

Annual Finance Committee Report to the Parish October 2022

On behalf of the entire Finance Committee, including Bob Doody, Suzie Doody and Greg Pedersen, I am here to provide the annual report of our parish's finances.

I would like to take just a couple minutes of your time to give you a short overview of how we did financially, the challenges facing us, and what you can do. Additional details can be found in the parish annual report. For the fiscal year 2022, which ended in June, we finished the year with operating revenue exceeding operating expenses by around \$144,000. This is a direct result of your continuing generosity and ongoing efforts to control costs. We are seeing parishioners return to in person Mass and offertory is returning after three years to pre COVID-19 levels.

I am happy to say we made it through the year without any significant financial concerns.

Your weekly offertory provides the vast majority of our operating revenue, including the popular maintenance fund. Other sources of income include our endowments, which, with generous contributions, went over \$1.5 million dollars of principle from which we received \$28,000 in distributions this past year. Distributions will increase significantly in future years. Proceeds have been used for our Alpha Program, training and developing our catechists for Catechesis of the Good Shepherd, costs of sacramental prep for our children celebrating the sacrament of First Holy Communion and Reconciliation, and additional equipment for our musicians.

We ended the year with over 4 months of cash on hand which is a good sign of the financial health of the parish. Offertory collections grew by 6.8%.

Your weekly offertory support makes it possible to offer our parish family the sacraments and programs in a safe and inviting environment. Programs you support include religious education, youth ministry, and adult faith formation.

Parishioners made generous charitable contributions which provided much assistance to our greater community to include: the annual Appeal for Catholic Ministries supporting many good works in Baltimore and various community charities such as the Howard County Pregnancy Center, assisting our neighbors in need with home improvements and bill payments, the food bank, and food pantry baskets.

The preschool continues to grow and serve the community. This year the preschool has four classrooms and serves 59 families and 62 students. The school has made more progress toward becoming self-sufficient, reducing their cumulative deficit to just under \$8,000.

We continued to closely monitor expenses. In conjunction with the building, operations and maintenance committee, we funded only minor repairs and maintenance this past year in the amount of \$49,000.

Recently, we have made some roof repairs, cleaned and painted the historic chapel, and are working on septic system upgrades.

We are developing a long term strategy for capital improvements based on a recent Facility Condition Assessment. The findings recommend we create a reserve of \$240,000 annually.

As we reported last year, the biggest concern of the finance committee continues to be our growing list of maintenance projects. We estimate

there to be over \$300,000 in big-ticket repair and replacement projects that we must address in the near future. We cannot defer them much longer.

We continue to have our eye on completing the long awaited pavilion project and have completed all legal and regulatory work for the site plan. We made a deposit on the construction materials and hope to move forward with construction soon.

Now, what can we all do to make a difference?

Let me spend a few moments to talk about giving. Currently about 46% of our registered households are contributing to the offertory collection, which is down from previous years. We count on offertory for most of our operating income. For those who don't use envelopes, we continue to see the benefits of our improved accounting methods as our new Ministry Platform system allows us to scan loose checks and post them to donor records, increasing our household giving statistics.

We are counting on the weekly offertory even more as other fundraisers including bingo and the cornerstone breakfast are resuming normal operations. Bingo and the breakfast provided net proceeds of \$35,000 last year.

During these times, it is more crucial than ever for us all to consider on-line giving. Currently 223 households have set up recurring online accounts. In fact, online giving now exceeds envelope and loose contributions. Online giving really makes sense as you don't have to remember your weekly offertory and you can count on your contributions continuing when you are away. We've found that online giving saves parish staff resources. Please consider signing up and using Give Central if you aren't already! This tool saves resources and is the safest way to give during these times. You can allocate your giving to

any number of mission areas. A popular one continues to be the building maintenance fund. That's a key part of our operating revenue with monthly contributions averaging \$4500.

We are surely blessed with a parish community filled with faithfulness and generosity. In the coming year, our parish will need to manage our finances to continue our mission activities under the pressures of the current economy. Our increased costs require an increase in offertory giving of about 6%. During the weekend of October 29th and 30th we will hold our annual in-pew appeal, "Take the Next Step" to reach out to the parish members to prayerfully consider increasing their contribution. Please begin now to think about the blessings you receive on a daily basis and what your generosity can do for our parish as we continue on our journey to be missionary disciples.

Once again, thank you for your extraordinary generosity!

-Chairman Michael Gallagher