

SILCC Finance Council Update – FY 2019

Slide 1: Good Morning (Afternoon). My name is Paul Cerone/Austin Tenette. I am one of the Co-Chairs of the St. Ignatius Finance Council. I will present results for the fiscal year ended June 30, 2019. This presentation will be posted on the Parish website and several Finance Council members will be available in the Narthex after mass to answer questions.

Slide 2: In today's presentation, I will:

- Provide a brief overview of the Finance Council;
- Explain our Recovery from Harvey
- Discuss 2019 financial results;
- Look at Parish growth and collections trends;
- Review how we have supported others, including the Archdiocese, and
- Discuss what we have done with our resources and challenges that lay ahead.

Slide 3: The Finance Council's mission is to provide financial guidance to Father Norbert and to ensure that the Parish's financial resources are best used to serve the needs of the St. Ignatius Community.

Slide 4: Members of the Finance Council generally serve three-year terms. Finance Council members who served in 2018 remained in place for the 2019 FY as a continuity in dealing with the aftermath of Hurricane Harvey. We thank those who recently rolled off the council and welcome those that are beginning their term.

Slide 5: Before we review our financial results, we thought it prudent to provide a comprehensive update of the impact of Hurricane Harvey on our community which required a renovation of our entire campus. Total Claims were approximately \$5.5M. The Archdiocese provided \$4.8M to the rebuild efforts.

To date, the Parish has received approximately \$1.16M in Hurricane Harvey donations through June 30. Of that total, \$700,000 of those funds were deployed for the rebuild.

The remaining \$449,593 has been set aside for additional repairs and rebuild projects. The Parish is holding any surplus Hurricane Harvey donations until all recovery efforts are complete. Once the recovery efforts are final, any remaining surplus funds will be turned over to the Archdiocese to assist those impacted by future natural disasters.

Slide 6: Now we will look at trends within our Parish.

The Parish has averaged more than 4,000 registered households over the past 3 years. The 100-family increase from 2017 to 2018 is impressive given that Parish was still recovering from Hurricane Harvey during this time and we remained flat to this level in 2019.

SILCC Finance Council Update – FY 2019

The Faith Direct program continues to grow with 559 direct donors in 2019. Faith direct donors represent approximately 13.5% of our registered households but contribute approximately 40% of our annual collections. If you do not currently participate in the Faith Direct program, please consider doing so. Not only is Faith Direct quick, easy and convenient, it helps the Parish generate a more consistent stream of cash flow for our ministries. Please see the Parish website for more information if you are interested.

Slide 7: Now we will review the 2019 fiscal year financial results.

We rely on weekly collections to support ministries within our Parish. Our 2019 collections increased 4.7% compared to 2018. It is important to remember that we can't rely on a successful Fall Festival or generous special donations from parishioners. We must have increasing and consistent weekly collections from every registered member for the Parish to remain vibrant and support its ministries.

On the expense side, the Parish staff continues to do an outstanding job of minimizing costs. The Parish is still paying down the Gonzaga Center loan using surplus funds paid from weekly collections.

The Finance Council, in conjunction with Father Norbert, agreed to increase weekly collections by 5% in what we hope will become a parish-wide initiative to assist our ministries, pay down our loan and cover higher insurance premiums and assessments post-Hurricane Harvey.

Furthermore, if you are 70 1/2 or older, an IRA rollover is a great way for you to make a gift to support our Parish. Key provisions are that donors 70 1/2 or older may transfer up to \$100,000 directly from their IRA on an annual basis and this IRA rollover gift is considered a tax-exempt distribution. Please consult your tax advisor for further details.

As always, we thank you for your generosity in the past and your continued support in the future. We hope that you will increase your support if it is possible to do so.

Slide 8: This slide compares the 2019 results to 2017 and 2018.

FY2019 revenues excluding Hurricane Harvey donations were up over FY2018 due primarily to increased offertory collection, increase enrollment in early childhood center and a successful fall festival. Note that Hurricane Harvey donations were excluded from revenue for this slide.

The Finance Council presented a balance budget for the 2019 fiscal year to the Pastoral Council, which was unanimously approved.

SILCC Finance Council Update – FY 2019

Slide 9: In addition to our regular collections, our Parish generously supported many other Archdiocesan special collections. In 2019, we returned to a collections level slightly above 2017, recovering from the impact of Hurricane Harvey and demonstrating again the generosity of our Parish to others even during challenging times.

