

November 2015

Dear Parishioners,

First, we want to thank you for your continued financial support, and for your diligence in marking your envelopes for Parish Share and Church Alive.

Let's begin by looking at total revenue of \$1,238,619 for fiscal year 2015. Based on the numbers presented, it looks like revenue is down for 2015. But, if you remember *The Church Alive!* Campaign started in 2014, and as we stated last year, some people paid all or a majority of their five year pledge. So while 2014 income was 6.6% higher than 2013 income, on a cash basis, we knew that the percentage was overstated by the impact of those advance funded *Church Alive!* pledges. The calculated increase of 2015 revenue over 2013 revenue is a much better indicator for revenue comparison. It was a 5.1% increase for the two year period, or an annual rate of increase of 2.5%. Although these percentages are still slightly overstated by five year pledges paid in full in 2015.

Controllable operating expenses only increased by approximately \$5,000 or 0.7% from 2014 to 2015. But because our expenses are on a cash basis, again it may more sense to look at the change over a two year period. The two year increase is 5.3%, or 2.7% per year. We also changed expense reporting by excluding the Diocesan assessments as they are based on operating revenue, and as addressed in the next paragraph would have decreased reported expenses on a comparative basis. See the three year financial report for a complete presentation of total expenses.

The cash at June 30, 2015 was \$268,244 which is a slight decrease from June 30, 2014, but more than June 30 2013 cash. At both June 30, 2014 and 2015 we were accumulating cash to be able to pay for the capital expenditures related to the roof, fascia and heating/cooling units and then for the pews and carpeting. So, we only paid down \$40,000 of debt in fiscal 2014. As of June 30, 2015, we have totally paid for the roof, fascia and heating/cooling unit, plus we made down payments of \$42,000 on pews and carpeting, which were installed this summer, after our fiscal year end of June 30, 2015.

Our outstanding building debt as of June 30, 2015 was down to \$315,000. This was a reduction of \$154,000 during fiscal 2015. We expect to pay down at least \$100,000 of debt and payoff the remaining pew and carpet costs of approximately \$95,000 plus \$42,000 of unpaid 2015 parish share, during fiscal 2016. The non-payment of the \$42,000 of 2015 parish share, allowed us to make the down payments of \$42,000 on the pews and carpeting.

With the disruption created by taking the old pews out (all done by volunteers) and the installation of new pews and carpet, our collections were down for the start of fiscal 2016. As a point of information related to the pew and carpet purchase, it would have cost more to refurbish the old pews. And the quality of the new pews is greater than that of refurbishing the old pews.

What is our ask of you now? We need to maintain our continued growth of revenue, as our expenses increase annually, just like yours. Please make a review of your contributions. When you are unable to attend Mass at SJN, please continue to make your contributions to SJN. Additionally, if you are in a position to increase your contribution, please do so because we know some people may not be able to do so. If we can continue to increase our total revenues by 2 to 5% per year, we will be in a position to pay off our debt and our *The Church Alive!* obligation in the next two years.

Again, thank you for your continued financial support and God bless!

-Finance Council Members