

## Report regarding future funding models

On Monday, February 24<sup>th</sup>, 2020 Executive Director Lyn Korte, Sisters Sue Ernster, Hertha Longo and Pat Cormack met via Zoom conference to discuss how we might provide some modeling for future funding of the WRC and how to provide information to potential members about the cost of membership.

We began with a review of the model which Sister Hertha provided to the WRC Board on February 20, 2018. The following were the assumptions regarding that model.

We expected a \$50,000 per year grant from the GHR Foundation through June 2021. We targeted \$100,000 annual budget excluding the grant. The model assumed that the 9 member communities would fund the \$100,000 annual budget and each community pledged to remain a member for 3 years. We divided the annual budget by 9 with the following weights.

Each community pays an annual base fee of \$6,000 for a total of \$54,000. The remaining \$46,000 is divided among the 9 communities using a point system that awarded points based on a split of 50/50 between census and NRRO retirement needs analysis percentage of funding for retirement (both numbers were supplied from the December 31, 2016 community census and the NRRO reports).

<b>\$100,000 / Base fee \$6,000 with 50/50 split</b>	<b>Unfunded per NRRO 2016 Annual Report</b>	<b>Funded</b>	<b>Base Fee</b>	<b>Funding "Points"</b>	<b>Wgt based on Funding</b>	<b>Census</b>	<b>Pct Total Members</b>	<b>Remainder Allocation Census</b>	<b>Remainder Allocation Funding</b>	<b>Annual Dues</b>
								<b>50%</b>	<b>50%</b>	
Franciscan Sisters of Perpetual Adoration	0.0%	100.0%	6,000	100	0.13	218	0.17	3,914	2,975	12,890
Holy Cross Sisters, Merrill	0.0%	100.0%	6,000	100	0.13	27	0.02	485	2,975	9,460
Sisters of St Francis of the Holy Cross, Green Bay	1.3%	98.7%	6,000	99	0.13	57	0.04	1,023	2,946	9,969
Servants of Mary, Ladysmith	5.5%	94.5%	6,000	95	0.12	39	0.03	700	2,827	9,527
Sisters of the Divine Savior	12.3%	87.7%	6,000	88	0.11	63	0.05	1,131	2,618	9,750
Congregation of Sisters of St Agnes	18.5%	81.5%	6,000	82	0.11	200	0.16	3,591	2,440	12,031
Dominicans of Sinsinawa	23.4%	76.6%	6,000	77	0.10	432	0.34	7,756	2,291	16,048
Sisters of St. Francis of Assisi, Milwaukee	26.0%	74.0%	6,000	74	0.10	188	0.15	3,375	2,202	11,577
Sisters of the Living Word, Arlington Heights IL	42.1%	57.9%	6,000	58	0.08	57	0.04	1,023	1,726	8,749
<b>Totals</b>			<b>54,000</b>	<b>773</b>	<b>1.00</b>	<b>1,281</b>	<b>1.00</b>	<b>23,000</b>	<b>23,000</b>	<b>100,000</b>

The committee discussed the difficulties of coming up with any fees for new members without determining assumptions. It is clear that by June 2021 there will no longer be \$50,000 GHR grant payments. If we continue with this type of model and estimate a budget we need to know if there will be other sources of income (new members, subscription fees, new grants) and we need to know if there will be additional costs (from programs or???).

There are too many unknowns at this point. We decided that it would be helpful just to look at the effect of holding to a \$150,000 budget (with no grant support) and see what the impact would be on the current model. Of course, by June 2021 we will have different census numbers and different levels of retirement funding.

We agreed that the most information we could supply to potential new members would be a range from highest to lowest in the potential \$150,000 budget with an explanation of the model assumptions. Sue agreed to provide the numbers for a \$150,000 budget to the board prior to our March 5, 2020 meeting. The committee recommends further discussion at the board meeting regarding assumptions for the future. Hertha indicated a willingness to assist with further modeling as we move forward.

Respectfully submitted

Pat Cormack SCSC

February 24, 2020

The following is the summary provided by Sue Ernster FSPA

<b>\$150,000 / Base fee \$6,000 with 50/50 split</b>	<b>Unfunded per NRRO 2016 Annual Report</b>	<b>Funded</b>	<b>Base Fee</b>	<b>Funding "Points"</b>	<b>Wgt based on Funding</b>	<b>Census</b>	<b>Pct Total Members</b>	<b>Remainder Allocation Census</b>	<b>Remainder Allocation Funding</b>	<b>TOTAL</b>
								<b>50%</b>	<b>50%</b>	
Franciscan Sisters of Perpetual Adoration	0.0%	100.0%	6,000	100	0.13	218	0.17	8,169	6,210	20,378
Holy Cross Sisters, Merrill	0.0%	100.0%	6,000	100	0.13	27	0.02	1,012	6,210	13,221
Sisters of St Francis of the Holy Cross, Green Bay	1.3%	98.7%	6,000	99	0.13	57	0.04	2,136	6,147	14,283
Servants of Mary, Ladysmith	5.5%	94.5%	6,000	95	0.12	39	0.03	1,461	5,899	13,360
Sisters of the Divine Savior	12.3%	87.7%	6,000	88	0.11	63	0.05	2,361	5,464	13,825
Congregation of Sisters of St Agnes	18.5%	81.5%	6,000	82	0.11	200	0.16	7,494	5,092	18,586
Dominicans of Sinsinawa	23.4%	76.6%	6,000	77	0.10	432	0.34	16,187	4,781	26,969
Sisters of St. Francis of Assisi, Milwaukee	26.0%	74.0%	6,000	74	0.10	188	0.15	7,044	4,595	17,640
Sisters of the Living Word, Arlington Heights IL	42.1%	57.9%	6,000	58	0.08	57	0.04	2,136	3,602	11,737
			<b>54,000</b>	<b>773</b>	<b>1.00</b>	<b>1,281</b>	<b>1.00</b>	<b>48,000</b>	<b>48,000</b>	<b>150,000</b>