

Church of St. Michael
Finance Council Minutes
March 17, 2009
7 PM: Meeting in the Gathering Space

Present: Mark Wood, Fr. Dennis, Charlie Weber, Tracy Crisp, Randy Silva, John Frank, Jeri Jolley
Absent: David Johnson, Shawn Delaney

1. Opening Prayer: Fr. Dennis
2. Welcomed new member Tracy.
3. Election of Finance Council Secretary: Julie May
4. November 2008 minutes approved as submitted. (motion by Weber/second by May)
5. Reviewed February P&L. We are currently staying within budget. On plan for total income. Expenses are lagging plan. Positive cash flow. Telecom is over plan. Utilities well over plan. Electric bills have been 13-15% over plan. Looking at outside cells to reset timers. Contribution levels are consistent. Cash flow forecast shows nothing unusual. Approval of November, December, January and February financials (motion by Weber/second by Sliva)
6. Report by Jeri Jolley concerning the refinance of the church mortgage. Current balance is \$2.3MM. Current rate at 5.875%. There were a total of 6 lenders who competed for the business. Castle Rock Bank was chosen by the Trustees. Archdiocese originally told us that they would guarantee the note. Now they feel they are overextended and are requiring us to obtain financing without the guarantee. Castle Rock Bank is reconsidering terms. They will now likely need a mortgage recorded (and appraisal) on the property. The church will have to pay current lender (Premier Bank) a prorated prepay penalty. Due to an increasing number of parishes who are struggling with making assessment and insurance payments, the Archdiocese just cannot continue to provide loan guarantees. It is estimated our prepay penalty will be \$14k. The current Uniting in-Faith campaign has one more year. We will have to discuss what to do with the campaign at that point. The new loan will have a 25 year amortizing payment schedule (payments will be under \$15k). We will continue to pay down principal whenever possible to reduce the prepay penalty (as this will be based on the loan amount). The new loan will give us the ability to reamortize one time in the 5 year term (which will not incur a fee or raise the rate).
7. Budget discussion: Our assessment for '09-'10 will be \$59,427. We have a lot of new accounts added with the new accounting system and they are not all cleaned up yet. We will meet with the Pastoral Council soon and will look at the overall budget structure for some input. By the end of May we need to finalize the budget and will vote on it in June.
8. Other business: Mark is looking for ideas for a finance article to be put into the next issue of the Messenger.
9. Meeting adjourned at 8:30 pm. (motion by Weber/second by Crisp)