

**ST. THERESA of the CHILD JESUS
FINANCE COUNCIL
November 8, 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 5:02 pm on November 8, 2018.

Opening Prayer: Fr. Ray Higgins

Roll Call

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

Reading and Approval of Minutes from Last Meeting

A motion was made to approve the minutes from the October 2018 meeting. Motion was seconded and approved.

Reports

A. Childcare Program

There was no report for the childcare program.

B. School Progress Reports

1. **Enrollment:** The current enrollment for the 2018/2019 school year stands at 287 for pre-K to 8th grade and 247 for kindergarten to 8th grade. Ellen reported that there are 2 students who will definitely enroll in St. Theresa. In addition, there were 5 visits planned for the coming week.
2. **FACTS Tuition:** Ellen stated that there are continued issues with creating the expected reports from FACTS. There were no past due reports available for distributions but there are currently 4 families past due for a total past due amount of \$746. There is a meeting at St. Pius with FACTS representatives scheduled for the week of November 12. The reporting issues will be discussed with FACTS at this meeting.
3. **Bus:** Ellen reported that school bus #5 requires \$5,000 of repairs; however, repairing this bus is not a sound investment given the age and condition of this vehicle. It would be more fiscally responsible to replace this bus by purchasing a used bus. There are a number of used buses on the market and preliminary due diligence indicates a bus with reasonably low mileage can be purchased for less than \$15,000. Ellen asked for authorization to approach the Foundation to obtain a loan to purchase a used bus. Funds from the PTC Spring Gala would go to repay the loan.

4. **Recovering from Flood:** Ellen provided an extensive update on the recovery from this summer's flood. The following summarizes this update:
- The contractor that was serving as the insurance adjustor on St. Theresa's claim has been dismissed. St. Theresa is now dealing directly with Catholic Mutual.
 - Working to resolve a few minor fire code issues.
 - Two pallets of school furniture will be received soon.
 - Phone system is having issues due to corrosion of the phone lines and system caused by the flood. Will be working with the adjustor at Catholic Mutual to find a mutually agreeable solution. There is a desire to explore the use of an IP phone system which may prove to be a more efficient and effective solution than replacing the damaged phone lines and system.
 - The local Service Master damaged some of the floors in the school and we are asking them to pay for repairs.
 - There has been no definite decision from Catholic Mutual on reimbursement of St. Theresa for volunteer labor that greatly reduced the insurance claim expense submitted to Catholic Mutual.
 - Dishwasher and refrigerator for teacher's lounge are to be replaced.
 - Another air quality check is to be performed to ensure all mold issues have been remediated. If not, all the ceiling tiles may need to be replaced.
 - There is now a Diocesan Emergency Response Team in place thanks to the efforts of Ellen who was adamant about ensuring other parishes have adequate resources and guidance when faced with an emergency. Something St. Theresa did not have while dealing with the flooding this summer.
 - Catholic Mutual will be working directly with Service Master to settle the \$65,000 bill from Service Master.
 - Mary reported that we had received the following from Catholic Mutual: \$49,000 buildings, \$33,000 contents, and \$15,000 new copy machine. There is \$70,718 in expenses that Catholic Mutual has not yet covered; however, we do expect this amount to be paid to St. Theresa.
5. **STEM Business Engaging Students and Teachers (BEST) Program:** St. Theresa was named 1 of 13 recipients from the STEM BEST program. Further, St. Theresa is only 1 of 2 schools to receive this grant. The other 11 recipients were school districts. St. Theresa will receive up to \$25,000 from this program.
- C. **Annual Diocesan Appeal (ADA)**
John reported that there was no material changes in the ADA campaign status. John identified about 100 families who made material contributions to last year's ADA but had not participated in this year's drive. There are plans to send a letter to these families to determine if there is a specific reason for not participating in this year's ADA.
- D. **Diocesan Capital Campaign Funds Received and Plan Disbursements**
Capital Campaign Receipts: Nothing to report.
- E. **Report on Funds Transfers To and From Laddered CD Accounts**
One of the CD's came due today (11/8/2018) and it was redeemed to ensure adequate cash on hand for expenses.

F. Monthly Financial Reports

The following items from the financials were discussed at the Finance meeting:

Page 1-Tithing: MTD was \$13,000 below budget. John noted that in September 2018 the weekly tithing averaged less than \$17,000 for the first time in many years. This is a continuation of what was experienced in the prior year where we lost 19 families that accounted for \$24,000 in tithing. New tithing families are not replacing the tithing families that have been lost or being lost.

Page 1-Extraordinary Income or Rebate: YTD of \$104,044 are flood related checks.

Page 1-Rental Income (Buildings and Grounds): YTD of \$1,300 is from rental of parish hall for events such as weddings and other gatherings.

Page 2-School Administration Totals: Overall this category is at 93% of YTD budget which is expected given that actual enrollment is below budgeted enrollment. Some of the line items within this category are not tracking as closely to plan. That is attributable to how FACTS is accounting for various fees and anomalies in the budgeting process.

Page 2-Lunch Room: MTD tracking well to budget. YTD below budget by 7,600. Government subsidy budgeted at \$3,556 not yet received.

Page 2-Childcare Income: YTD is \$13,000 below budget. Childcare has experienced a decline in the enrollment in the after school care program.

Page 3-Foundation/Grants (Preschool): YTD \$36,000 over budget. Have received 2 of 3 expected payments from State.

Page 3-Custodial Workers: YTD \$5,000 below budget. In process of filling custodial position so not incurring expenses while position is open.

Page 4-Postage (Parish): MTD negative \$39. Negative amount caused by allocation of postage expense to various departments.

Page 4-Computer Supplies (Parish): MTD \$1,500 above budget. Purchase of floor mats under desk chairs.

Page 4-Program Supplies (Liturgy): MTD \$1,800 above budget. MTD included purchase of music issues and votive candles.

Page 5-Building Improvements: YTD \$80,000 above budget. This is remodel of rectory which is being funded from the building fund.

Page 6 -Health Insurance: MTD 2,400 above budget. New teachers opting for the family insurance plan that was not part of budget.

Page 7-Computer Supplies: YTD \$46,000 below budget. Due to flood had to postpone purchase of Makerspace supplies.

Page 7-Tech Software: YTD \$1,900 above budget. Cost of Grant Wood conference.

Page 8-Lunch Room: YTD \$2,800 below budget.

Page 8-Transportation: YTD \$8,300 above budget. Attributed to repairs on bus #5.

Page 8-Childcare Health Insurance: YTD \$3,300 above budget. Attributed to staff electing to take health care insurance or opting for family health care insurance.

Page 9-Computer Supplies: MTD \$1,500 above budget. Purchase laptop for Maria.

Page 10-Instructional Material: YTD \$2,000 below budget. Pre-school has not purchased materials as planned.

Page 10-Building Improvements: MTD \$11,581 above budget. Installation of security cameras throughout campus.

New Business

A. School Bus

A motion was made to authorize Ellen Stemler to pursue funding of up to \$15,000 from the St. Theresa Foundation to purchase a used school bus. Motion was seconded and approved.

B. Wireless Access Church

Mary Gisler reported that she is getting quotes to install wireless access points in the church building. One access point in the worship space and three access points in the basement. The cost is expected to be about \$3,700.

Old Business

A. No Old Business

B. Business Conducted by Email

The all parish budget which includes the school budget was approved by the Finance Council via email.

Next Meeting: The next meeting will be Thursday, December 13 at 5 PM. The intention is to focus on the 2018/2019 budget.

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

Meeting adjourned.