

From January-September of 2019, Parish tithings were \$612,000. On an annualized basis, tithing is approximately \$21,000 below budget. General operating expenses of the Parish were \$665,000 or \$14,000 over budget on an annualized basis (this does not include the below extraordinary expenses).

Most of these are fixed costs including salary and benefits, utilities, contributions to St. Mary Catholic School, Property Insurance, and the taxes paid to the Archdiocese out of tithing. There are also some extraordinary items from both an expense and income perspective.

Extraordinary Expenses

***Mom's Day Out program** - An important ministry of the Parish had facilities issues over the summer in the Seton Center. That led to extensive repair needs that resulted in significant one-time expenses which were covered out of Parish savings. Additionally, given the moving of the program to the Sisters of Mercy Building as well timing around enrollment the current enrollment is substantially lower than it was prior to Summer. The Parish has contributed approximately \$9,000 year to date to offset a reduction in revenue. We expect the Mom's Day Out program to be able to operate without losses in the near future as well as repay the advances from Parish savings over the next several months.*

***Loan payment** - An additional principal payment of approximately \$27,000 was made to the Parish's outstanding loan balance.*

Extraordinary Income

There was some damage in the bottom floor of the Sisters of Mercy Building last year. There were nearly \$22,000 in insurance proceeds to offset the repair expenses.

There are monthly payments for outstanding loans due to a bank, which have a low interest rate. These monthly payments as well as an additional principal payment (referenced above) were paid out of savings. This is reflected as Other Income in the Financial Statement.

Conclusion: While there have been substantial one-time expenses that have largely been offset by one time revenue out of savings, contributions from savings to the operating expenses of the Parish are not sustainable. While there needs to be ongoing careful consideration around day to day operating expenses, the tithing levels need to increase to the budgeted amount to meet the day to day operating expenses of the Parish. Our Parishioners should prayerfully consider this during the upcoming Stewardship Appeal."

Carson Strickland
Finance Council
St. Mary Parish