

**ST. THOMAS MORE PARISH
PARISH COUNCIL MEETING
Monday, January 26, 2009**

Council Members in Attendance: Fr. Bill Wagner, Vic Ivers, Kathy Hornschmeier, Larry Bush, Janet Tate, Jim Conrady, John Duncan, and Neil Kamphaus, Jr.

Council Members Absent: None

Others in Attendance: Mike Gennett and Jim Riehle, Seminarian; Mt. St. Mary's Seminary.

The St. Thomas More Parish Council meeting was called to order by Vic Ivers at 7:00 PM EST. Fr. Bill Wagner opened with a prayer. He introduced Jim Riehle, a seminarian.

Business Manager Report: Mike Gennett gave the report.

Our state required radon tests in the school were conducted the week of January 13-16. We received the verbal results last week and we passed! There were no traces of radon in any of our school buildings or rooms. This is good news!

The 2008 contribution letters were mailed on January 23. Every household that donated at least \$250 and more received a letter.

The school freezer was completed in early December. Tours will be conducted after the meeting if anyone is interested.

2008-9 Budget Update – As of today, the budget deficit for this year has been going down.

75 days ago, the budget deficit was projected to be approximately \$189,276.00. The deficit is now projected to be \$105,072.37. When the three capital projects completed this year are deducted, the actual operating deficit is \$18,258.27.

(The capital project costs are: Freezer addition \$43,351.13; Church sound system upgrade \$15,188.77; and Parking Lots repairs \$28,274.20.)

This change can be contributed to:

- Very solid Sunday collections in December and January eliminating most of the Sunday collection deficit year to date. We are running ahead of last year.
- The proposed switch from a registration fee to a higher deposit fee during the 2009-2010 school registration period will result in additional income this year.
 - Instead of a registration fee this year, a higher deposit fee will be charged at the time of registration. This is being done to reduce the number of families that withdraw at the last minute after the teachers have been hired. The deposit fee and the tuition due are two separate charges. The deposit fee is not a deposit on the tuition.

Both John Duncan and Jim Conrady stated that the term “deposit fee” is confusing and should still be called a “registration fee”. It was also stated we need to be firm that the registration fee is not refundable if the family later withdraws. (This name change will be made.) (Finance has yet to approve next year’s fees.)

- Large unsolicited donations have recently been received despite the current economic conditions.
- Elimination of the staff Christmas checks and school Christmas dinner
- No parish mission scheduled
- The staff has done a good job of not adding additional spending and have been frugal with their existing budget

The budget deficit *could* continue to drop depending on our energy usage and the costs to treat the parking lot for snow and ice. However, salt costs are triple this year and our natural gas energy bills trail by 75 days of use. We have yet to see how they are trending. (Our Duke electric bill was extremely high in both December January at \$7,100 each month which both are record highs.) It is just too early to tell what the final impact of this winter's costs will be.

To date, we have yet to see any negative impact to our Sunday collection or to the tuition payments due to the economic conditions. However, we are closely monitoring the situation. This could change if the economy continues to deteriorate. Thus, it would impact our final numbers. Fr. Bill stated our collection is running ahead of last year and very few parishes can make this claim.

We also continue to add employees and their families to the health care plan as they loose coverage from other sources. This expenditure alone will cost us \$47,000 a year.

For the first time in the past nine years, we did not receive any stock donations to the parish. One other parish stated the other day they received only 3 donations this year in December compared to 35 last year. The impact of the stock market meltdown is being felt.

The good news is our operating costs will be closer to breaking even this year than originally thought. However, that trend may not extend into the future.

2009-2010 Budget – The budget for next year looks tough. Until we know the final school enrollment numbers in late spring, it will be difficult to know how to plan. However, it appears without enrollment increases or changes to our current policies and structure we could be faced with a sizable operating deficit. Some major decisions may have to be made.

The following issues are affecting next year's budget:

- School enrollment is uncertain in these economic times. Plus we are graduating a large 8th grade class of 39. No other parish location has any idea what to expect regarding enrollment.
- Increased health care costs both annual increases and (unknown) additional employees added to the plan (*Council members had an ongoing conversation during the meeting regarding the need for changes to our health care costs.*) Health care premiums are set by the diocese.
 - The Bus Mgrs were informed last week that a number of serious changes are on the table regarding health care for 2009-2010. They include employee contributions, health savings accounts, and a bio-metric health management program. The final decisions will be announced around March 1.
 - Parish Council members all stated that changes need to be made to the diocese health care plan. The issue of waiting “years” to implement a plan is not realistic. A policy change announced March 1 effective July 1 is more than enough time.
 - The other topic that came up would have to be researched if the changes to SCHIP become law. Two bills are passing thru Congress. One extends Children's Health Care coverage through the states for families making \$84,000 a year and under and another making \$63,000 a year and under. A plan needs to be put into place for the children of our employees that qualify be moved to SCHIP and off our plan if the law changes. This would require some work on our end to verify earnings, but would be worth the savings. This may not be possible for July 1, but should be considered for later implementation.

