

St. Jerome Finance Committee Minutes Meeting of September 20, 2011

In attendance: Jim Alvord, Father David Blanchfield, Karen Christensen, Bill Groener, Jerry Holdridge, John Kuczo, Dan Loch, Judd Mellott, Skip Vincent, and Dom Vento.

Fr. David began the meeting at 7:32 PM with a prayer for the parish and for the work of the committee.

August 2, 2011 Minutes

Minutes of the August 2 Finance Committee meeting were amended and approved. On September 22 the minutes were posted as hard copy on the Pastoral Council bulletin board in the church hallway and on September 24 on the parish web site.

Daycare Rental Income

The new lease with Busybodies Daycare continues to be reviewed by the diocese from whom the parish still is waiting to hear. The current lease runs to August 2013. Stephan Grozinger, a parishioner and our *pro bono* real estate lawyer, modeled the new lease on one approved by the diocese for Assumption Church in Westport. Key elements for the diocese involve the insurance clause and Safe Environments.

Increased Offertory Giving Appeal

The members present approved going ahead with a low-key, in-house increased Offertory giving appeal in October rather than waiting until Fall 2012 for a combined increased Offertory giving and capital building fund campaign as was planned after the June 1, 2011 fundraising presentation to the Finance Committee by Tom Sweeney of SGR Group Fund Raising. The parish had a \$34,000 deficit last fiscal year and was budgeted for a nearly \$4,000 deficit this fiscal year, despite a good number of cuts to salaries, charitable gifts, musicians, landscaping, altar flowers, etc. By Fall 2012 the parish would have experienced its second fiscal year deficit in a row.

It was suggested that parishioners be asked for a modest specific dollar amount increase rather than a percentage increase. At the September 12th Pastoral Council meeting when the possibility of an increased Offertory appeal in October was raised, council member Dick Maiberger pointed that we could be asking for no more than \$5.00 a week more in each family's Offertory giving.

October is the month the diocese asks for weekend Mass attendance counts to be made. Fr. David said that 1,100 persons was the count from October 2010. That translates to about 350 families. Dan presented a simple chart that showed that an annual \$35,000 shortfall translates into a small dollar amount in weekend Offertory giving per parish family. Even if you assume only 250 families attend

only 40 weekends a year, \$3.50 a week more from each family means \$35,000 in increased Offertory giving.

Annual Shortfall	Number of weeks	Shortfall per week	Number of families	Per family per week
\$27,000	40	\$675	300	\$2.25
\$30,000	40	\$750	300	\$2.50
\$35,000	40	\$875	300	\$2.92
\$27,000	40	\$675	250	\$2.70
\$30,000	40	\$750	250	\$3.00
\$35,000	40	\$875	250	\$3.50
\$27,000	40	\$675	200	\$3.38
\$30,000	40	\$750	200	\$3.75
\$35,000	40	\$875	200	\$4.38

The Finance Committee members present felt that asking for a modest weekly Offertory increase now would not preclude a major capital building fundraising campaign a year later, in the fall of 2012. The members were clear that the October appeal ask for a modest dollar amount in increased Offertory giving, enough for the parish to have a 2011-2012 fiscal year in the black and possibly enough to rescind the salary cuts and freezes in place for the new fiscal year. They agreed to ask for between \$1.00 and \$3.50 a week more from each parish family and to do that in two ways. First, the annual Pastor's Letter to all parishioners with the last fiscal year financial statement would request increased Offertory giving and second, selected members of the Finance Committee would speak at each of the weekend Masses on October 15-16 to ask for increased Offertory giving. The Finance Committee members who volunteered to speak that weekend are:

- 4:30 PM Saturday, Karen Christensen
- 8:00 AM Sunday, Fr. David
- 9:15 and 11:00 AM, Dan Loch
- 6:00 PM, Bill Groener

Pastor's Annual Letter to Parish with FY Financial Statement

Fr. David will e-mail a draft Pastor's Letter to Dan who will review it and add a simplified line-item last fiscal year (2010-2011) financial statement before forwarding the letter by e-mail to the Finance Committee for review. In his letter Fr. David will inform the parish of last fiscal year's \$34,000 deficit, highlight steps the new fiscal year budget is taking to cut expenses, ask for what has become the usual one-time annual contribution to the parish (which this year would be used to offset the prior fiscal year's deficit), and explain the October 15-16 appeal for increased Offertory giving. Dan also will add to the letter a simple

three-line chart showing how much \$1.00 to \$3.50 per family in increased Offertory giving would result in annual parish income. The Finance Committee members agreed that this chart use 250 families and 52 weeks, not 40 weeks.

