

Holy Spirit AGM May 30 2018

Presented by Chair, Parish Finance Council (Al Johnson)

These remarks are organized in three parts: past, present and future.

First the PAST

I undertook Chairing the Parish Finance Council ('PFC') in March two years ago.

PFC is an advisory body to Father on money matters, also referred to as temporal or secular matters. Specific responsibilities include the protection of our worldly assets from loss, ensuring the reliability of accounting data, securing compliance with Diocesan policies, directing preparation of the budget, monitoring actual financial results and communicating financial information to parishioners.

In 2017, Holy Spirit reported a healthy surplus of \$255,000. Revenue totalled \$937,000 and expenses totalled \$682,000. This is a big change from the small surplus of \$32,000 reported for 2016.

The main reason for the big increase in the surplus in 2017 was reduced total expenses. Expenses were down 18% - down \$154,000 - in 2017 compared to 2016. Salaries are down due to terminating the full time Youth Minister and reducing from 3 to 2 Pastors. Welfare is down mainly because financial support for the Syrian family came to an end. Many initiatives were taken by the Parish office and volunteers to reduce expenses in response to the deficit challenge we faced in 2016.

Collections for regular Church operations, which are the major source of revenue, totalled \$749,000 and were up 5% from the prior year. Donations to welfare were lower mainly because fundraising for the Syrian family came to an end. A generous special donation of \$51,525 was received and designated to pay for a Church organ. Excluding this special one time donation, total revenues were up 2% - that is, up \$17,000.

We are most grateful for the actions and support from parishioners which took the Parish from deficit to surplus.

When reviewing the 2017 financials at a more detailed level after the year was over, we discovered that Welfare expenses were less than Welfare revenue. Our commitment is to match welfare expenses to equal welfare revenue. Father has advised that this shortfall will be earmarked to be directed to Welfare programs in addition to future Welfare donations.

In 2017, PFC began publishing a financial snapshot each month in the bulletin. The snapshot was also made available on the Parish website under the Parish Ministries tab by clicking on Finance Council. This responded to PFC's commitment to greater transparency.

Second the Present

This year 2018, is shaping up to be a tighter year financially. Thru the end of April, revenues are \$277,000, expenses are \$256,000 and the surplus is small at \$21,000. After taking into account the unpaid \$47,000 additional diocesan assessment on account of prior years, we are in a deficit thru April 30.

Our Parish has a solid financial foundation. We have no debt; we have cash balances in both our chequing and savings accounts. And over the past decades, we have invested \$6 million in our building, the land it sits on and the tangible assets under its roof.

The financial snapshot published last year was not published in the first four months of this year. It began being published again a couple of weeks ago, with a different format and more often. We welcome your feedback!

We are in the process of installing a DONATE NOW button on our website. It will make it easier for supporters to donate 24/7 from the convenience of home. A few Parishes in the Diocese already have DONATE NOW buttons. If you would like a preview of what ours will look like, please visit the St Michael's Catholic Community website.

Third, the FUTURE

Our goal is to move from a focus on balance in daily operations to a focus on sustained, healthy surpluses to finance capital improvements. The first step is to identify and prioritize the capital needs. We've not yet taken that first step.

For example, one area of need will be to invest in our beautiful Church building. The building was dedicated 30 years ago next month on June 26, 1988. For it to continue to serve us for the next thirty years, we'll have to invest in it. The first step is to carry out a formal evaluation of the current condition of the building and its components and secure estimates of what needs to be spent and in what order. Parishioners were major donors and fundraisers thirty years ago, let's do the same for the parishioners who will follow us.

There may be other important capital needs; let's start a dialogue about them.

I'd like to express my appreciation to the money counting team. They meet weekly behind closed doors to count weekend collections. They perform a valuable service to the Parish. If any are present and are willing to stand and be acknowledged, please do so now.

I ask all members of PFC to now stand, and to remain standing for the next few words. On behalf of PFC, I would like to express our thanks for the support we have received over the past year from our families; our Pastors; and our Holy Spirit community, as we seek to serve you and our faith.

Thank you for your kind attention