

A Summary Report of St. Catherine of Siena Parish Forum July 19, 2009

Financial Feasibility Study and Facilities Project Direction

A. Introduction

On July 19, 2009 a 90-minute forum was held in the Parish Center for the purpose of sharing with parishioners:

- (1) the results of the Financial Feasibility Study that was completed in early June by Resource Services Inc. (RSI), and
- (2) a refined direction for the facilities project, both near-term and long-term.

Note: this document presents only the high points of the forum. The presentation given is available at <http://stcathofsiena.org/pages/facilities/ParishFacilitiesForum20090719.pdf>. Please refer to it for the details.

B. Comments from Sister Mary

Sister Mary summarized the Diocese's statement on her status as temporary pastoral administrator of St. Catherine's. The Diocese will provide temporary priests until June 2010. A permanent pastor or pastoral administrator will be determined in June 2010. The Diocese is not considering clustering or closing St. Catherine's. The Diocese will consider approval of a facilities project that provide for the repair of current building structures but will not consider plans for new construction until a decision has been made regarding a permanent pastor or pastoral administrator.

C. Comments from Dan Finley on Behalf of Pastoral Council

The Pastoral Council is committed to a decision-making process based on trust, open discussion, and considered decisions as shown by six previous forums. This forum was designed to update the parish community regarding recent developments and to move the parish facilities project forward. Our parish buildings support a vibrant Catholic community and its program needs. Therefore, the decisions we make today and over the next several weeks and months will impact the future of our parish community.

D. The Big Questions:

1. Why today's work now?
 - The direction for the facilities project has been refined and you need to know about it. New information learned since the last forums in March 2009 forced the refinement.
 - There are critical issues that require immediate attention. We must make decisions regarding the church roof support beams, deterioration of the church and parish center roofs as well as the heating/air-conditioning systems. We must take action now and want to spend our limited funds wisely.
2. How will what we do in this Forum inform that decision?
 - Pastoral Council and Finance Council developed a refined approach.
 - We want to share the details of the approach with you. The Pastoral Council and Finance Council want to hear your questions and concerns.

- Much work may need to be done in the next five (5) months.

E. The Presentations

Mike Redlin and Steve Moolin led the forum participants through a power point presentation that included three major parts.

Participants sat at three tables where there was an opportunity to ask clarifying questions or offer thoughts and opinions about the information presented. There were facilitators and note takers at each table to lead the discussion and to capture in writing the comments, questions and ideas given.

The Facilities Steering Committee is now able to provide the parish community with a comprehensive and specific proposal based on the information gathered through the feasibility study and the recent information learned about some of the critical building needs which must be addressed.

1. Results of Financial Feasibility Study

The number of *households* that completed the survey was 163. From data collected from this substantial number of parishioners, RSI concluded that the maximum amount of money this parish could raise in a capital campaign would probably not exceed \$1.0 million. Almost all respondents felt that essential repairs (the church's roof, supporting beams, and HVAC system) should be addressed first. Then, the parish center, they thought, should be repaired and costs kept "within a reasonable budget of what the parish can afford." No other objectives garnered wide support.

Note: although the costs to repair the church roof support beams was not included in the Study because the problem was not known before the Study was started, they have recently been included.

The entire report from RSI may be found at [Study Report](#). Call or visit the office if you would like to see a hard copy. We encourage you to read as much as you can.

2. Overall Approach as Recently Refined

The desired outcome is the same as before: put in place the buildings (rocks) upon which StC will build its future. The refined approach and timeframe: two stages over six years instead of one stage over three years

Moving ahead: (1) start first stage immediately, (2) start planning for second stage in 12-18 months, and (3) complete all within 6 years: buildings finished and paid for.

For stage #1: fix church and other critical problems within one year and conduct fundraising campaign in Fall 2009, with target goal of approximately \$1,000,000+ and pledges collected over 3 years. The rationale: prevent safety, health and significant deterioration problems.

For stage #2: develop a comprehensive plan for revitalizing parish center in stages from 2013-2016 and present this plan to parishioners in Fall 2010 or Spring 2011, and, by 2013, develop a

strategy to raise funds sufficient to cover this sub-project. The rationale: fulfill StC’s vision and protect physical assets.

3. Critical Near-term Sub-projects

There are five critical sub-projects (physical) over next 12 months and one critical sub-project (financial) over next 4 months.

