

## 2020 Report of the Our Lady of the Magnificat Parish Finance Council

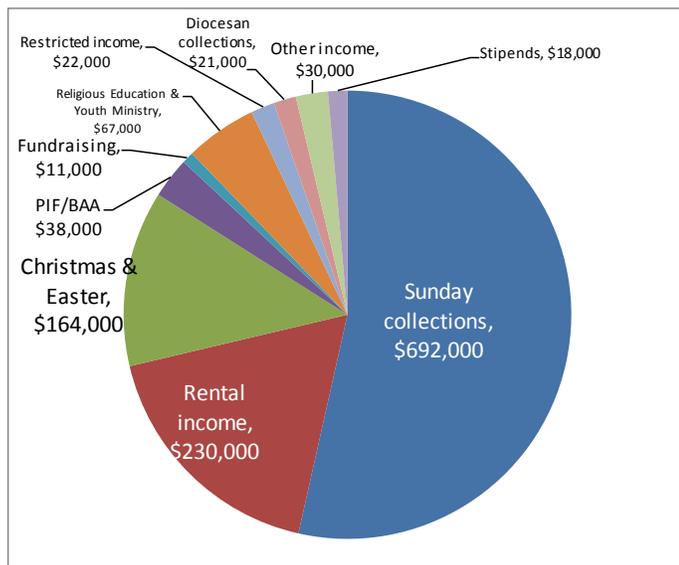
Greetings and welcome to the Holiday season! First, we would again like to extend our sincerest thank you to the entire Parish community for the incredible gifts of time, talent and treasure that you have shared with our Parish this past year. And what a year it was!

2020 was a year of unprecedented turmoil for everyone around the world beginning last winter. The impact of the COVID-19 pandemic was felt almost immediately at OLM with in-person Masses and all ministries shutting down with the rest of the country in mid-March. We quickly put in place a video-tape process for Mass each weekend and we all celebrated Easter virtually via the internet. In July, the state began allowing in-person gatherings and live Masses started again. Attendance has slowly been increasing, however the experience is different – social distancing, masks and limited music with no congregation singing are now the norm for the time being. Hopefully, the virus will subside soon and Parish life can return to normal. The recent news of successful COVID-19 vaccine studies is certainly encouraging.

As you know, both the Diocese of Paterson and the Parish rely on the Finance Council to keep a diligent eye on how Our Lady of the Magnificat (“OLM”) accomplishes the goals of its ministries within its financial resources. Historically, with the support of our Pastor and this Council, OLM has continued to maintain a very stable financial position. Below is a summary of our financial results for the fiscal year:

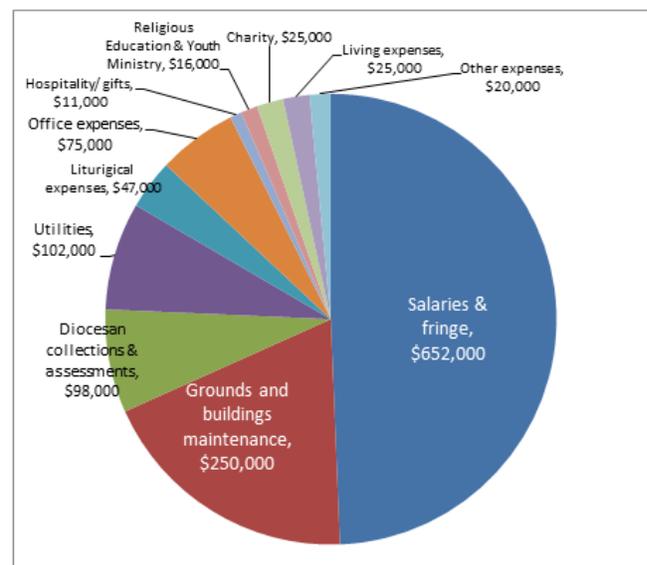
### 2019-2020 Revenue

Total = \$1,293,000



### 2019-2020 Expenses

Total = \$1,321,000



OLM’s operations resulted in a deficit for the fiscal year ending June 30, 2020 of (\$28,000), in total, compared to a surplus of \$167,000 for the prior fiscal year. Included in these results were \$22,000 in restricted donations for various facility related needs of the Parish. In addition, we recorded contributions to the Bishop’s Annual Appeal of \$117,000. Of this amount, almost \$33,000 has been returned to the Parish as a rebate for exceeding our assigned goal. Our overall income decreased in all but one category as noted in the table on the following page, which was the driving factor in the decreased fiscal performance from the prior year. However, given the challenges we all experienced during the pandemic we are thrilled and thankful for you keeping OLM in your hearts and prayers during this time and continuing to contribute on a weekly basis. Many thanks for your generosity!

