



Saint Catherine of Siena Catholic Church - Quarterly Finance Report

QUESTIONS FROM PARISHIONERS Appear Below. If you have additional questions, do not hesitate to contact Fr. Mark or John Emilio. Contact info is in the bulletin or on website.

At calendar year end the Parish has reached the six-month mark of the fiscal year. It is appropriate at this time to provide you with a recap.

Amounts in k=000's	<u>This Yr. @ 12-31</u>	<u>Budget @ 12-31</u>
1. Sunday & Holy Day Collections	782.0k	789.8k
2. Donations for Kitchen Remodel	12.0k	15.0k
3. Other Income	85.2k	89.0k
4. Total Income [excluding Mission; 2nd Collections & pass thru to Diocese]	<u>879.2k</u>	<u>893.8k</u>
5. Wages & Related Expenses – Clergy & Lay *	(394.4k)	(428.4k)
6. Operating Expenses **	(127.5k)	(109.9k)
7. Building Operations	(115.3k)	(124.1k)
8. Direct Expense for Rel Ed, Adult Faith & Youth Ministry***	(15.7k)	(34.8k)
9. Major Capital Expenditures	(53.6k)	(0.9k)
10. Interest on Loan	(43.1k)	(42.8k)
11. Catholic School Support Pmt	(130.2k)	(130.1k)
12. Total Expenses [excluding Mission; Pass Thru to Diocese]	<u>(879.8k)</u>	<u>(871.0k)</u>
13. Net Operating Income	(0.6k)	+ 22.8k
“Pro Forma” if add in BAA Shortfall as of 1/15	<u>(62.5k)</u>	
Pro Forma Net Loss	<u>(63.1k)</u>	

*Wage Expense, while impacted by 5 assigned priests has been muted as parish has not filled open lay positions.

**Operating Expense includes supplies, computer, postage, funeral, food, and costs associated with VBS, Prayer/Spirituality Activities/ Catechesis, Care & Support.

*** Direct Expense for Rel Ed , AFF and YM are meeting costs, textbooks, costs to comply with sacramental programs. The large decline is for two reasons. The parish did not have to incur an \$8k expense for Rel Ed books and YM retreat cost to date is \$10k vs. \$21k last year.

QUESTIONS FROM PARISHIONERS: Since mailing, here are the questions we have received. As always, if you have any questions, do not hesitate to contact me at jemilio@stcatherinesiena.org or call 327 5165 Ext.110

- 1. If we fall short of the Annual Bishop’s Appeal target, does the Parish have to pay the shortfall from its operations? Yes, any shortfall becomes an unplanned expense.**
- 2. Why is the amount of Major Capital Expenditures [line #9] so far above what was budgeted? The \$53,600 is comprised of \$43,250 expense to repair and resurface the parking lot with the remainder for new copy machine and to replace five telephones.**

3. What does the word “Pro Forma” mean? It equates with a ‘What If’ scenario. What the financial statement shows on line 13 is that for six months, the parish had an operating loss of (\$600). The fiscal year ends on 6-30-2020 so, if the parish had to ‘close the books’ at the six month mark on 12-31, and we have a shortfall in parishioner payments to the BAA of (\$62,500), we would have to book that as an expense and our What If loss on 12/31 would be (\$63,100).
4. What is “Pass Through” to the Diocese mean [see line 4 & 13]? It is a term that means monies the parish collects on behalf of the Diocese, mainly 2nd collections {examples = Home Heating, Catholic Relief, Retirement Fund for Religious, Three Churches etc.} These funds are not kept by the parish. The second collections are deposited in the parish checking account and shortly thereafter are ‘passed through’ to the Diocese. The parish can’t use/keep these second collections for its own operations.
5. It appears that while parish wage expense has gone down, this is offset by an increase in priests’ wage expense. Is this true? Yes. The parish has lost some staff members but the # of priests has increased from 3 to 5 over the past few years. However, some the lay staff duties have been absorbed by some of the priests.
6. Why doesn’t the Bishop’s Appeal amount show up in the budget? We did not show it as an expense because the parishioner pledges and payments go directly through the Diocese and the parish only gets charged an expense if it falls short of meeting the target. We did not budget assuming a shortfall.
7. What is the make up of staff and clergy? There are five clergy for which the parish pays full wage, payroll tax, employee benefits and auto insurance. Lay staff has 11 employees who are regularly scheduled 30-40 hours per week; 4 employees who are scheduled 19-22 hours per week; and 6 employees who are schedule for less than 8 hours per week [primarily Youth Ministry and Children’s Faith Formation]. All lay staff combined are scheduled for 502 work hours per week which equates to 12.6 FTE’s [Full Time Equivalent Employees @ 40 hrs per week].
8. What have the BAA target assessments been the past few years? 2017 = \$268,989; 2018 = \$270,293; This Year = \$275,724.
9. What is CSGK amount? This is the amount paid by the Parish, and the other Kalamazoo area parishes, to provide added financial support to Saint Monica Elementary, Saint Augustine Elementary and Hackett Catholic Central. The support amount paid by St Catherine’s Two Years Ago = \$265,000; Last Year = \$260,302 and this year it will be \$260,302.
10. What is the Parish Loan Balance and how long till it is paid off? The Loan balance payable to the Diocese is \$1,540,832 as of 12-31-19. The monthly loan payment is \$16,300/month principal and interest. Without any extra debt reduction payments to principal, the loan will be paid off on 4/15/2028.
11. Do all debt reduction envelope contributions go to pay extra principal payments? Yes.