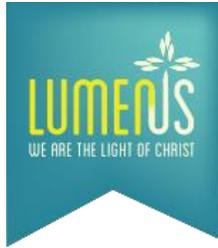


Parish Finances

“So if you have not been trustworthy in handling worldly wealth, then who will trust you with true riches?” Luke: 16:11



As of June 30, 2013, the church had reserves of \$1,627,000, of which \$1,219,000 is invested in the Catholic Community Foundation (CCF) fund. The school had reserves of \$331,000, primarily in cash, and an endowment of \$701,000, which is invested in the CCF fund.

For a few years, the parish operating budget, which included financial support of the school, had been operating at a deficit. Rental income from the St. Gregory site was used to cover the deficits. Rental income ceased in June 2012, and the parish began covering the operating deficits by drawing down on parish reserves. More recently, the parish reduced expenses, including its financial support of the school, to reach a zero-deficit budget. The reduction of financial support for the school has increased the financial need of the school.

Areas of Discovery

- The Pastoral Council, in consultation with the Finance Committee and Catholic Finance Corporation, intends to adhere to zero-deficit budgets. However, the future capital improvements to the LCCC and St. Gregory sites are estimated to cost around \$500,000. The Finance Committee is considering how to fund those improvements.
- The Pastoral Council, in consultation with the Finance Committee and in keeping with archdiocesan recommendations, has determined that the financial support of any parish program should not exceed 25% of Sunday giving, and has, therefore, reduced school support from \$564,400 in fiscal year 2011-12 and \$427,900 2012-13 to \$375,000 in 2013-14. All other parish programs are funded at 5% or less of Sunday giving.
- The Pastoral Council, in consultation with the Finance Committee, has adopted the archdiocesan guideline that rental income should not be used to fund operating costs, and has proposed that future income from the St. Gregory site be used to fund capital improvements or endowments.
- The Finance Committee has formed a sub-committee to look at creating an unrestricted endowment from existing reserves, and will recommend to the pastoral council an amount to be designated as an unrestricted endowment.

Conversation Starters

- Is the parish committed to funding the school at no more than 25% of Sunday giving and all other programs at no more than 5%?
- How will the parish and school, given their separate corporate structures, ensure the financial viability of the school in light of the reduction in parish support?
- Does the parish support using reserves and future rental income to only fund capital improvements or endowments?
- If an unrestricted endowment fund is formed, how will the endowment income be used for parish programs?
- How do we allocate resources to meet the needs of changing demographics and new or improved ministries?