



Dear families and friends of Saint Francis Xavier Parish,

April 2, 2024

I know that it has been a while since we have had a significant update of our parish financial standing for the people of the parish. At the end of July/beginning of August we will be putting out our annual budget information for our current fiscal year (July 1-June 30). Yet I wanted to keep you updated on some ongoing matters and answer some questions that until now were still “in process,” so could not be answered. We are now at a point to share a lot of information. I know there are a lot of questions!

The first thing I want to make clear is that nothing I say is to criticize any past parish employees or clergy. They have done amazing work to carry our parish through some difficult conditions, and I am very thankful for them. At the same time, our parish has in some ways continued in a “crisis mode” that is unhealthy over the long run, and we need to build greater stability to open conditions for the parish to meet its financial, physical, and spiritual needs and opportunities.

1. Property Debt
2. Diocesan Annual Campaign (DAC)
3. Weekend Collections (Income & Expenses)
4. Debt Plan – Where we were last summer
5. Debt Plan – Where we are now
6. Debt Plan – Where we can go from here

---

The first topic is the “property debt” situation. Last summer, June 29, 2023, I received an email from the Diocesan financial department that our parish was going to be financially responsible for assuming the payment to the diocese of the parish property at Table Rock Road which the diocese purchased on our behalf in 2002. The initial number was \$871,980. The email said that this was the result of a recent audit of the diocesan real estate trust.

The diocese owns a number of properties which have included those that the diocese purchased on behalf of parishes (like us), and other real estate properties that the diocese had acquired for potential future needs. The diocese provided payment of some of its debt of the bankruptcy by selling undeveloped properties from the trust. While they were looking at this list of properties, the decision was made that any of these properties that belonged to a parish or school should be shifted to that parish or school. Hence the email to our parish.

Now, two important things happened at about the same time. First, when the diocese purchased property for parish building projects around the time we acquired our Table Rock Road property, the message from the diocese was, “Put up the buildings you need, and when you finish paying your building loan, then we will deal with the property itself.” I don’t need to remind you that the

latter part of that message was not widely communicated. Nor do I need to remind you of the joy of the parish a few years ago of having finished paying off the building loan for the new School/Xavier Center. This then triggered the promised matter of paying the diocese back for the property. The second thing was of course the diocesan lawsuit and bankruptcy process which prompted the diocese to look more closely at their property portfolio. All the parishes (not just Saint Francis Xavier) who had properties held by the diocese received a letter like ours. Our “property debt” (the value of our land at the time it was purchased, not what it is worth now, so that was a mercy) is not the highest of those debts being repaid, nor is it the least. But there has been some criticism amidst our parish community against the diocese regarding their audit and financial management to have only “discovered” this debt relatively recently. That might be rooted in the way that I presented it last summer, so I apologize for any lack of clarity on my part. So that is how we received the letter that kicked off this part of our financial situation. We have already received about \$16,400 in parishioner giving for this debt, so to those families who have made these contributions, thank you!

---

The next topic that there are a lot of questions about is the Diocesan Annual Campaign (DAC), formerly called the Bishop’s Lenten Appeal. From these funds, the diocese provides for most of its ministries and services. This includes marriage and family ministries, the office of vocations (vocation director and staff, seminarians, permanent deacons), college campus ministry and Youth and Young Adult ministries, Catechetical and Educational programs, prison ministry, cultural ministries, diocesan liturgies such as ordinations, the Chrism Mass, Masses for RCIA rites, and of course Catholic Charities, which includes adoption services, foster children services, mental health services, and different aspects of service and ministry for shelters and care facilities. Of course, nothing of the DAC goes toward reparations for the clergy abuse scandal.

All the parishes of the diocese contribute to the DAC on a weighted scale, which is published on the diocesan webpage. To whom much is given, of them much is expected. The scale is based first on parish “ordinary” income, which are categories of collections and fundraising, but not capital funds, bequest/estates, or donations made toward the DAC itself.

For example, our parish “ordinary” income was \$1,063,342. The DAC percentage of that amount is determined by parish size. Because our income is over \$600,000, and we have more than 4,000 people (we have 7,193) and more than 1,500 families (we have 2,266), we’re in the highest bracket, which is 14%. Obviously, even if we “cleaned up” our registry, we could never reasonably fall below these thresholds. So, 14% of our income of \$1,063,342 is \$148,868, which is our DAC goal for this year.

Now one of the most important things about the DAC, besides the important work it does at the diocesan level, is that anything our parishioners give to the DAC beyond our parish goal is given back to the parish. And because it was donated to the DAC, it is not “ordinary” income to be assessed later. The more our parishioners give to the DAC, especially after we meet our goal, the more benefit it is to our parish. Meeting our DAC goal could be considered one of our top financial priorities each year.

We surpassed our DAC goal for last year by almost \$900! We are going to use this refund to install new flooring in the back alcoves of the Historic Church and return the votive candles! Also, our DAC this current year, which started in February, already has over \$62,000 given by our parishioners, only two months into the campaign. That's outstanding! Thank you to all of you who have generously supported our parish DAC goal!

