

St. Paul Admin Council Minutes

February 16, 2016

Present:

Jonathan Edmonds
Judy Lowery
Phil Appleton
Kathy Beutler
Fr. William
Fr. Basil
Annie Schaefer
Jonathan Haynes, CPA (During initial accountant visit)
Gene Pfeifer (During conversation about financing concerns)

Accountant Visit

Our new account, Jonathan Haynes, was present at the beginning of the meeting, to get some ideas on what kinds of reports and information the council believes we should be getting on a monthly basis, as well as to discuss some overall accounting principles and best practices.

He began by going over some high-level accounting principles, and the various accounts. We all agreed we had a good handle on the high-level items, but that we needed to drill into more details with some of the reports, breaking down into various sub-accounts etc... He asked Annie if there were sub-accounts already created for some of the high-level accounts, but Annie wasn't sure.

He suggested that the budget performance is a good report for getting overall status. Phil mentioned that if we could get the reports via email before the meetings that it would be better, and Jonathan Haynes agreed fully.

He asked the council members what additional information they would like to see:

- Kathy mentioned that she wanted to be able to see the Narthex monies in and out clearly.
- Jonathan Edmonds mentioned that the current reports bundle the narthex funds with the normal operating funds, which makes it difficult to really see a clear picture of either one. Separating them would be preferred.
- Kathy suggested that sometimes it would be nice to see a register report. However, Phil and Jonathan Haynes said that if we get the reports ahead of time via email, that we could just ask for confirmation of anything that seemed odd before the meeting, and this would eliminate the need for a full general register report. All seemed to agree that this made sense.
- Jonathan Haynes realized that we did not have our Narthex monies in a separate account, and suggested that was bad accounting practice. Makes it hard to know how much is in one account. Kathy (and other council members) all think we should create a separate account. But Fr. William noted that we have already transferred some of it into a Trust fund at the Archdiocese.
- Phil asked about having QuickBooks pull down transactions electronically. Jonathan Haynes said that QuickBooks 2012, which the parish is using now, had some issues, but that the latest versions were better.
- Jonathan E. asked about the religious education dedicated funds, and how we can tell how much money is left in an account. Jonathan Haynes said that if not in separate accounts, we could use departments in the balance sheet, but we would carefully have to class every transaction to the correct department. May be simpler to manage with separate accounts also... Fr. Basil wanted to know how to manage a case where a dedicated fund like this ran out. In that case, we would pull money from another account instead, but we would have to split a transaction.

- Jonathan Edmonds suggested that we should invest in QuickBooks 2016 as a way to mitigate any issues with downloading transactions. All agreed that made sense.

In addition to this discussion, we discussed whether or not we have enabled on-line banking with our bank (Columbia Bank). Fr. William stated he had not yet followed-up with this action item, and would do so soon.

Jonathan Haynes left the meeting at this point.

Action Items

- Jonathan Haynes will work with Annie to structurally setup our accounts so that we can track the information requested at the meeting and generate reports to send out via email ahead of meetings.
- Jonathan Haynes will work with Annie to update to QuickBooks 2016.
- Fr. William will investigate what it would take to pull Narthex money back out of the archdiocese trust fund or to possibly create a 2nd archdiocese trust fund to track it separately.
- Fr. William to investigate getting on-line banking enabled through Columbia bank so that we can have access to bank statements well before our Council meetings each month.

Furnace Update

Pat asked if we could confirm that all of the approximately \$35K to pay for the furnace upgrades was covered under our unrestricted building fund money. This is difficult to determine given our current bookkeeping methods, but we all believe that we had sufficient funds that were not already dedicated to the narthex project. In short, no money that was already dedicated to the Narthex project was used to fund the furnace upgrade.

Pat also provided the following update:

I had a walk through with Randy Melton on furnace install. They still need to install commercial heat vent covers. 10 are in and 10 more coming. Randy gave us 5 ton A/C units over the 4 that bid showed. He did not charge us and their value was about \$2,000. This will make the cooling of church 20% better. This spring they will fire up A/C units. Their work looks neat and clean and all seems to be working as planned. We paid 1/2 up front and we have approved the final payment. I asked them to deliver 20 filters for regular change out and they will at cost.

There still is clean-up work to be done such as baseboards, carpet repair, sealing floor holes, door to crawl space from basement, install barrier in handicap area to keep cars from hitting A/C units, and getting someone to install vapor barrier on ground in crawl space. When I am back I will get firm and bids to evaluate insulation church.

All are pleased with the new furnace thus far!

Wifi Discussion

Phil brought up the topic of broadcasting our wifi from the parish center over to the school building. We had discussed this during a couple of meetings. He feels that for \$150 - \$200 we could probably set something up, and as it would save us \$60/month it would pay for itself in just a few short months.