We clearly are faced with making some important decisions regarding next year's budget.

Other locations have already frozen salaries, announced they are no longer going to pay to scale, or are setting up an arbitration board made up of parishioners as to what will get cut to balance their budget.

(A discussion took place regarding “scale”. Fr. Bill pointed out these are just suggestions. We went off the school salary scale a few years ago. The Business Manager survey conducted by the diocese are just that...a survey of low to high with an average by position and tenure by parish size.)

Finance is meeting on Wednesday morning. We are proposing the final decisions for next year’s budget be postponed until late spring once the school registrations numbers are firm. 22% of our families registered late last year. By late May we will also have a firm idea of the need for financial assistance. We have changed the registration process to encourage timely registrations this spring. Fee approval will be requested on Wednesday.

School Family Mass attendance and contributions – each school registration packet will include a recap of their participation. The school families did very well. Only seven families are being moved to out of parish tuition next year and they have been told they will have an opportunity to file a written appeal. These families never attended any Sunday Mass or contributed anything to the parish during 2008.

Archbishop Schnurr’s meeting with the Business Managers – Coadjutor Archbishop Schnurr met with all the Business Managers in the diocese last week. Our new Archbishop has an extensive financial background. Some of the highlights of his presentation include:

- Feels Lay Financial Ministry is a vocation. Does not feel the church can save souls alone without sound Stewardship practices
- Will have specific money management practices in all locations centering on best business practices and security
- Will work to change the mindset in parishes. They can not be “Mom & Pop” businesses. The church must stop resisting being called a business. This must change
- Finance Committees must consist of individuals that are trained and have experience in finance. If a parish does not such individuals, call a neighboring parish and find someone there

- Inadequate paperwork regarding finances will not be allowed
- There will be policies and procedures on the Sunday Collection, check signing, rotating counters, credit cards, etc.
- Expect regular audits. On average, every five years. These will be critical when there is a Pastor change.
- Detailed numbers must be published annually to all parishioners
- Advances on salaries will be prohibited
- Seminarians will not be trained on finances. Professionally trained business people will be hired to handle the finances
- Schools are very important, but new ways need to be found to fund them. He said “we lose something” when we close a school.
- Schools and Youth Ministry are key sources for finding new priests
- Is a believer in centralization and regionalization. But is not a top-down leader. Likes task forces to solve problems
- Is a strong believer in parishes funding diocesan newspapers. If subscriptions only were allowed, this would get the paper only to the people who really did not need it. We need to get the paper into the hands of those who are in need of learning more about their faith.

Pastor’s Report – Fr. Bill gave his update.

Fr. Bill stated that coadjutor Archbishop Schnurr is very approachable. Fr. Bill feels substantial changes will be forthcoming. Archbishop Schnurr has stated he is impressed with the use of the Deans to manage the diocese. This could mean a change regarding accountability.

The **church sound system** finally is in good shape. The tone is good. The choir is happy. No one is complaining after Mass any more.

Regarding **the health care issue**, Fr. Bill said it will be “culture shock” if the employees have to contribute.

During the recent Ladies Night Out, we have learned that a group of school mothers went through the Cafeteria cooler on their own. They found old outdated bottles of salad dressing, condiments, etc. They drew

a conclusion that this was being served to the school children. This is the furthest from the truth. These items belong to various parish organizations and not the school. The school cooler items are in back section of the cooler and that door is kept locked. In the future, Vickie Ditchen has been instructed to throw out all left over items that are outdated. Organizations are supposed to put a sign on their items if they want them held. This is not happening.

The **latest in the deanery**.....the regions are once again under the microscope. Williamsburg is having some issues and Fr. Schmitmeyer is moving to Texas. That will create an opening. The question on the table is should his location be open listed or should a region be implemented? St. Bernadette is moving ahead with a new church.

The **Connector project** plans were reviewed with the changes made to the plans as noted in the feasibility study. One suggestion was made to add handicap doors with automatic opening/closure buttons on both west church doors by the re-located elevator. Fr. Bill stated getting this project off the ground during this economic crisis is a concern.

New Business - Other

Kathy Hornschemeier stated the installation ceremony of Archbishop Schnurr was "excellent".

Jim Conrady stated the comments made about the Freedom of Choice Act at all the Masses this past weekend were "well done".

Jim Conrady asked that stakes no longer be driven into the parking lot for the Festival tents. The lot looks terrific and we need to protect it. He has seen other events tie their tents down with barrels and would like to see us do that.

Kathy Hornschemeier and Janet Tate reported items they donated to bid and buy were not listed on their 2008 annual contribution statement. A better system needs to be put into place to get items donated recorded for tax contribution purposes.

The meeting adjourned at 8:25 PM. Fr. Bill led the group with a prayer.

NEXT MEETING IS MONDAY MARCH 16TH.