

**CATHOLIC DIOCESE OF SALT LAKE CITY**  
**DIOCESAN FINANCE COUNCIL**  
**Meeting Minutes of May 17, 2023**  
**Pastoral Center, 27 C Street, Salt Lake City, Utah**

**PRESENT**

Most Reverend Oscar A. Solis	Doug Black
Reverend Monsignor Colin F. Bircumshaw	Mark Longe (Zoom)
Reverend John Evans	Kathie Roberts (Zoom)
Deacon George Reade	Andrea Steenburgh
Fred Strasser	Candice Greenwald
Reverend Sam Dinsdale	Sarah Niemann, Secretary

**Guest:** Very Reverend Martin Diaz

**NOT PRESENT**

Darcie Costello

**CALL TO ORDER AND OPENING PRAYER**

The meeting was called to order at 2:35 pm as a continuance from the Diocesan Real Estate Council meeting. Deacon Reade said the opening prayer. Msgr. Colin made a motion to rearrange the agenda for this meeting to allow Fr. Martin Diaz to present the discussion of the Cathedral Loan to go first before we go to the approval of the minutes, so he would not have to stay for the entire meeting. Father Evans seconded, and the motion passed unanimously.

**OTHER BUSINESS (Part One)**

- **CATHEDRAL LOAN** – Father Martin presented the following:
  - 1) **Cathedral Floor project** – the current floor of the Cathedral has 30 years of wax and dirt built up on it. Part of the master plan for the Cathedral 5 years ago, was to bring the floor back to what it originally looked like in 1993. The estimate 5 years ago was \$600,000 to take 1/15 of an inch of the floor to bring back the wood to its original color.

Through Juan Diego CHS, we found an artist who does woodwork. He did the restoration and re-finishing of the front doors of the Cathedral. For the Cathedral floors, he suggested melting the wax, cleaning the dirt off the floors and then sanding it. We got a grant for \$100,000. \$85,000 was spent on doing 2,160 sq. ft. (\$39.35 / sq. ft.) of the East & West Transept and Chancel Front. He estimates the Nave up to the Baptismal Font, which

would be about 5,007 sq. ft. would cost \$177,000 (\$35.35 / sq. ft.). We do not have the \$177,000 needed to finish the Cathedral floors.

- 2) **Rectory / Good Samaritan Building** - a number of the priests that have lived at the Cathedral, feel that the rectory has very little privacy for the priests on the rectory side. Bishop Solis suggested moving the offices from the first floor of the rectory to the old Good Samaritan Building where the Cathedral's Good Samaritan Ministry activity was held. Some repairs need to be done to the Good Samaritan Building for the offices to move.

Recently, a house that was donated to the Cathedral back in 1998 became available for us to sell. On July, 2021, the proceeds on the sale of this house were used to pay off the Cathedral's loan and the balance was used towards the completion of the renovations to the rectory and the Good Samaritan Building. Unfortunately, the renovations to the rectory cost more than the money we had. The Work in Progress – Good Samaritan Building lists the items already "On Order" through the items on "Speculation" to complete the renovations to the Good Samaritan Building, amounting to about \$145,000.

Father Martin stated "the cost to finish both projects is estimated to be around \$332,000 ( \$177,000 + \$145,000) and is asking for the approval of a \$300,000 loan to be given out in \$50,000 increments as it becomes needed to pay the bills."

Bishop Solis commented that "the renovations to the Cathedral, rectory and Good Samaritan Building were largely due to several factors: 1) Security of the Cathedral - there have been recent instances where safety concerns came up, 2) Safety Environment in the kitchen and/or offices located in the Rectory building, and 3) maintenance of the Cathedral is long overdue."

Bishop Solis mentioned approaching Msgr. Colin and Candy regarding different possible funding for the Cathedral's 2 projects:

- \$300,000 loan to the Cathedral from the diocese,
- Catholic Foundation for endowments that may be available
- any discretionary funds available in the name of the Bishop of the Diocese of Salt Lake City

Msgr. Colin commented that normally when a parish requests a loan, they have to present in detail their plans on how they plan to service a 10-year loan, we look at their ordinary income, their expenses and their ability to service the loan. The Cathedral being in a unique situation of having a symbiotic relationship with the diocese, we will forego that process. Even with Fr. Martin's great efforts to increase the ordinary income of the Cathedral, it has never been able to break even. The parish is not able to support the Cathedral building and its maintenance on its own. The diocese has always needed to supplement the Cathedral in its ministry.

Fr. Martin gave Msgr. Colin a list of different strategies he is working with his Finance Council to raise funds to service the loan, to enhance their ordinary income, and ways for people to contribute to fund these projects. Msgr. Colin is hoping not to have to put Fr. Martin in a situation where he will be working so hard on raising funds to service a loan. That we should explore other options of funding these projects. However, if we have exhausted all options and Cathedral is still in need of a \$300,000 loan, we should consider it.