During the year we completed building and facility projects totaling \$89,000, including much needed work on the outside church façade facing Miller road, rebuilding the chimneys in the rectory and convent, emergency cleaning of the rectory main sewer line, convent and rectory HVAC repairs and refinishing the church doors. In addition, we continued to make smaller improvements and repairs to all Parish facilities. As discussed in the past, the prudent financial management of the Parish over the years and the continued generosity of our Parishioners has allowed us to pay off all the Parish’s external debt to third parties and internal debt to the OLM cemetery.

While not included in the numbers above, the OLM Cemetery continues to operate in a fiscally responsible manner, also posting a net surplus of almost \$44,000, and our loved ones resting there can be assured of many years of outstanding care.

A sure sign of a vibrant Parish is the number of activities happening throughout the year. Despite the pandemic infringing on over a quarter of the year, OLM conducted 13 weddings and 37 baptisms and sponsored 6 Faith Sharing/Bible Study groups. The Faith

Formation programs facilitated 39 First Holy Communions (spread throughout calendar 2020), 71 Confirmations and 1 newly initiated through RCIA. The Knights of Columbus, which total 140 men, contributed \$48,000 to local charities and those in need, collected thousands of pounds of food for local food pantries, and lent hands to help for many, many activities. The Ladies Guild, with 33 members, contributed over \$6,000 to those in need in our area. In addition, we said goodbye to over 43 family and friends who celebrated funerals here at OLM or have been buried in the Parish cemetery.

In February, Fr. Lukasz Iwanczuk, our Parochial Vicar, went home to Poland for a 2 week vacation visit with his family and, due to COVID-19 travel restrictions, ended up staying for several months – his mom was certainly thrilled. Upon his return he immediately left for his new assignment as Spiritual Director at SS. Cyril and Methodius Seminary in Orchard Lake, MI and we certainly wish him well as he enters this new stage of his ministry. We continued to benefit from weekly assistance from both Fr. Ed Lambro and Fr. Henry Schreitmueller throughout the course of the year for masses, funerals and weddings. Fr. Henry entered a well deserved retirement during the summer of 2020 and is in the process of moving to the sunny world of Southern California – we will all miss him! In August, Fr. Babu Thelappilly, joined OLM as our new Parochial Vicar. He is getting acquainted with his new OLM family.

As responsible stewards, the OLM staff and Finance Council have exercised conservative spending while still trying to provide the high quality of ministries and services you have come to expect. Looking forward, however, we need to be cognizant of the on-going operating and maintenance costs associated with OLM's extensive and aging Catholic community campus. As always, we appreciate your continued support in funding our plant operations. A comparison of the past two year's financials, along with the budget for 2020-2021 is as follows:

