

Memorandum

To: St. Anthony Parish Community

From: Finance Committee: Elaine Coyne, Bill Kelley, Margaret Lynch, Jack Reardon, Paul Rooney, Mary Schrader, Dick Stevens, and Roger Wade

Date: November 1, 2010

Re: Financial Operations of the Parish and Outlook for Fiscal 2011

We have both good news and bad news to report regarding the financial stability of Saint Anthony Parish. The good news is we remain debt free. The bad news is we have not been able to avoid three consecutive years of increasing cash flow deficits. Enclosed is a statement of operating receipts and disbursements for fiscal years ending June 30, 2010, 2009, and 2008 with our projection for 2011. Also included is a summary of cash flows and funds available, operating and capital, for the year ending June 30, 2010. As suggested by the operating shortfalls and depletion of cash balances, the Parish needs continued and increased support to meet its obligations as we grow and expand Parish activities each year.

2010 Results: (June 30 Fiscal Year)

Our total operating receipts for 2010 when compared to 2009 are down 3.2%. In addition, operating expenses of the Parish, which are considered lean, increased 4.8% over that same time period. This translates into a cash flow shortfall of approximately \$79,000 for fiscal 2010. Looking back, had we been able to collect an additional \$1,600 over 50 offering weeks, we would be operating at a break even position for 2010.

2011 Projected Position: (June 30 Fiscal Year)

We project our 2011 position to be similar to 2010 in that we appear headed for another cash flow deficit. We are seeking an 8% increase in offertory receipts and expecting disbursements to remain close to last years' levels. A projected cash flow deficit of approximately \$45,000 results, despite the increase we are seeking in offertory receipts. To close the cash flow gap, a Grand Annual Parish Appeal is recommended.

Endowment:

The Parish has now been in a recurring negative cash flow position for three years. Obviously, we cannot operate with an annual cash flow shortfall. If so, we would be forced to deplete our savings and use our current endowment of approximately \$660,000 to cover the shortfalls.

Memorandum

When Father Keohane left the Parish in 1995, the Parish had set aside approximately \$750,000 towards building a new Parish Center. Through your generosity, the Center was built without the need of using this endowment and the \$750,000 was set aside as our "Capital Fund", available for future capital improvements. Over the recent past this \$750,000 was used in part for various building improvements, was replenished when the Desmond house was sold in 2008, and used again in 2010 when we were forced to replace the Church roof.

We need to be mindful of inflation and future capital needs of the Church, so reliance on this endowment for operating cash flow needs is ill-advised.

Solutions:

Annual Appeal:

It is clear that the weekly offering does not provide enough money on a consistent basis to balance revenue and expenses. The Finance Committee feels that the best way to close this gap is to hold a Grand Annual Parish Appeal each year. We hope in this way to cover our ongoing operating expenses and maintenance costs.

The plan is to commence the collection shortly after the first of the year and request that all participants complete their Grand Annual gift prior to March 31, 2011. The committee hopes that most families will consider a \$200 gift and many families will consider an even more generous contribution as your resources allow.

Increased Offertory:

In addition to the Parish Appeal, we need to raise the weekly offering by approximately \$600 or 8% to allow for a weekly collection of \$8,000 over 50 offering weeks. We ask each of you to reflect on your weekly donation and consider increasing it to the extent your generosity and financial means allow. A small increase by all will help us achieve this.

During these difficult economic times, we recognize it may not be possible for some to participate in the appeal or for all to increase their weekly contribution. We recognize that many are contributing generously and many, all that they can. We are grateful for anything you can do and appreciate your thoughtful consideration.

Closing:

We are truly blessed to have such fine facilities in which to give thanks to God, educate our children, and give support to our community. We are stewards of our Parish and its finances and look for solutions that will benefit our community for years to come. If you have questions about this report please do not hesitate to be in touch with any member of the committee.

**SAINT ANTHONY PARISH
ANNUAL REPORT TO PARISHIONERS**

**STATEMENT OF OPERATING RECEIPTS AND DISBURSEMENTS (UNAUDITED)
FOR THE YEARS ENDED JUNE 30, 2010, 2009, and 2008
WITH PROJECTION FOR FISCAL 2011**

	PROJECTION	ACTUAL RESULTS		
	FISCAL YEAR 2011	FISCAL YEARS ENDING JUNE 30,		
		2010	2009	2008
Operating Activities				
Operating Receipts				
Offertory	\$400,000	\$371,072	\$370,741	\$375,796
Sacramental Offerings, Gifts and Bequests	35,000	33,478	37,838	51,505
Religious Education	20,000	19,460	27,365	26,938
Other Parish Receipts	35,000	33,167	36,322	19,526
	<u>490,000</u>	<u>457,177</u>	<u>472,266</u>	<u>473,765</u>
Operating Disbursements				
Compensation & Employee Benefits	170,000	168,535	159,979	149,915
Facilities; Utilities & Maintenance	155,000	158,622	139,119	137,680
Clergy, Pastoral, Liturgical and Related	105,000	103,183	105,242	93,891
Office & Related	55,000	53,946	60,731	61,484
School Tax Assessments by Chancery	30,000	29,659	29,064	25,536
Household & Church Food, etc.	20,000	22,224	17,693	16,586
	<u>535,000</u>	<u>536,169</u>	<u>511,828</u>	<u>485,092</u>
Operating Receipts less Disbursements	<u><u>(\$45,000)</u></u>	<u><u>(\$78,992)</u></u>	<u><u>(\$39,562)</u></u>	<u><u>(\$11,327)</u></u>

**SUMMARY OF CASH FLOWS AND FUNDS AVAILABLE, OPERATING AND CAPITAL (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2010**

	OPERATING FUNDS	CAPITAL FUNDS	TOTAL FUNDS
Beginning Cash & Savings, July 1, 2009:	\$314,134	\$734,182	\$1,048,316
Receipts			
Operating Income	457,177		457,177
Interest Income	1,352	20,922	22,274
Disbursements			
Operating Expenses	(536,169)		(536,169)
Transfer cash for Church Roof Replacement	95,000	(95,000)	0
Payment for Church Roof Replacement	(92,216)		(92,216)
Increase (Decr) in Net Diocesan Collections payable	(6,810)		(6,810)
Ending Cash & Savings, June 30, 2010	232,468	660,104	892,572
Less Second collections to be remitted to the Archdiocese	(5,553)		(5,553)
Available Funds, June 30, 2010	<u><u>\$226,915</u></u>	<u><u>\$660,104</u></u>	<u><u>\$887,019</u></u>

Operating Funds are held in local bank depository and savings accounts.

Capital Funds are held in the depository accounts of the Roman Catholic Archdiocese of Boston (RCAB)