

St. Michael the Archangel  
Parish Council Minutes  
of the October 14, 2009 meeting

**Council members present:** Randy Perlis, Randy Fortuin, Tom Werzyn, Phil Duran, Jack Boumeester, Ed Carey, Jamie Roles III, Jackie Morales, Peter Smith, Mary Ann Kendrick.

**Admin members present:** Evelina Fortajada, Catherine Miller, Ginnie Taylor

Before opening the meeting Randy Perlis stated that in order to update the website pictures of each member will be needed. Please bring them to the next meeting if you have not already turned one in.

**Opening Prayer:** Peter Smith

**Topic for reflection and discernment:** "Is it reasonable for the Archbishop of Denver to increase the Catholic School Assistance portion of our parish contribution to the Archdiocese from its current level of 1.8% of our income to approximately 3.95-4%?"

Fr. Fox opened the discussion with an in depth explanation of the current school assistance fund. It comprises:

Cathedraticum	\$145,344.00
Catholic School Assistance Fund	\$ 28,428.00
Seeds of Hope	\$ 9,480.00
InterSchool Assistance Program	\$ 62,000.00

Under the new proposal the ISA Program will be eliminated and the CSAF will be increased to \$63,180.00.

Fr. Fox also stated that as an act of charity, St. Michael the Archangel gives \$1,000 per year per parish student attending the two Catholic Schools (Regis and Ave Maria) who are not diocesan affiliated; currently \$19,000 (for 19 students).

It is estimated that under the new proposal the annual cost to St. Michael the Archangel will be \$91,600; an actual net savings to our parish.

The CSAF was established at 1.8% to make monies available to those in need of financial assistance to keep their children in a Catholic school. An annual application is required.

The Seeds of Hope, is to generate a corpus of money to hopefully make the schools sustainable, using only the interest on the capital investment.

The InterSchool Assistance Fund is a \$1,000 levy on the parish for each child

that goes to a Catholic School to assist the school. It is now paid directly to the school. Unfortunately the smaller and poorer parishes are often not able or willing to pay this assessment because of financial short fall.

Fr. Fox further stated that in the current economy the very conservative investments are generating little or no interest.

As stated before, under the new proposal the ISA Fund will be eliminated. The billing and distribution of funds will be done by the Archbishop's office rather than each school and hopefully the new fund will be healthier.

Fr. Fox then asked for questions.

1. How will the changes impact Regis and Ave Maria?  
Because they are private schools and not diocesan the policy is out of the realm of this scheme. There are only two diocesan-sponsored high schools that will benefit. (St. Michael the Archangel's Finance Committee will need to revisit whether or not to continue the charitable contribution annually per student.)
2. Given the revised math are we in danger of being viewed as having deeper pockets?  
How the formula is figured will be decided by the priests council. There could be either a flat tax or a modified proposal with a net change of about 4%.
3. Do our parishioners really understand how the finances work? How can we disseminate the information to the people in the pews?  
The Finance Committee is re-examining how we do stewardship and we are developing other ways of communicating using the website, a blog and Facebook.
4. Do we know what the need is? How will enrollment affect the budget?  
If the ISA is eliminated then enrollment figures will not affect our budget. The ISA has nothing to do with our pre-school attendance.
5. Will these changes help the Archbishop with harder decisions on the viability of each parish?  
The Archbishop plans to act according to the four pillars that have been identified as necessary to insure the future of our Catholic schools:
  - a) Promote self-sufficiency. Provide the vision, tools and resources necessary to help schools grow in financial self-sufficiency.
  - b) Protect the philanthropic base. Continue to develop, nurture and be good stewards of the philanthropic base necessary to ensure that our schools are accessible to people of all social and economic strata.
  - c) Expand stakeholder base. Create and implement a broad-based funding formula to meet and actualize the guidelines of Canon Law

and the U.S. Catholic Bishops; to provide the opportunity for the entire Catholic community to contribute according to their means to the financial needs of our Catholic schools. (Increasing the CSA fund percentage is seen as one step in meeting this goal.)

- d) Implement strategic pruning. Utilize and communicate data-driven sustainability measurements to determine and recommend strategic pruning for schools that are not able to meet the sustainability factors. (Sustainability factors include, but are not limited to, differentiation, specialization, consolidation and compassionate closing.)

6. What is the anticipated impact on tuition?

The interest is to provide stability not necessarily impact tuition. Currently these

decisions affecting the individual schools are made by the pastor and council under the new proposal they will be implemented by the diocese.

Bad business decisions have been made by some parishes in attempting to attract more students. The actual cost per pupil is estimated to be between \$4,500-\$5,000 per child. Some schools have set the tuition range at \$3,500 with as much as 50% of the actual cost falling to the parish to be paid. There is a need to get this parish cost down to 35-40%.

7. Does the number of students attending Catholic schools vary wildly from year to year?

Not too much.

For budget purposes the 4% will make the budget calculations easier. However, if they do not do all 4 pillars it will not provide the needed stability of funding.

Fr. Fox: The Archbishop is seeking advice. At Monday's meeting I stated that I cannot give any advice until I meet with the Parish Council to discern the decision. Please give me your thoughts/concerns on this proposal.

Randy P: It is key that we stress the 4 pillars to keep it viable.

Randy F: Yes. It is good we move forward.

Tom W: I concur. The caveat is to make sure at the parish level it does not impact us negatively. There needs to be accountability.

Phil D: Very advantageous for us.

Jack B: I concur. We need to do this. Basic structure is what we are all about.

Evelina F: The numbers look good. I'm not sure how the present decision will impact

the future. Once passed can it go back?

Ed C: I'm ok with it. Surprised about the floating number.

Jamie R: I'll concur. It looks like a marriage - add spouses incomes - look at the number - proportionately the larger income will have to make up the lower but we have to do it that way. The bond we share is a covenant in love.

Cathy M: Yes, it's reasonable. It is eye-opening to see the flaws in the old way.

Jackie M: I agree. It is something that is necessary. Did they look at the viability of the schools? Do they hope to attract more students?

Peter S: Danielle and I prayerfully looked at the proposal. It is perfectly reasonable. It is not going to solve the diocesan-wide problems. There is a huge impact on our kids future.

Other questions:

1) Can the Archbishop change the percentage at will? Fluctuation within any parish could have a negative impact.

Canon Law states that consultation must be done in order to raise taxation.

2) What impact will it have on the poorer parishes?

The Archbishop has hard data to answer that. Two schools were informed that Seeds of Hope will no longer be funded. Three other schools are on a watch list and most likely will not be receiving Seeds of Hope funding because they no longer meet the criteria of a Catholic school (i.e., student enrollment).

One issue is that there are a great number of parishes located in a small populated area within two miles of one another in the I-70/I-25 corridor. Outlying parishes are able to draw from a much broader population base.

3) Is there a time frame?

An absolute attachment of three years.

Fr. Fox then asked for possible future agenda issues:

a) Stewardship

b) That the Council remain apprised of the development of the proposal at hand.

1) Invite the Superintendent of Schools to speak to the Parish

Council and invited parishioners on the "State of Catholic Schools".

c) Institute financial awareness classes for the parish.

d) What are we doing on the other side of the issue to address the Faith Formation of children not attending Catholic schools? One hour a

week (24 hours a year) not a reasonable system to hand on our Faith. How can we address this issue? We should listen to educators and implement their knowledge before imposing any changes.

Handouts to be read:

1. What is the Function of A Parish Pastoral Council?
2. Covenant of St. Michael's Parish.

Please read e-mailed copy of "Leadership in Changing Times."

Next meeting: November 11, 2009 - 7:30 pm