

Memorandum

DATE: March 9, 2010  
 TO: Pastors, Pastoral Administrators, Principals, Bookkeepers  
 FROM: Chad Ryan, Staff Accountant  
 RE: Budgets

The Diocesan Finance Council requires all parishes to submit budgets to the diocese on an annual basis. Budgets for Fiscal Year 2010-2011 should be sent to the Chancery by June 30, 2010.

A budget is an estimate of the coming year's activities. It is a tool used to plan and allocate resources (personnel, money, space) in the most effective manner to achieve the goals and objectives of the parish.

If the total expenses of the parish exceed its total revenues, the parish should submit a detailed explanation of the deficit. This will be presented to Bishop Hoepfner, and he may ask the parish to submit a 3 to 5 year financial plan.

Here are some cost ESTIMATES that may help you in developing your budget. These figures are estimates, and are subject to change. The annualized 2009 Consumer Price Index was 2.7%. The inflation rate for 2010 is estimated at 3%.

FICA	7.65% of taxable wages	Unemployment	0.2% of gross wages
Lay Pension	6.5% of gross wages	Workers Compensation	10% increase
Life (policy=1½ X annual wages)	30¢ per \$1000 of policy	OND Newspaper	\$13 a year per subscription (proposed)
Disability	40¢ per \$100 of monthly wages	Property Insurance	3-4% increase
Health Insurance	16% increase*	Liability Insurance	3-4% increase
Rates as of 4/1/10		Accounting	2% increase
Medical, \$500 deductible plan		Salaries: Pastor	\$/year
Single	\$546/month	Parochial Vicar	\$/year
Family	\$1321/month	Priest Retreats	\$650/year
Medical, \$2200 deductible plan		Continuing Ed-Priests	\$800/year
Single	\$480/month	Food Allowance, Pastor	\$400/month
Family	\$1164/month	Parochial Vicar	\$400/month
Dental, Single	\$32/month	Priest Retirement	Based on parish size**
Family	\$85/month	Diocesan Mileage Rate	50¢/mile
1st Class Postage	4.7% increase	IRS Mileage Rate	50¢/mile

\*note that the current rates will remain in effect until 4/1/11

\*\* The amount assessed to parishes for priest retirement has not yet been finalized. Currently considering \$150/month for parishes under 75 households, \$250/month for parishes with 75 – 199 households, and \$350/month for parishes with 200 or more households.

Remember to take debt payments into consideration when making your budget. Debt payments are a reduction of a liability, not an expense. The parish's revenues should exceed expenses by an amount sufficient to cover any debt payments for the year.