

GETTING OUR FINANCIAL HOUSE IN ORDER

Exactly three months ago, I wrote about the short-term financial challenges we're facing after five years of covering an enormous school deficit to the tune of over one million dollars taken from parish savings. That commitment to a wonderful, albeit non-viable school, left us with no useable savings at the end of the last fiscal year that concluded on June 30th. I say "useable" because we have approximately \$70,000 in "restricted" funds which can only be used for building repairs and education-related expenses. We're working on freeing those education-restricted funds for paying operating expenses, but it will take some time to resolve the legal issues that previous parish leadership put in place. We also have nearly \$150,000 in *To Teach Who Christ Is* contributions, but those are **capital funds** that, for now, can only be used for infrastructure improvements, such as the handicapped-accessible washrooms and meeting space I wrote about last week. Eventually, 20% of the income from that account will be placed in parish savings to cover unexpected shortfalls or capital expenditures, but that is still a few years down the road.

Because the school deficit drained our savings, we were forced last month to take out a loan with the Archdiocesan Bank to the tune of \$86,000 at 5% interest to pay our Archdiocesan bills for the previous fiscal year. Obviously, the longer that debt remains, the more expensive it is for us. Our goal is to be able to pay it off within two years at most, one year if we can manage it. But the question is: how can we accomplish that?

Our annual **operating** income—the money that comes in the weekly offertory collection, from the Winter Picnic, and from the occasional gift—is used to pay the bills that any household must pay: electricity, gas, water, insurance, plus the bills that any organization must pay: salaries, health insurance, benefits, plus the 10% tax that every parish must pay to the Archdiocese to fund the agencies and central offices that assist us in many ways. That offertory income has **decreased** approximately 5% over the past two years, similar to the decrease in most Archdiocesan parishes over the same period, and a significant part of our decrease is related to the elimination of the weekly "deficit reduction" second collection. It was my decision to drop that second collection when we began our very successful *To Teach Who Christ Is* capital campaign so as to limit the number of times we were sticking a collection basket under your noses. My hope and my request at that time was that those who had been contributing to the second collection would add those offerings to their envelopes in the regular collection and take advantage of the charitable contribution tax deduction. But that never happened and so now we need to bring back a second collection, but **not** a weekly one.

So, beginning next weekend, there will be a *Second Sunday Second Collection* to help replenish our depleted checking and savings accounts so that we can pay off that Archdiocesan loan as quickly as possible. This will **only** take place once month, on the second Sunday (& Saturday) unless there is another special collection scheduled for that weekend; and it will—hopefully—only last as long as it takes to pay off our debt to the Archdiocese. If you have some spare change on the second Sunday of each month—or, even better, some spare five or ten dollar bills—please share that with us so we can move quickly beyond this bump in the road, reassert our vitality and viability as a parish, and get our financial house back in order.

Fr. Bob