellen provided a detailed report on the recovery efforts following the flooding of the school on June 30. She stated that the commitment and assistance provided by the parish families was amazing and was the reason the school was able to open as scheduled this fall. The following items were the key points regarding the flood recovery
  - **Air Quality/Teacher's Lounge:** The air quality was tested in the school and was found to be unsafe in the Teacher's lounge. The Teacher's lounge was virtually gutted to remediate the mold issue. The presence of mold was detected in other rooms but could be adequately remediated with dehumidifiers and air filters. The air ducts and air handlers will also be cleaned. The air quality will be retested once the remediation work has been completed.
  - **Desks/chairs:** The school is still waiting for a shipment of desks and chairs to replace those lost in the flood. Ellen will be reaching out to a public school district to see if we can borrow some chairs and desks to use in the interim.

- Catholic Mutual: Ellen shared her frustration at the lack of responsiveness from the claims adjuster assigned by Catholic Mutual. She was never provided any written material from the claims adjuster or Catholic Mutual.
- Project Expenses: Ellen stated that she intends on filing a claim to get reimbursement for all the project management and work provided by volunteers. Had it not been for these volunteers, St. Theresa would have had to hire this work done making for a significantly higher insurance claim.
- Flood Expenses: Mary stated that an initial check for \$49,000 was received and that a second check for \$33,500 has been received from Catholic Mutual. All of the expenses related to the flood remediation have been flagged with a specific project code in the accounting system. This will help ensure St. Theresa is adequately and fairly reimbursed for all expenses covered under insurance. The intent is to share these expenses at the next Finance Council meeting.
- Emergency Response Team: One of the frustrations of this event was the lack of support, leadership, and responsiveness by the Diocese. St. Theresa was on its own during this recovery. Ellen is pushing for the creation of an emergency response team at the Diocese so that other parish's facing a similar disaster will have the support and leadership needed to meet the challenges of a disaster.

Fr. Ray expressed his appreciation for all of Ellen's efforts. His sentiments were seconded by the Finance Council members.

**C. Annual Diocesan Appeal (ADA)**

John reported that there was no material changes in the ADA campaign status. We are currently \$20,700 below the assessed amount. There have been only 379 contributors.

**D. Diocesan Capital Campaign Funds Received and Plan Disbursements**

**Capital Campaign Receipts:** Mary stated that a distribution for about \$18,000 is expected in October. The final distribution will be received in January 2019.

**E. Report on Funds Transfers To and From Laddered CD Accounts**

There was no activity to report. No discussion took place regarding this agenda item.

**F. Monthly Financial Reports**

Mary distributed the monthly financial reports for June 30, 2018 which would be the fiscal year-end reports. In addition, the monthly financial reports for September were distributed. No discussion took place regarding this agenda item.

**New Business**

**A. Remodel of Kitchen in Parish Hall**

Mary Gisler stated that the St. Theresa Foundation had put its support behind the project to remodel the kitchen in the parish hall. An architecture firm, D8 Architects PLC, has been identified to provide the architectural services for the remodel and Mary would like to get the required approval to execute a contract with the architect.

**Old Business**

- A. Parish and School Budget:** There was significant discussion at the Finance Council meeting regarding the budgets for the parish and school. There is not an approved budget for the parish or school for 2018/2019. There was a budget that was presented

in email for approval; however, there were some outstanding questions raised by Paul Galloway which had not been resolved. Therefore, most Finance Council members had not voted on the budget.

There was also extended discussion on the school budget particularly on the need to make the process more efficient to deliver a school budget in a timely manner. There is reason for concern as the preliminary school budget had been based on a kindergarten through 8<sup>th</sup> grade enrollment of 255 and the actual enrollment is now at 242. This amounts to a short fall of about \$42,250 in tuition income. Couple this with the \$20,000 shortfall in the ADA campaign and there is reason for concern in the 2018/2019 fiscal year.

Mary Gisler agreed to get the information to resolve the outstanding questions on the last proposed budget and will email the budget with the requested information. The Finance Council agreed to leave the school budget in its current state knowing that there will be a material shortfall in tuition income.

The Finance Council members are expected to vote on the budget via email so that there is an approved budget in place prior to the October meeting.

**B. Business Conducted by Email**

No business was approved by email since the July 2018 meeting.

**Next Meeting:** The next meeting will be Thursday, October at 5 PM.

**Closing Prayer:** Fr. Ray concluded the meeting with a prayer

Meeting adjourned at 7:15 PM.