We briefly discussed bandwidth concerns, but since the two buildings are largely used at separate times, all felt it was worth trying.

Action Items

- Phil will buy a system, and work with Pat to set it up. He will just present any receipts to Annie for reimbursement. We will review results at an upcoming meeting.

Courtyard Improvements

Phil brought up something he, Dan Gasper, and Pat Fogarty had discussed a few times. It's the idea of revamping the courtyard area around the parish center for broader use. The idea was to knock down the wall to maybe hip height, putting a fresh new cap on it, and then allowing that area to become a garden/sitting area that could be used by the parish and various activities during the summer months.

This would be a small project that the parishioners could directly contribute to with their skills and labor. It is also something we could begin looking into design ideas now, even if we didn't start the project yet necessarily.

Action Items

- Phil will speak with Dan and Pat, and Fr. William will seek out parishioners who have the appropriate skills to help us come up with design ideas.

Gene Pfeifer – conversation about financing concerns for Narthex

Gene spoke with the council regarding concerns about over-leveraging the parish. He specifically was worried that we would be borrowing up to 70% of the cost of the project, and felt we could/should borrow less. He also suggested he thought we could greatly reduce the project cost by changing the scope of it. He felt we could leave the choir loft and cry room alone, and skip the sewer line updates and delay the fire suppression 5 years. We could also hold off on the new steeple. He presented some drawings.

Fr. William interjected at this point, and said that he would support Gene making suggestions to the architect for ideas to reduce cost, but they had to be based on the drawings we already have, and that we are not going to revisit the overall plan since so many have already contributed to the project based on those plans.

Fr. William also assured Gene we would not be taking out \$700K for a loan, it would be much less. Jonathan Edmonds pointed out that we have always planned to have at least 50% cash in hand before proceeding with any project.

Gene stated his worries that we wouldn't be able to be successful even with 50% cash in hand because he believes a recession is coming and people won't make good on their pledged money. At this point, the council made clear that we would not be discussing major changes to the scope of the narthex project. We thanked Gene for his input and moved on to the next topic.

Gene left the meeting at this point.

Narthex Project Fundraising Update

Fr. Basil presented his latest information, and currently, not counting the Auction results, we stand at

- 625K in pledged dollars
- 303K in actual received dollars from pledged amounts

The overall number of donors is at 166 families, which represents 30-35% of our parish. This is a good overall amount.

Fr. Basil left a message with the Wiegand Foundation in Nevada in hopes they might be able to make a donation. Chances may be slim, but it is worth a try.

Current thrust is to make calls to remaining potential donors. Responses have been limited, but there are several more to follow-up with. Some folks have made smaller one-time gifts, but we aren't sure if they intended them to be monthly. We will also follow up with them, since it would change our pledge amount.

We once again discussed the fact that we cannot really determine the exact state of our Narthex finances. Jonathan Edmonds says we need to audit this and come up with clean accurate numbers and setup a new account to track it. Kathy agrees as does the rest of the council.

Victor Nava (Pastoral Council Member) distributed pledge cards within the Hispanic community, and was able to get 10-15K in pledges. He plans to continue this push, and will speak at an upcoming mass. We are all very thankful for his help!

Fr. William thinks we are getting very close to talking about loans. We need to figure out how much to borrow, and how to get the bid process going, or even if we want to. Some folks believe Mike Grant is a perfect choice. Others feel bids should still be gathered.

Jonathan suggests that we must first get our books in order. Phil thinks if we just get together on a Saturday morning, several of us can audit the books and come up with clean numbers.

We talked about the fact that we will need to keep back some of the cash to cover payments while pledge dollars roll in. Some people may make annual contributions, but we likely will need to make monthly payments on a loan.

Phil spoke about the fact that we should be able to use the auction/dinner money as part of our pledge. Some agreed, some were concerned... Fr. Basil brought up the fine point that perhaps we could use that as our extra 10%, since 3 years of crab feed is approximately 75-90K, which is approximately 10% of the overall pledged amount.

Action Items

- Building Committee will begin investigating bid options, asking the architect for possible contractors.
- Fr. William will begin investigating loan terms from various lenders so we have real information to utilize when it comes time to make any decisions.
- Jonathan will follow-up with folks to see how we can audit the Narthex funds. Minimal goal is to at least have it accounted for in a spreadsheet if not in Quickbooks.

Soundproofing wall for Fr. Basil's office

Fr. Basil's office shares a thin wall with the adoration chapel and he often has need to have private conversations or perhaps even performing reconciliation in his office, and we need to ensure that this can be done privately. Council voted to approve the approximately \$600 in costs necessary to add sound barriers.