

OUR LADY OF GUADALUPE CHURCH
PARISH FINANCE COUNCIL MINUTES

August 25, 2020 - Via Zoom

I. ROLL CALL

Attendees: Monsignor Gentili, Father Ianelli, Dick Clark, Tom Rakszawski, Ed Zapisek, Greg McGovern, Ellen Roehm, Barbara Kieffer, Michele Savage, William Conway, Joel Zazyczny, Tim Conniff, Raymond Kalouche, Peter Hawley, Phil Junker, Deacon Brady, Laura Campbell

Recording Secretary: Teresa Fischer

Excused: Paul Crovo

II. OPENING PRAYER

The council members prayed for all those affected by the pandemic especially for those who need healing and recovery and for those that have died. Monsignor led the group in an Our Father.

III. APPROVAL OF MINUTES FROM PREVIOUS (April 23, 2020) FINANCE COUNCIL MEETING

Dick Clark asked for a motion to approve the April 23, 2020 minutes. Phil Junker motioned and Joel Zazyczny seconded the motion. The members of the committee unanimously approved the minutes. Teresa will post on website.

IV. PASTOR'S UPDATE

Monsignor had four points to communicate. He emphasized the importance of keeping accurate minutes. In the recent audit of the parish, the staff was asked to produce the minutes from parish council meetings which they were able to do. Secondly, Monsignor wanted to acknowledge the generosity of our parishioners and the strength of our weekly collection. Thirdly, the parish continues to work towards the closure of the parish construction with Buckingham Township. We anticipate closing the project in February 2021, which will also be the release of the \$500K bond which the parish currently pays approximately \$12K a year in insurance. Finally, we were informed that the Stewardship Campaign Appeal will not be assessed by the AOP (12 1/4 percent). The AOP will review with us again next year. The parish Legacy Campaign has been officially approved and we will not be assessed.

V. BUSINESS MANAGER UPDATE

A. Audit and Review

Tom Rakszawski received the final report for the audit yesterday. The findings from the auditor were minor housekeeping items and have been resolved. No financial irregularities were found. The second part of the

engagement was a review for Penn Community Bank (PCB), as required by the terms of our mortgage loans. OLG has not yet received the report for this part of the engagement.

B. Financial Statements

The parish paid \$430K in loan interest from two mortgages with PCB and a loan from AOP. This will decrease next year largely due to the rate resets that were negotiated on both mortgages. A new amortization schedule was received.

Tom has prepared the information for the Payroll Protection Plan (PPP) loan forgiveness. PCB is working on the forgiveness portal. OLG could apply the entire \$98K PPP loan towards payroll.

Parish Finance Council (PFC) members had questions regarding where the PPP loan was displayed on the FY20 report and the budget for next year. Tom will investigate and respond to the council.

C. Budget for FY21

The AOP had several accounting adjustments for 2019 which delayed closing out the books. The new budget is partially dependent on the previous year. Tom will send a schedule to the PFC so they can view increases/decreases between years.

D. Assessments (Legacy and Stewardship)

Monsignor covered this already.

E. Facilities Associate Position

Monsignor and Tom would like to hire a new Facilities Associate to join the parish staff. Joe Balaza, Parish Facilities Supervisor, is interested in continuing to work at OLG but is no longer able to complete the physical work. We anticipate the possibility of it being a part time position with a minimum of 20 hours each week. A hiring subcommittee will include Monsignor, Tom, Joe, Ed Zapisek and Ellen Roehm.

VI PARISH COMMITTEES & PROGRAMS UPDATES

A. Fiscal Responsibility Subcommittee

Dick Clark suggested forming a new subcommittee to discuss how to handle the parish cash reserves. Currently, the parish \$1 million reserve is receiving little interest. Ed, Tom, Greg McGovern, Dick, Will Conway and Tim Conniff will be part of this subcommittee. If anyone else is interested in serving on the subcommittee, please contact Dick.

Monsignor added that the messaging to our parishioners is working. He is grateful to the committee for their dedication.

Annual Fiscal Report

The Annual Fiscal Report will be presented to the parish at all Masses the weekend of October 3 and 4. PFC members volunteered to present at Mass.

Collection update

The weekly collection is up over last year. This is a combination of consistent collections some weeks and sometimes receiving large donations from individual parishioners. The PFC discussed sustainability with the weekly collection as some of the larger donations OLG has recently received have been a response to the pandemic.

Legacy Campaign

The Legacy Campaign committee has a subcommittee meeting on Thursday. We have about \$380K in cash – about \$800K in pledges. We need about \$50K in cash in each month for the balloon payment. The committee has been brainstorming various ideas for small fundraising dinners. They would like to move ahead this fall as there is concern over increased social distancing and closures as we approach the winter months.

Stewardship Campaign Appeal

Parishioners contributed \$185K to the Stewardship Campaign Appeal. Monsignor was very pleased with this excellent response to our annual appeal.

B. Pastoral Council

The Parish Pastoral Council (PPC) continues to implement the parish strategic plan and will be discussing this at their next meeting. It is important to know that we have accomplished most of the items on the plan and are looking to expand our outreach.