---

The next topic is our weekend collection situation. When I arrived here in June 2022, we had surprisingly small savings for the size parish this is. And unfortunately, in two years of significant deficit, we have exhausted that small available savings. Now, I also understand that there was a major effort to pay off the school/Xavier Center, and perhaps a portion of the savings, or at least the focus of the parish giving, was used to finish that effort. It is always smart to get rid of interest-bearing debt. However, I was also informed that the weekend collection and parish savings situation has always been weak, and a lot of what we had when I arrived was from the government PPP loans to provide for payroll and utilities during the shutdown. Holy Trinity parish in Columbia, my previous parish, has over a million dollars in the main savings account, and another million spread across other special accounts, like church preservation and cemetery. So having savings of our current \$34, or even the six-year high-watermark of \$100,000, with the scale of finances our parish operates with, is not good at all.

In our diocese, parishes are required to use our diocesan banking. We send our collections to the diocesan finance office, which operates like a bank. Our parish money is still ours, we get a small amount of interest on our savings, we pay our bills through the diocesan finance system, which they oversee, and we can only take out loans or open accounts with the diocese. The diocese manages our tax-exempt status, as well as payroll regulations and laws, payroll benefits, our insurance, and of course capital projects. The important thing about this now is that when our parish overdraws our balance to pay our expenses, we are overdrawn against the diocesan bank, which does not charge us unless we end the fiscal year in a deficit, as opposed to being overdrawn against a local bank, which has significant fines for every transaction while overdrawn. And we have a lot of them. We are well on track to end the fiscal year in a negative balance, and we have run out of places to shift money from to cover our year-end deficit.

It is explicit Catholic teaching for the faithful to give to support the work of the Church, traditionally as a tithe of our income. Tithe means a "tenth." You can decide whether that means before or after taxes. In more modern times, conventional wisdom is to tithe 5% to the weekly parish collection, and the other 5% to be spent on other opportunities for charity, including other collections by the Church, such as the DAC, or collections for disaster relief, missionary priests, tuition assistance for families in the parish school or in the parish religious education program, or some of the wonderful organizations in our local community such as Manos Unidas, SCCAP, the Adams Rescue Mission, or others, provided their activities do not violate the moral teachings of our Catholic faith.

If most of our mass-going parish families committed to tithing even 5%, we would not have our current financial difficulty. It would more than cover the deficit.

Giving to the Church is not optional for Catholics. It is a moral requirement as one of the five precepts of the Church. As the Catechism of the Catholic Church (2043) says, "The fifth precept means that the faithful are obliged to assist with the material needs of the Church, each according to his own ability." This teaching is then reflected in the Church's Canon Law (222.1) as "Christ's faithful have the obligation to provide for the needs of the Church, so that the Church has available to it those things which are necessary for divine worship, for apostolic and charitable work and for the worthy support of its ministers." Or to put it more colloquially, "this is why we can't have nice things." Withholding parish giving for whatever reason is not only against Church teaching, but it only hurts the parish and the members of the parish.

What about our parish expenses? Every financial quarter (September, December, March, June), the diocese sends out a broad comparison of each parish in relation to all the parishes. Saint Francis Xavier is the 10<sup>th</sup> largest parish (by number of families) of the 96 parishes of our diocese. The report ranks the parishes by a ratio of dollars of income and expense categories per number of families. On the expense side, we rank better than the top ten in many of the expense categories, and *top four overall* in spending the least amount of money per our number of families. We are top tier at keeping expenses low, proportionate to our size.

But then on the other hand, we rank 88<sup>th</sup> in ordinary income, and 93<sup>rd</sup> out of 96 in total income. Meaning that our average family giving to the parish is lower than 92 of the 96 diocesan parishes, or at least lower than 87 of the 96 parishes. That statistic might sting a bit. Our parish families, on average, are less financially supportive to their parish than almost every other parish in the diocese. Meanwhile, our parish staff are scrambling to do their best to make ends meet with what they have to work with. And despite being the superstars they are stretching each dollar, the ends are not meeting, as we have seen.

Our parish can make a lot of progress in teaching our families to give sacrificially, as generous and holy stewards of their resources, like the widow whom Jesus praised for giving not just out of her surplus wealth, but offering sacrificially, trusting in the Lord, sacrificing some worldly goods and pleasures to invest her treasure, and her heart, in heaven. And of course, our parish is also blessed to have families who are very generous. And I want to thank those families and individuals who have made significant gifts to the parish, as well as those who have established a stable habit of generous giving. Also, I want to acknowledge those who have generously named the parish as a beneficiary in their estate planning. Thank you for this generous and very important support of our parish!

---

So, what's the plan? Back in last summer when I announced the news of our "property debt." I said that I had four strong impressions in quick succession. (1) I received an email that our parish had been selected to receive a grant from Catholic Leadership Institute to help our parish create and implement a parish vision to fulfill our mission as a parish; (2) the email about the property debt; (3) I went on my week of summer vacation, and in the car listened to countless podcasts about effective discipleship and evangelization programs; and (4) I went on my annual retreat,

and spent the week in a beautiful environment of Catholic families and the rich, holy tradition and devotion of the Catholic Church.