Slide 10: We once again achieved the Archdiocese's Diocesan Services Fund (DSF) Assessment in 2018. Thank you again for your generosity and supporting the Archdiocese, even in the midst of the post-Hurricane Harvey rebuilding. Our 2019 DSF goal is once again \$300K. Approximately \$237K had been pledged as of September 2nd with \$213K paid thus far.

This is where we can really use your help. Last year almost 700 households participated in our DSF campaign. To date only 516 households have made a pledge or contribution, which is about 12% of our registered households. With a parish so generous as ours, I am confident we can do better than a 12% participation. We ask you... If you have not pledged to the 2019 DSF, please consider doing so. Please note that due to administrative issues processing DSF contributions via Faith Direct, all Faith Direct contributions to DSF have been suspended and parishioners will need to make future contributions directly via the DSF website. Your donor constituent ID will be required to make an online payment, which can be found on your DSF pledge form or by emailing dsf@archgh.org. Please see the Parish website for instructions and for a direct link to setup one time or recurring donations online.

Slide 11: Despite ongoing revenue and expense challenges, the Parish still repaid ~\$631K in principal and \$147K in interest on the Gonzaga Center loan. The parish also converted the Gonzaga Center floating construction loan to a fixed rate amortized loan. As such, the 2020 budget includes approximately \$600K in principal and \$142K in interest payments from our surplus funds.

Slide 12: Now let's review how we have used our resources. In addition to meeting the liturgical needs of our community with six weekend masses and daily and holiday masses and supporting nearly 80 ministries:

- We have recouped Harvey related expenses from the archdiocese and completed the vast majority of repairs to the St. Ignatius Campus
- We paid down the Gonzaga Center loan by ~\$631K and converted our construction loan to a fixed amortized loan.

Slide 13: Our achievements are not void of challenges ...

- Weekly mass attendance has stabilized but the reduction in recordable donors has continued for the second straight year. Increased collections are needed to grow ministries and to offset the increased cost of both new and higher

SILCC Finance Council Update – FY 2019

insurance premiums and Archdiocesan assessments associated with Hurricane Harvey.

- Debt reduction continues to be a challenge. The Parish will continue to service principal and interest payments from surplus collections while Parish Administration will continue to minimize expenses.

Slide 14: Another challenge is meeting our 2019 DSF goal. As of September 2nd, the Parish has achieved 71% of its goal. The DSF Assessment runs from January 2019 to December 2019. Should we fall short of our DSF goal, the Parish must fund the deficit from its savings.

Since 2001, the Parish first supported the Guatemalan Mission. 18 years later, it is now part of the identity of our Parish. I am happy to announce that after falling short in 2018 of the contributions necessary for the minimum wages required under Guatemalan labor laws we once again collected and donated approximately \$72K in 2019, which is sufficient to cover nine full-time and two part time teachers. As always, we must continue to fund and support our Guatemalan Mission and other Outreach ministries as part of being “a people for others.”

Rebuilding and maintaining vibrant Youth programs that are up to date and attractive for a consumer generation. We now have two ministers that are “home grown”; that is, they went through our programs and know this parish. They need our support.

Slide 15: To meet these challenges, we need everyone engaged. This is especially true for newcomers to our Parish.

Please remember to support the Fall Festival, which will be held on October 5th and 6th. The Fall Festival is the single largest fundraiser for our Parish.

Our weekly collections are the primary driver of revenue to the parish and critical to furthering the mission of our church. By participating in the 5% challenge, you are not only ensuring our ministries grow, but you also assist by providing the funds needed to grow our Parish in the future.

Slide 16: To address these challenges, I encourage everyone to join me in praying the prayer of generosity to our Patron Saint:

Eternal Word, only begotten Son of God,
Teach me true generosity.
Teach me to serve you as you deserve.
To give without counting the costs,
To fight heedless of wounds,
To labor without seeking rest,
To sacrifice myself without thought of any reward,

SILCC Finance Council Update – FY 2019

Save the knowledge that I have done your will.
Amen.

Slide 17: I hope you have found this presentation informative. As I mentioned earlier, several members will be available in the Narthex to answer any questions you might have. Finally, let all strive to be a people for others. Thank you.