

# Draft Proposal - Western District Parishes

Version 1.2

## **Combining the Communities of Apsley, Balmoral, Casterton, Coleraine, Dunkeld, Edenhope, Glenthompson, Goroke, Hamilton, Harrow, Macarthur, Penshurst and Tarrayoukyan into one Regional Parish.** (with a new name, e.g. Parish of Mary MacKillop)

Over the last thirty years, there has been a major decline in our rural populations which has led to a major decline in attendance and participation in our local church communities. This is particularly evident in our smaller country centres to the point where many are now struggling both financially and with finding parishioners, willing to commit to the many ongoing tasks to keep these centres operating. Combined with this we have an ageing and reduced number of Priests to manage these Parishes. Across our own Western Border Catholic Communities, there are five separate Parishes which means we still have the requirement for five finance councils, five pastoral councils, five sets of accounts, five bank reconciliations, five charity returns etc. All of these require the Parish Priest to attend regular meetings and take responsibility for their management. Additionally, there is currently much duplication of administration process, which if centralised, could free up these communities **to provide even better spiritual and pastoral care to their parishioners.**

*“The parish is not an outdated institution; precisely because it possesses great flexibility, it can assume quite different contours depending on the openness and missionary creativity of the pastor and the community. While certainly not the only institution which evangelizes, if it proves capable of self-renewal and constant adaptivity, it continues to be ‘the Church living in the midst of the homes of her sons and daughters’. This presumes that it really is in contact with the homes and the lives of its people, and does not become a useless structure out of touch with people or a self-absorbed cluster made up of a chosen few.*

**Pope Francis - Evangelii Gaudium (Joy of the Gospel)**

Frs Paddy Mugavin and John Corrigan supported by the Ballarat Diocese would like to put forward a proposal that the existing Communities of Apsley, Balmoral, Casterton, Coleraine, Dunkeld, Edenhope, Glenthompson, Goroke, Hamilton, Harrow, Macarthur, Penshurst and Tarrayoukyan be combined into one regional Parish.

Each Community is asked to consider openly the benefits of such a change and put forward your thoughts on this proposal.

## **Benefits of One Regional Parish!**

- A single administrative centre will reduce the amount of duplication occurring across the communities.
- Cost savings through single software licences, etc.
- Bulk buying savings.
- Less for local communities to worry about and more time **to concentrate on pastoral and spiritual needs.**
- Better interaction with other communities who may have the same challenges.
- Belonging to a wider church.
- Professional management of Parish buildings and other assets.
- Stronger financial future for smaller centres.
- Having access to better trained trained/skilled individuals.

## **What Changes Will Occur Pastorally?**

There will be no changes pastorally to the existing arrangements with Fr Paddy Mugavin and Fr John Corrigan still overseeing their existing communities. The release from administrative and management duties will free up the assigned priests to provide more pastoral and spiritual care.

## **Weekly Bulletin**

Communities will be welcome to retain their local bulletin if they desire, however there will be a possibility to explore some form of shared bulletin template, that has information relevant to all communities, that your community might like to use to print local content on .

## **Mass Times**

The Priest who currently oversees your community will still manage the Mass schedules. There will be no changes to Mass schedules caused by creating one regional Parish across the Western Border Catholic Communities.

## **Church Closures**

Decommissioning of a local church is a decision not made lightly and only one, which would be made in strong consultation with the local parishioners. Closure only normally occurs if there is a lack of energy by the local community to keep the Church operating. Financial viability and the condition of the building also need to be considered and again this often falls back to the strength of support of the local parishioners. There is no hidden agenda to close down our smaller churches behind this proposal.

## **What Changes Will Occur Financially?**

### **Centralised Finance Administration**

Under this proposal, all financial transactions, including payments, will be managed by one central administration centre and supervised by the parish manager. This means one bank account for all communities. Individual communities will no longer require or have access to a cheque book. All bills will need to be sent centrally for payment. Bulk supplies such as hosts, wine and candles will be distributed from the central office as required. A petty cash facility (\$400) will be available in each community for incidental purchases. Upon presentation of the petty cash receipts and supplier invoices, funds will be topped back up to the \$400 float. Customer accounts will also be set up with your local grocery or hardware store if possible.

Existing term deposits will remain assigned to individual communities but held in trust by the regional Parish.

