

Retirement Fund for Religious

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News

Two Steps Forward

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It is a well-known, albeit discouraging, fact that progress is rarely made in steady increments. Usually, the model is more along the lines of “two steps forward, one step back.” This can be especially true for religious communities that are planning for retirement and eldercare. Yet the staff of the National Religious Retirement Office (NRRO) has long recognized that the number of steps is not nearly as important as the first step—recognizing a need and developing plans to address it.

The Sisters of St. Francis of Oldenburg, Indiana, entered the NRRO's Planning and Implementation Assistance program in 2013, seeking to stabilize their retirement

funding and furnish additional accessible housing. As a large community, now with 179 members, they required strategies that could adapt to the changing needs of their congregation over a period of many years. A series of planning awards underwrote consultations with various firms to assess care delivery, staffing, finances, buildings and property, development operations, and projected needs. Findings from these reviews became the basis for a long-range master plan.



Participation in Planning and Implementation Assistance put the Sisters of St. Francis of Oldenburg, Indiana, on the road to a more stable retirement. They continue to implement strategies that promote financial stability and assure quality eldercare.

Two Steps Forward, continued

First Steps

Consultants were impressed by the home-like setting and level of care they found at St. Clare Hall, the community's infirmary. Renovated in 1998, the facility offers 48 skilled-care beds, including accommodations for those convalescing, and another 16 beds for assisted living. The review found the community's cost of care was well below the state average. The Franciscans had previously investigated licensure for the facility, but they found the requirements were too costly. However, eligible sisters are enrolled in available government benefit programs, including Social Security and Medicaid, which offers substantial savings on Medicare premiums.

A space utilization analysis confirmed what the community already knew: there was not enough elder-friendly space to meet the needs of retired sisters who were well. At the time, the community had a waiting list for sisters who wanted to return to the motherhouse. Yet, without available and safe space, these sisters had to keep paying rent in the locations where they had been missioned. On the other hand, many elders who were at the motherhouse resided in rooms that were not accessible and that were located far from elevators and bathrooms.

Moving Ahead

A focal point of the master plan was meeting the immediate need for accessible space. Demographic projections had revealed that the community would require housing for independent seniors for the foreseeable future. The goal was to develop space that would accommodate the community's changing realities, especially if, down the road, the sisters wanted to consolidate their quarters to make large portions of the motherhouse available for lease or purchase.



St. Clare Hall, the community's infirmary, offers skilled care and assisted living. Consultants were impressed by the high level of care and below-average costs.



▲ From left: Sister Maureen Mahon and Linda Roelker, LPN.

▶ From left: Sister Dolores Meyer and Sister Evelyn Forthofer, Coordinator of Pastoral Care.

Two Steps Forward, continued

An Implementation Assistance award from the NRRO helped launch the \$2.4 million project. Through a combination of property sales and extensive fundraising efforts, the community was able to raise the remaining funds needed to complete the renovation. Known as Epiphany Hall, the resulting space is in the center of the

motherhouse and furnishes 17 bedrooms with accessible, private baths. The new accommodations provide easy access to elevators and to the chapel, dining room, and community rooms. The renovation also included necessary safety upgrades as well as energy-saving enhancements that have lowered operational costs.



Located in the center of the motherhouse, the newly renovated Epiphany Hall offers 17 accessible bedrooms with private baths for senior sisters who are independent. The new space features a cozy community room and easy access to other areas of the motherhouse.

▲ Clockwise from left: Sisters Rosie Miller, Susanna Helmes, Mary Claire Hausfeld, Shirley Massey, and Alice Retzner (also inset).

◀ From left: Sisters Donna Eggering and Bernice Stenger.

Two Steps Forward, continued

Around the Bend

At the heart of the Franciscans' planning work was a commitment to ensuring the community's funds would be available to meet ongoing member need. Initial forecasts had projected their retirement funds could be exhausted by 2030, a time when they would still have 80 sisters requiring care and support. In assessing their financial picture, the community worked with their consultants to evaluate organizational structures, staffing and benefits, and financial administration. The resulting recommendations have increased efficiencies and reduced costs. Yet a major finding of the fiscal review was the extent to which the Franciscans were subsidizing their two supported ministries—Oldenburg Franciscan Center and Michaela Farm—and the long-term impact these subsidies would have on their financial stability.

Over the last few years, the community has worked to reduce these subsidies, with the goal of eventually eliminating them. They began by relocating Oldenburg Franciscan Center, their spirituality center, to the motherhouse. This resulted in immediate and substantial overhead savings. The large vacated building, known as Olivia Hall, is now on the market.

Likewise, the community has been working to reduce the subsidy to Michaela Farm. In 2015, they sold 59 acres of the farm to the owner of an adjacent apple orchard. Recently, they made the difficult decision to sell their beef herd, which was the most expensive aspect of operating the farm, and to rent the pastureland. As a Community Supported Agriculture (CSA), the farm generates some income, but not yet enough to operate independently. At their February 2018 chapter, the Franciscans designated a group of sisters to work on recommendations for the farm. The goal is to develop a business plan and reevaluate operations in three years.



Hiring a manager for Michaela Farm is one of several steps the sisters are taking to help it become financially independent.

Relocating the community's spirituality center from Olivia Hall (right) to the motherhouse has resulted in substantial operational savings. Now the sisters are working to sell the building.



▲
From left: Daniel Wilds,
Michaela Farm Manager,
and Sister Marie Nett.

