

Fellow Parishioners,

On behalf of the St. Philip Parish Temporal Affairs Council (“TAC”), I would like to present our “Parish Report,” for the year ending December 31, 2017. This report is part of the TAC’s commitment to provide parishioners with ongoing financial information, about the state of the parish’s finances. This report also serves to update the parish on any temporal (operational, non-spiritual) matters concerning our parish and parish administration.

2017 Financial Results

For 2017, the parish recorded a small operating surplus of \$1,617, compared to a small operating deficit of \$1,656 in 2016. Parish revenues from the weekly collection were up 2.8% from 2016, which thankfully made up for the lower-than-budgeted hall and bar revenue. Parish revenues from all sources were up 1.1% from 2016, rising to \$156,152. Further to this, we note that 63% of the amount received from parishioner offerings came from the weekly collection basket, that amount totalled almost \$69,000 (or an average of \$1,350 per weekend). The remaining 37% of the amount received, from parishioner offerings (or approximately \$41,300), came from those parishioners who donate monthly through the parish’s pre-authorized payment plan (“PAP”) service. On the expenditure side, overall ordinary expenses were down about 1%, compared to 2016, reaching \$154,535. The parish had a \$2,685 increase in its municipal taxes/insurance and water, which was off-set by decreases in the property utilities, diocesan taxes and repairs & maintenance relating to the parish hall.

On the extraordinary operations side, the parish received \$13,260 in restoration donations and \$7,711 in donations for 200th Anniversary-related projects. It also paid out \$6,937 in expenses relating to the Peru Mission. Overall, for 2017, the parish received net donations of \$21,464 for specific projects (restoration, 200th Anniversary, Canopy Fund repayment, and the Peru Mission activities).

Financially, the parish ended 2017 with \$5,289 in its bank account and \$82,130 reserved for specific items; the largest component being \$41,437 for restoration-determined capital projects. The parish continues to have a balance outstanding on the Canopy Project. The TAC will be exploring additional fundraising activities to see that this outstanding amount is paid-off in the next year or two.

A copy of the 2017 financial results and financial position is included in this report.

2018 Parish Budget

As is required by the Archdiocese, the TAC has developed and passed, with Fr. Bob’s approval, a balanced budget for 2018. Overall, we have budgeted for total parish revenues from ordinary operations of \$164,000 (up from \$156,152 realized in 2017), with an equal amount being spent throughout the year. On the revenue side, the parish is budgeting for a minimal increase (1.5%) in weekly parishioner offerings (either through the collection basket or through the monthly PAP service), which means the parish is budgeting for an expected \$1,400-to be received every week through the collection basket.

However, there are two notable items that have impacted the 2018 revenue budget. First, with the recent announcement that Lift Jesus Higher (“LJH”) will be calling the parish “home”, the parish will now be receiving a monthly rental amount from LJH, for their use of our church and our parish hall, which will reverse several years of declining revenue. TAC and LJH representatives will be meeting soon to formalize this rental arrangement and to finalize the details governing this relationship. While the TAC is responsible for representing parishioners and advising Fr. Bob on the business side of the parish-LJH relationship, we do not view this new relationship as being strictly a “business” arrangement. LJH and its community members bring a new spiritual dimension to our parish life. We welcome them to the Richmond community and join them as we continue on the journey to be the best versions of ourselves that we can be. The second notable item is that the parish will now be sharing bulletin advertising revenue with St. Clare Mission, which will result in their annual share of common expenses (e.g. payroll expenses and rectory costs) decreasing in 2018 from 2017.

On the expenditure side, we are forecasting higher expenses, due to larger diocesan tax payments, as well as higher costs resulting from the recent government changes to Ontario’s employment and labour standards laws.

On the extraordinary operations side, the parish is anticipating the completion of the 200th Anniversary Committee’s “Lighting Project”, which will constitute a major capital project for the parish. See below for further information.

A copy of the 2018 Parish Budget is included in this report.

Historical Summary

We have also included in this TAC report a Historical Summary, reporting the parish's financial results going back to 2009.

Other Matters

There are two other items that require further elaboration.

First, it is anticipated that the parish's 200th Anniversary Committee, will be completing its "Lighting Project". This project dates to 2012, when it was suggested, by parishioners, that the church's existing lighting be redesigned, by installing fixtures or fixture canopies that are more fitting to the church design/age and adding other lighting as required and desired. The 200th Anniversary Committee agreed that the bulk of the funding of this project would come from a series of Murder Mystery Dinners, and since then, almost \$21,000 has been raised and ear-marked for this lighting project (with another \$17,800 being raised and ear-marked for general "200th Anniversary" projects). The 200th Anniversary Committee agreed that the type of fixture to replace the existing "salad bowl" design would be something like the Florentine 7000 series depicted below.



Presently, the committee is hoping that an LED bulb, similar in lighting capacity as our existing system, can be found that will be compatible with the church's existing fixture socket. It is the plan to purchase these new bulbs and fixtures by the spring of 2018 and have them installed in the fall of 2018.

Secondly, as has been published in the weekly parish bulletin, it has been brought to the TAC's attention, that the balcony railing no longer meets the minimum height requirement of the Ontario Building Code and as such, we have been asked to increase its height to ensure that there are no accidents or injuries resulting from its current height. Therefore, until this safety issue is corrected, the TAC has taken steps to restrict the use of the balcony's front pews. This includes having the front kneelers removed and taping off access to the front row, thus preventing (we hope) parishioners from sitting in the front row. Meanwhile, the TAC has been consulting with contractors and looking into how the height of the balcony railing can be increased, to satisfy the Ontario Building Code and in turn, doing so at minimum cost but in keeping with the current historical style of the church. Once a design has been chosen, the TAC and Fr. Bob will commence discussions with the Archdiocese, which must review and approve all capital projects that change a parish's "worship space." The safety of our parishioners is very important to the TAC and we ask for all parishioners' assistance in refraining from using the front row of the church's balcony loft while this safety issue is corrected.