### **Stewardship & Priests Support Collections**

One stewardship campaign, with a local community focus, will be held each three years for the whole combined Parish. One single stewardship database will record all parishioner pledges and amounts given. Envelopes and statements for all communities will be distributed from the central office. All collections will still be counted in your local community and then banked into the one Parish bank account. (If Possible) All Priests Support (First Collection) funds will also be pooled.

### **Distance Considerations**

Technology such as teleconferencing, perhaps using our primary school facilities, will be explored to ensure the burden of travel is not placed on those furthest away from the main centres. Other meetings would be held in a location central to all communities, rather than the largest centre.

### **Financial Decision Making**

One central finance committee will provide advice with decision making for the whole of the new combined Parish. Each community will be invited to nominate parishioners with the suitable skill set to be part of the Central Finance Committee. An annual budget will be set each year for each community, which will include an allowance for repairs and maintenance. Local communities will be required to discuss with the Business Manager any particular works that might be required above the normal budgeted allowance.

## **Local Church Community Leadership Team**

Each Church community will be encouraged to continue with elected leadership teams who should meet monthly. The focus of leadership will become more of a pastoral and spiritual role rather than a management role however; some management duties will still be required. Leadership teams should be made up of three members of the local community, of which one will be the chairperson.

Each community would also elect someone as their community contact to be the conduit with the Business Manager in relation to property matters. This person will be required to be part of the Parish Building Maintenance Committee who will meet centrally twice a year to coordinate funding for any works required in your local community.

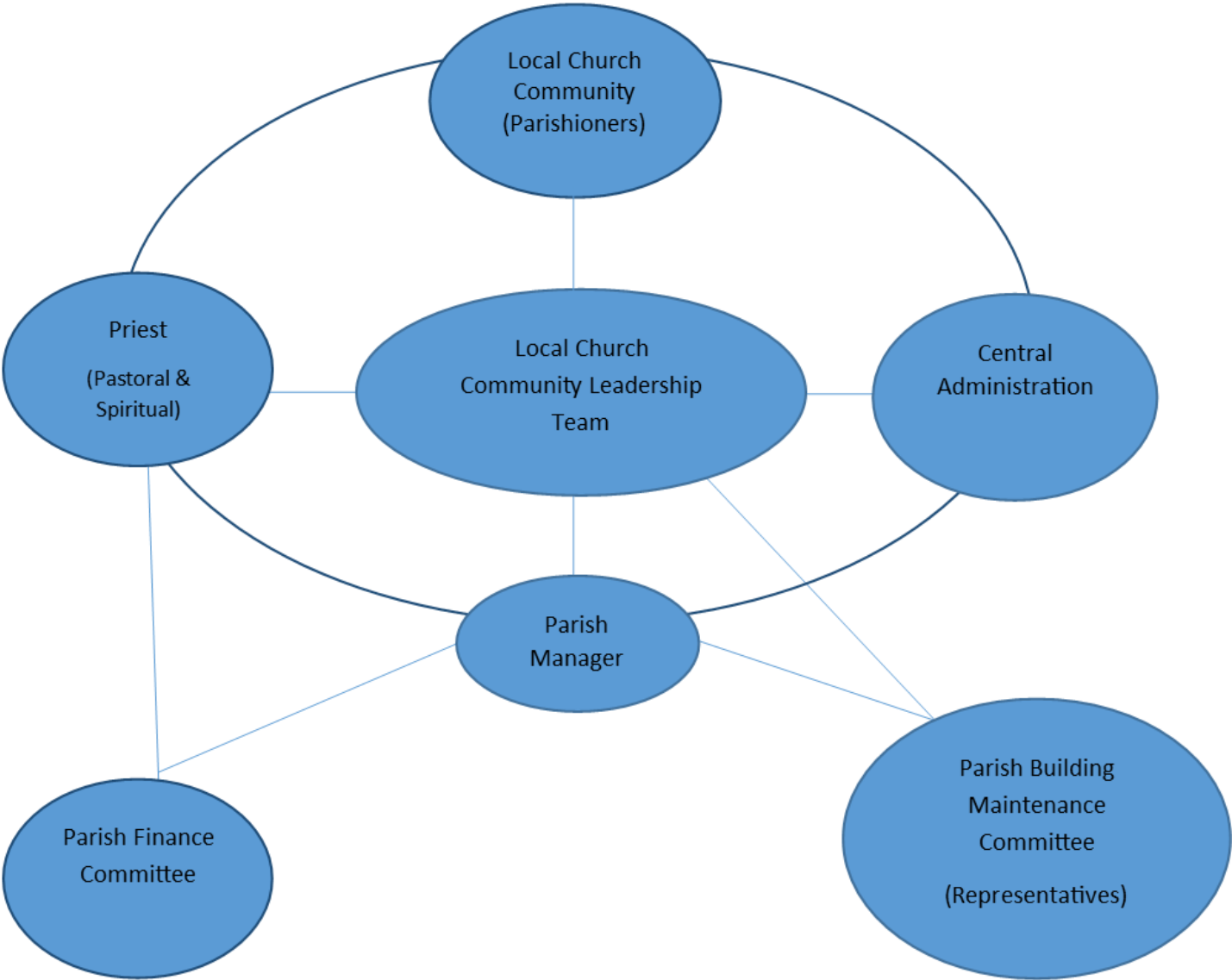
*“The parish is the presence of the Church in a given territory, an environment for hearing God’s word, for growth in the Christian life, for dialogue, proclamation, charitable outreach, worship and celebration. In all its activities the parish encourages and trains its members to be evangelisers. It is a community of communities, a sanctuary where the thirsty come to drink in the midst of their journey, and a centre of constant missionary outreach. We must admit, though, that the call to review and renew our parishes has not yet sufficed to bring them nearer to people, to make them environments of living communion and participation, and to make them completely mission-oriented.*