Two Steps Forward, continued

An Uphill Climb

Consultants estimated that the community would have to generate an additional \$675,000 per year in increased income and reduced expenses in order to adequately fund retirement. Implementation of the recommendations identified in the planning process initially allowed the Franciscans to exceed their goal. Yet, while the community is mostly on track, continuing to save at the necessary level is challenging. Due to circumstances beyond their control, solutions that appeared promising have ultimately not been viable. For example, in 2016 the community signed a letter of intent with a buyer who wanted to turn Olivia Hall into affordable senior housing. But the sale fell through when the buyer encountered issues with state tax credits. The community is now exploring possibilities with another prospective buyer.

Hitting Their Stride

The community's fundraising efforts are proving increasingly fruitful. In addition to raising over \$1 million for the Epiphany Hall project, the Franciscans have implemented recommendations from their development study, such as creating new marketing materials and communications. They are also collaborating with Marian University, one of their sponsored ministries. As part of the current capital campaign, the university established the Sisters Legacy Fund, and the Franciscans will receive income from this starting in 2021.

Sister Maureen Irvin, who was superior during the community's participation in Planning and Implementation Assistance, has recently assumed the responsibility of Director of Community Partnerships and will focus on major gifts. Her extensive involvement in the planning process gives her a unique understanding of the community's long-term needs and the integral role fundraising will play in achieving their goals.

Five years after entering Planning and Implementation Assistance, the Franciscans continue the journey, having achieved tremendous success in some areas while continuing to be challenged by others. Yet with the planning behind them, they have a map for the future. Step by step, they are headed toward the finish line.

“Participation in the planning process has been most beneficial for our community as we prepare for a future full of hope. We are extremely grateful for the support the NRRO has provided through consultants' expertise as well as financial assistance.”

Sister Christa Franzer, Congregational Minister

From left: Sisters Maureen Irvin, Christa Franzer, and Bernice Stenger served as the community's Planning and Implementation Assistance team, coordinating the efforts of the many members who contributed to the master plan.



The Collection Needs You!

The national Retirement Fund for Religious collection will be held December 8–9 in thousands of parishes across the United States. Over the last thirty years, U.S. Catholics have donated an astounding \$844 million to the appeal. Despite this generosity, hundreds of religious communities continue to face profound deficits in retirement funding. Proceeds from the annual collection offer direct financial assistance and underwrite educational and consultative resources that help communities enhance eldercare and prepare for the future.

Please join in raising awareness of the ongoing need. Visit retiredreligious.org/materials/ to download promotional resources, including a speaker guide. Access our toolkit to promote the collection on social media, retiredreligious.org/social-media-toolkit/. Please also be sure to thank bishops in dioceses that hold the collection.

Please give the 2018 Retirement Fund for Religious collection your vocal and prayerful support.



Please give to those who have given a lifetime.
retiredreligious.org



The 2018 Retirement Fund for Religious campaign features 10 senior religious from six communities in the Archdiocese of Portland, Oregon. Meet them at retiredreligious.org/2018photos.

Message from the Executive Director

A key aspect of the National Religious Retirement Office (NRRO) mission is helping religious communities recognize their “retirement realities.” Embracing reality, in any endeavor, can be tough because there is often a disparity between perception and fact. Not acknowledging the facts, however, does not make them any less valid. Before we can prepare for the future, we must understand and, more importantly, accept the now.

Planning brings reality into sharp focus. The Oldenburg Franciscans, featured in this issue, utilized the support offered through NRRO Planning and Implementation Assistance to undertake comprehensive analysis of everything from finances to property to eldercare delivery. The initial findings were sobering in many areas, particularly with respect to the gap between long-term retirement needs and available funding. Yet rather than being paralyzed by this information, the community was motivated to seek solutions. And while they are still working toward certain goals, accepting their realities has left them in a more secure place.

Such exhaustive planning may not be feasible for every community, but the NRRO offers resources that can help religious institutes gain a better understanding of their own retirement landscapes.

For example, Management and Continuing Education Assistance can help underwrite a Tracking Revenue Expense Net Assets Demographics Savings (TRENDS) review. Offered through the Resource Center for Religious Institutes, TRENDS is a forecasting tool that allows religious institutes to project long-term costs and finances based on current data. Likewise, NRRO eldercare consultations are available to help communities evaluate care delivery and expenditures. Combined, these reviews can offer religious institutes a solid assessment of their ongoing needs and the funds that will be necessary to support them.



Accepting retirement realities is not a solution but rather a stepping stone on the path to greater stability. The NRRO is here to help religious institutes with that crucial first step.

God bless,

Sister Stephanie Still, PBVM

NRRO Calendar

November

12-14 USCCB Fall General Assembly
Baltimore, MD

13 NRRO Webinar—*Governmental Programs for Healthcare and Related Benefits*

December

8-9 Retirement Fund for Religious National Collection

January

1 Direct Care Assistance applications mailed

7 NRRO Assistance Review Committee meeting

16 NRRO Management Committee meeting

27-31 Informational meetings on Planning and Implementation Assistance
San Antonio, TX

February

12 NRRO Webinar, Topic TBD

25-27 CMSM New Leader Workshop
Greenbelt, MD



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Stay Connected

Please send changes in address, phone, e-mail, or congregational leadership to the NRRO, c/o Karen Cañas (kcanas@uscceb.org), so that we may keep our records and mailing lists updated.

The National Religious Retirement Office coordinates the national collection for the Retirement Fund for Religious and distributes these funds to eligible religious institutes for their retirement needs. Our mission is to support, educate, and assist religious institutes in the U.S. to embrace their current retirement realities and to plan for the future.

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