

Church of the Epiphany
Finance Commission
November 8, 2011

Meeting Minutes

Commission Members Present: Gail Mikolich (chair), Greg Mueller, Jeff Kearney, Tom Dreshar, Debbie Hawkins and Mike Lentz (Ex-Officio and Parish Administrator)

Commission Members Absent: Jayne Taylor, Mark Hapka

Others Present: Fr. Dennis Zehren (Pastor), Fr. Carlson, Dr. Robert Breitbach (Trustee), Tim Sullivan (Trustee)

Meeting Minutes:

1. Call to order – Chair Mikolich called the meeting to order.
2. Opening Prayer – Fr. Zehren led the opening prayer.
3. Approval of Meeting Minutes for September 2011. The minutes the September 2011 Finance Commission meeting was reviewed by the commission. A motion by Kearney, seconded by Mueller, to approve the minutes was presented. Motion passed.
4. Approval of Meeting Minutes for October 2011. The minutes the October 25, 2011 Finance Commission meeting was reviewed by the commission. A motion by Kearney, seconded by Mueller, to approve the minutes was presented. Motion passed.
5. Approval of the Agenda. Motion by Mueller, seconded by Mueller, to approve the agenda as prepared was presented. Motion passed.
6. Old Business
 - a. Final Audit Report. Mike Lentz will be sending out final auditor's report. Feedback was provided on the exceptional job done by Froehling Anderson.

Trustee, Dr. Breitbach moved that we review the Froehling Anderson contract on a five-year cycle (with the next review to be done in 2014), Mueller seconded this motion. Motion passed.
 - b. Fit by Fifty Update. As of October 31st there was \$131,000 in the bank. Discussion followed regarding how much to send to the Archdiocese and how

much to retain for future spending. A recommendation was made to immediately send \$100,000 to the Archdiocese; motion followed by Mueller, seconded by Kearney. Motion passed.

Items of Note: All future distributions will be discussed by committee prior to distributions made. The Fit-by-Fifty Campaign will be reinvigorated following the holidays.

7. Sub Committee

- a. Budget preparation. A timeline was handed out to the commission. There are 8 major budget indicators that the budget sub-committee will focus on:
 1. Sunday collection projections
 2. School enrollment/tuition (using a student number of 520)
 3. Parish Assessment to Archdiocese
 4. Staffing
 5. Medical (5%) and Dental (max of \$4 per month)
(Early indicators show medical decreasing by 5%)
 6. Pension
 7. Property Insurance
 8. Capital Repair/Replacement

Initial budget preparation by staff directors is targeted to be completed by December 10th and representatives of the Finance Commission will meet with staff directors on or before January 5th. The budget subcommittee hopes to meet by January 9th to discuss a preliminary budget proposal to present to the Finance Commission on January 10th.

Staff directors will then have until January 25th to make revisions, if needed. The budget subcommittee will then meet in early February to discuss and finalize a second version to propose to the Finance Commission and, subsequently to the Pastor, with the goal of having the Pastor's final approval of the budget by March 13, 2012.

- b. Audit of Financials – Taylor, Kearney, and Lentz will get together in November to review the financials.
- c. Fit by Fifty – (see above under Old Business)

- d. Reiser Foundation. Mikolich, Mueller and Lentz will be meeting in the future to discuss.
 - e. Senior Housing. Lentz provided update that they are working with Senior Housing on a proposal to put in a path to the new cemetery along with a bridge donated by the City of Coon Rapids.
 - f. School Marketing Committee. Mikolich confirmed that a flyer was sent out for kindergarten open house and round-up.
 - g. Cemetery Fund Oversight. No update provided. This item will be discussed at the next meeting.
 - h. Operations Commission Liaison – Mueller will be meeting with Mike Kraft and Wendy and will be providing an update at the next meeting.
8. Vice Chair Report. Hawkins reported that there was no Vice Chair Report.
9. Chair Report. Mikolich confirmed that the State Fair had a \$45,308.88 profit with a small Coke rebate (approximately \$400) still to come. It was thought that profits were higher than anticipated due to the increased visibility/publicity of the closing of the diner.
10. Business Administrator's Report:
- a. 1st Quarter Financials are on par with last year. The audit committee will be reviewing this information and will be discussing it at the next meeting.
 - b. Lentz reported that a Business Office Assessment project is now underway to evaluate the existing office structure in order to ensure that the Epiphany Business Office is operating as efficiently and effectively as possible. Froehling Anderson has been hired to assist with this assessment. The estimated cost for this project is approximately \$8,000.
 - c. Collections Report. There are concerns regarding reduced Christmas collections with Christmas landing on a Sunday this year.
 - d. Letter from Archbishop. Lentz shared with the group a letter received from Archbishop Nienstedt and Marth Frauenhaim, Superintendent, regarding the development of a reinvestment strategy to strengthen Catholic schools and the governing initiatives to ensure the long-term sustainability of Catholic Schools. It is the goal of the Schools Council and the Office of Catholic Schools that all

schools will be operating under a new governing platform by the end of the 2012-2013 school year.

11. Pastor's Report. There was no report. Fr. Zehren noted he would be happy to provide one if notified in advance of what is needed.

12. New Business

- a. Epiphany Reiser Foundation. This item will be extended to the future.
- b. Refinancing. The commission agreed that given the current market conditions, refinancing should be looked at. Lentz will provide detailed information at the next meeting for discussion. These details will include whether or not there are any pre-payment penalties for the existing mortgages and the outstanding balances of each.

13. Other Discussion. The next Finance Commission Meeting is scheduled for December 6th at 6:30 p.m.

14. Adjournment. Mikolich adjourned the meeting at 8:25 p.m.

Respectfully submitted,

Debbie Hawkins
Acting Secretary