

## Pastor's Response to the Parish Financial Report, October 5, 2022

Dear Parishioners,

Today I present you with two reports concerning our parish financial situation. As a firm believer in transparency, I nevertheless acknowledge that I am taking a risk in doing so, mostly because we each have a way of interpreting facts according to our backgrounds and experience.

As pastor of neighboring Our Lady of Charity parish, I maintained the practice of calling on the parish Business Manager to present the financial picture of the parish at all the Masses on a given October weekend. I would like to continue that tradition here. I thank Mr. Peter DiNofia for speaking at both the 4:00 pm Vigil and the 10:15 am Masses. I will be speaking at the other Masses, save for the 5:30 pm, when I have a family engagement to attend.

Please note how the collection amounts vary from week to week, which makes for difficulty creating an annual budget. An amount of speculation is necessarily involved based on previous years' tally. Certainly you experience the same as you do your own budgeting, leading to a kind of balancing act. Money spent on "A" reduces or negates spending on "B."

I judge our parish finances as stable, but with some concern. These reports show that we are going in the right direction, as we have been decreasing the amount of loss each year; but we cannot rest on our laurels. We are lucky enough here to stand on the shoulders of generations of generous parishioners. While the Covid pandemic affected in person participation at every parish in the archdiocese, we are fortunate enough to have sufficient assets to meet our debts now and for a few years down the line.

Each and every parish seeks to function financially through its weekly contributions. Note how this source has dwindled for the past few years. We have an accrued insurance debt of \$51,001 for fiscal 2021. I expect an increase of an additional \$54,980 for this year's unpaid insurances. Last year, the parish attempted to pay the archdiocesan assessment for 4 months, or \$26,267 from cash, but had to cease. Upon my arrival last Spring, the Archdiocese asked that I submit payment of \$52,533 balance from our Trust Fund with the Archdiocese, which I did. Currently, I am not paying the monthly assessment or insurance bills this year, as we cannot afford to do so. I am planning on again accessing our Trust Fund with the Archdiocese to pay this year's \$61,600 assessment payment. In a secular business operation, such arrangements would not be allowed to linger. Our parish bills, like your own, have to be paid. We owe money for whatever services are rendered.

Upon my appointment as your parochial administrator, Archbishop Perez gave me a binder of parish information. Included was a letter from the Chief Financial Officer of the Archdiocese inviting me to meet with him to discuss cash flow difficulties of the past few years. Sometime before this December I will do so. I believe it was necessary to observe our



day-to-day operations; monitor the monthly bills; and discuss items with our vendors. You have seen my updates on this in the weekly bulletins since, and I will continue doing such. One example of this is the unfortunate expiration of some critical maintenance matters which I had to reinstate. (i.e., our generator contract, the AC and heating service contracts, and various maintenance repairs in those categories.)

Also, some of you have expressed your disapproval of monies spent on the rectory before I came. Often enough a long-serving pastor may delay spending parish resources on such matters as new paint, carpet, and furniture, and other household items. Such things were done here during the transition in 2018.

Also, if I may comment: It is totally irresponsible for any pastor, or parochial administrator, especially in these scandal ridden days, to try to "hide" money from the Archdiocese, as if the Archbishop and his administration are "the enemy" of the parishes. Two facts must be known and observed:

1. *By Canon Law, the Archdiocese is forbidden to take money from any parish account without the permission of both the pastor and the Parish Finance Council.*
2. *All monies the parish receives must be deposited, banked, and coded into properly established and tracked accounts.*

It is part of my responsibilities as parochial administrator to observe all such policies of the Archdiocese and its accounting principles. There are no "off the books" accounts here at St. Rose of Lima parish and that we (the Pastor, the Finance Council, and the Business Manager) have shared with you, the parishioners, this honest accounting of the past year.

Finally, be assured that I promise to be the best steward I can be of the monies you contribute. One of our Church's precepts is that the faithful (you) have the duty and responsibility to support the Mission of the Parish. As a parish of 1,500 families, if each of those gave \$10.00 weekly, we would be debt free. We would also have the ability to pay all our bills in a timely manner and have the resources to do everything you expect from your parish. Remarkable, when you think about it.