Revised Proposed Budget for Fiscal Year 2011-2012

At the August 2 Finance Committee meeting Fr. David presented a proposed 2011-2012 fiscal year budget which he composed. It assumed nearly flat Offertory giving income (up 0.8% from 2010-2011 actual), froze lay salaries, cut clergy salaries, reduced expenses in charitable gifts, musicians, landscaping, altar flowers, and other categories, and resulted in net income of \$271.00. Fr. David explained that \$10,000 for two three-quarters' time youth ministers still needed to be added.

After the Finance Committee members suggested revisions on August 2, Fr. David surface mailed to the members an August 3 revised proposed 2011-2012 budget that incorporated the members' suggestions and added the \$10,000 for two three-quarters' time youth ministers. Dan revised this revision by rounding up the dollar amounts for a revised net income of minus \$3,900 (i.e., a deficit of \$3,900). Before the September 20 meeting he e-mailed to members a spreadsheet which showed actual 2010-2011 compared to the August 3 revised proposed 2011-2012 budget. That spreadsheet was used to determine a final 2011-2012 budget.

Because the members present had agreed to an increased Offertory giving appeal in October, Sunday Offertory was raised by \$20,000. Among the major expense changes were: Votives and Mass Stipend Income were revised downward by \$1,800 and \$1,000 respectively, FICA and Landscaping were raised \$1,000 each, Raffle Expense was raised by \$3,000. The resulting net income was \$8,050. The members present unanimously approved this 2011-2012 budget.

Other Business

NEXT YEAR'S PARISH RAFFLE

John Kuczo, retired chairperson of the parish raffle, and Karen Christensen, new chairperson of the parish raffle, presented plans for next year's annual parish raffle. The prizes would remain cash awards, same as this year when over \$9,500 more was raised for the parish than last year when an automobile was offered as first-prize. This year each raffle ticket was sold individually for \$50. Next year John and Karen propose mailing a booklet of ten \$10.00 raffle tickets first-class to all 1,200 households on record with St. Jerome's.

Although more expensive, the advantage of mailing first-class would be that non-deliverable mail is returned to the parish and addresses no longer valid could be removed from the parishioner mailing list.

Dan expressed concern that people would buy only two or three \$10 raffle tickets (and not all ten in the booklet) vs. buying one or two individual \$50 raffle tickets. After some discussion, it was suggested that the mailed booklet contain five \$20 raffle tickets.

The Finance Committee members present decided to table a decision on the raffle booklet format until the next Finance Committee meeting in early November.

SELLING CHRISTMAS WREATHS, A NEW FUNDRAISING IDEA

Karen advanced selling pine Christmas wreaths as a fundraiser for the parish. Scout Troops have raised considerable funds by doing so. Details of the plan include:

- An initial investment of approximately \$6,000 is needed for 500-600 already-made pine wreaths.
- Selling wreaths would start the weekend after Thanksgiving.
- Parishioners and TOTAL teens would be asked to take pre-orders.
- Two wreath ribbon making and applying sessions with parishioner volunteers would be scheduled.

The Finance Committee members present unanimously approved this fundraiser. Dan volunteered to make up a wreath pre-ordering form.

PARISH OIL TANKS

As was noted in previous Finance Committee minutes, Bob Olson arranged for Tyree (<http://www.tyreeorg.com/>), a licensed petroleum environmental services company managed by his firm, to perform an inspection of the two parish in-ground oil tanks. They were found to be intact, not leaking, and in stable condition. The inspection took place on June 21. Fr. David now has received a written report from Tyree that the two parish oil tanks passed all four tests Tyree conducted.

DIOCESAN REVIEW OF THE PARISH FINANCIAL PROCEDURES AUDIT

Diocesan representatives will meet with Fr. David, Jerry Holcomb, Dan Loch, and one St. Jerome trustee on Monday, October 1, at 1:00 PM in the rectory. The diocesan representatives will review with those present the findings of the third annual parish procedural financial audit which took place March 25 and 26 and will suggest any remedial courses of action.

NEXT FINANCE COMMITTEE MEETING

The next meeting of the Finance Committee will be Tuesday, November 8, at 7:30 PM in the rectory.

The meeting ended at 8:39 PM.

Submitted by:

Dan Loch, Finance Committee Secretary
September 24, 2011