***Pope Francis - Evangelii Gaudium (Joy of the Gospel)***

## **Building Maintenance**

Our policy on building management is to ensure all Church buildings are maintained in good condition. This will be achieved by performing regular maintenance and repairs. Church property, such as halls, presbyteries and the like, need to be assessed to see that they are still useful to the local communities needs or if there are any opportunities to convert these into a regular income stream for the community. An example of this is the Maryknoll Centre in Hamilton, which was of little use to the local parish and is now a major income source that will serve the parish for many years to come.

Chart showing relationships of local church communities.



## Financial Position of Individual Communities

The financial performance of the four Parishes in the last full financial year (2017) is shown in the table below and indicates a combined deficit of \$8,696 . Looking at the historical financials in the other four tables, paints a varying picture of individual parishes surviving on funds generated from the sale of assets or existing term deposits. This has the double effect of reducing the interest earned from investments that has historically assisted to cover the recurrent expenses of the Parishes.

<b>Summary of Financial Performance 2016 - 2017 FY</b>		<b>Coleraine</b>	<b>Casterton</b>	<b>Edenhope</b>	<b>Harrow</b>	<b>Total</b>
<b>Income</b>						
	Planned Giving	7,668	18,736	14,172	5,750	46,326
	Interest	3,479	55	4,471	1,041	9,046
	Rental Income	3,666	6,571	0	3,636	13,873
	Donations/Sundry	350	395	1,554	50	2,349
		15,163	25,757	20,197	10,477	71,594
<b>Expenses</b>						
	Administration	1,765	2,593	1,040	563	5,961
	Levies	4,259	6,811	4,108	2,593	17,771
	Liturgical	387	1,169	1,135	924	3,615
	Pastoral	70	0	0	0	70
	Capital	0	1,636	0	0	1,636
	Property Costs	5,266	13,272	9,942	3,957	32,437
	Rental Exp.	0	0	0	0	0
	Repairs	404	1,908	13,416	482	16,210
	Salaries & Associated Costs	0	2,590	0	0	2,590
	School subsidies	0	0	0	0	0
	Capital & Interest Repayments	0	0	0	0	0
	Other	0	0	0	0	0
		12,151	29,979	29,641	8,519	80,290
<b>Recurrent Operating Surplus</b>		<b>3,012</b>	<b>-4,222</b>	<b>-9,444</b>	<b>1,958</b>	<b>-8,696</b>
<b>Cash Assets</b>		<b>158,877</b>	<b>25,420</b>	<b>163,237</b>	<b>46,511</b>	<b>394,045</b>
<b>Alienated Funds</b>		<b>41,725</b>	<b>-</b>	<b>75,396</b>	<b>-</b>	
<b>Notes</b>		<i>Merino Church</i>		<i>Convent</i>		

The common factor among the four Parishes is the high cost of maintaining properties. We note also that there are only small values of rental income, despite the fact there are a few properties rented out by the Parishes. Our understanding is that these are generally rented below market value. We note also that there is very little Other Income, suggesting the Parishes are not charging Fees for Services such as Weddings, Funerals and Baptisms.

