

October, 2019

Dear Parishioner,

During fiscal year ended June 30, 2019 (effective October 15, 2018), our St. John Neuman (SJN) parish was combined into a multi-parish grouping with Assumption (Bellevue) and Sacred Heart (Emsworth). SJN still maintains separate bank accounts and separate accounting. Please note the following information pertains ONLY to SJN.

The following are highlights for the Fiscal Year ended June 30, 2019:

- Revenue decreased 21.0% from \$1,300,058 to \$1,026,789, driven largely by the impact of the clergy abuse reports. Mass attendance actually increased approximately 1% during the annual October 2018 headcounts compared to October 2017; however, many people expressed their feelings via the collection basket.
- The Church Alive Campaign concluded as of September 30, 2018, and all monies have been received from the Church Alive Foundation into our Diocesan accounts.
- Controllable operating expenses decreased by 3.9% from \$868,466 to \$834,533, without making any significant changes in personnel or the services provided.
- Total Parish Share (Diocese and School) expense for the year ended June 30, 2019 was \$157,253, which approximates 15.3% of total 2019 collections. We benefited in reducing this percentage from the approximate effective rate of 26% for Diocese and School Assessments, because of your Church Alive and Parish Share contributions. One other item to note is the amount paid in School Subsidy in FY2019 consisted of payments for five quarters, as we were paying in arrears and are now current through June 30, 2019. The percentage of collections paid for Total Parish Share reduces to 13.9% if you exclude the catch-up payment.
- Cash on hand at June 30, 2019 was \$710,705 which was a decrease from the June 30, 2018 cash of \$722,725. If you factor in the fifth quarter of School Subsidy of approximately \$14,000, cash would have actually increased by approximately \$2,000.
- After zero capital expenditures in FY 2018, we incurred approximately \$20,000 in FY2019 capital expenditures.

Whether looking at SJN's income, expenses or lack of debt, one can conclude that SJN is still in good financial shape as June 30, 2019, despite the reduction in revenue year over year.

What is our ask of you now? If you have been vigilant through the turbulent past year, and are able, we ask you to consider continuing your contributions at the same total amount that you have contributed in the past. If you have temporarily discontinued your contributions we ask you to reconsider, as approximately 86% of our collections stay with SJN. Of the remaining 14%, less than 10% goes to the Diocese as approximately 6% goes to school subsidy.

Further, any Parish Share contributions are not subject to the Diocesan assessment of an effective 26% rate (10% school and 16% Diocese). We ask you please continue to mark your envelopes as to the total amount and the allocation between Operating and Parish Share.

We have posted additional financial details, including our 7-year financial summary and slide presentation on the parish website. Please direct any questions to Joan in the parish office by phone, email or regular mail, and Joan will respond or forward your question to the Finance Council to respond.

If we are to continue to serve SJN parishioners and community well, we need to maintain our income stream and remain diligent in managing our resources. We all remain committed to doing so, as we continue the mission of SJN.

Thank you for your continued support to the mission of **OUR** St. John Neumann with your time, talent and treasures.

God Bless

St. John Neumann Finance Council