

## St. Anthony on the Lake Catholic Church

Meeting Date: May 24, 2018

### Finance Council

**Shaun Weinfurter (Chair) & Brian Kieffer (Secretary)**

**Members Present:** Art Scheuber, Fr. Tony Zimmer, Mike Smith, Tom Brandt, Sheri Schmit, John Hooyman, Andy Farris, Cheryl Oliva, Jim Hammes, Shannon Dakovich, and Brian Kieffer.

- 1) The meeting opened with a prayer led by Cheryl Oliva.
- 2) The minutes from April were reviewed and approved with no further changes.
- 3) Art Scheuber presented the financial statements for April 2018. Year-to-date white envelope collections are ahead of both last year and the budget. Building envelope collections are also ahead of the budget through the end of April. Overall income for the parish through the end of April was \$2.52 MM and was favorable to the budget and to last year. Expenses through the end of April stood at \$2.37 MM and were favorable as compared to the budget. As of the end of April, the mortgage balance stood at \$1.25 MM.

Since May reporting was not yet available, the discussion of the remainder-of-the-year financials was tabled to the next meeting.

- 4) Next, Art Scheuber presented the 2018/2019 Budget to the Finance Council. Art started the discussion by providing a comparison report showing the FY16, FY17, FY18 and proposed FY19 budgets. Fr. Tony Zimmer and Art both praised the work of the cabinet staff and the budget committee in preparing the budget for FY19. Much progress was made from the beginning of the budgeting process to the end in order to control expenses and find better ways to use the budget dollars.

Art Scheuber reported that the budget proposal reflects the implementation of the changes recommended and approved in November 2017 by the Finance Council, including the combination of the elimination of the allocations of Building & Ground expenses to the Church, School, and CF cost centers, and the utilization of income and expense lines for the Building & Grounds cost center.

Art Scheuber noted that the FY2019 Budget includes zero expenses for Major Maintenance or Improvement projects. Therefore, there are no contingency funds if issues come up. Art and John Hooyman commented that depending on how bequests come in during FY19, this could change.

Art Scheuber noted that a part-time food service position has been added to the staff. This will allow other parish staff members to focus on their primary duties.

Faith formation revenue is projected to be lower due to fewer students. Art Scheuber also stated that some expense is being saved due to retreats being done on site rather than at Inspirio (which is now closed). Cheryl Oliva asked about payments for Faith Formation programs. Art responded that this year most participants are paying on time (i.e. fewer families are in arrears).

The School expenses have been adjusted to reflect the addition of an aide for the 5K classroom. This is necessary due to the projected enrollment. Fr. Tony Zimmer also noted that there will be waiting lists for the 3K, 4K and 5K classes. Fr. Tony also noted that the school is looking at other ways to handle marketing. One thought is that there could be more collaboration between Catholic Memorial High School and other Lake Country parishes for the promotion of Catholic education.

Next, the group had a brief discussion on revenues from annual bequests and the merits of budgeting or not budgeting for bequest revenues. Shaun Weinfurter inquired if it would be possible to look at past history and to make some assumptions based on previous donations. Fr. Tony Zimmer noted that he has networked with other pastors on this issue and that the advice he was given is to take a more cautious approach. After further the discussion, the Finance Council agreed that it would be better to not include an assumption for bequest revenues in the budget.

Art Scheuber presented a zero-based balanced budget for approval. The 2018-19 budget for St. Anthony on the Lake parish is a break-even budget. All of our operating revenues are completely offset by committed operating spending. Our debt service collections (blue envelopes) will be used to pay debt interest expense and reduce the outstanding debt.

Our budget does not include possible endowment donations; nor does it include contingency for major maintenance spending.

In previous years the monthly debt interest was paid out of regular collections (white envelopes). We cannot continue to do this unless operating revenues exceed operating expenses.

The presentation of this break-even budget is consistent with the norms and practices of the Milwaukee archdiocese.

After discussion, Shaun Weinfurter recommended that the Finance Council vote on the proposed FY2019 Budget. The Finance Council voted and passed the proposed FY2019 Budget.

- 5) Sheri Schmit presented the results of the Athletics Association audit for 2017 (also refer to the full audit report for additional details).

Total income for the Athletic Association (AA) for the audit period (July 1, 2016 to June 30, 2017) was \$56,869. Total expenses were \$47,486. During the audit period, the AA increased its bank balance by \$10,703 and its book balance by \$9,383.

Sheri Schmit prepared four major recommendations for the AA, including: 1) Implementing a tracking process for Scrip cards purchased for Concessions; 2) Developing a form for Athletic banquet purchases and preparation; 3) Training for door and concessions staff on cash-handling and tracking procedures; and 4) Reminding AA committee members that St. Anthony's is not required to pay sales tax for athletics purchases.

Art Scheuber noted that Athletics will be paying \$3,000 to the parish to contribute to maintenance expenses for the new gym. Art also noted that Christina Binagi will be taking over the handling of finances for the Athletic Association.

Cheryl Oliva suggested that maybe the Athletics Association should be considered for an allocation for Building & Grounds expenses. Shannon volunteered to investigate that issue.

- 6) Cheryl Oliva circulated a volunteer sign-up sheet for the upcoming parish picnic. She needs volunteers from the Finance Council to help with counting money on the day of the picnic. Interested volunteers should contact Cheryl to sign up.

- 7) Subcommittee reports:

- a) Buildings and Grounds (Tom Brandt chair)

The time capsule stone has been installed at the front entrance of the church.

- b) Personnel (Bruce Miller chair / Cheryl Oliva Liaison) – Update from 5/2/18 meeting

The Personnel Committee working on a new performance review process for parish and school staff. The Committee will be meeting again in June to review the proposed changes to the performance evaluation form and to discuss how the new process will be introduced to parish and school staff members.

- c) Endowment (Bill Hoile chair / John Hooyman liaison)

No update.

Art Scheuber provided a brief update on the Catholic Mutual (insurance) audit of the facilities. Art noted that overall the audit went very well. A few minor concerns were brought up, but overall St. Anthony's was evaluated very well compared to other parishes.

Fr. Tony announced that Andy Farris will be joining the Finance Council as one of its new members for the upcoming year.

8) Cheryl Oliva led the group in the closing prayer.

**Next Meeting:** Monday, June 18, 2018 6:30pm – Tom Brandt to lead opening and closing prayers

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#### Action items / Assignments

- Athletics – Sheri Schmit (last completed thru 6/30/17)
- Hot lunch program audit – Andy Farris IN PROCESS (last completed thru 6/30/14)
- Hot Summer Slice audit – Brian Kieffer IN PROCESS (last completed thru 9/23/16)
- Men of St. Anthony audit – Mike Smith (last completed thru 6/30/17)
- Scrip – John Hooyman (last completed thru 6/30/17)
- Gala (bi-annual) NEW – Jim Hammes / Shaun Weinfurter