

Parish Pastoral Council Meeting, June 12, 2024

Because the minimum number of PPC members necessary to vote on the proposed budget were not present for the meeting, the Executive Team waived the requirement for a quorum. (See PPC Bylaws paragraph 4.3, approved January 4, 2023.)

Opening Prayer:

Fr. John led the opening prayer.

Agenda:

Presentation of the FY25 proposed budget and PPC recommendation to the Pastor.

Proposed FY25 Budget Presentation

Nick Nutting, Finance Commission Chairperson, gave the presentation. Nick acknowledged Lauren Glass, Director of Finance and Business Administration, for her work in compiling the data on income and expenses. Lauren was not present at the meeting.

Nick provided background on the development of the FY25 proposed budget and reported that the Finance Commission unanimously recommended that the proposed FY25 budget move forward to the PPC. Nick then gave his presentation on key highlights and decisions reflected in the proposed budget. In summary:

- Ministries are fully funded at their agreed upon level.
- Salaries and benefits of staff remain virtually flat from FY24.
- Staffing levels are retained.
- Only “necessary” capital expenses were agreed upon by the Finance Commission

Key FY25 budget figures reported include:

- A net operating loss of \$182,589
- Total net loss (including capital expenses) of \$400,289
- Projected offertory income of \$1,519,860
- Total salaries and benefits \$1,066,591

Nick emphasized the extraordinary capital expenses that occurred during the previous two years, including the repair of the structural columns in the church, stained-glass windows, and the roof repair which carried into the FY25 budget, contributed to the total net loss. Other FY25 capital expenditures include \$40K for HVAC repairs, \$10K for upgraded streaming equipment, and \$18K to repair termite damage in the Sykesville historic church.

Despite several extraordinary measures to fund these projects (e.g., the Stained Glass & Structural Repair capital campaign, drawing on gains from the SJCC Endowment, use of Jubilee Campaign funds and sale of the property adjacent to the SJCC campus) the total capital expenses remain significantly underfunded.

Nick reported that the projected offertory income of \$1,519,860 for FY25 (a 1% increase over FY24) is based on offertory giving trend data. Nick emphasized that growth in offertory giving is critical for long-term sustainability for SJCC.

Nick concluded his presentation by saying that SJCC has a history of conservative budgeting. SJCC has budgeted (projected) a net operating loss for nine consecutive years (FY25 would be 10). However, except for FY23, all fiscal years were favorable to the budget (i.e., actual losses were not as much as projected) and three years (FY17, 18 and 21) there were net operating incomes. Nevertheless, over the last two fiscal years, significant, unanticipated capital expenses have out of necessity been funded in part by operating funds.

PPC members and the Corporators asked many detailed questions during the presentation. Following the questions and answers, there was a consensus among those present that a stewardship plan for SJCC is necessary; however, completion of the revisions to the Parish Pastoral Plan is necessary to inform decisions to be made regarding a stewardship plan.

Jane Miller moved that the PPC recommend acceptance of the proposed FY25 budget by the Pastor. The motion was seconded and the all the PPC members present at the meeting voted in favor of recommending the budget as presented to the Pastor.

Closing Prayer:

Fr. John led the closing prayer.

Attendance:

PPC Members: Fr. John Worgul, Rachel Wandishin, Jane Miller, Ernie Tucker

Corporators: Gwen Lilly, Terry Morse

Finance Commission: Nick Nutting

Guest: Fr. Patrick McCain