

**St Vincent Martyr Parish**  
**Annual Financial Report to Parishioners**  
**Fiscal Year Ended June 30, 2018**

**Overview**

Through the continued generosity of the parishioners and prudent financial management, St Vincent Martyr Parish and School (collectively "St Vincent Martyr ") continues to have access to the financial resources needed to fulfill our mission as the Catholic presence in Madison sharing Christ's love through prayer, ministry, education and service; and to provide high quality Catholic education.

For our fiscal year 2018 (period from July 1, 2017 to June 30, 2018), we generated a surplus of \$2,578 compared to our fiscal year 2017 surplus of \$5,498. This includes the results from liturgical and ministerial activities (collectively "the parish" or "SVM") as well as parish school activities ("the school" or "SVMS").

**Statement of Operations - St Vincent Martyr Parish (SVM) and School (SVMS)**

	<b>SVM</b>		<b>SVMS</b>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<u>Income</u>				
Collections	\$1,613,718	\$1,445,455	\$ -0-	-0-
Tuition	-0-	-0-	2,798,073	2,908,375
HSA Contributions	-0-	-0-	217,449	210,723
Program Fees	105,626	102,158	-0-	-0-
Donations/Gifts/Other	<u>110,184</u>	<u>115,458</u>	<u>85,416</u>	<u>78,645</u>
Total	\$1,829,528	\$1,663,071	\$3,100,938	\$3,197,743
 <u>Expenses</u>				
Salaries/Benefits	\$ 932,046	\$ 918,648	\$2,595,726	\$2,606,731
Operating Costs				
- Operations	182,988	156,945	203,520	233,263
- Facilities	340,184	302,292	284,772	296,925
- Office	80,262	73,370	57,180	56,787
Charitable giving	69,226	34,823	-0-	-0-
Diocesan Assessment	<u>141,984</u>	<u>110,532</u>	<u>-0-</u>	<u>-0-</u>
Total	\$1,746,690	\$1,596,610	\$3,141,198	\$3,193,706
 Surplus/(Deficit)	 \$ 82,838	 \$ 66,461	 (\$ 40,260)	 \$ 4,037
 Parish Subsidy				
to School	(\$ 40,260)	\$ -0-	\$ 40,260	\$ -0-
Transfer to Parish				
Capital Fund	(\$ 40,000)	(\$ 65,000)	\$ -0-	\$ -0-
 Net Surplus/(Deficit)	 \$ 2,578	 \$ 1,461	 \$ -0-	 \$ 4,037

## The Parish

### Income

Collection income, which includes weekly and holy day (Christmas and Easter) collections and stipends (e.g., income from sacramental events such as baptisms, weddings and funerals) increased by 12% compared with 2017. Weekly collections averaged \$25,796 in 2018 compared to \$22,839 in 2017, an increase of 13% due to the continued success of the Parish Stewardship initiative, in particular the "Our Sunday Visitor" program as well as the impact of the opening of the renovated church in 2017. Holy day collections in 2018 were consistent with that received in 2017. Fees from liturgical services such as Baptism, Wedding and Funeral fees increased by 31% as a result of the availability of the church for the full fiscal year 2018 versus only a few months in 2017, which required our parish to utilize local churches in 2017 and share the liturgical service fee with that parish.

Program fees represent fees received from the participants in parish ministerial programs such as adult and Christian formation, youth ministry and social ministry. Fees collected historically cover only a portion of the cost of the programs such that parish support is required. Ministerial programs strive to maintain program fees at a level which encourages extensive participation of the community as such programs are viewed as an important component of the parish mission. Program fee increases offset program cost increases such that the ministerial programs realized a slightly lower deficit in 2018 (\$343,005) compared to 2017 (\$353,717).

Donations and gifts include a rebate of \$35,728 in 2018 and \$35,890 in 2017 from the Bishops Annual Appeal campaign. One-half of parish contributions in excess of the Bishops Annual Appeal assessment (\$66,150 in 2018 and \$68,355 in 2017) are rebated to the parish.

Collections for the Holy Land, CoOp and the Retired Religious of \$22,955 and Special Outreach collections (mainly flood relief collections for Houston and Florida flood victims) of \$44,344 are not recognized as income but rather netted against the related contribution of the same amount, as proceeds from such collections are remitted directly to the diocese and are not available for parish use. The financial statements also do not include the value of non-monetary contributions by members of the parish to charitable and social causes such as Hope House and semi-annual clothing drives. These contributions are a critical component of meeting the overall needs of the community and reflect the generosity of the parish.

### Expenses

Parish expenses increased by 7% in 2018 compared to 2017, reflecting an increase in operating costs as well as higher utility and building maintenance costs, due in part to the opening of the church for all of 2018.

