

# St. Odilia Finance Council Meeting Minutes

## MINUTES

### Council: Finance

<b>Meeting Date: April 1, 2020</b>		<b>Start Time: 5:00 pm</b>	
<b>Meeting Participants:</b> (P = Present via phone)	Present	Present	<b>Guests:</b>
Jean Nickman – Chair	X	Ken Bezdicek	X Pam Rogers – Staff Liaison
Denny Quinn		Francisco de Meireles	X Greg Gerlach
Maureen Rehffuss	X	Doug Gwost	X Jeanne Schaaf
Tim Sommers		Gary Nussbaum	X Mary Nussbaum
Bryan Young	X	Janet Bohman	X Father Rask
			X Brian Ragatz
<b>Action:</b>			<b>Owner</b>
<b>Purpose of the Meeting</b> This special virtual meeting via a Zoom platform was called to discuss the impact on St. Odilia financial position, caused by statewide measures invoked for the mitigation of the spread of Covid-19 virus. Models are changing constantly and hence our discussions reflect best current estimates of financial information.			Jeanne/Jean
<b>Discussion of Current Situation and Key Dates</b>  The MN Stay at Home for the period 3/27/20 to 4/10/20 resulted in the following actions: <ul style="list-style-type: none"> <li>• No public Mass but available via livestream</li> <li>• No pre-school and KW</li> <li>• K-8 School begins distance learning</li> </ul> If the MN Stay at Home Order is extended beyond April 10: : <ul style="list-style-type: none"> <li>• No public Mass but available livestream</li> <li>• No pre-school and KW for the remainder of the school year</li> <li>• K-8 School continues distance learning</li> </ul> If social distancing mandate ends 4/30/20: <ul style="list-style-type: none"> <li>• 5/3/20 - Public masses resume</li> <li>• 5/5/20 – On-site classes resume</li> </ul>			Jeanne
<b>Cash Flow Projections</b>  Reviewed two cash flow projections: Scenario 1 – Cash Flow Projection with no Furloughs: <ul style="list-style-type: none"> <li>• Assumes current staffing levels and reduction in PS tuition by 50% until 4/14/20 when onsite classes would resume.</li> <li>• No live Mass during April and decrease in contributions by approximately 50% for April. Church reopens in May and contributions slowly increase in May and June but still well behind budget.</li> </ul> Scenario 2 – Cash Flow Projection with Furloughs April 14-May 31: <ul style="list-style-type: none"> <li>• Assumes some decrease in staffing, part time and non-essential, for April and May and reduction in PS tuition by 50% for April when onsite classes would resume.</li> <li>• No live Mass during April and decrease in contributions by approximately 50% for April. Church reopens in May and contributions slowly increase in May and June but still well behind budget.</li> </ul> Initial estimates show savings of approximately \$30,000 with payroll adjustments, but these savings are reduced by potential unemployment compensation reimbursements to the state fund.  Discussion of Deeper Cuts: <ul style="list-style-type: none"> <li>• St. Odilia operates with a lean staff and with good expense controls. Therefore, there are no significant opportunities to cut operations staff and operating expenses.</li> </ul>			Jean/Jeanne

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<ul style="list-style-type: none"> <li>• Teacher salary accounts for a great part of the budget and teacher salaries are accrued and paid out over a 12 month period, so teacher salary expense for this school year will continue without adjustment through the 8/31/20 payroll.</li> <li>• Deferring principal payments on mortgage and bus loan are an option and are under discussion with our lenders.</li> <li>• Delay filling the staffing open positions</li> <li>• Discretionary spending will be reviewed and reduced where possible</li> </ul>	
<p><b>Finance Council Recommendations</b></p> <p>Review of cash flow projections with and without payroll adjustments, shows that St. Odilia Church is able to meet its financial obligations through August 2020 from available cash without the need to use additional reserve funds or borrow money. The projections are estimates based on what is known at the time and could change if the Stay at Home Order is extended and live Mass is not possible, if contributions continue to lag and if preschool is not able to reopen.</p> <p>The Finance Council recommends, based on financial projections:</p> <ul style="list-style-type: none"> <li>• Continue operations without furloughs.</li> <li>• Make interest only payments for building mortgage and bus loan if they can be negotiated</li> <li>• Defer hiring, with the exception of the principal position, until there is better visibility of the economic situation.</li> <li>• Delay or reduce discretionary spending where possible</li> </ul>	All
<p><b>Endowment Fund Grant Process</b></p> <p>Jeanne informed the council that the PLC Executive Committee recommended that the endowment fund distribution, which had been designated for ministry area grants, be redirected for operations.</p> <p>It was suggested that a special request be made to all parishioners for continued giving.</p>	All
<p><b>External Support</b></p> <ul style="list-style-type: none"> <li>• AIM Higher: May be a source of emergency funding for additional tuition scholarships.</li> <li>• CCF has established the Minnesota Catholic Relief Fund (MCRF): Grants from this fund are intended to support parish operations for parishes with the greatest financial need.</li> <li>• Economic Impact Task Force: Archdiocese needs data for decision making at archdiocese level. Impact of decisions of this task force to St. Odilia is unknown at this time.</li> <li>• CARES Act: Attorneys researching how it applies to non-profits and whether it is beneficial to us.</li> </ul>	Jeanne
<p><b>School Update</b></p> <ul style="list-style-type: none"> <li>• Distance learning has transformed the way kids learn and teachers deliver teaching materials</li> <li>• The St. Odilia staff had eight days to get distance learning established and did a great job</li> <li>• The additional cost of distance learning may be offset by typical daily activity cost in classrooms</li> <li>• Money from foundations may be available to offset costs if distance learning platforms are needed beyond the free trial period</li> <li>• School does not intend to refund or reduce K-8 tuition costs. The K-8 curriculum continues through a distance learning delivery system.</li> <li>• Pre-school tuition reduction options will be presented to families.</li> <li>• Long term effects on school enrollment may depend on how bad and how widespread is the economic downturn from Covid-19.</li> </ul>	Brian R
<p><b>Worship Plans</b></p> <p>Palm Sunday, April 5, 2020</p> <ul style="list-style-type: none"> <li>• Livestream video mass at 9:00 a.m. and 11:00 a.m. (Spanish)</li> <li>• Drive through distribution of blessed palms on Saturday, April 4, 2020 in the parking lot</li> </ul>	Fr. Rask

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<p>Holy Thursday and Holy Friday, April 9 &amp; 10, 2020</p> <ul style="list-style-type: none"><li>• Video Stream services at 7:30 p.m.</li></ul> <p>Easter Sunday, April 12, 2020</p> <ul style="list-style-type: none"><li>• Video Stream mass at 9:00 a.m. and 11:00 a.m. (Spanish)</li></ul>	
<p><b>Adjourn:</b></p> <p>There being no other business the meeting was adjourned.</p>	Jean