|   |   | Actual             |                    | Actual             |              | Budget             |                   | '19A to '20A |     | '20A to '21B |  | Budget vs. Actual Comments   |
|---|---|--------------------|--------------------|--------------------|--------------|--------------------|-------------------|--------------|-----|--------------|--|--|
|   |   | FYE June '19       | FYE June '20       | FYE June '20       | FYE June '21 | Inc. (Dec.)        | Inc. (Dec.)       | B-A          | C-B |              |  |  |
| Income                                    |   | A                  | B                  | C                  |              |                    |                   |              |     |              |  |  |
| Sunday collections                        | a | \$809,000 51%      | \$692,000 54%      | \$655,000 52%      |              | (\$117,000)        | (\$37,000)        |              |     |              |  | COVID impact on attendance and collections                                   |
| Rental income                             | b | \$210,000 13%      | \$230,000 18%      | \$237,000 19%      |              | \$20,000           | \$7,000           |              |     |              |  | Annual increase, plus additional space leased                                |
| Christmas & Easter                        | c | \$167,000 10%      | \$164,000 13%      | \$161,000 13%      |              | (\$3,000)          | (\$3,000)         |              |     |              |  | Downward trend   |
| Partners in Faith/Bishop's Appeal Rebates | f | \$87,000 5%        | \$38,000 3%        | \$15,000 1%        |              | (\$49,000)         | (\$23,000)        |              |     |              |  | PIF has ended; BAA was record in 2019  |
| Fundraising                               | e | \$69,000 4%        | \$11,000 1%        | \$60,000 5%        |              | (\$58,000)         | \$49,000          |              |     |              |  | No golf outing, Christmas Concert shortfall and Project Faith collections    |
| Religious Education & Youth Ministry      | d | \$67,000 4%        | \$67,000 5%        | \$64,000 5%        |              | \$0                | (\$3,000)         |              |     |              |  | Downward trend in enrollment   |
| Restricted income                         | g | \$99,000 6%        | \$22,000 2%        | \$0 0%             |              | (\$77,000)         | (\$22,000)        |              |     |              |  | Not budgeted as these are unplanned/unsolicited restricted donations         |
| Diocesan collections                      | h | \$30,000 2%        | \$21,000 2%        | \$21,000 2%        |              | (\$9,000)          | \$0               |              |     |              |  | Downward trend   |
| Stipends                                  | i | \$26,000 2%        | \$18,000 1%        | \$28,000 2%        |              | (\$8,000)          | \$10,000          |              |     |              |  | Mass & candle memorials and funerals/weddings/baptisms                       |
| Other income                              |   | \$33,000 2%        | \$30,000 2%        | \$26,000 2%        |              | (\$3,000)          | (\$4,000)         |              |     |              |  | Miscellaneous items  |
| <b>Total</b>                              |   | <b>\$1,597,000</b> | <b>\$1,293,000</b> | <b>\$1,267,000</b> |              | <b>(\$304,000)</b> | <b>(\$26,000)</b> |              |     |              |  |  |
| <b>Expenses</b>                           |   |                    |                    |                    |              |                    |                   |              |     |              |  |  |
| Salaries & fringe                         | A | \$712,000 50%      | \$673,000 51%      | \$645,000 49%      |              | (\$39,000)         | (\$28,000)        |              |     |              |  | New Pastor, Fr. Lukasz transfer late in year and reduced hourly during COVID |
| Grounds and buildings maintenance         | B | \$209,000 15%      | \$250,000 19%      | \$215,000 16%      |              | \$41,000           | (\$35,000)        |              |     |              |  | Dependent on projects implemented and needs                                  |
| Diocesan collections & assessments        | C | \$131,000 9%       | \$98,000 7%        | \$113,000 9%       |              | (\$33,000)         | \$15,000          |              |     |              |  | Suspended assessment during COVID and by lower Nat'l Collections             |
| Utilities                                 | D | \$97,000 7%        | \$102,000 8%       | \$101,000 8%       |              | \$5,000            | (\$1,000)         |              |     |              |  | Fairly consistent as expected  |
| Liturgical expenses                       | E | \$59,000 4%        | \$47,000 4%        | \$59,000 5%        |              | (\$12,000)         | \$12,000          |              |     |              |  | Prudent spending planned and COVID impact                                    |
| Office expenses                           | F | \$64,000 4%        | \$75,000 6%        | \$75,000 6%        |              | \$11,000           | \$0               |              |     |              |  | New rectory appliances and HVAC service                                      |
| Hospitality/ gifts                        | G | \$29,000 2%        | \$11,000 1%        | \$8,000 1%         |              | (\$18,000)         | (\$3,000)         |              |     |              |  | Prudent spending   |
| Religious Education & Youth Ministry      | H | \$35,000 2%        | \$15,000 1%        | \$35,000 3%        |              | (\$20,000)         | \$20,000          |              |     |              |  | Prudent spending and RISE fundraising with no trip expenses                  |
| Charity                                   | I | \$69,000 5%        | \$25,000 2%        | \$31,000 2%        |              | (\$44,000)         | \$6,000           |              |     |              |  | Fr. English shutdown, less school subsidies and prudent spending             |
| Living expenses                           | J | \$25,000 2%        | \$25,000 2%        | \$25,000 2%        |              | \$0                | \$0               |              |     |              |  | Fairly consistent as expected  |
| <b>Total</b>                              |   | <b>\$1,430,000</b> | <b>\$1,321,000</b> | <b>\$1,307,000</b> |              | <b>(\$109,000)</b> | <b>(\$14,000)</b> |              |     |              |  |  |
| <b>NET INCOME</b>                         |   | <b>\$167,000</b>   | <b>(\$28,000)</b>  | <b>(\$40,000)</b>  |              | <b>(\$195,000)</b> | <b>(\$12,000)</b> |              |     |              |  |  |

This year has certainly shown how the world can change on a dime and, while we generated a smaller loss than anticipated, the pandemic has resulted in continued uncertainty into the near future. The well-being of the Parish is ultimately dependent upon the generosity of time, talent and treasure of its Parishioners. Engaged Catholic faith communities are dependent on their own resources for creating and sustaining the many programs needed for spiritual nourishment. Your continued generosity and financial support are essential to the long-term success of our parish and maintenance of its' facilities.

OLM provides support through its many ministries, as well as serving as a welcoming place for all to worship and listen to the Word of God. While your generous monetary contributions continue to pay our bills, the time and talent you share with your fellow Parishioners is equally as important to the vitality and success of our Parish. When the OLM Parish community joins together, we believe wholeheartedly that it can do great things for the ministry and mission to which Jesus Christ calls. With God's blessing we will hopefully be back to normal very soon.

We want to truly thank you for your past generosity and future support. May God Bless you and all that you do for the Parish community of Our Lady of the Magnificat and may you find a greater spiritual closeness and joy in God's light throughout the coming year.

### Our Lady of the Magnificat Finance Council 2019-2020

Oliver Mueller - Chair  
Cyndy Fuhro

Steve Cobell  
Fr. Steve Shadwell – Pastor

John Farmer  
George Casagrand – Business Administrator and Bookkeeper

Barbara Nemits