

September 22, 2018

Dear Parishioner,

During fiscal year ended June 30, 2018, we continued to be blessed by your financial support to St. John Neumann. Without your generous support of the Parish, we would not be able to present the following financial information that shows we continue to be financially stable while maintaining the Church property in good condition.

We would be remiss, if we did not acknowledge Father Al's leadership over the last nine years. He has guided SJN from a debt of \$1,624,642 on June 30, 2009 to zero as of September 30, 2016. He successfully navigated SJN through the four year debt reduction campaign and the five year Church Alive Campaign.

As of the Fiscal Year ended June 30, 2018, we were able to achieve the following:

- Revenue showed a five year average annual increase of 2.06% to \$1,300,058
- We collected \$1,566,330 for the Church Alive Campaign as of June 30, 2018 for the five year campaign. We expect to reach \$1.6 million when the Church Alive Campaign ends on September 30, 2018. SJN has been receiving 100% of all monies contributed since mid-fiscal year 2016. Church Alive contributions have been restricted to payment of SJN principal and interest, capital items, expanded Youth Ministry (Encounter and Ignite) over base year and new Adult Education and Evangelization programs. Church Alive contributions are remitted to the Church Alive Foundation, not to the Diocese itself. Monies are released from the Church Alive Foundation directly into our SJN account.
- Controllable Operating Expenses increased by a 5 year average annual increase of 5.09%. The increase in controllable operating expenses is primarily attributable to the creation of new programs in the Adult Education expense line, such as Marriage Ministry (Stronger 2gether and Renew the "I DO") and Men's Ministry (SJN Fishermen) and other new events. Excluding the new adult education costs, the five year average annual increase in controllable operating expenses is only 2.76%
- Our total Parish Share expense for the year ended June 30, 2018 was \$138,082, which calculates to 10.6% of our total collections. We have benefited in reducing this percentage from the approximate effective rate of 26% for Diocese and School assessments, because of our Church Alive and Parish Share contributions.
- Our cash at June 30, 2018 was \$722,725 including the amounts owed to the Parish from the Church Alive Foundation of \$128,124. Of this cash amount, SJN has obligations of approximately \$85,000.
- During fiscal year 2018, capital expenditures were put on hold while the restructuring of parishes was completed. We anticipate making parking lot improvements after the October 15, 2018 transition occurs.

Whether looking at the Parish's income, expenses or lack of debt, one can conclude that we are in good financial shape as June 30, 2018. This is again thanks to all of you.

What is our ask of you now? In analyzing collection amounts for the nine weeks of July and August 2018 versus the same nine weeks in 2017, there was an approximate 18% reduction in the collection amounts. We are extremely confident that SJN will continue to be a campus (building) in the new parish configuration.

If you are able, we ask you to consider continuing your contributions at the same total amount that you have contributed in the past. Please help to maintain what Father Bovard and Father Al have helped us to build and accomplish over the past forty years.

You will notice the new October envelopes only have two contribution options, Operating and Parish Share. Any Parish Share contributions are not subject to the Diocese assessment of an effective 26% rate (10% school and 16% Diocese). As previously stated our pay % to the Diocese was only 10.6% in fiscal year 2018. Please continue to mark your envelopes as to the total amount and the allocation between Operating and Parish Share.

Additional financial information, including our six year financial summary and slide presentation, are available on the website. Please direct any questions to Joan in the parish office by phone, email or regular mail, and she will answer or forward the questions on to the Finance Council to get you an explanation.

If we are to continue to serve our Parish and community well, we need to maintain our income stream and remain diligent in managing our resources. We all remain committed to doing so, as we continue the mission of SJN.

Thank you for your continued support to the mission of **OUR** St. John Neumann parish with your time, talent and treasures.

God Bless

St. John Neumann Finance Council