The Diocesan Assessment is charged to the parish to cover diocese operating costs including publication and distribution of The Beacon as well as contributions to charities supported by the Diocese. Our assessment increased by 1% in 2018 compared to 2017 and by 6% in 2017 compared to 2016. In 2017 and 2016, the Local & Universal appeal (L&U) was conducted to assist with the cost of this assessment. \$30,701 and \$41,188 was collected in 2017 and 2016, respectively, through the L&U appeal which covered 22% of our 2017 assessment and 30% of our 2016 assessment. The parish finance council decided not to conduct the L&U appeal in 2018 due to the focus on the Parish stewardship efforts. The finance council is evaluating if and when the L&U appeal will be reinstated in 2019 as this appeal is very important to parish finances. Any Diocesan Assessment not funded through the L&U appeal must be paid from other parish resources.

## **The School**

### **Income**

Tuition income, the principle source of school income, decreased by 4% compared to 2017 due to lower enrollment in 2018 (423 students) compared to 2017 (462 students), partially offset by a 3.5% tuition increase. Average tuition per student was \$6,136 in 2018 compared to \$6,364 in 2017, a decrease of 4%. The tuition decrease resulted from lower enrollment and a higher proportion of in-parish students versus out-of-parish students in 2018 compared to 2017. In-parish students pay a lower tuition than out-of-parish students.

HSA contributions represent contributions by the St Vincent Martyr Home School Association (HSA) towards education costs. HSA income results from various fundraising activities throughout the year. In addition to the annual contribution of \$150,000, an increase from \$125,000 in 2017, the HSA made significant contributions to support the educational needs of SVMS through purchases of school equipment and supplies as well as the cost of various school activities.

Donations and Gifts increased 8% in 2018 compared to 2017. These contributions enable SVMS to maintain tuition at a competitive level and to provide support for those requiring financial assistance to achieve a Catholic education. The work of the HSA and SVMS parents are critical to meeting the educational needs of our community and the parish is grateful for their contribution of time, talent and treasure.

### **Expenses**

Total school expenses decreased 3% in 2018 compared to 2017. Salary and benefit costs, which represent 83% of total school costs in 2018 (82% in 2017), were flat with 2017 levels due to cost containment measures which offset Diocese mandated compensation and benefit increases. Other school operating costs decreased due to cost containment measures designed to address the decrease in enrollment.

## Statement of Financial Position

As of June 30

	<u>2018</u>	<u>2017</u>
<b>UNRESTRICTED FUNDS</b>		
Cash	\$ 620,957	\$ 479,582
<b>Investments</b>		
<u>Parish</u>		
-Budget Fund	\$ 369,960	\$ 367,535
-Capital Fund	40,000	188,917
-Special Funds	91,284	43,608
<u>School Fund</u>	<u>194,560</u>	<u>172,834</u>
<b>Total Investments</b>	\$ 695,804	\$ 772,443
<b>Total Unrestricted Assets</b>	\$1,316,761	\$1,252,025
<b>RESTRICTED FUNDS</b>		
SVM Cemetery	\$ 322,262	\$ 370,275
Partners in Faith/ Building Our Future Campaign	\$ 244,651	\$ 162,836

The investment funds of the parish and school are designated for purposes described below and are invested in high quality securities. The funds are monitored by the Pastor and Finance Council in accordance with Diocesan directives and guidelines.

The **Parish Budget Fund** is used to support parish operations when a net deficit results from unbudgeted expenditures or a shortfall in income. To the extent the parish operations yields a net surplus, the surplus is transferred to this fund.

The **Parish Capital Fund** is used for capital expenditures (equipment, modernization, repairs & maintenance) to parish and school buildings and grounds. Transfers from parish and school surplus are made to this fund in amounts deemed necessary to support future capital expenditures. In 2018 expenditures totalled \$360,537 (\$277,298 in 2017), primarily for the repair and repaving of the parking lot

The **Parish Special Fund** includes "special bequests" such as statues and vestments where the contributor has specified the purpose for which their contributions should be targeted. Expenditures from special funds are made in accordance with the terms of the bequest.

The **School Fund** is available for tuition assistance as well as the operating needs of the school.

**Restricted Funds** are funds that have been dedicated for a specified use or project.

The Cemetery fund is dedicated to the perpetual maintenance of the SVM cemetery.

The Partners in Faith/Building Our Future campaign fund has been established for donations to the Diocese capital campaign as well as the SVM church renovation project (hereafter referred to as "the campaign"). As of June 30, 2018, the campaign has received pledges of \$7,129,621, of which \$6,631,760 have been paid and \$497,861 are scheduled to be paid, and has disbursed \$5,833,645 for the church renovation project and \$745,500 to the Diocese capital campaign. \$319,500 remains to be paid to the Diocese on our capital campaign pledge, which will be fulfilled by the end of 2019. Campaign funds remaining upon completion of the Diocese campaign pledge will be used for parish capital requirements