



ALL SAINTS PARISH

Annual Report to Parishioners

For Fiscal Year 2020 July 1, 2019 to June 30, 2020

Dear Parishioners,

In our Annual Report financial detail on the following page, you will see that this year we have an unbalanced budget for FY21. This is a result of forming a conservative budget while we were in the middle of the lockdown and the church was closed. The Finance Council made conservative estimates of both our revenue and our expenses. The result is that expenses, which have already been reduced to minimal levels, still exceed our revenue projections. We are hopeful that once the pandemic is over and more people can start coming back to church, we will see our collections increase. That said, many parishioners have stepped up by continuing their weekly offerings (both in person and through online giving). **THANK YOU** to all those who have continued their weekly giving and/or made extra donations, recognizing that offerings may be down during the pandemic.

We are pleased to report that as of October 2020, the sale of the school building is finally complete! As a result of the sale, we have paid off the loans to the Archdiocese that were taken several years ago when the Parish made a final attempt to keep Saint Joseph School open. Eliminating the loan payments to the Archdiocese, as well as eliminating the costs for building maintenance and insurance, improves our financial situation. Furthermore, the Parish Finance Council negotiated a lower church "tax" (which is paid to the Archdiocese on the sale of any Archdiocese property) from 18% to

10%. Both the sale of the building and the tax reduction make our parish more financially sustainable, but we still face fiscal challenges ahead. In order to keep our beautiful, 100-year old church building and the rectory building in a state of good repair, we need to make significant and long overdue capital improvements to these two facilities. Also, until we resolve the final use of the convent building, we will need to pay for continued upkeep and insurance. Lastly and most importantly, we need to increase investment in the reason we even exist in the first place, our mission of evangelization, so we can spread the Good News of Jesus Christ in a world and culture that seems to be moving further and further away from God.

This summer, the parish hired a company to perform a 20-year Capital Needs Assessment (CNA) of the main church building so we can strategically and proactively make improvements and repairs, rather than reacting to problems as they surface. It was the CNA report that helped us make the case for a lower church tax. The CNA is projecting average investment costs of more than \$100,000 per year over the next 20 years to keep the main church building in a state of good repair, and that figure does not include the rectory building or convent. The total amount of investment needed will only increase if necessary maintenance is deferred. These potential future expenses still need to be evaluated and prioritized so they are not fully reflected in our budget yet, which we must

submit to the Archdiocese before the new fiscal year begins.

Because we are unable to hold functions in the church hall during the pandemic, we have rented this space to the Pregnancy Care Center (PCC) until next summer. We are hopeful that the PCC will move into the convent building after that, but if not we will research other potential uses. We are also looking at the best way to use the rectory to reduce expenses.

Ultimately, in order for our parish to remain financially sustainable, we need to grow in numbers. It is very encouraging to see the growth in the Spanish community. Hopefully, we can see similar growth in both new seekers and parishioners who have called All Saints their home in the past. The sale of St. Joseph School represents an exciting new opportunity for us to perform our God-given mission: to grow "in quality and number" the members of Christ's Body, the Church.

The Finance Council will continue to look for solutions to keep the parish facilities in good repair in the most cost-effective way without sacrificing our mission of evangelization. Please pray with us that we can do just that!

Sincerely In Christ,

All Saints Parish Finance Council

Tom Mortimer, Chair; Deacon Peter Richardson, Pat Guyot, Tara Salvi, Dan Brosnan, Rev. Christopher Wallace, Pastor; Mary Mottolo, Business Manager; Deacon Mike Curran, RCAB Merrimack Region Financial Consultant

COMMENTS

INCOME

All Saints Offertory

FY15	FY16	FY17	FY18	FY19	FY20
\$344,429	\$332,148	\$309,328	\$317,186	\$337,724	\$332,250

- Despite the realities of COVID19, our Offertory decreased by only 1.6% from last fiscal year. This is extraordinary considering how great the challenges have been! Our parishioners have responded generously by signing up for online giving and by mailing in Offertory envelopes.
- FY21 Offertory figures are based on conservative projections as we continue to navigate COVID19.
- Our Religious Education Income for FY21 reflects funds donated specifically to be used for Faith Formation materials and scholarships.

EXPENSES

- Clergy Salary and Benefits: To assist us in welcoming the Spanish Community to All Saints, the Archdiocese reimbursed a portion of clergy salary and benefits from February 2020 through September 2020.
- Buildings & Grounds Maintenance and Improvement: Although we continue to cut costs wherever possible, our income constraints made it difficult for us to meet our building and maintenance needs in FY20. FY21 will pose an even greater challenge. Our Buildings and Grounds Committee continues to review our needs and develop long-term strategies that take into consideration the recent Capital Needs Assessment. Several projects were completed in FY20, including repairs to our HVAC system, church front steps, roofing repairs, and repairs to living quarters in the rectory.
- Pastoral/Liturgical: Very generous donations for Church Flowers allowed us to go over our set budget. Offerings given for Flowers must be used for that expense.
- Principle and Interest Revolving Loan: We anticipated a Spring closing on the sale of St. Joseph School. With the closing happening in the Fall of 2020, we paid several more months of principal and interest (1 loan), and interest only (2 loans), than expected.

SALE OF ST. JOSEPH SCHOOL - OCTOBER 2020

ITEM	DOLLAR AMOUNT (numbers rounded to the nearest thousand)
SALE PRICE OF ST. JOSEPH SCHOOL PROPERTY TO ATLANTIS INVESTMENTS, LLC	\$1.5 Million
REAL ESTATE COMMISSION AND CLOSING COSTS	- \$82,000
ROMAN CATHOLIC ARCHDIOCESE OF BOSTON (RCAB) SOLD PROPERTY TAX (10%) This is calculated after deductible expenses, including commissions, closing costs, utilities, and maintenance while the property was on the market.	- \$135,000 <i>Because of our pro-active approach in evaluating and prioritizing our long-term Capital Needs, the RCAB agreed to reduce this tax from 18% to 10%.</i>
EXISTING DEBT TO RCAB FROM LOANS DURING THE PERIOD OF 2016-2019	- \$612,000
NET PROPERTY SALE PROCEEDS (AFTER LOAN REPAYMENT)	\$672,000 <i>This amount has been divided into two accounts for the parish, both available for parish use. One is available for any parish expense. The other will also be available to us, but restricted to be used for capital improvements only.</i>
RESTRICTED CAPITAL IMPROVEMENTS ACCOUNT	\$336,000
NET CASH PROCEEDS FOR PARISH	\$336,000

Additional Note:

- We received an additional \$12,500 in cash from the seller's requested extension of the closing date.