



## ST. MICHAEL FINANCE COMMITTEE

April 20<sup>th</sup>, 2011

### Minutes

Present: Mike Laughery, Peg Sibbet, Jim Resop, Patrick Fox, Eric Lewis, Jim Enneking, Jon Meyer, Paul Curti, Gene Wenner, Petro Tsarehradsky, Lauren Peters

Absent: Vickie Pierson

- I. Opening prayer
- II. March, 2011 Finance Committee meeting minutes-approved
- III. Changes/additions to the agenda
- IV. Summary review of current financials – Mike Laughery
  - Current month review
    - Operations running flat from past month
    - School budget gap/disconnect
      - > potential resolution seems to be an accounting issue or a budgeting issue; collection as an issue is less probable
      - > Mike's calculations show 1,625M and budget of 1,657M with a gap of (31K); delinquent families is an estimate that could further increase the loss; Mike's best prediction is a school loss between 30 and 50K
      - > Peg's calculation states a gap of 400bps based on average tuition and actual collection
    - Action: item assigned to Grace/Sandy to reconcile FACTS and LOGOS validating entries; including how tuition assistance is accounted for; possible duplication with several cash payments
    - Balance sheet raised a question whether to ask for a land/property appraisal given the value is historical
    - Cash balance forecast by June 30 estimated 23K; net cash impacted by holding assessment until the following fiscal year
  - 3-5 year trends—Mike
    - summary of key assumptions reviewed
      - > the spread between revenues and expenses continues to increase each year
      - > school assumptions show spread between expenses and tuition; modeling based on historical grade trends shows a decline in enrollment
- V. Budget 2011-2012 – Mike
  - Proposed budget presentation—Mike
    - Projected income at 84K; taken as well as the projected reserve
      - > school budget at 345K is unbalanced by approximately 9K
    - Compensation and raises between various roles/functions remains an issue as to how fair compensation should be created and on what model should it be based on; recommendation is to create a sub-committee to address a compensation model for staff
    - Proposals to be considered next month
      - > roll any losses within the current budget year into the following budget year; identify the sources of the loss and cover a) 50% payment from general reserve fund and 50% from the

source of the loss; or b) 100% payment from the general reserve fund; to be enforced the 2012-13 fiscal year

- Consensus on an approved budget
  - Proposal to the 2011-12 budget as presented with 84K operating reserve was passed
- Building Maintenance/Improvement Fund
  - gifts raised \$300 during first effort

VI. Finance Committee Discernment—Jon  
- two positions open and both Jon and Peg asked to be considered  
- efforts to recruit will take more energy post Easter

VII. Collaboration meeting summary  
- continued efforts/in-process

VIII. Liaison Updates

IX. Closing prayer