More strategic financial management of Parish properties across the whole region is desperately required, with a view to obtaining maximum return on investment. This includes reviewing existing rental arrangements and capital works programs for each building.

## 10 Year Financial Surplus / Loss

The table below shows the combined financial loss for the four parishes over the previous ten years. We have taken out the capital income obtained from the sale of Parish properties to show a combined Net Loss over this period of \$150,049

10 Year Result	Surplus / Loss	Capital Income	Net Surplus / Loss
Casterton	-58,124	0	-58,124
Coleraine	24,047	-46,000	-21,953
Edenhope	4,702	-83,001	-78,299
Harrow	8,327	0	8,327
	-21,048	-129,001	-150,049

## Cash Assets

At the 30th of June 2017, the combined four parishes have cash assets of \$394,000. This is invested in term deposits earning approx 2.2% interest in the last year.

Casterton Parish Summary of Financial Performance												
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	10 Years	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Income</b>												
Planned Giving	31,114	29,041	27,391	31,889	22,403	19,694	28,788	18,127	27,175	18,736	254,358	✓
Interest	5,664	4,244	4,348	3,556	3,579	2,416	1,282	813	107	55	26,064	✓
Rental Income	7,055	7,085	6,930	5,580	6,769	6,673	6,627	6,325	6,808	6,571	66,423	✓
Donations/Sundry	2,784	1,532	718	649	647	916	756	1,462	1,401	395	11,260	✓
	46,617	41,902	39,387	41,674	33,398	29,699	37,453	26,727	35,491	25,757	358,105	✓
<b>Expenses</b>												
Administration	2,316	2,350	2,533	3,209	2,855	2,910	2,367	2,736	2,572	2,593	26,441	✓
Levies	6,809	6,738	6,702	6,677	6,690	6,765	6,713	6,697	7,161	6,811	67,763	✓
Liturgical	2,591	1,924	1,584	1,415	2,462	1,621	1,239	1,441	1,593	1,169	17,039	✓
Pastoral		252					411	842	101		1,606	✓
Capital		1,072	4,078		1,110		20,133	16,913	604	1,636	45,546	✓
Property Costs	7,583	7,524	9,378	11,500	9,928	11,352	8,860	8,688	10,389	13,272	98,474	✓
Rental Exp.											0	✓
Repairs	1,974	7,377	4,718	3,021	43,362	24,941	9,154	11,703	12,883	1,908	121,041	✓
Salaries & Associated	2,672	2,465	2,382	2,563	2,373	2,529	2,440	2,592	2,638	2,590	25,244	✓
School subsidies											0	✓
Capital & Interest Repayments											0	✓
Other	3,233	8,788	334	600			120				13,075	✓
	27,178	38,490	31,709	28,985	68,780	50,118	51,437	51,612	37,941	29,979	416,229	✓
<b>Recurrent Operating Surplus</b>	<b>19,439</b>	<b>3,412</b>	<b>7,678</b>	<b>12,689</b>	<b>-35,382</b>	<b>-20,419</b>	<b>-13,984</b>	<b>-24,885</b>	<b>-2,450</b>	<b>-4,222</b>	<b>-58,124</b>	
<b>Cash Assets</b>	<b>105,749</b>	<b>109,139</b>	<b>116,115</b>	<b>128,929</b>	<b>93,126</b>	<b>71,157</b>	<b>59,014</b>	<b>33,883</b>	<b>31,025</b>	<b>25,420</b>		
<b>Alienated Funds</b>	<b>\$ 31,480</b>	<b>\$ 32,385</b>	<b>\$ 34,323</b>	<b>\$ 35,708</b>	<b>\$ 37,474</b>	<b>\$ 39,228</b>	<b>\$ 15,108</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
Sandford Church Sale	31,480	32,385	34,323	35,708	37,474	39,228	15,108	-	-	-		

