

St. Charles Borromeo Parish
Finance Council Meeting Minutes
October 25, 2022, at 12:30pm – Conference Room 2

A. Call to order, roll call, opening prayer

-Meeting called to order at 12:33pm

-Opening prayer by J. Latva

-Present: T. Russell, T. Cripps, R. Peacock, J. Latva, L. Kassuba, S. Wyse

-Absent: Fr. Wyse and S. Stewart

B. Approval of meeting agenda

-Motion: L. Kassuba, second T. Cripps, approved

C. Approval of September 27, 2022, meeting minutes

-Motion to approve minutes with removal of the last incomplete sentence under J: L. Kassuba, second T. Cripps, approved

D. Old Business

Parish Organizational Chart: T. Russell spoke with S. Wyse; work needs to be done.

FC Strategic Plan: T. Russell received documents from S. Wyse, committee needs to meet.

Unrestricted and restricted, non-operating and operating expense donations to school: S. Wyse/T. Russell met with M. Karpus to specifically discuss areas listed in 8-30-22 STC FC meeting minutes found below.

The total amount for restricted, non-operating does not equal the categories listed below it. M. Karpus and S. Wyse have met and are about \$6,000 apart, will meet further. The discrepancy has come about over many years including time with Sr. David Therese and other administrators. S. Wyse believes money has been handled appropriately but recording of transfers may not have happened; the FY2021/22 recordkeeping is accurate.

Are memorial funds always designated to the deceased families specific request?

S. Wyse: If they have a specific request, yes. If not, it goes into nonrestricted, nonoperating funds.

Has there been a scenario where memorial funds were used for operating expenses?

S. Wyse: No, the school tries to use if for a religious purpose. Discussion followed: R. Peacock: I don't understand, if the memorial request is not for a specific purpose why is it always put into nonrestricted, nonoperating funds. These questions were brought up in July because the FY2022/23 budget was approved with large salary increases for parish and school staff.

When we donate to the St. Charles School Memorial fund in a certain deceased parishioner's name, can't it be used for operating expenses?

S. Wyse: If the deceased person has something in mind, it will be used for that. If they don't, some of that money could be used for operating expenses.

Should memorial restricted and non-restricted operating lines be created?

S. Wyse: I don't think so. I can no longer go in and add lines; must go through diocese to do it and they are restrictive right now. M. Karpus keeps track of them separately in her books, it doesn't need to be separated. What comes down from the school is in my system, she uses something like Excel. The two of us could sit down quarterly and go through our numbers and make sure they match.

Discussion: If some of the money in the restricted account is from memorial(s) that can be used for operating expenses, it seems like there could be a different way to account for it. Currently there are two income lines for nonrestricted and nonoperating and two expense lines that come out of it.

-S. Wyse: I can show what goes in and out of the income and expense accounts each quarter. The other line items are always on our statement of financial positions.

The restricted and enrichment lines total over \$100,000 but the summary provided does not.

S. Wyse: School furniture was purchased from these accounts; my total is now \$68,906; the school's is \$70,532.

-The enrichment fund is what we have in our bank account; the restricted fund is what is transferred to our deposit and loan account at the diocese to get more interest. They are the same type of funds.

-Enrichment funds are a combination of nonoperating, restricted and nonrestricted monies.

-It seems a better explanation when naming the account would be helpful, perhaps it would cut down on the confusion over these funds that we have experienced over the last two years.

-We are trying to determine if there are any monies available to use in case it is needed in this fiscal year to cover increases in church and school staff salaries.

-There is \$27,000 from the Tomko fund which is part of the \$68,906. This could possibly be used in an emergency situation.

-**S. Wyse:** I will sit down with Margaret to determine what can be used for operating.

-The Sponsor-A-Student donations are restricted for tuition assistance only and are rolled over at the end of the year.

Revenue Enhancement:

RaiseRight/SCRIP: R. Peacock reached out to M. Karpus and Krysta Russel who organizes Raise Right/SCRIP for the school, met with K. Russell and developed a plan to sell gift cards after Masses at St. Charles; have four volunteers now but need more, T. Cripps volunteered; T. Cripps asked for order forms for his place of employment, S. Wyse asked for order forms for family members' places of employment; **R. Peacock will** provide forms and instructions, call RaiseRight to determine ways we can distribute the school's code to new users, develop training tools for gift card sellers and users, and bulletin announcements.

-**Matching Funds:** J. Latva: Greenville Tool and Die is not participating in matching funds at this point in time.

Change meeting time to evening:

-Discussion: Current membership can meet during the day on a quarterly basis, will revisit if having difficult retaining membership at six.

Ongoing bulletin revenue stream topics:

-Discussion: Does not really need a formal leader; leads for each revenue stream can write a paragraph, share via email with the group, and send to Jennifer; **R. Peacock will provide RaiseRight information in November, T. Cripps will provide matching funds information in December, L. Kassuba will provide school information in January;** quarterly "Do You Know" updates will be written by chair/secretary after each quarterly meeting.

