

ANNUNCIATION PARISH

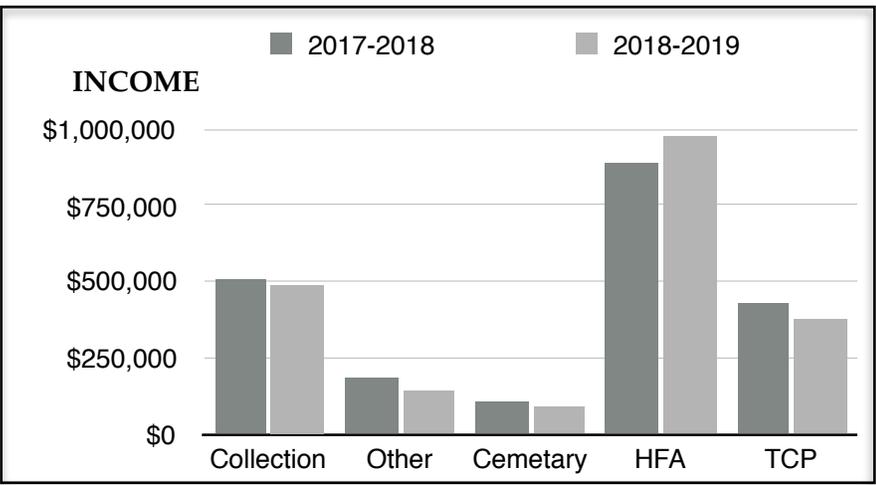
Financial Report to Parishioners

Fiscal Year 2018 - 2019

In collaboration with the Finance Council, we are pleased to present this annual financial report to you. Our fiscal year is September 1 to August 31. This report compares fiscal 2019 (9/1/18 - 8/31/19) to fiscal 2018. Our overall financial picture as a combined entity remains stable. However, lower enrollment at both schools, coupled with increased expenses can present a challenge for the future. The current trend is concerning, but by working together is reversible.

INCOME:

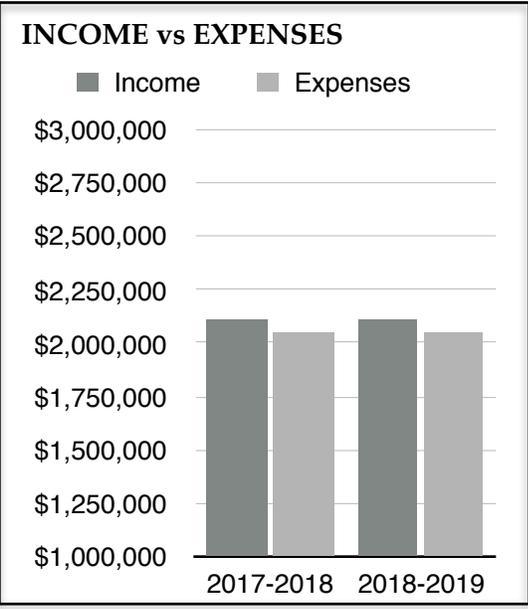
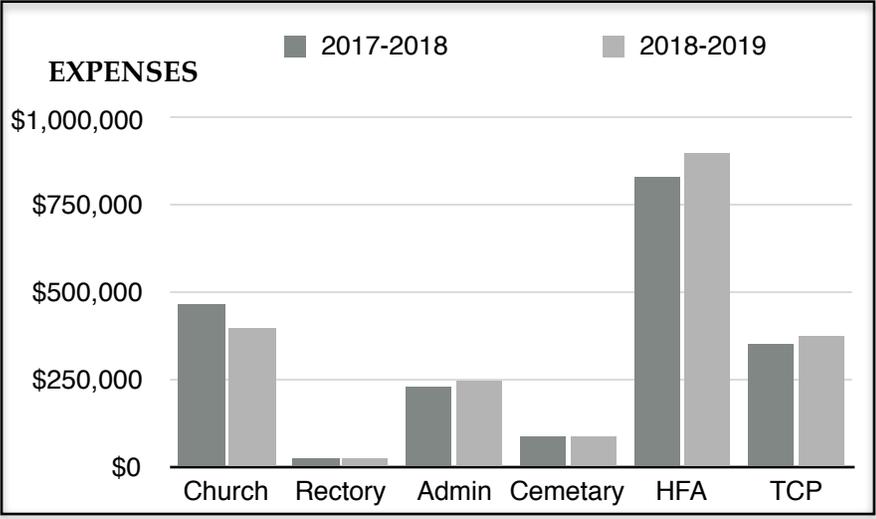
As a parish, our overall income in FY19 was very slightly less than the previous year, **\$2,109,250** as compared to \$2,111,439, a difference of \$2,189 or 0.10%. The income chart below compares the incomes of the weekly collections, "other parish income" (including interest earned, donations, mass intentions, funerals & weddings), and the incomes of our other parish entities. An overall decrease in all areas of income was offset



by an increase in HFA income last year. With lower enrollment last year's gain may be a loss this year.

