

**Sacred Heart****Finance Council Message****Weekend in November (8<sup>th</sup> or 15<sup>th</sup>), 2009****By: Larry Thompson, Chair (and others)**

Last March, I summarized the responsibilities of the Parish Finance Council and the process that we follow that is governed by the diocese that provides guidance to Father and the Parish Pastoral Council in regard to the financial requirements to execute the desired mission and objectives of the parish. My message also included the need for an immediate increase in giving in order to continue to provide the established programs of the parish. I am pleased to report that the parish did respond and giving increased to cover the program costs.

As you can see, while giving increased toward the end of the year, and we continued to provide the established programs, for the fiscal year, expenses exceeded income, and reserves were depleted.

As we approached the budget process for 2009-2010, we closely evaluated each area to assure that the expenditure was aligned with our mission. In addition, we asked for increased involvement by lead staff positions in the budget process. The church leadership did a great job in the process and I assure you that the expense side of the equation is well managed and efficient. The staff recommendations included personal sacrifices with increased insurance costs and lack of wage increases. The budget also included a contingent savings component delaying the replacement of two positions – music liturgist and faith formation. These positions continue to be delayed, because of our cash position, yet we acknowledge that is partly caused by timing issues – as we experience a seasonal decline in giving in the summer months, while expenses are higher with annual premiums of insurance and benefit expense. If giving rebounds, we may be able to cover these expenses, and still build our reserves, yet that are up to the parishioners with the decision to give.

We continue to closely monitor spending to assure that the resources are properly administered to the parish objectives. And, we must recognize that the delay in position replacements creates higher expectations and demand for volunteers, increases the demands to father, and generates questions and concerns on whether the mission of the church is being met.

The Finance Council continues to be concerned about the financial health of the parish and is also seeking assistance from experts outside the parish community to remedy the situation. The Parish Council, Stewardship Committee, and Finance Council are working collaboratively to identify solutions and retain the strong history of the Sacred Heart community. Thank you for your active involvement in this effort.