

ST. THOMAS AQUINAS UNIVERSITY PARISH
Annual Financial Report
Fiscal Year Ended June 30, 2021 (FY 2020-21)

I. Parish Operations

	FY 2020-21		FY 2021-22
	Budget	Actual	Budget
<u>Recurring Income</u>			
Offertory donations	\$1,276,275	\$1,244,737 ¹	\$1,367,522
Ministry donations and other income	231,250	170,687	242,050
Total recurring income	<u>1,507,525</u>	<u>1,415,524</u>	<u>1,609,572</u>
<u>Costs and expenses</u>			
Diocese assessments	\$253,861	\$241,574	\$287,162
Pastoral and administrative	463,974	433,091	455,282
Liturgy and music	149,677	147,198	160,400
Religious education and faith formation	170,831	142,104	140,064
Catholic Hoos campus ministry	209,749	178,511	214,437
Charitable giving	43,050	37,797	49,500
Facilities	286,614	331,166	302,727
Total costs and expenses ²	<u>1,577,756</u>	<u>1,511,441¹</u>	<u>1,609,572</u>
(Deficit) from parish operations, as budgeted	\$ (70,231)	\$ (96,017)	\$ — —
NON-RECURRING INCOME			
Anonymous deficit-abatement donation		70,231	
COVID-19 Rescue Appeal proceeds		258,624	
Less amount reserved for mortgage payments		(121,328)	
Net non-recurring income		<u>207,527</u>	
(Deficit)/surplus available for parish operations	\$ (70,231)	\$ 111,510	\$ — —
Forgiveness of Federal 2020 PPP loan	115,211	115,211	
Net surplus	<u>\$44,980</u>	<u>\$226,721</u>	<u>\$ — —</u>

Notes

¹ Actual offertory donations in FY 2020-21 declined by 15.7% from the FY 2015-16 actual amount, adjusted for inflation; there is a budgeted increase of 9.9% for FY 2021-22, which would reverse a portion of the five-year decline. Over that same five-year period, operating costs and expenses, exclusive of Diocese assessments, were reduced by 13.8%, also adjusted for inflation.

² **Total costs and expenses summarized:**

Diocesan assessments	\$253,861	\$241,574	\$287,162
Payroll (salaries, payroll taxes, benefits)	869,698	838,432	856,048
Non-payroll expenses	454,197	431,435	466,362
Total costs and expenses	<u>\$1,577,756</u>	<u>\$1,511,441</u>	<u>\$1,609,572</u>

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II. Cash and Indebtedness

(Balance as of June 30, 2021)

Cash available for parish operations	\$313,551
Cash reserved for term loan payments	
• Pledge Loan Reserve (equals 13.8 months of payments)	\$720,468
• Mortgage Loan Reserve (equals 19.5 months of payments)	\$394,440

The Pledge Loan Reserve comprises cash accumulated from payments on Living Our Mission pledges and on Building Fund pledges dated June 30, 2020 and earlier; the Mortgage Loan Reserve comprises cash accumulated from unspent construction loan proceeds, a portion of COVID-19 Rescue Appeal proceeds, and payments on Building Fund pledges dated July 1, 2020 and later.

Term loans

Diocese-facilitated credit agreements were finalized in January, 2021 (monthly payments commenced March 1) that converted the parish's \$6 million construction loan to two term loans of \$3 million each, as follows:

- | | |
|---|-------------|
| • Five-year pledge loan, interest 1.78%, mo. payment \$52,343 | \$2,809,181 |
| • 15-year mortgage loan, interest 2.61%, mo. payment \$20,221 | \$2,946,624 |

While cash reserves for loan payments are ample for now (see above), staying current on the loans beyond the next year or so will require replenishment of the Pledge Loan Reserve through payment, in accordance with pledge terms, of balances due on LOM and Building Fund pledges, and replenishment of the Mortgage Loan Reserve, through new gifts and pledges to the Building Fund and anticipated increases in offertory giving.

Please contact Lori Donlon, Business Administrator, by phone (434-293-8081) or email (admin@stauva.org) if you are unsure about your Living Our Mission and/or Building Fund pledge balance(s).

Dominican friars loan: \$149,069

In June 2019, the Dominican friars loaned the parish \$150,000 to enable the parish to pay overdue Diocese assessment billings; payments to the Diocese had been deferred following three consecutive years of parish operating deficits totaling more than \$200,000. Effective in April 2021, the parish pays \$400 per month on the loan, including variable-rate interest, which for the months April-June 2021 averaged 0.72% per annum.