

ST. ANNE FINANCIAL REPORT, presented at all Masses Sept. 15-16
Craig Parietti, Chair, Finance Council

Fifteen years ago I had the daunting task of delivering a financial report to a packed house of St. Anne School parents and staff. We were in a financial crisis and decided to increase tuition 60%. The story does have a happy ending ...our St. Anne community came together to give our time, talent, and treasure to our school, which is now at record enrollment, financially healthy, and enjoying the fruits of our \$5 million capital School / Banchemo Hall renovation.

Today, I come to you with our church's financial report, which while not as desperate as the school's was in 1992, has required dramatic action. We want you to understand our situation, because, as we saw with our school, your choices and your commitment make all the difference to our community. Our new budget shows a \$30,000 deficit, even after reducing ministry budgets and receiving an extra commitment of financial help from our school. As before, I am optimistic we will pull together to address these challenges.

Why do we have this problem?

Over the past few years, we have lost significant income from several sources:

- Our interest income dropped by \$40,000 per year after we contributed \$800,000 of parish savings to our school / Banchemo Hall renovation.
- When Fr. Stan was assigned as pastor at St. Margaret's, we stopped receiving \$24,000 per year for pastoral and administrative support.

In addition, your sacrificial giving has fallen to an average growth of 1% per year over the last three years while expenses have grown 3.5% annually, so we aren't keeping up.

Fortunately, we haven't felt the full impact of these reductions, as we were gifted \$170,000 of bequests over the past three years. However delighted we are to receive these, we don't think you want us to count on this source of income.

What has happened with sacrificial giving?

90% of our income comes from you, our parishioners, via sacrificial giving, your regular weekly contributions. Last year, parishioners pledged a half million dollars in sacrificial giving. We based our budget on this, yet we fell \$54,000 short of this in our collections. If all our pledges were fulfilled, you would have escaped listening to me this morning because we wouldn't be in a financial squeeze.

In addition, our pledges this year are down \$11,000 from last year. So, we have budgeted just 1% growth in your contributions.

Summary

So, we have lost several major sources of income – interest on our savings and St. Margaret's. We also fell more than 10% short of our sacrificial giving pledges. As a response, we have made some difficult decisions about our staffing and ministries.

As Ron mentioned earlier, Carmen Suazo, our Pastoral Council Chair, we talk next week about how your contributions are used for our parish life and ministries. As you will see in the Financial Summary enclosed in today's bulletin, we have cut our ministry budgets by 50% over the past three years, plus reduced our contribution to our school.

I will be available after Mass today to listen to your feedback and answer your questions. Thank you for your attention and continued support of St. Anne.