Coleraine Parish Summary of Financial Performance												
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	10 Years
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Income</b>												
	Planned Giving	11,801	11,314	11,029	10,618	11,454	10,013	8,176	8,358	8,001	7,668	98,432
	Interest				603	607	454	248	212		3,479	5,603
	Rental Income	3,150	200	5,670	720		1,450	4,450	2,585	3,403	3,666	25,294
	Donations/Sundry	1,806	1,689	814	3,856	1,772	1,278	1,442	4,280	42,862	350	60,149
		16,757	13,203	17,513	15,797	13,833	13,195	14,316	15,435	54,266	15,163	189,478
<b>Expenses</b>												0
	Administration	1,409	2,154	1,304	1,495	1,359	1,433	1,573	1,632	2,016	1,765	16,140
	Levies	3,818	3,843	3,827	3,856	3,842	3,851	3,832	3,828	4,077	4,259	39,033
	Liturgical	1,053	894	770	1,437	770	973	572	1,102	559	387	8,517
	Pastoral	136	273	182			364	227			70	1,252
	Capital	1,000			11,706		3,762			1,378		17,846
	Property Costs	4,408	4,676	6,968	5,212	5,792	5,598	5,674	6,096	5,613	5,266	55,303
	Rental Exp.											0
	Repairs	610	1,164	7,614	741	428	2,297	1,449	1,248	254	404	16,209
	Salaries & Associated Costs											0
	School subsidies											0
	Capital & Interest Repayments	1,500	1,500	1,500	1,500	1,500	1,500	750				9,750
	Other			240		377	184	245	200	135		1,381
		13,934	14,504	22,405	25,947	14,068	19,962	14,322	14,106	14,032	12,151	165,431
<b>Recurrent Operating Surplus</b>		2,823	-1,301	-4,892	-10,150	-235	-6,767	-6	1,329	40,234	3,012	24,047
<b>Cash Assets</b>				39,429	29,040	28,875	21,704	22,301	54,669	54,363	158,877	
<b>Alienated Funds</b>	Merino Church										41725	

Edenhope Parish Summary of Financial Performance												
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	10 Years
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Income</b>												
	Planned Giving	24,134	22,259	19,371	17,433	14,823	12,662	21,681	14,919	15,092	14,172	176,546
	Interest	8,285	8,893	7,156	6,421	6,571	5,930	4,870	4,547	5,345	4,471	62,489
	Rental Income							1,000				1,000
	Donations/Sundry	3,942	1,450	80	11,489	1,916	10,320	1,694	86,085	2,775	1,554	121,305
		36,361	32,602	26,607	35,343	23,310	28,912	29,245	105,551	23,212	20,197	361,340
<b>Expenses</b>												0
	Administration	4,218	4,227	1,373	3,702	2,738	3,470	1,184	1,812	2,153	1,040	25,917
	Levies	4,260	4,311	4,199	4,127	4,236	4,072	3,078	5,073	4,216	4,108	41,680
	Liturgical	1,095	2,245	1,229	1,400	1,071	1,011	934	986	1,581	1,135	12,687
	Pastoral	3,000	2,875	3,100	500	2,000						11,475
	Capital	9,363			5,924	39	8,245					23,571
	Property Costs	8,536	7,911	10,730	10,435	14,800	12,630	15,056	23,034	11,436	9,942	124,510
	Rental Exp.											0
	Repairs	4,253	5,620	3,078	30,049	3,345	9,740	10,947	34,053	580	13,416	115,081
	Salaries & Associated Costs	327	163	387	69							946
	School subsidies											0
	Capital & Interest Repayments											0
	Other					500			271			771
		35,052	27,352	24,096	56,206	28,729	39,168	31,199	65,229	19,966	29,641	356,638
<b>Recurrent Operating Surplus</b>		1,309	5,250	2,511	-20,863	-5,419	-10,256	-1,954	40,322	3,246	-9,444	4,702
<b>Cash Assets</b>		160,784	166,174	168,959	146,416	141,140	130,514	129,397	169,123	172,241	163,237	
<b>Alienated Funds</b>									85,090	87,995	75,396	



## Financial Position of St Mary's Parish

St Mary's Parish Hamilton has benefited greatly from substantial bequests of both cash and buildings over a number of years. Over the last five years, the focus of their finance committee has been to convert these, once passive assets, into higher income returning assets. This has included ensuring all Parish buildings, with potential to earn rental income, are in a condition that will see them receiving commercial value rental income. Four properties are now rented to long term tenants. Over 1 Million dollars has been spent to date on the Maryknoll Centre which houses a number of medical and community welfare service providers. The return on investment on the Maryknoll Centre is very high in commercial terms. Further property development is planned in the near future.