I have been ordained for 24 years. In whatever parish I have been stationed, people are always amazed that there are usually no more than 15 or 20 % of the parishioners who contribute weekly to their parish. Sad, but true.

I hope we can be different from the rest in this aspect.

I humbly ask you to trust in me, and to support our parish as best you can. I am most grateful for those who already do this, even with the economic downturn we are all facing at this time. I welcome your questions or comments about any financial matter concerning our parish, and the reports that are shared with you today.

Sincerely in Christ, Father Izzo

**St. Rose of Lima Parish**  
**Statement of Church Operating Income and Expenses**  
**Fiscal Year July 1st to June 30th (2020-2022)**

	FY 2022 06/30/22	FY 2021 06/30/21	FY 2020 06/30/20
<b>Operating Income</b>			
Sunday Collections	\$366,794	\$395,119	\$488,153
Other Collections	\$49,389	\$47,294	\$79,251
Social Ministry/Religious Ed Revenue	\$49,681	\$51,463	\$56,722
Stole Fees	\$9,180	\$2,200	\$0
Socials and Donations, Net	\$9,617	\$3,546	\$5,065
Interest, Dividends, Rentals	\$11,001	\$7,422	\$7,643
<b>Total Church Operating Income</b>	<b>\$495,662</b>	<b>\$507,044</b>	<b>\$636,834</b>
Other Receipts	\$25,684	\$0	\$15,204
<b>Total Income</b>	<b>\$521,346</b>	<b>\$507,044</b>	<b>\$652,038</b>
<b>Operating Expenses</b>			
Diocesan Assessments	\$78,800	\$104,120	\$104,100
Salaries & Benefits	\$223,694	\$270,757	\$264,685
Transportation Expenses	\$5,930	\$3,470	\$3,470
Property, Liability Ins. & Real Estate Taxes	\$33,761	\$40,913	\$23,674
Pastoral Administration	\$27,064	\$41,651	\$51,712
Social Ministry/Religious Ed Expense	\$41,039	\$42,572	\$58,862
Professional Fees/Contracted Services	\$34,142	\$25,531	\$17,455
Outside Printing and Publications	\$17,471	\$22,856	\$28,461
Supplies and Equipment	\$20,148	\$13,103	\$18,351
Rectory Operating Expense	\$3,804	\$6,235	\$3,555
Maintenance of Property & Equipment	\$53,850	\$71,419	\$47,210
Heat, Light, Water and Sewer	\$27,827	\$23,692	\$23,967
School Subsidy Payments	\$28,200	\$17,800	\$32,600
<b>Total Church Operating Expense</b>	<b>\$595,730</b>	<b>\$684,119</b>	<b>\$678,102</b>
Other Expenditures	\$30,109	\$0	\$0
<b>Total Expense</b>	<b>\$625,839</b>	<b>\$684,119</b>	<b>\$678,102</b>
<b>Net Loss</b>	<b>(\$104,493)</b>	<b>(\$177,075)</b>	<b>(\$26,064)</b>



**St. Rose of Lima Parish**  
**Balance Sheet**  
**As of June 30, 2022**

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
<b>Assets</b>		
Checking Accounts	37,348.12	44,016.40
Social Ministry Account	32,233.06	24,915.61
Mass Account	7,786.90	
Certificates of Deposit	0.00	471,089.40
Philadelphia Trust Company	471,769.88	0.00
Diocesan Trust Funds	149,488.10	202,021.42
<b>Total Assets</b>	<u><b>698,626.06</b></u>	<u><b>742,042.83</b></u>
<b>Liabilities &amp; Equity</b>		
<b>Current Liabilities</b>		
Archdiocese of Philadelphia	51,001.12	0.00
Mass Stipends	7,786.90	0.00
Diocesan Collections - Peter's Pence	415.00	0.00
<b>Total Liabilities</b>	<u><b>59,203.02</b></u>	<u><b>0.00</b></u>
<b>EQUITY</b>		
Opening Equity	1,249,901.56	1,248,028.96
Retained Earnings	-505,986.13	-328,911.06
Net Income	-104,492.39	-177,075.07
<b>Total Equity</b>	<u><b>639,423.04</b></u>	<u><b>742,042.83</b></u>
<b>Total Liabilities &amp; Equity</b>	<u><b>698,626.06</b></u>	<u><b>742,042.83</b></u>