

June 2009 Financial Review

Let's start with the operating budget. This year's budget was based on a 2.5% increase in offertory compared to the previous year. The diocese also provided \$65000 for Focus and the University Ministry program. This budget allowed us to maintain our current programs and staff as well as allot 1% of our budget to become a tithing parish – where we donate a percentage of our income to charity as well as the children's collection. This year our children's collection went to Catholic Charities and our tithing primarily went to: Catholic Charities Northern, the Boys and Girls Club, Central Asian Institute, Bethlehem University, and the Larimer County Food Bank.

Offertory income was right on budget. Overall income was 5.6% above budget, mostly due to reimbursed expenses (areas where we collect money and then spend it for a particular purpose like a retreat). Ordinary expenses were within 1% of budget. We had lower personnel expenses because of an unfilled music minister position and over budgeting for health insurance. This was offset by our new grand piano, and higher confirmation retreat expenses due to the large class this year.

In making next year's budget, we assumed that given the tough economic environment, offertory would only increase by ½%. With the pastoral council we agreed on the following priorities:

1 – Maintain our existing personnel, this has always been a top priority to provide continuity to our programs.

2 - Remain a tithing parish increasing our percentage of giving over time. “to practice what we preach”

3 - Establish a contingency fund of 1% this year for unforeseen events, since we no longer will have a capital fund to fall back upon.

4 – Staff a development director position. This position after initial start-up costs would be a self-funding position raising money for our University Ministry and Theologian in Residence program. The idea would be to seek funding from student's parents, past alumni, and foundations for our programs.

Let's next look at the capital campaign. We've collected \$1,254,000 in cash donations and \$609,000 in appraised value on the modular, parish rectory and student commons. That included about \$32,000 in capital donations this year. We've completed all of our capital improvements. This year, we upgraded the sound system, added lighting and landscaping to the main entrance of the building and air conditioned the office. If you remember, part of the donation of the Student Commons required us to take on \$200,000 of debt. We paid off \$100,000 of that debt last year. The remaining \$100,000 is a 5 year note with no payments and no interest until a balloon payment which is due in another in 16 months. We have \$54000 saved to pay off this loan. We hope you will consider a donation toward our debt reduction.

We thank you for your support for John XXIII. You have been very generous.