C. Evangelization Outreach Subcommittee

The Evangelization is planning to meet again in September. Members are researching a course on evangelization (“how to be an evangelizer”). The committee is also looking into a fall preaching series and how to continue to utilize our technology.

VII. QUESTIONS/CONCERNS/NEW BUSINESS

Phil suggested that the upcoming Annual Fiscal Report be given from the cantor lectern instead of the pulpit. The council agreed with this suggestion.

The PFC members were asked to view a recent webinar from the Catholic Foundation of Greater Philadelphia. At this time many parish collections are down 20 to 40 percent. Only 10 percent of parishes have weekly collections that are doing as well (or better) than before the pandemic. OLG is one of these parishes. This is not the time to organize an offertory campaign, OLG is reaching its goals via its soft asks and biannual updates.

VIII. NEXT MEETING

PFC Meeting, November 17, 2020
Joint PFC/PPC Meeting, December 9, 2020

IX. CLOSING PRAYER

Monsignor asked the Blessed Mother to look over everyone on the PFC. The council prayed the Hail Mary.

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PARISH FINANCE COUNCIL MINUTES

**ADDENDUM to August 25, 2020 Meeting
September 29, 2020 - Via Zoom**

I. ROLL CALL

Attendees: Monsignor Gentili, Dick Clark, Tom Rakszawski, Ed Zapisek, Greg McGovern, Ellen Roehm, Barbara Kieffer, Michele Savage, William Conway, Joel Zazyczny, Tim Conniff, Raymond Kalouche, Peter Hawley, Phil Junker, Deacon Brady, Laura Campbell, Paul Crovo

Recording Secretary: Teresa Fischer

Excused: Father Ianelli

II. OPENING PRAYER

Monsignor prayed for the Lord to look over, guide and watch all of us. The council members prayed an Our Father for their family and loved ones.

III. FY20 FINANCIAL DOCUMENTS

At the recent Parish Finance Council (PFC) meeting in August, council members raised a few questions regarding the parish financial reports. Tom Rakszawski made some clarifications to the financial reports while following the recommendations of the Archdiocese of Philadelphia (AOP). The PFC will review the revised documents and sign off on the financial statements for FY20.

The beginning cash balance was \$608,249. The ending balance is \$1,101,138, which agrees to the total cash in bank as of June 30, 2020. The Payroll Protection Plan (PPP)

loan of \$98,090 is now reflected in the report under Additions to Cash Balance and Parish Debt Summary, as per instructions from the AOP. The Parish Debt Summary of \$8,975,451 reflects our two mortgages, the AOP loan, and the PPP loan, which is outstanding at this point.

The 5 Year Cash Flow Projection was revised to include the revised FY19 and the actual amounts for FY20. The Ending Cash from one year carries over to the Beginning Cash of the next year. Cash set aside for the Balloon Payment each year and the Cumulative Lock Box Total has been added for each year going forward. The goal is to maintain approximately \$600K in cash reserves to cover about four months of expenses.

PFC discussed the Balloon Payment, which is due in 2024. The payment is approximately \$1.4 million to PCB and \$1 million to the AOP. Dick Clark emphasized the importance of the Legacy Campaign and paying down the Balloon Payment.

Joel Zazyczny suggested the parish look at overall costs and how COVID affected the church, which would help OLG budget more accurately. Monsignor explained that most of the incurred costs had to do with items such as increased cleaning supplies, masks and cleaning services, and investment into our technology. The increased technology expense was already part of the Parish Strategic Plan. The pandemic moved up our strategic plan.

The attestation form will be available in the parish office. The AOP policy is that PFC members sign off on the financial statements, but there is no liability for PFC members. When they sign, they are acknowledging that the numbers have been revealed to them and made known to the parish.

IV. ADDITIONAL ITEMS

The parish has received an estimate for HVAC repairs in the church (pipe work in the basement) for approximately \$98K. This repair is needed due to inappropriate materials being utilized for the wrapping of the pipes, poor workmanship and inefficient prior maintenance, in addition to the usual wear and tear. This work needs to be done this fiscal year.

In addition, the lighting in the church needs to be replaced which is also a six-figure expense. This is needed due to a combination of the inferior quality of the lights that were installed in the church and the need to switch to LED lighting. The parish has been preparing for this expense by increasing the parish maintenance budget – It is interesting to note, in just over two years after the replacement of lights, more than half of those spotlights in the church and chapel are not working.

Monsignor does not anticipate any other large ticket maintenance projects/repairs after these two projects are completed. There is no legal action to take as the company that built the church is out of business and all warranties are expired. The parish has service agreements with various companies and will continue to investigate preventative maintenance contracts. Ray Kalouche also suggested investigating insurance for the HVAC at the church. He has used American Home Shields for HVAC insurance for his home.

UPDATE ON THE PARISH FACILITIES ASSOCIATE POSITION - Due to the fact there have been no applicants to date, the council discussed utilizing a maintenance company (First Properties) to handle the parish maintenance instead of hiring a new Facilities Associate. This would be a full-time position but comes highly recommended by local pastors.

V. CLOSING PRAYER

Monsignor asked council members to gather all of their prayers and intentions and conclude with a Hail Mary.