

## *Blessed Sacrament's 2014 Annual Report*

December 6, 2014

Dear Parishioners:

I am pleased to submit to you Blessed Sacrament's Annual Report for fiscal year 2014 and the budget for fiscal year 2015.

Let me begin by saying that without the Parish Finance Council this report would not have happened. To each and every member of the Council I say thanks. And my thanks, too, to our Parish Council which has been instrumental in defining and implementing the mission of our parish. The Buildings and Grounds Committee helps the parish better utilize our properties. My thanks to all.

This report details a number of challenges facing us. I would like to ask you to think about and suggest ways that might help us overcome these challenges.

There is no question that Blessed Sacrament is a vibrant and alive parish! We have so many groups, we support so many ministries that give assistance to those in need. We take care of our community, we feed the hungry, visit the sick and minister to the homeless. We have a great school and a dynamic religious formation program. During this year, we celebrated 166 baptisms, 41 first communions, 22 confirmations and 34 weddings. Our school has 352 students and our Sunday School has 204 young people. We prayed the funeral rite for 29 of our loved ones, who now rest in the embrace of God.

Our revenues, however, don't meet our needs. While expenses are expected to remain almost flat in 2015, the parish will try to identify measures to even further reduce them. As you can see, we've relied on bequests and on our reserve fund to bring us through. What we need to do is increase our weekly parish collection. We have already been helped by those who have chosen to memorialize a loved one by offering the weekly flowers, the hymnals, the new candlesticks, the Advent wreath, etc. I thank them for that.

I urge you to read through the annual report. On Sunday December 14<sup>th</sup> after the 12:30 and 5:30 masses, members of the Finance Council will be available for your questions and comments. If you cannot make one of these meetings please email me.

For me, it is a great gift to serve you as your pastor. Please keep me in your prayers, as I do you each and every day.

Pray for peace.

*Fr. Duffell*

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## **Financial Report**

Attached are the financial results for 2013 and 2014 fiscal years (September through August) and the Parish's Budget for FY 2015 developed by the Finance Council.

### ***Revenue***

Parish income consists of regular, holy day, soup kitchen and poor box collections, bequests and revenues from candles, shrines, property rentals, investment income and sacramental fees. For the year ending August 31, 2014, the Parish had total revenue of \$1,165,378. Parish collection revenue was significantly aided by a larger than historical Christmas collection.

In 2015, the Finance Council projects a similar amount from regular collections but a more historical Christmas collection. Bequests, which vary significantly from year to year totaled \$68,519 in 2014 but are projected to be zero in 2015, as we know of no bequests for this year.

### ***Expenses***

The Parish expenses consist of the following:

I - Clergy Related Expenses includes salaries, benefits and related housing expenses. They will decline in 2015 because of Msgr. O'Connor's retirement.

II - Administration and Insurance are comprised primarily of the office staff's salaries, benefits, office expenses and insurance. The 2015 projection is based on an increase in the cost of employee benefits, much needed office equipment and an update to the parish website.

III - Fuel / Electric / Water Fuel expenses increased in 2014 due to increased oil prices and harsher weather. In 2015, the Finance Council projects a decrease based on the falling price of oil.

IV - Maintenance consists of the expenses for our maintenance staff, contracted services and supplies.

V - Major Enhancements / Repairs - A new altar and baptismal font, waterproofing of the convent and rectory repairs were the major items in 2014. In 2015, the Finance Council is assuming that the Parish will spend \$300,000 on safety and electrical infrastructure and façade repairs. There are outstanding fire code violations related to the lower church that must be corrected as well as issues with the church façade and possibly the roof. There are no estimates of the cost of these repairs at this time.

VI - Decorations / Candles / Books / Linens – Recently, donations to offset the cost of flowers and other items have been made.

VII - Choir Expenses are the salary and benefits of the Music Director and payments to singers.

VIII - CCD/RICA Expenses are comprised of the Religious Education Director's salary and benefits and educational materials. Father has solicited support from the families with children in Religious Education to offset some of these expenses.

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IX - Poor Box Expenses are comprised primarily of the pastoral associate salary and benefits, the soup kitchen, and the support of charitable initiatives.

