

Stewardship.... "Let us give thanks to the Lord, our God. It is right and just."

QUICK STEWARDSHIP UPDATE AS WE LOOK AT THE END OF OUR CALENDAR YEAR!

Soooo—never a fun subject to write about, but nonetheless, important and relevant. Our Stewardship 3 Bucket Drive began in 2015 and has had great success! By offering the visual of 3 buckets, we have been able to clearly understand the importance of parish giving and how giving to each 'bucket' offers full support to our parish and its commitment to the Diocese of Duluth through UCA (United Catholic Appeal). As this calendar year end is approaching—we (Pastors, Finance Council and Staff) thought this to be a good time to talk about the condition of our buckets!



UCA: This is the annual contribution that all parishes are required to send to the

Diocese of Duluth to help our Diocese function which offers parish support, Youth programs, priest formation, etc.



OPERATIONS: This is the income we receive by your generosity in envelope and plate

giving, and NOW 'Automatic Giving'! This is the main income stream that supports our parish operations [heat, lights, supplies, wages and maintenance].



MORTGAGE: We have financing with a fixed rate for 7 more years. By offering to this

'bucket' we all work together to lower our mortgage. Since November of 2015—your donations to this bucket has lowered our balance **\$500K!**



UCA—you may have noticed the *corny UCA Rhyme* in the bulletin last week....if not, I'll fill you in! UCA is calculated on the Calendar Year and thus this bill of \$104,076 is due on or before December 31, 2018. If we don't collect the full amount, we need to pay the gap from our operating budget. As of October 28th we have \$29,500 left to collect. That seems like a HUGE number! And it is a large amount, but together, offering what we are able DIRECTLY TO THIS UCA BUCKET, will have it paid in full in no time!

OPERATIONS— You may also have also noticed in our bulletin that we are trending under our anticipated Operating Budget for the Fiscal Year (July 1, 2018-June 30, 2019).... under by \$20,000. It isn't as terrible as it looks, but it is a bit of a concern as the Finance Council monitors these numbers monthly. We develop our Fiscal Year Budget in March each year—which is a few months BEFORE our fiscal year ends, so we needed to estimate our final income. Our budget increase for this upcoming FY is a 3% increase from last FY. Comparing our *current* giving to last years *actual* giving we are flat—we have seen no increase versus last year at this time. Since we are nearly half into our 18-19 FY, we felt the need to let you know and ask for your additional support to our Operations Bucket.

MORTGAGE — bear with me—lotza layers in all of this! We refinanced our facility mortgage in January of 2016. Our payment commitment is \$10,100 per month. Since we refinanced 33 months ago, we have been paying \$15,500 each month or an additional \$5,400 a month right to the principal of the mortgage! This has offered **GREAT RESULTS!** We have paid off \$450,000 of our mortgage in just 33 months! WOW! Comparing the \$10,100 payment to the \$15,500 payment (including the other principal payments of \$116K we have made) we would owe \$1.843M instead of what our current balance is of \$1.6M. Short story, paying this additional \$5,400 pays off our mortgage in roughly 11 years rather than the minimum payment scenario which payoff would be in 20 years! So you see, this additional principal payment has borne good fruit! However, it was decided at our October Finance Council Meeting that we must stop paying the additional principal payment, as we have only been averaging \$10,000 a month in contributions to our Mortgage Bucket. In these last months, we have been able to pay the additional principal from funds derived from our Capital Campaign that ended in 2015. We do have a small cushion left in this fund—but not enough to keep paying the additional \$5,400 per month. So, what now?? We are asking that you consider how you can contribute something to this bucket—if all are moved and inspired to start giving or giving a bit more to this bucket, we will resume the additional principal payment as soon possible.

Christmas is just around the corner, kids back in school needing most everything it seems ☺, car needs to be ready for snow, you so want to take that winter vacation, and now this letter. Maybe you are wondering how much to support each bucket. A good formula to use is: 70% Operations Bucket, 20% Mortgage Bucket, and 10% UCA.

As you plan your 2019 budget in your own homes, thank you for your prayerful consideration helping your parish find its *Stewardship Balance!*

— Karla Igo, Parish Administrator