When I got home, I called Richie Musser of Kirby-Smith, whose expertise is in capital campaigns and fundraising. I laid out for him what I felt God was asking me to do. We do need to pay off our new property debt, and we need to engage more intentionally in our spiritual purpose tied to our Catholic identity. The real value we place on something, if it is truly important to us, we will be willing to invest our time, our resources, and ourselves to it. Also, people give more generously to a particular project, cause, or end result. Our property debt could also be the incentive to fundraise to build more needed space for the parish on the Table Rock Road property. Of the options to pursue in the original site plan (new rectory, new office, new church, new social hall, new school storage). Since I arrived, the greatest clamor has been for a new social hall, which would benefit the most people and events, and alleviate frequent event and group conflicts, even though it's among the more expensive of the options. Another option we might consider is that our small parish office, crammed into a small house, could more effectively meet our parish needs for a long time with some modification and expansion; which might be an easier target than the greater project of a new parish hall.

My thought at receiving the "property debt" email was not, "I've gotta find a way out of this place." It was an echo of a billboard that I drove past hundreds of times all through COVID, for Lancaster's Sight & Sound Theater, promoting their production of "Esther," and the billboard simply said, "For such a time as this." We can do this if we want to. We can do better than handle another crisis; we can leverage it to come out better off on the other side. One of the central mysteries of our faith is that through the cross, through the difficult journey of sacrifice, is the only way to the promised land.

The goals of the plan are going to be (1) fruitful in creating deeply loving disciples of our Lord Jesus Christ, and at the same time (2) promoting the rich beautiful tradition and devotion of our Catholic Faith. And it is to be both (3) fruitful in setting and implementing a vision for our temporal/material/financial resources, to move in the direction of paying off our debt, upgrading our facilities to meet our size and needs, and shoring up our savings and giving plan, and also (4) discerning and implementing a vision for the spiritual mission of our parish, to move in the direction God is guiding us to be in his plan for the salvation of the world. This was the plan I shared with the parish last summer in June 2023 when I first received and shared the news of the property debt. This is the plan we have been working on.

So, what have we done so far? (1) This past fall we fulfilled the plan to have Kirby-Smith facilitate three visioning meetings of parish representatives to facilitate creating a parish vision for our temporal resources. Kirby-Smith then put together for us a published vision plan packet that will be distributed soon. (2) In January I requested a meeting with the diocesan CFO, vicar general, and other members of the finance department, with Richie Musser's assistance, and we laid out to the diocese the parish's distress at how the "property debt" was communicated to us and how it was received, our ongoing parish financial difficulties, our vision plan, and our hope to defer our debt payments another six months while we pursue a feasibility study for measuring our parishioner's investment toward the plans of paying off the property debt and also coming

out of this with a new building. (3) December and January we started the formal visioning process with Catholic Leadership Institute by inviting all parishioners to fill out an index survey (312 surveys were filled out) as well as invite a representative sample and leadership of the parish to have open-ended interviews with our CLI (bilingual) facilitator while she came to experience a weekend at our parish, both in the church and Xavier Center. (4) From February into the summer, our Visioning committee is meeting with the CLI facilitator and independently to accomplish its goals, which will then be handed over to an implementation committee as guided by the CLI plan. (4) As of March, after submitting the formal request to the diocese for permission to implement a capital campaign feasibility study, the parish received notification from the diocese granting the permission, *with the caveat* that the feasibility study had to also include a plan for improving the ordinary income (i.e., stewardship, weekend collections). For this to be effective, it will not only allow us to meet our expenses (and continue to meet our DAC goal), but also contribute to building up our savings.

---

So, what's next? In the upcoming months, (1) the CLI Vision program will continue to unfold, as the visioning committee hands their work off to an implementation committee, probably in mid-summer or fall, to start the work of putting the vision plan into action. (2) From April through August, Kirby-Smith will carry out their proposed feasibility study to measure the investment and interest of parish members and families toward a capital campaign. With a planned sequence of mailings, calls, interviews, and digital communications, the study will conclude in August or September 2024. With the collaboration of the parish and finance councils, we will discuss and make decisions with that information. (3) As stated above, we will be replacing the bit of carpet in the alcoves under the choir loft of the Historic Church with new flooring and restoring the votive candle stands, a move that many parishioners have requested. (4) These steps planned and taken so far have addressed the material present and potential future of the parish, and the spiritual vision for the parish, but not the fruitful discipleship or traditional devotional aspects. Some of this may be addressed in the unfolding of the CLI vision plan. Otherwise, opportunities to grow the parish in these dimensions will be explored.

---

I know this was a lot of words. And as I said, there were a lot of questions to answer, and a lot of information to share. Thank you to those who have read this, and I ask you to share your thoughts to provide insights, generate more questions, build hope and investment in the parish, squash pessimism and cynicism, and to trust that God has a particular plan and mission for our parish, if we have the faith and courage to step up to His call. I am thankful for your patience, your support, and your encouragement, and it is a joy and privilege to serve as your pastor.

God bless you,

Fr. Stephen Kelley  
Pastor, St. Francis Xavier Parish, Gettysburg