### X - School and Archdiocese

While the Parish school is operated by the Archdiocesan Department of Education, the Parish is the landlord for the school, and as such, is responsible for all major repairs. Additionally, like all other parishes, we support the archdiocesan schools by paying a School Tax. In 2014, the Schools Tax was \$68,000 or 6% of the parish's preceding year's assessable revenue. In 2015, the tax will be \$119,000 or 11% of the parish's preceding year's assessable revenue as the Archdiocese has implemented a new tax structure based on parish revenue.

Individual parishes, such as Blessed Sacrament Church, also support the Archdiocese of New York through an assessment of 8% of the parish's preceding year's assessable revenue in 2014 and 2015 up from 6% in 2013 or \$91K in 2014 and \$88K in 2015. This allows the Archdiocese to support local parishes as required by providing pastoral services, financial and human resource management, purchasing, building repairs and renovations, insurance, grants for education, clergy care and spiritual formation.

### **Summary**

The Parish's 2014 Operating Expenses (Total Expenses less Major Enhancements / Repairs) exceeded Operating Revenue (Total Revenue less Bequests) so our Operating deficit was \$144,422. In 2015, the projected deficit is \$188,000. The increase is because of the higher Archdiocese School tax and potentially lower Christmas collections.

### **Parish Reserve Fund**

The Parish withdrew \$100,000 from the Reserve Fund in both June and November 2014 and will need to make additional withdrawals in 2015. The Parish Reserve Fund of stocks and bonds is currently \$1.9M, which should be used only for major enhancements / repairs.

### **Financial Outlook**

Father Duffell, Matt Collins, the Parish Business Manager and the Finance Council are looking at every possibility to reduce expenses and increase rental and sacramental (weddings etc.) revenues. This will include developing a utilization plan for the Convent in conjunction with the Buildings and Grounds Committee and Parish Council. Although we have a meaningful Reserve Fund it should not be used to cover ongoing operational deficits. As shown on the next page we continue to run an operational deficit. Again please review your support for YOUR PARISH. Also consider using the Parish Pay ([www.parishpay.com](http://www.parishpay.com)), which allows you to make automatic contributions from your checking account or credit card.

### **Respectfully, The Finance Council**

Members: Michael Berrigan, Patrick Draper, Susan Feitelberg, Tom Fitzgerald, Scott Kern, Maura A. McGrath Joe McKenna, Cecilia Mongrut, Tiffany Riady, Cathie Lenz - ex officio (Parish Trustee)

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	2013 Actual	2014 Actual	2015 Budget
<b>Revenue</b>			
Collections including Poor Box/Soup Kit.	\$766,153	\$950,785	\$908,000
Donations and Bequests	\$312,925	\$68,519	\$0
Candles / Wedding & Funerals / Rental Income	\$67,696	\$74,731	\$92,000
Financial and Diocesan Income	\$64,976	\$71,343	\$60,000
<b>Total Revenue</b>	<b>\$1,211,750</b>	<b>\$1,165,378</b>	<b>\$1,060,000</b>
<b>Expenses</b>			
Clergy Related Expenses	\$233,012	\$236,795	\$204,000
Administration / Insurance	\$216,839	\$236,643	\$251,000
Fuel / Electric / Water	\$114,274	\$135,475	\$128,000
Maintenance	\$113,455	\$101,953	\$102,000
Major Enhancements / Repairs	\$38,028	\$167,711	\$300,000
Decorations / Candles / Books / Linens	\$56,605	\$68,539	\$66,000
Choir	\$120,110	\$129,437	\$121,000
Religious Education (CCD - RICA)	\$83,349	\$82,824	\$90,000
Poor Box Expenses	\$121,778	\$90,544	\$80,000
School and Archdiocese	\$142,488	\$159,071	\$206,000
<b>Total Expenses</b>	<b>\$1,239,938</b>	<b>\$1,408,992</b>	<b>\$1,548,000</b>
<b>Total Revenue less Expenses</b>	<b>-\$28,187</b>	<b>-\$243,614</b>	<b>-\$488,000</b>

<b>Operational Results</b>			
Revenue less Donations / Bequests	\$898,825	\$1,096,859	\$1,060,000
Expenses less Major Enhancement and Repairs	\$1,201,909	\$1,241,281	\$1,248,000
<b>Operational Revenue less Operational Expenses</b>	<b>-\$303,085</b>	<b>-\$144,422</b>	<b>-\$188,000</b>