Msgr. Colin stated he “wants total transparency to the Finance Council of what the needs are of the Cathedral, and to give them more than a loan - give them the go ahead to continue with this project even if they go into debt. Then at the bishop’s recommendation give the vote on the recommendation of this council on how to meet the expense for the Cathedral.”

Bishop mentioned that he is not in support of doing second collections to fund the two projects mentioned. He suggested that instead of a series of different fundraising efforts done for each project, a study should be done to identify and prioritize what the needs of the Cathedral would be in the next five years, then do a Capital Campaign.

It was then suggested that a short-term loan be extended so the Cathedral would have the funds to pay for the Work In Progress already “On Order” and continue with the work already “Speculated”. Then, whatever discretionary funds the bishop might have and any other sources of funding be available, those monies be applied towards that short term loan. Msgr. Colin, Fr. Martin and Bishop Solis agreed.

Candy mentioned that there was conversation of the loan being booked not as a loan in D&L, but rather in RCB under Projects, as an additional subsidy to the Cathedral.

Fr. Martin mentioned the major part of the master plan for the Cathedral involves the following:

- Stonework on the exterior needs to be evaluated – the estimate five years ago was \$5 million for this work that most likely will need to be done in the next 10 years.
- Drainage problem in front of the Cathedral – one of the solutions was to take off the front steps, put a membrane to prevent the leakage, then put front steps back on. Estimated cost is \$2,250,000.

Fr. Evans said it’s clear the Cathedral has needs in the next 5 - 10 years. Fr. Evans’ concerns are “the Cathedral’s needs beyond those years and how this campaign is going to be treated. Is it to be as cash flow for these things, or to build up a temporary endowment where you could pull larger chunks out, or a traditional endowment where you only pull 3.5%. We really need to build this thing up.” He added that “we’re talking about another major campaign that would be tens of millions of dollars that will not be easily accomplished. We could do it ... over time. If we don’t think bigger like that, we’re always going to be doing this **stop gap cash flow** fundraising. And it’s always going to be **Do we have the money or not? Can we do this now or put it off?** Fundraising as needs arise is stressful. The Cathedral is unlike any other parish. They’re never going to raise enough money to operate on their own, they’re always going to need a subsidy. They have special needs and requirements none of the other parishes

have – the Cathedral Choir, and all kinds of beautiful things that happen there. It is a beautiful building and a heritage to maintain. I think we need to think bigger and longer into the future.”

Fr. Martin mentioned that “the endowment checks they received this year and last year were used for operating expenses. The original idea of the Bishop’s dinner was to put the income aside for the on-going maintenance of the Cathedral ... for bigger projects ... which never materialized. So, the idea of a larger campaign for future needs ended up being used for operating expenses. The operating expenses of the Cathedral is about \$50-100,000 a year, just keeping things up. The Cathedral is a beautiful building, but is a lot to keep going. We have some generous benefactors. I am hoping that once we get these projects moving forward, they would get behind it and give us substantial gifts. It is cash flow - the bills are going to come before the funds are raised.”

Deacon Reade commented that Father John’s point is well taken with regards to planning ahead on how the funding should be addressed – that we should think of long-term solutions. That there would be more expenditures beyond what is being asked for at this time.

Bishop stated that “Father John’s idea would be part of the discussion once we start with the consultation on:

- a) how we are going to meet the needs of the Cathedral,
- b) our ability to raise funds to cover all the projects’ expenses
- c) strategic planning and provision of the necessary finances
- d) evaluate and study the financial standing of the Cathedral – we need a better idea of how the Cathedral’s finances are kept, the internal controls in place, whether the Cathedral and the Choir School are working independently or are working with each other.

Father Evans made the motion to approve this \$300,000 loan to be paid in \$50,000 increments, and the funds approved to come from either/or D&L or through projects in RCB. It was reiterated that it will be a loan unless we find another way of funding it through other sources mentioned earlier. If we can find discretionary funds, then we won’t need to record the \$300,000 as a D&L loan subject to interest. Candy stated it would be ideal to have it in RCB as projects, instead of in DCC’s books as an interest-bearing loan. The project would be like another subsidy given to the Cathedral.

Fred Strasser seconded the motion. Msgr. Colin asked for the vote to approve. The motion to approve passed unanimously.

#### **APPROVAL OF JANUARY 25, 2023 MEETING**

Father Evans made the motion to approve the minutes of the January 25, 2023 meeting. Andrea Steenburgh seconded. Msgr. Colin asked for the vote to approve the minutes. The motion to approve passed unanimously.

## **BUDGET REVIEW AND APPROVAL FOR FISCAL YEAR JULY 1, 2023 – JUNE 30, 2024**

Candy talked about how the budget worksheet presented had been set up – left side are the Approved budget figures for FYE 2022-23, the next section is the Proposed budget figures for FYE 2023-24, and the right section is how it is going to be funded – if it's from Grants or other sources.

