

MQHR Parish Pastoral Council Minutes April 23, 2013

PPC Members in attendance: Fr. Dan Noll, Fr. Jeffery Estacio, Deacon Bill Rood, Bill Drane, Walter Leachman, Steve McCauley, Phil Heink, Karen Morgison, Vincente Munoz, Norma Flores, Jesus Romero, Kevin Lamping, Carol Lee and Mary Grace Allen.

Other Attendees: Scott King and Michael Steinmetz, Representatives of the Finance Council.

Absent: Omar Mendoza, Brian Carlson, Cora Mudd and John Mitchell.

The meeting started at 7:05 pm. Opening prayer and silent reflection was led by Fr. Dan. We prayed a Prayer for the 25th Anniversary of the Diocese of Lexington.

2013-2014 Budget

Scott King, from the Finance Council, led the discussion of the upcoming fiscal year's budget that was being recommended to the PPC by the Finance Council. Mr. King reviewed a spreadsheet of budget figures and the assumptions utilized for budget, which is attached hereto and incorporated herein. Discussion ensued on the Church, Development and School components of the overall budget, and Mr. King reported that overall, the budget provided a positive cash flow position of roughly \$42,000. As in the past, the budget does not provide for a fund to offset the wear and tear (depreciation) on the church properties, ELC and priest house.

The key assumptions driving the budget are:

1. 5% year-over-year increase in the offertory;
2. Retaining 420 students (currently 427) in light of a 6% increase in tuition; and
3. Raising and collecting \$447,000 of Development Revenue (\$350,000 has been pledged to date and the budget assumes a 90% collection of this amount (\$316,000). The remaining \$131,000 is a challenge to be raised.

Fr. Dan and Walter reported that due to time constraints with the Diocese, the School portion of the budget, including a 6% increase in tuition, was initially approved by Fr. Dan and sent to the Diocese where it was likewise approved.

After discussion, the PPC recommended its approval of the budget to Fr. Dan.

ELC Usage/Rental Policies

Father Jeffery reported that he had obtained input from representatives of the Hispanic community and that based on that input, suggested the following for further discussion in regards to renting the gym, kitchen and cafeteria to parishioners:

\$75 per hour, with a maximum rental fee of \$800;

\$20 per hour for a monitor who must be present for the entire event;

\$200 refundable damage deposit;

\$75 cleaning fee, if facilities are not returned as rented, *i.e.*, cleaned; and

\$95 insurance fee, unless renter has available at least a \$1 Million policy that names the Diocese as an additional insured.

Discussion was held and the general consensus was that it seemed too expensive, and indeed may be cost prohibitive to many parishioners. It was noted that for an event of over ten hours, the costs would exceed \$1,200 plus a \$200 deposit. One idea presented was the need to study the marginal costs of holding an event, *i.e.*, *increases* in electrical usage, heat/ac costs, water usage, etc. The need to increase our communal involvement was considered as well; that this issue involves more than just cost figures.

Fr. Dan agreed to consider all of the PPC input and agreed to continue to study the best pricing structure to make the facilities available to the parishioners without incurring additional expenses.

Updates

Diversity Committee: Fr. Dan reported that the Diversity Committee was close to being formed and that it should be established and active within two weeks.

Task Force for Development: Fr. Dan reported that he had sent invitations to serve on the 2013 Task Force for Development and that the Task Force should be up and running by the end of the week. This Task Force will create and implement a plan to secure funding from parish and/or outside sources to:

- a) Make principal and interest payments on ELC and Priests' house; and
- b) Meet obligations to the Diocese for the One in Faith and Mission Campaign.

The specific charge to the Development Task Force (with time schedule) is attached hereto and incorporated herein.

Minutes of March 26 PPC Meeting.

On motion made, the March 26 Minutes were approved without modification or dissent.

Closing prayer and adjournment.

The meeting was adjourned at about 8:30 pm after the closing prayer led by Deacon Bill.

The Executive Committee of the PPC met immediately afterwards in the parish offices.

