



Parish Finance Council
Minutes – August, 24, 2022
Murphy Conference Room

Finance Council members present: Father Shuping, Father O'Reilly, Jenn Harter (staff), Joyce Romito (staff), Corey Schroder, Greg Miller, Bill Cardullo, Regina Kane, Michael Martin, Chris Jones, Joseph O'Hare

Members not present: Carolyn Spohrer

Meeting brought to order: Corey Schroder

- Welcome to first meeting of 2022-2023 fiscal year
- Welcome to Regina Kane, newest member of Finance Council

Opening prayer: Father Ken

Motion to approve minutes from June 22, 2022 meeting – Approved.

Church Financial Update Fiscal 2021-2022: Joyce Romito

- Offertory reached \$1.8M which was 93 percent of budget and 3 percent more than 2020-2021
- Overall Income reached \$2.0M
- Statement of Financial Position
 - Buildings-Church/Office fixed assets increased due to a FOB system including locks and A/C unit.
 - Fixed asset module rolled out by Diocese at end of year; they are reviewing our assets for accuracy, and we expect that will serve as basis for calculating depreciation going forward.
- Investment Summary
 - Wells Fargo – investment accounts declined from market driven results; July results improved from June.
- Statement of Activities – Overall Expenses reached \$2.1M for a net deficit of \$68K for the year.
 - Priest salaries and benefits overall under budget
 - Staff salaries and benefits overall under budget
 - Lay and deacon salaries favorable variance driven in part by between staff retirement and hiring of new Social Ministry Coordinator, and staff openings for church custodian and youth minister.
 - Bulletin/worship aids over budget due to number of Masses and funerals with lifting of COVID restrictions.
 - Flowers over budget but offset by donations received for Christmas/Easter flowers.



- Youth program expenses exceeded budget in June and for the year due to Catholic Heart Work camp (CHWC), these were offset by surplus funds in account realized from prior years when CHWC was canceled due to COVID. Joyce led a detailed discussion regarding accounting for CHWC, timing of funds collected before COVID versus timing of expenses.
- Hospitality overall is under budget
- Computer expenses were overbudget – items are for security and related software needed as well as Ministry scheduler and Adobe software. This variance is offset by a favorable variance in Communications.
- Repairs and maintenance were over budget for the year due to HVAC repairs and (??Joyce other key drivers??) – the 2022-2023 budget was increased in anticipation of continued maintenance expenses
- The council had an involved discussion regarding accounting for depreciation and why it is not included in Statement of Activities
- The council had a discussion regarding the nature of the Cathedraticum
- Year-end closing process
 - June 30 documentation and signatures were due Aug 15. SBC's were submitted to Diocese on Aug 6. The Diocese has acknowledged receipt and will review our statements for accuracy. Diocese will also review fixed asset module to ensure correct depreciation estimate. Once they approve, we will run final report for the year.
 - We do not expect a Diocesan audit until 2023-2024.
- July 2022 Financials
 - Monthly offertory budget has been seasonalized and is no longer straight-lined.
 - July 2022 offertory is behind July 2021 partially attributable to there being one more Sunday in July 2021 versus July 2022.
 - While our 2022-2023 revenue outlook could be considered aggressive, no conclusions can be drawn based on one-month results.
 - Our budgeted expenses are largely fixed. If revenue shortfalls are forecasted, we have no obvious areas of expense reduction opportunities. There are opportunities to use Endowment draws for operating as opposed to capital reserve as it has been used in recent years.
 - On average we try to keep a cash balance of two months. Summer months present a challenge to that, but there is customarily a rebound beginning in October. If at some point we have 1-1/2 months or less on hand, we would look at compensating measures.
 - One reason we started fiscal 2021-2022 in great position was due to PPP Loans.
 - The Diocese has asked parishes for information that could support Federal Employee Retention Grants.
 - Joyce will accept feedback on alternate reporting formats including a comparison of MTD and YTD actuals versus prior year MTD and YTD actuals.



- School is back and we have a new principal!
- While year-end financials are not yet ready, cash position appears to be solid.
- Actual enrollment is 526 versus a budget of 500.
- Spacing is not an issue at this time.
- There has not been a school finance committee meeting since June.
- Two new classrooms are under construction including a new art room.

Building and grounds (B&G) update: Bill Cardullo

- Snowball Lane Project
 - Paving complete, looks good
 - Trash and recycling dumpsters to be relocated
 - School downspouts in poor condition and will be replaced. Original scope contemplated copper downspouts. Finance Council advised that B&G committee reconsider due to expense and theft opportunity. Aesthetics not an issue in alley.
- B&G Committee project list (incorporate by reference)
 - Updates including boiler project referenced.
 - Finance council applauded B&G effort to provide this information and asks that this be provided monthly and sorted between capital and maintenance so Finance Council can focus on capital related.

New Business: Fr. Ken

- SBC will be adding another weekend Mass, essentially returning to our pre-Covid schedule. We will have a 5:30 PM Vigil Mass, 7:30, 9:00, 11:00 AM and 5:00 PM Sunday Mass, and 5:00 PM Sunday Mass at University of Richmond.

Catholic Energies Opportunity: Fr. Ken

- SBC has engaged with Catholic Energies to investigate feasibility of installing solar panels on various SBC roofs in order that we can reduce our energy costs and improve our environmental.
- Catholic Energies has completed ten projects in our Diocese.
- No upfront expense to Parish or School.
- Rooftop solar system is operated and maintained through a third-party allowing the parish to gain economic savings through a Power Purchase Agreement.
- Visit www.catholicenergies.org for additional information.

Closing prayer: Father Ken

Schedule:

- Next Finance Council meeting scheduled for 4:00 PM, September 28.
- Original schedule contemplated an Investment Committee update in September. But since we did not have a comprehensive School update in August, we might switch and have a



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School update in September and Investment Committee update in October.

Submitted: Joseph O'Hare, August 27, 2022