EXPENSES:

Our expenses were down .14%, **\$2,044,563** last year as compared to \$2,047,471 in FY18, a difference of \$2,908. While Church expenses were down by 15%, Rectory and cemetery increased by negligible amounts. School expenses increased by 8%, and expenses at The Caring Place were up again by, 5%. Parish Administration expenses were up by 7%. The Expense Chart to the left shows the comparison for each entity for the last two years.



INCOME vs EXPENSES:

Overall, both income and expenses were down last year. We finished the year without a deficit, however we are operating on a thin margin. The key to success will be the reduction of expenses at HFA and The Caring Place and increasing their enrollment

DEBT and SAVINGS:

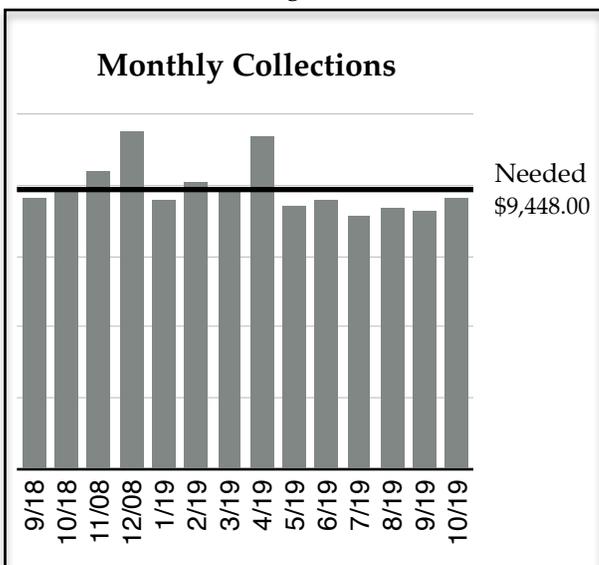
As you are aware, we were able to pay off all of the parish debt last year. This was an important achievement and one that helps us to be in a position of looking towards future growth. As a result of keeping control on expenditures we have some savings in the parish account (\$620,000 as of the end of last fiscal year). However, there are some upcoming expenses that we have agreed upon, and there are some significant repairs to be done (see next section) - some of these will need to be paid out of this amount. The school has money in the endowment and in various scholarship accounts. We have not touched *any* endowment money in the last several fiscal years, and have only been drawing off interest on the other accounts to offer scholarships. The amount of free cash in the school account is not significant (a little over \$60,000) and this can be easily in jeopardy with the current lower enrollment. The cemeteries have money in "perpetual care," the interest of which we stopped using two years ago and let it stay in the accounts. We plan to draw off some of the interest yearly to begin to do some capital maintenance at the cemeteries. With the future being uncertain, it is vital that we keep as much money in savings as possible.

THE FUTURE:

RENOVATIONS: There is strong support in the parish, and from Pastoral Council, to complete the handicap access projects. There have been delays in finding a contractor to do this work at a reasonable cost. We have the architectural plans now and think we have the contractor lined up. The scope of the work is to include (in this order of urgency): (1) Handicap Ramps at Holy Rosary, (2) Handicap access at Holy Spirit, (3) Bathroom in Holy Rosary church vestibule, (4) Handicap bathrooms in both halls. We have limited funds dedicated to this project and will be able to go as far down this list as the money allows. The second renovation project is to restore the former Regan Street convent to active use. This project has been bid out and the complete project will come to nearly (\$170,000), this has been approved by the Finance Council to be taken from savings.

NEEDED REPAIRS: The committee to examine capital projects has done an exhaustive review of all our properties. The result has been to produce a grid of needed work. The total cost of these proposed repairs is **\$700,000** this will not be needed all at once, but will require the outlay of money that we currently do not have.

CAPITAL CAMPAIGN: We will be beginning the "Legacy of Hope Campaign" soon. This is a Diocese-wide initiative to fund several specific areas in the life of our local church. We will be having information sessions and detailed information regarding this campaign for you to review. Our parish goal is \$593,768 which is achievable when you consider that this is not expected in one-time gifts but rather to be pledged over four years. The structure of this campaign sends 40% of the funds back to the parish (which in our case would be \$237,507 if we make goal). After hitting goal, 60% of the money collected stays in the parish. This seems to have been timed well to help us to address the capital needs we have as a parish and allow us to pass the facilities to the next generation in a condition that they will last for years to come.



COLLECTIONS: The financial lifeblood of the parish are the generous donations from our parishioners. Collections continue to be a bit less each year. As you can see in the chart labeled "Monthly Collections" we have been slightly below our projections. Our budget is based on an average weekly collection of \$9,448. As active parishioners, we are stewards of the church. We ask only that you prayerfully consider maintaining, and if at all possible, increasing by even a small amount your weekly donation. We understand many of our parishioners are on fixed incomes and we do not ask to give beyond your means.

Thank your time reviewing this report. Please feel free to contact any member of the Finance Council with questions.

Pastor: *Fr. Steve* Finance Committee Chair: *Jeff Gallant*