

Financial Review for the Period 7/1/08 – 9/30/10

This report was prepared for Fr. Stan by the Finance Council. All information is based on data provided by the Building Committee and parish records.

Background:

In mid-2008, the parish had liquid assets of approximately \$600,000 and weekly income from 4 masses of \$4,600. The parish also had facilities suffering from:

- Roof leaks & roof damage;
- Code & insurance violations;
- Worn-out boilers;
- Insufficient energy conservation & outdated electrical systems;
- Considerable moisture and mold issues in the church basement.

The Parish Council decided to address these issues and a Building Committee was established to undergo repairs.

The primary source of attention and capital expense has been the replacement of the parish center roof, at a cost of \$280,000. Additionally, the parish center project was impacted by three “water damage” events during 2009. While a significant portion of the damages resulting from these events is being reimbursed by insurance, the parish will have to pay an extra \$67,000 which will not be reimbursable.

Other capital expenses during the past 27 months include:

Church: \$106,343
Rectory: \$30,132

The Building Committee also reports that additional improvements are necessary and have prioritized and requested additional funds of \$7,000 for high priority and \$138,300 for lower priority items.

A summary of the “water damage” projects (A), as well as a detailed list of the \$138,300 lower priority items (B) is attached to this review. Any specific questions regarding any of the above building projects should be addressed to the Building Committee.

In January, 2009, the Parish Council established a Finance Council to review and administer the finances of the parish, as well as advise the pastor on spending. Among their responsibilities, the council is to establish and report on the current financial status and projected revenue stream.

Current Financial Status as of 9/30/10:

Liquid Assets:	\$ 176,000
Projected proceeds from insurance outstanding	91,000
Outstanding payables for completed work	\$ <u>(70,000)</u>
Unencumbered balance	\$ <u>152,000</u>

Projected revenue Stream:

Since reducing masses from four to two each weekend, both attendance and regular weekly contributions have decreased by approximately 45% to \$2,550

Projected Annual Ordinary Income	\$ 193,600
Projected Routine Annual Expenses	<u>(210,000)</u>
Projected annual net loss	\$ <u>(16,400)</u>

Recommendations and Next Steps:

Following its formation in early 2009, after the majority of the capital projects had begun, the Finance Council recommended a moratorium on all non-emergency capital projects and a reduction in parish tithing to charities. While consideration has been given to emergency and high priority needs, the moratorium currently includes the current \$138,300 recommendation from the Building Committee.

The Finance Council is initially presenting the following items as a partial list of recommendations for reducing expenses and generating revenue:

- A reduction in parish tithing to missions and charities to a level of 5%
- Improved management of heat systems for efficiency in the parish center and the church.
- Request the newly formed Property Management committee to investigate rental opportunities for the Parish Center
- Ongoing review of all operating expenses for reducing, wherever possible.
- Increase number of masses to 3 per weekend
- Reduction of Cathedraticum to Diocese

Contacts:

Building Committee - Delores Betti

Church Trustees - Patti Cinea, Charles Luchini

Finance Council - Ray Lemaire (Chair), Joel Cohan, Mark Fiano, Michael Harney, Paula Myers

Parish Office - (860) 643-4466 Telephone numbers for the above individuals are available through the parish office or directory.

Summary of Building Committee Reports To Finance Council

(A) Summary of "Water Damage" Projects

Loss 1/24/09

Total Costs	\$	94,534
Pd by Insurance		82,166
Pd By St Maurice		12,368

Loss 9/27/09

Total Costs	\$	261,204
Pd by Insurance		155,884
Pd By St Maurice		17,660
Outstanding Payable Obligations	\$	87,660

Loss Oct, Nov, Dec 2009

Total Costs	\$	108,419
Pd by Insurance		68,393
Pd By St Maurice		12,850
Outstanding Payable Obligations	\$	27,176

Total of Outstanding Obligations Payable \$ 114,836

Projected Insurance Proceeds \$ 91,000

(B) Non-Reimbursable Work Recommended By Building Committee

Priority Items Needing Immediate Attention

Church Vestibule Roof & Drains	\$	4,200
Complete work in Parish Center Kitchen		2,800
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	\$	7,000

Items Requiring Attention in 2011

Church Flat Roofs	\$	68,000
Rectory Roof		20,000
Boiler Room		2,500
Replace "reserve" water tanks in PC		4,000
Dehumidification System Basement		3,800
Fix eroding Bank at PC		40,000
		=====
	\$	138,300

Grand Total of Work To Be Performed \$ 145,300

