

2-8-07 - St. John's Parish gets some restitution

The Darien Times (CT), by Susan Schultz

Last weekend, parishioners at St. John's Parish learned that the parish has so far received \$118,000 in assets and insurance for restitution and a transfer of the Rev. Michael Jude Fay's ownership in a Florida condominium. Father Fay owned the condominium jointly with Clifford Fantini.

This restitution is to offset the estimated \$1.4 million loss to the parish as a result of the former pastor's alleged financial misconduct. Last May, news broke that Father Fay had been using parish money to fund a lavish lifestyle that was called inappropriate by diocesan leaders. In August, an independent audit of the period between Jan. 2000 and April 2006 revealed an estimated loss of \$1.4 million to the parish, with as much as \$350,000 unaccounted for by the former pastor.

Parishioners also learned that while the weekly offertory is 22 percent behind budget for the last six months, December offertory alone was double the normal monthly giving.

This information was included in the financial update for the first half of the fiscal year (July through December 2006). The report was submitted by the current pastor, the Rev. Frank McGrath, and the St. John's Finance Committee.

While Father Fay's ownership of the condominium in Florida has been transferred to St. John's, the sale of that condominium may take several months, according to the report. Any proceeds from that sale that belong to Father Fay will go to St. John's. In addition, \$118,000 in insurance and asset recoveries has also been received by St. John's to offset the \$1.4 million currently estimated in losses from Father Fay's misconduct.

Despite the total weekly offertory falling short by 22 percent what was budgeted, gifts and bequests were triple what was expected. This offset the shortfall.

According to the report, though income was 9 percent less than expected, expenses were 8 percent less. The result is that expenses exceeded revenues by \$6,000.

The budget for the full year states revenues at \$1,279,120 and expenses at \$1,215,810. Currently, \$13,310 is available for use.

Father McGrath said he is not concerned about the decrease in weekly offertory.

"We know a number of folks give monthly and some give it now annually, so we'll watch it," he said.

He said he knows the church has lost some parishioners, but it has also gained some.

"Some have also come back, but it is a fact of life," he said.

As far as the assets recovered from Father Fay, in addition to the condominium ownership, he believes it also includes some artwork. Father McGrath said he thinks that things at St. John's are progressing "pretty positively."

"The parish morale is very good and many people are involved in ministry in the parish and enjoying it very much," he said.

Father McGrath said part of that ministry is a pastoral planning team, which is part of a large diocesan plan of re-evangelization.

"It is really exciting, and all of these folks are involved in it," he said.

This spring, Father McGrath said he plans on creating a permanent parish advisory council to evolve from the current transitional parish council that has been in place since last May.

“They’ve done very well and come together very strongly, and have been a great help to me,” he said.

Some of the current members will remain on, while others will come off and new members will become a part of the council.

In an e-mail, diocesan spokesman Joseph McAleer wrote that Father McGrath and the finance council of St. John Parish should be applauded for the “excellent financial report for July-December 2006, which was distributed to all parishioners.

“Their candor and attention to detail demonstrate great transparency and accountability, and are in line with the enhanced financial procedures and controls being implemented in all 87 parishes of the diocese,” he said.

With regard to restitution, McAleer wrote that Bishop Lori has instructed diocesan legal counsel to seek restitution from Father Fay for those funds misappropriated from the parish.

“This process continues, with some success to date, and we will continue to keep the parish informed,” he wrote.

McAleer confirmed that insurance and asset recoveries, including the proceeds from investment accounts, have been transferred to the parish.

“Father Fay’s ownership in a Florida condominium has been secured and transferred to St. John’s, with the intention to sell it soon. Other items, including jewelry and artwork, have been secured, but these are apparently of nominal value,” he said.

Father McGrath said the financial report was well received, and parishioners were appreciative and quiet.

“I’ve gotten no questions, and have received a couple of positive e-mails and phone calls,” he said.

The U.S. State Attorney’s office is continuing its investigation into Father Fay’s financial misconduct. According to spokesman Tom Carson, no further comment will be made as to the status of that investigation while it is undergoing.

“But we’ll keep you posted,” he said.