MARY QUEEN OF THE HOLY ROSARY
BUDGET OVERVIEW FYE JUNE 2014

DESCRIPTION	REVENUE	EXPENSE	NET
Church Operating	\$ 2,103,792	2,179,525	\$ (75,733)
School	3,236,107	3,391,163	(155,056)
Development	446,739	333,816	112,923
TOTAL	\$ 5,786,638	5,904,504	\$ (117,866)
ADD BACK NON-CASH:			
Depreciation - Church		150,746	
Depreciation - School		155,273	
<i>Sub-Total Non-Cash</i>			306,019
Loan Principal		146,184	(146,184)
NET CASH FLOW	\$ 5,786,638	5,904,504	\$ 41,969

KEY CHURCH BUDGET ASSUMPTIONS:

- 1 Offertory outlook equals prior yr budget 1,826,248... offertory budget 1,917,561 is 5% higher, or 91,313
- 2 Church General: Assessment rates kept constant at 12.4% for Church and School 8.16%.
- 3 Church - Lay Staff Pay Increase 3%.
- 4 Overall Church expenses from outlook <1% higher
- 5 Parish School Support is a base of \$829,802 ...or cash basis less 155,273 or \$674,529
- 6 DAA will be a good faith program for the 5 years (2011-2015)
- 7 Development - Revenues assume pledge revenues at 90% = \$316k, continued givers 41k, other 40k stretch and 50k one time gift = \$447k
- 8 Church Assessment past due \$117k will be paid in 2013 and save \$30k+ next year

KEY SCHOOL BUDGET ASSUMPTIONS:

- 1 Salaries are based on 90% of the Fayette County teacher salary schedule with a one year lag.
Base rate increase with additional increments for yrs of service and rank changes. 2 yrs ago 85% prior 91%.
- 2 School assessment not changed at 8.16% of tuition and registration fees only, yr to yr.
- 3 Tuition at 6% increase
- 4 Tuition based on 420 students (368 tuition based students, 52 preschool.
- 5 Parish support cash for the school flat from \$674,529 to \$674,529.
- 6 Preschool - includes rate change for 3yr old and pk to 6144 ft from 5796 and 5124 for full time

CHARGE TO THE 2013 MARY QUEEN TASK FORCE FOR DEVELOPMENT

CREATED ON APRIL 24, 2013

1) To study¹ how best² to secure funding³ from parish and outside sources to:

a) meet the principal and interest payments for the ELC and Priests' House, beginning January 1, 2014 through at least⁴ June 30, 2017 and

b) meet parish obligations to the diocese for the One in Faith and Mission Campaign, beginning January 1, 2014 through at least⁵ June 30, 2017 and

2) to develop a plan⁶ to do so, and 3) to oversee⁷ the execution⁸ of that plan.

Part 1 will be accomplished by June 30; Part 2, by September 1 and Part 3 by December 1.

¹ Be armed with "key learnings - successes & failures" from previous campaigns. Study our past goals, how much we netted out, what we paid for services rendered, population, reason for the fund raiser, like Church, School, etc.

² come up with creative new ideas and identify "hot buttons" that will engage the parish in generating new revenue streams. Gather real case studies that have worked in other places and consider those first (e.g., year 'round raffle/lottery). Do not limit the planning only to a "Campaign" as we have done in the past.

³ specify the amounts needed to be raised either annually or for the period of the campaign

⁴ give thought as to what happens after 2017. We will have mortgage payments for the next 25 or so years -- give some thought of a longer term plan that covers until the mortgage is satisfied.

⁵ give thought as to what happens after 2017. We will have One in Faith and Mission payments until 2020, so give some thought of a longer term plan that covers until the obligation is satisfied.

⁶ Some items to be addressed in the plan: (a) determine whether an outside fundraising consultant be engaged or whether the plan be implement with only parish volunteers; (b) establish the targeted minimum amount of funds needed to be raised (that one should be easy); (c) develop a budget for the campaign; (d) determine a detailed time frame for implementation of each stage of the plan, (e) detail the expectations from the administrative side so that there is continuity between the volunteer committee and the administrative side as it relates to tracking prospects, pledges and payments; (f) establish measurable goals for each stage of the plan (# of contacts, commitments made etc.); (g) set contingencies (with recommended strategies) for threshold goals achieved or not achieved during the period set.

⁷ determine, upon execution of the plan come December 1, who will monitor the performance of the plan. Will task force disband upon execution of the plan, or monitor the plan performance?

⁸ funds must begin to be received January 1, 2014. Initial solicitation must be done prior to Jan 1, 2014.