

OUR LADY OF GUADALUPE CHURCH

PARISH FINANCE COUNCIL (Abbreviated)

Meeting Minutes: January 23, 2018

I. OPENING PRAYER

Monsignor shared a reading with Parish Finance Council (PFC).

II. ROLL CALL

Attendees: Dick Clark, Monsignor Gentili, Michele Savage, Ed Zapisek, Bill Gruccio, Greg McGovern, John Graham, Peter Hawley, Judy Wicklum, Paul Crovo, Rose Lee, Father Ianelli, Deacon Brady

Excused: Philip Junker, Ellen Roehm, Tim Coniff,

III. BUSINESS MANAGER UPDATES

A. Profit and Loss Comparison vs. Prior Year

Income: Collections are up 4.6 percent over last year and average just under \$26K. Although this is an increase, the parish had budgeted an 8 percent increase. Also, the Christmas collection was 4% lower than last year. PREP income is almost 60 percent higher than last year. This is approximately 50 to 60 more children, which is a 12 percent increase. Overall, Operating Income was 9% higher than last year.

Expenses: Expenditures for facilities and maintenance upkeep have increased by 136% YTD. Although some of this was planned, it was double the budget for the first half of the fiscal year. The PFC understood the need for additional expenditures, although it is expected to slow down in the second half of the fiscal year.

Please refer to the attached Profit and Loss statement for more specific details.

B. 5 Year Projections

Ed discussed his projections of Profit & Loss and Cash Flow with 3 different scenarios of growth in Sunday Collections. The first scenario, with a projection with 4% increases, showed a continued decrease in cash reserves which ultimately leads to insolvency in the 2021-2022 fiscal year. The second scenario showed that an increase of 6 ½ % would bump up the average weekly collection to \$32,000 by the 2020-2021 fiscal year and halt the decrease of cash reserves, since the Excess Operating Income would cover the loan

repayment of the principal of \$435,000/year. Note this assumes that the interest rate on the loan ONLY increases to 2 ¼% from 2% (guaranteed through June 30, 2019).

The third scenario projects the effect of an Increased Offertory program for the spring of 2019. The expected bump up of 20% would increase the average weekly collection to \$32,000 and immediately stop of decrease of cash reserves. Following the almost endless capital campaigns since the parish was established, the PFC hope was that this could be avoided if we hit the 6 ½% increases. After much discussion, the PFC concluded that this urgent need of 6 ½% increases need to be conveyed in the upcoming Semi-Annual Financial update, scheduled for the weekend of February 10th and 11th.

IV. NEXT MEETING
April 16, 2018