Campaign for Human Development/Faith in Action:

L. Kassuba: Spoke with Annalise from the diocese regarding any support from the diocese or the Campaign for Human Development to the Faith in Action group.

-The Catholic Services Appeal (CSA) does not give any money to the Campaign for Human Development.

-The Campaign for Human Development does not give money to the National Faith in Action group that oversees local Faith in Action affiliates. They have given to local affiliates in the past. The Diocese of Grand Rapids does not have an affiliate. This was to be vetted by the local diocese and bishop.

-J. Latva brought this topic up in our last meeting. What I found out from Annalise is that it came from Life Site news, a conservative type internet site. The person/organization that wrote the article is the Panto Institute. She shared that their articles are not always fact checked.

- Annalise stated that when Roe v Wade was overturned the National Faith in Action group came out and said how harmful this was that this happened.
- The US Conference of Catholic Bishops is following up on this.
- The Campaign for Human Development has suspended all funding to Faith in Action groups.

E. Financial Update (S. Wyse)

-FY22/23 budget; 1st quarter summary

Questions:

L. Kassuba: What is the difference in offertory budgeted for this fiscal year compared to last fiscal year?

- The most recent bulletin indicates we are down 21% in Sunday collections.
- S. Wyse: The budgeted offertory for this year is \$186,864 more than the actual offertory for the last fiscal year.
- The presentation given by T. Cripps at the end of Sunday Masses explained that we were short and that if each giving household would increase by \$5 to \$6 that we could meet budget; not sure that they really understand what position we're in.
- Stewardship Appeal didn't start until the end of the first quarter.

Discussion regarding what is the real problem:

- Perhaps those that give are actually stepping up and giving more.
- Look at Mass attendance and you can see that fewer and fewer people are going. Why is that? We need to find out. Other churches in Michigan are flourishing.
- Teachers that work here go to different parishes, why is that.
- People that have left need to be contacted. We need to try to find out what the truth is.
- We may think we know but until we are open to hearing from others we will never know how to move forward. You can't solve a problem until you know what it is.

-This issue should be taken up by the Pastoral Council.

T. Cripps: Is the Lehman Fund a restricted fund? S. Wyse: It can be used for anything.

T. Cripps: Have you ever considered putting money in our accounts into CD's? S.

Wyse: The diocese restricts that by only allowing us to keep two months' worth in our accounts.

T. Cripps: The church checking account has \$82,000 more in it than last year, why?

S. Wyse: Huntington charges a fee for every check over 20 that is deposited into our savings account. I have started to put the offertory checks into the checking account and am thinking about putting transferring it down to the diocese.

L. Kassuba: Has any of the EANS or Preschool Stabilization money been transferred to the diocese. S. Wyse: no.

R. Peacock: Are we on track to spend the federal grant money? Can any part of your administrative costs be covered by it? S. Wyse: M. Karpus has been talking with other principals and teachers to make sure that she is maximizing the use of it. It is being used for teacher, counseling, and maintenance expenses. **I will ask M. Karpus about that.**

R. Peacock: I'm having a hard time understanding why the bulletin states that we have a 20% deficit in offertory collection, but the statement of activities indicates we have a 5.3% deficit. Why is this?

Discussion:

-The bulletin is tracking the offertory amount collected compared to what we should have for the number of weeks at a certain point in the fiscal year. This is determined by taking total offertory of \$494,500/52 weeks to get an amount that should be received weekly which is \$9,509.62. This indicates the deficit that we will have at the end of the fiscal year if giving stays the same. Close to 21%.

-The statement of activities for the quarter shows the year-to-date offertory collected as a % of the amount budgeted for the year. This shows what we are down for this quarter only, 5.3%. 5.3% times 4 quarters = 21.2%

F. Revenue Enhancement

-School Tuition/Enrollment: L. Kassuba, see Old Business above: Ongoing bulletin revenue stream topics.

-Grant Writing: S. Smith, no report

-Raise Right: R. Peacock, see Old Business above and Ongoing bulletin revenue stream topics.

-Matching Funds: T. Cripps, see Old Business above: Ongoing bulletin revenue stream topics.

-Offertory/Donations: R. Peacock working on Stewardship Appeal 2022

-Catholic Foundation of West Michigan: On hold FY22/23

G. Human Resources (Fr. Wyse)

-No report

H. Building and Grounds Committee

-No report

I. Father's Comments

-On retreat

J. Council Member Comments

-None

K. Parishioner Comments

-None

L. Next Meeting

-January 24, 2023, at 12:30pm, Conference Room 2; FY22/23 2nd quarter summary

-February 28, 2023, at 12:30pm, Conference Room 2; work group if needed

-March 28, 2023, at 12:30pm, Conference Room 2; work group if needed

-April 25, 2023, at 12:30pm, Conference Room 2; FY22/23 3rd quarter summary

Meeting adjourned at 2:40pm.

Respectfully Submitted by Roberta Peacock, St. Charles Finance Council Secretary