

Saints Mary and Joseph Parish

Offices: Mary Queen of Peace Rectory: St. Joseph
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December 5, 2014

Dear Brothers and Sisters in the Lord Jesus,

After two years of effort, the Long-Range Planning Report was sent to Bishop Libasci. The question it tries to answer is: what should the shape of our parish be in the future. Should we continue with two campuses? Should we consolidate on one campus, and if so, which one? Should we build a new church? What can we reasonably afford? Cost eliminated the possibility of buying land and building a whole new church and plant with space for offices, religious education, and a hall for mercy meals, meetings and other functions.

Though the Jesuits will most likely be able to staff the parish for the next three years, after that, it may be given back to the Diocese. Given the shortage of priests, Saints Mary and Joseph would become a one priest parish. Thus, there is a need for a church that can accommodate 500-600 parishioners with four Masses on a weekend.

In consultation with the Diocese, the Committee, which included members with building, architectural, financial, management, marketing and engineering backgrounds, explored the three possibilities. Two members from St. Joseph Regional Catholic School also joined the Committee, for Bishop Libasci is a strong supporter of Catholic education and whatever is done must not put in jeopardy the future of the school.

The first strategy is to expand St. Joseph Church to hold 550 people. This is the most costly option and would involve a \$1.6 million capital campaign, the sale of Mary Queen of Peace, and a 20-year mortgage for the rest. Among its advantages would be a central Salem location and proximity to the school. The second strategy is to consolidate at Mary Queen of Peace. This would involve expanding the hall and the rooms for religious education, adding office space and returning the upstairs to being a rectory. All but the school and St. Julie Hall at St. Joseph would be sold. Unlike the residentially zoned Mary Queen of Peace campus, this land is zoned business and would be more valuable. Thus a capital campaign of about \$200,000 would be needed. The advantage of this strategy is that it would be the least expensive. Its disadvantages would be separating the parish from the school and some three-fifths of parishioners would live farther from it than from St. Joseph. The final strategy is to keep both campuses. Once we are down to one priest, most weekend Masses would be at Mary Queen of Peace and weekday Masses, school Masses and funerals would be at St. Joseph. This strategy's strength is preserving both campuses. Its weakness is keeping up maintenance, utilities and repairs on both campuses. Since our development fund collection, at the present time, goes into ongoing repairs, we would need a capital campaign of about \$280,000 to do the necessary upgrades on both plants.

Bishop Libasci is the final arbiter of the shape of the Church in Salem. But the future of the Church here is up to us and the grace of God. Thus we are reaching out to young families through the 9:30 AM Family Mass at MQP and the 11 AM Mass at St. Joseph. The inauguration of a 5 PM Sunday Mass at St. Joseph is also geared to attracting more people. May we all pray for a growth in faithfulness and numbers and may we all announce the Good News to everyone.

Peace in the Lord Jesus,
Fr. John

**Saints Mary and Joseph Parish
Summary of Financial Results**

	FY 2013 Ended <u>30 June 13</u>	FY2014 Ended <u>30 June 14</u>
INCOME FROM CHURCH OPERATIONS		
Operating Revenues		
Total Offertory	\$720,818.68	\$714,003.87
Stipends/Stole Fees	25,395.00	25,270.50
Total Donations	46,848.55	43,444.10
Income from Fundraising Events	33,609.60	36,749.69
Interest Income	1,132.58	1,545.22
Total Other Income	<u>80,852.45</u>	<u>72,781.64</u>
Total Operating Revenues	<u>\$908,656.86</u>	<u>\$893,795.02</u>
Operating Expenses		
Parish Clergy & Staff Salaries & Benefits+	(\$523,683.10)	(\$513,319.71)
Occupancy Expenses	(127,848.70)	(140,801.40)
Contracted Services	(20,559.42)	(23,867.44)
Supplies	(67,630.77)	(61,288.86)
Programs	(14,035.76)	(16,678.17)
Expenses for Fundraising Events	(7,284.45)	(11,760.45)
Vehicle Expenses	(1,579.36)	(1,744.42)
Financing Expenses	(0)	0
Other	(22,666.42)	(19,554.00)
Diocesan Assessments	<u>(130,551.96)</u>	<u>(121,492.25)*</u>
Total Operating Expenses	<u>(\$915,839.94)</u>	<u>(\$910,506.70)</u>
INCOME/(LOSS) FROM CHURCH OPERATIONS	(\$7,183.08)	(\$16,711.68)
SPECIAL COLLECTIONS FUND FLOW		
Special Collections IN	\$39,353.56	\$44,557.15
Special Collections PAID	(45,131.67)	(44,556.65)
NET SPECIAL COLLECTION FUND FLOW	(\$5,778.11)	.50
CAPITAL PROJECTS INCOME		
Capital Projects - Income		
Capital Reserve/Development Fund	\$46,563.77	\$38,363.00
Building Fund Received	1,100.00	0
Capital Projects – Expenses		
Major Building Improvements (SJRCs)	(539.00)	(7,413.12)
Capital Reserve Expenses (Parish Bldgs)	<u>(13,657.23)</u>	<u>0</u>
NET CAPITAL PROJECTS FUNDS FLOW	<u>\$33,467.54</u>	<u>\$30,949.88</u>

*We took \$10,000 out of our reserves in early July, 2014 to cover the \$10,000 we were behind in our assessments.

	FY2013	FY 2014
NET INCOME/LOSS	\$20,506.35	\$14,238.70
Less overdue Payments to Jesuits	(\$14,000.00)	(\$28,330.00)#
ADJUSTED CASH FLOW	\$6,506.35	(\$14,091.30)

	<u>Fiscal Year End 30 June 2013</u>	<u>Fiscal Year End 30 June 2014</u>
ASSETS		
Petty Cash on hand	\$100.00	\$100.00
Bank Accounts – checking and savings	\$5,314.19	\$12,315.17
Funds on Deposit with the Diocese of Manchester	\$110,822.68	\$191,578.83*
_ Deferred Revenue	<u>(10,065.00)</u>	<u>(3,895.00)</u>
Total Assets	<u>\$106,171.87</u>	<u>\$200,099.00</u>
LIABILITIES & EQUITY		
<i>Liabilities</i>		
Deferred Inc. – Ins. Claim Damage	(\$3,600.00)	0
Total Liabilities	(\$3,600.00)	0
<i>Equity</i>	<u>\$109,771.87</u>	<u>\$200,099.00</u>
Total Liabilities & Equity	<u>\$106,171.87</u>	<u>\$200,099.00</u>

What does it all mean?

The good news is that we haven't had to take out any loans. The bad news is that our offertory income has dropped for the first time in my eight years in the parish. We were helped by a bequest of \$9767 which was left to the parish through a deceased parishioner's IRA. We continue to use the Development Collection to fund on-going expenses instead of using it for needed capital repairs.

*We are keeping the insurance settlement of \$79,210.93 for the damage done by the fire in the St. Joseph organ loft in our Diocesan Capital Reserve Account until we know what the future of our two campuses will be.

#Once again we have only been able to pay ten months of the salaries and medical benefits for Jesuits. Thus we are now four months behind. Our senior priest in residence gets room and board and \$10 Mass stipends. Actually, the check for the Jesuits goes to our Jesuit Community and not to us as individuals. We are given a quarterly stipend by our community.