Going through the budget it will be telling you what's included in the budget, what commitments are still within this budget, and where they fall in the sections that explains the big changes or the changes in each section:

- Educational Services – expenses Faith Formation - Youth and Adult
- Pastoral Services – expenses for our ministries, and preparation for religious life
- Public Services – expenses for our far reaching overall community
- Administrative Services – those are the expenses we have to have in order to be a diocese.

Currently, what's proposed are:

- a 4% salary and wage increase across the board for lay employees, that will fall within all the sections
- 2 new positions:
  - 1) one for a new deacon, which falls under the educational area
  - 2) one position for the Grants & Stewardship Office, to help with Grants
- 10% increase in our health insurance – we have a healthy reserve so even with this increase we will be in good shape. The projections could go up to 12% health insurance increase.

Specifics to each area are:

- **Educational Services** – the biggest change other than what was mentioned earlier is we re-organized in the school office and the school accountant position has moved back to Finance – that is a savings in the Educational Services area and an increase in the Administrative Services area.
- **Pastoral Services** – that includes the support for our seminarians. There is actually a savings in this area because we have 2 seminarians that will be ordained in June, and we have net of 1 who is being considered for entry in June.
- **Public Services** – we continue our commitment to the Intermountain Catholic newspaper. This year Safe Environment is subject to an audit. We are required every 3 years to go under a huge audit of those services. We've had a return of our Spanish Radio program, so that is now included in the budget.
- **Administrative Services** – no changes in our retired priests – we are netting 24 that we are supporting. We did have one pass away this last year and we have one more that is retiring. There is a commitment to enhance our Archives – a couple of years ago it was a part time department, and now it is a full time, so that budget has gone up slightly. Regarding the seminarians being ordained, they are actually going back to school for two more years for Canon Law, so we have to support them through the diocese through our Administrative Services

budget. Msgr. Colin mentioned that when a newly ordained priest stays on in education they get half a salary, as diocese pays for their tuition and board. So there will be a savings in the Seminarian area and an increase in the Administrative area. It ends up being a net savings in total. Property insurance – net of 24% increase. Actual is 35%, but due to good claims and other factors it was brought down. Utilities – 35% increase.

**Funding this budget:**

- Savings in our budget – Directors have been great in not making unnecessary spending
- We have also been holding one position in the Hispanic Ministry
- Savings from position that are un-filled
- We have 5 employees that do not take our health insurance
- Different re-allocations within the budgets – this is where directors may propose an increase in one area of their budget, but proposes a decrease in another area netting a savings in the budget
- Assessments - Assessments is proposed to go up .5%. The biggest increase within the assessment is actually that ordinary income amongst our parishes has increased, and we're proposing a .5% increase on top of that.
- DDD – this year we have increased our quota, but understand that increase is purely because of the increase in the ordinary income amongst our parishes. So that is with no increase in percentage, it is truly what is coming in.
- Remaining is budgeted through the anticipated savings, reserves and temporary endowments.

On the budget sheet, Dept 21 says Diocesan Cathedral is our subsidy to the Cathedral any given year, that is towards the maintenance within the Cathedral, and then an additional for operational support.

Our personnel budget makes up nearly 46% of our entire budget.

Question was raised whether the bishop has some flexibility with regards to using the DDD money to fund capital projects. Candy responded that the DDD does not fund capital projects. Msgr. Colin added in the past, DDD may have been used to buy land when diocese had money left over, but that practice has stopped a long time ago.

Fr. Evans made the motion to approve the budget. Andrea seconded. Msgr. Colin asked for the vote on motion to approve and it passed unanimously.

**OTHER BUSINESS (Part Two)**

- **MT. CALVARY CATHOLIC CEMETERY MAUSOLEUM**

For some time now, the cemetery has been running out of space. John Curtice took the initiative to look at different ways of extending the use of the cemetery through the building of a mausoleum. The project will be built in incremental phases. They have built a couple of mausoleums already and had been very successful. Msgr. Colin added according to John Curtice “you don’t make as much money in selling mausoleum as you do in- ground. So, it is going to be harder and harder for the cemetery to balance their books every year, to maintain the cemetery the way it is. Even if the cemetery closes, we still have to pay for maintenance. For now, it is a challenge to keep the cemetery going.”

Fr. Evans commented that John had told him that each mausoleum building’s space could last 10-15 years before it runs out of casket space, though it could go faster. It was also added that in some parishes, most of the burials are now cremation instead of the traditional body burials and when they do it is more prevalent to use a mausoleum. Fr. Evans added that “John indicated you need to do more than just selling mausoleum space to make the same revenue that is in your budget. So, it may decline financially, and we would need to stop this, maybe start with a new cemetery somewhere else. And if you start too soon, you will be competing with an existing one. So, it is complicated.” Msgr. Colin commented there is also a decrease in interest among Catholics to be buried in a Catholic cemetery.

#### **NEXT MEETING AND ADJOURNMENT**

The next meeting will be scheduled sometime on October 17, 2023. This meeting was closed at 3:47 pm and moved to the Diocesan Capital Corp meeting.

Respectfully submitted,

Sarah Niemann