The table below shows a surplus of 128k over 6 years (Including this year's budget), even after substantial expenditure on capital purchases (210k) and repairs and maintenance (388k). Cash bequests of 168k were also received in this period. St Mary's Parish currently holds approx 340k in cash investments and a share portfolio valued at approximately 1 million dollars.

### St Mary's Parish - Financial Performance Report - Last Five Years plus 2018FY Budget. \*

St Mary's Catholic Parish	2,013	2,014	2,015	2,016	2,017	2,018	6 Years Actual & Budget
Financial Performance (Last 5 Years + Budget)	Actual	Actual	Actual	Actual	Actual	Budget	
<b>Income</b>							
Bequests Received	87,789	41,000	39,101	0	0	0	167,890
Income - Rental Properties	49,805	52,939	45,429	57,807	144,835	234,685	585,499
Interest Received	54,747	55,853	52,356	46,384	13,188	9,707	232,236
Share dividends	30,452	36,922	80,019	75,069	82,821	75,000	380,282
Stewardship	123,352	109,337	104,345	120,739	102,615	105,000	665,389
Sundry Income	35,190	22,973	19,613	18,464	27,461	18,500	142,200
<b>Total Income</b>	<b>381,335</b>	<b>319,024</b>	<b>340,863</b>	<b>318,463</b>	<b>370,919</b>	<b>442,892</b>	<b>2,173,496</b>
<b>Expenses</b>							
Accounting	2,500	9,000	5,955		8,102	3,600	29,156
Capital Purchases	23,039	8,314	49,433	40,578	71,059	18,000	210,422
Church Requisites/Liturgical	7,247	8,166	11,464	9,318	11,554	13,500	61,249
Diocesan Levies	23,069	22,909	22,778	22,606	23,396	49,080	163,838
Donations - Missions	0	0	0	0	9,000	10,500	19,500
General Expenses	8,698	10,071	11,683	16,569	12,846	13,500	73,367
Insurance	40,864	26,244	24,254	24,893	24,154	25,176	165,586
Office Expenses	14,283	14,172	10,393	17,795	16,856	14,500	87,999
Pastoral Ministries	10,755	14,923	11,887	7,939	18,895	13,500	77,898
Planned Giving Expenses	20,118	1,373	1,232	17,006	987	600	41,316
Power & Gas	13,936	13,308	16,303	10,994	9,968	24,200	88,709
Rates & Water	4,866	5,443	5,962	5,377	3,920	17,936	43,504
Repairs & Maintenance - Church Properties	21,198	52,517	79,033	87,855	62,479	85,000	388,082
Wages, Super & Workcover	84,334	77,199	96,100	108,094	120,025	109,013	594,765
<b>Total Expenses</b>	<b>274,907</b>	<b>263,640</b>	<b>346,476</b>	<b>369,024</b>	<b>393,240</b>	<b>398,105</b>	<b>2,045,393</b>
<b>Net Earnings</b>	<b>106,428</b>	<b>55,384</b>	<b>(5,614)</b>	<b>(50,561)</b>	<b>(22,321)</b>	<b>44,786</b>	<b>128,103</b>

\* Note that this table does not include capital expenditure on the Maryknoll Centre.

## Roadmap for Western District Parishes Consultation

When	Item	Detail
April / May 2018	Parish Councils to schedule and hold an extraordinary meeting in April to discuss the proposal and to plan and prepare for their community meeting to be held in their Parish in April and May of 2018. - Parish Priest to attend each Parish Council meeting.	
April / May 2018	Each Parish will host a community consultation meetings with the Pastoral Planning Office representatives and the working party. (Fr John Corrigan, Fr Paddy Mugavin, John Hockey) To discuss the reviewed document and receive feedback from communities.	
May 2018	Review the proposal and amend if necessary and resubmit to Parish Councils for final ratification by 31st May 2018.	
June 2018	Submit the final proposal by 30 June 2018 to the Diocesan Planning Office for approval to proceed .	
July 2018	Upon approval to proceed, commence the integration of administration of the parishes.	