1. Repair church roof support beams
2. Repair church roof
3. Air Quality in Parish Center
4. Repair roof in Parish Center
5. Replace church HVAC system
6. Conduct fundraising campaign

Both the Pastoral Council and the Finance Council are agreed that no long-term debt should be taken to complete the above steps or the eventual repairs. Pledges should pay back any borrowed funds in three years.

Project and/or Activity	Cost Estimate
1. Church roof support beam repair	\$175,000
2. Church roof repair	\$576,000
3. Parish Center Air Quality remediation (allowance)	\$155,000
4. Parish Center temporary roof repair (allowance)	\$70,000
5. Church HVAC repair	\$200,000
6. Fundraising campaign	\$39,000
Additional Contingency on above (approximately 6%)	\$75,000
Total	\$1,290,000

F. Questions and Answers

The following are representative of the questions asked and answers given during the forum.

1. A major concern is why the roof and beams are in this condition now. Shouldn't we have a committee or someone be able to identify these issues before they happen? If a parishioner noticed something who should they contact?

A: No excuses offered. Visually the problems were known. As part of the facilities project, an inspection of the buildings was done. Problem areas were identified and detailed studies were commissioned. We now know we have internal decay in the beams which will be repaired in August. Although it would be beneficial to have a committee, the money needs to be there to pay for the work and St. Catherine’s does not have a sinking fund for capital expenditures for its buildings. Problems with facilities should be reported to Pat Cote. Short term maintenance and repairs are paid for from the annual operating budget and handled by staff or hired personnel.

2. *Is there a line item in the budget for maintenance?*

A: Yes. But the budget item does not include funds for long-term replacements such as roofs.

3. *The parish is concerned about taking out a loan. Why is this?*

A: The Pastoral Council and Finance Council do not want to take on long term debt. St. Catherine's will spend only what the parishioners pledge in the campaign. Of course there must be short term debt to cover the cash flow gap between paying the contractors for the work this year and redeeming the pledges over the three year period.

4. *Fundraising has been successful in the past. Should we consider testing fundraising?*

A: We did a financial feasibility study in April/May to test St. Catherine's willingness and capacity to donate funds.

5. *There is a concern about the type of roof being considered for the church.*

A: We will analyze several options before making a decision. Issues for consideration are length of the warranty, initial cost, appearance/aesthetics, and periodic maintenance.

6. *Have the critical plans been prioritized? Only so much can be done with limited money.*

A: Yes. We will provide safety first (church beams), then health (air quality in the parish center), then protect against deterioration (church roof and parish center roof) and then comfort (church hvac system). We hope to have funds to cover all critical projects.

7. *Has a need been seen to replace the Church building? Is the focus being moved to the Parish Center?*

A: No need to replace the church has been found. The building is sound; yet some things need major repairs. The critical issues include fixing the church and doing "temporary" work in the parish center. In stage 1, most of the emphasis is on the church. In stage 2, all of the emphasis will be on the parish center.

8. *If the Parish does not maintain the facilities, will people still be willing to contribute?*

A: There is a promise included with the request for funds from the parishioners: once fixed, the buildings will be maintained properly into the future. Although not easy, it is a matter of trust.

9. *It seems as though the focus has shifted to the church building.*

A: Yes, with the limited funds of \$1 Million, we must do the critical projects. The expensive ones are in the church.

10. Need to show maintenance procedures and how they are followed.

A: Absolutely. This is part of the trust issue.

11. Can you clarify the contribution guidelines? Those on fixed incomes may be constrained by the current economy.

A: Yes. All pledges will be collected over a 3 year period and on the terms of the giver. If some one wishes to contribute more, it was suggested that perhaps future gifts to St. Catherine's (as evidenced by a copy of a page from a will) might also be considered as collateral for a loan.

12. There was disappointment that the construction of a new Parish Center was no longer being considered.

A: There is hope that with the redefined time table, the parish could consider additional construction. A request was made that the Pastoral Council keep new construction in mind especially if the cost of renovation creeps up toward half the cost of building new.

13. Is enhancing the Parish Center as expensive as building a new one?

A: Not if we stay within the parish center's current footprint.

14. If the fundraising campaign does not raise enough to cover costs, will we forego or cut back on some repairs?

A: Our intent is that when all pledges are in, we will have no debt.

15. How will the contractor for the Church roof be chosen?

A: The contractor will be chosen through competitive bidding.

16. Who will manage the renovation project?

A: The Feasibility Steering Committee will oversee the project.