Conclusion

On behalf of Fr. Bob and the TAC, I would like to express my heartfelt appreciation, for your continued support of St. Philip Parish. Should any parishioner have questions regarding this report or any of the TAC's activities, please do not hesitate to contact Fr. Bob, myself, or any other TAC member. A listing of TAC members can be found on the parish's website under "Ministries".

Pat McIver, Chair
St. Philip Parish Temporal Affairs Council
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**St Philip's Parish
2017 Financial Statements**

	August-17	September-17	October-17	November-17	December-17
Assets					
General bank account	(3,725)	(3,199)	3,814	2,475	5,289
Mass account	1,691	1,226	1,421	1,571	1,061
Accounts receivable	1,454	808	939	1,253	585
Cash reserves and restricted funds	72,351	74,437	77,715	75,364	82,130
	<u>71,771</u>	<u>73,273</u>	<u>83,889</u>	<u>80,663</u>	<u>89,065</u>
Liabilities and Accumulated Surplus (deficit)					
Accounts payable	30	388	430	20	0
Masses owed	1,691	1,226	1,421	1,571	1,061
Restoration fund	36,636	37,673	38,786	39,871	41,437
200th Anniversary general fund	17,789	17,837	17,837	17,837	17,837
200th Anniversary lighting fund	20,943	20,943	20,943	20,943	20,943
Front Walkway (Canopy) fund	(14,469)	(13,469)	(11,804)	(11,804)	(11,804)
Peru mission fund	11,452	11,452	11,952	8,516	8,716
Accumulated surplus (deficit) from operations	(2,302)	(2,778)	4,323	3,708	10,873
	<u>71,771</u>	<u>73,273</u>	<u>83,889</u>	<u>80,663</u>	<u>89,065</u>

Statement of Changes to Cash Reserves & Restricted Funds

	as at December 31, 2017						
	Operating Cash Reserve	Restoration Fund	200th Anniversary General Fund	200th Anniversary Lighting Fund	Canopy Front Walkway Fund	Peru Mission Fund	Cash Reserves & Restricted Funds
Opening cash reserves and restricted funds	5,000	28,177	10,908	20,943	(15,586)	11,223	60,666
Cash receipts							
Collections (Pink envelopes)		13,260					13,260
Front Walkway Donations					167		167
Gracenote Fundraiser proceeds					1,665		1,665
Knights donation					1,500		1,500
CWL donation					1,000		1,000
Euchre donation							-
Coffee Sunday (Knights/CWL) donation							-
Coffee House for Peru Mission (net proceeds)						3,584	3,584
Donations for Peru Mission						345	345
Transfer of funds from LJH						500	500
Donations for 200th Anniversary General Fund			48				48
Murder Mystery			7,663				7,663
Expenditures							
Peru Mission						(6,937)	(6,937)
Transfers to/from General Bank Account							-
Stations of the Cross plaque			(782)				(782)
Canopy Expenses					(550)		(550)
Ending cash reserves and restricted funds	<u>5,000</u>	<u>41,437</u>	<u>17,837</u>	<u>20,943</u>	<u>(11,804)</u>	<u>8,716</u>	<u>82,130</u>

	Year to date		2016/2017	2017
	December 31, 2016	December 31, 2017	Fav/(Unfav)	Budget
Revenue from ordinary operations				
Collections	107,350	110,348	2,998	112,000
St. Clare's share of expenses	19,800	19,800	-	19,800
Hall rent and bar sales	6,712	3,747	(2,965)	4,630
Donations (Easter, Christmas, United Way)	6,524	6,990	466	7,000
Bulletin advertising sales	6,715	8,310	1,595	7,920
Sale of objects (candles)	1,588	1,576	(12)	1,000
Other revenue	5,685	5,380	(305)	4,800
	154,375	156,152	1,777	157,150
Expenses from ordinary operations				
Payroll expenses	85,665	85,318	347	87,545
Pastoral expenses (altar supplies, etc.)	6,189	6,486	(296)	7,600
Office expense	7,769	8,034	(264)	7,500
Electricity and heat	11,677	10,368	1,309	11,800
Municipal taxes, insurance, water	6,780	9,465	(2,685)	6,900
Diocese tax	17,193	15,230	1,962	16,500
Repairs and maintenance - church and rectory	15,001	15,169	(169)	14,455
Repairs and maintenance - parish hall	4,342	3,082	1,260	3,400
Miscellaneous and other expenses	1,416	1,383	33	1,450
	156,032	154,534	1,497	157,150
Surplus (deficit) from ordinary operations	(1,656)	1,617	3,274	(0)
Revenue from extraordinary operations				
Restoration fund collections	3,494	13,260	9,766	12,000
Canopy Front Walkway	31,393	4,332	(27,062)	15,586
200th Anniversary fundraising proceeds	6,893	7,711	818	6,000
Peru mission fundraising proceeds	1,270	4,429	3,159	2,500
	43,050	29,732	(13,319)	36,086
Expenses from extraordinary operations				
Restoration fund expenditures	343	-	343	12,000
Canopy Front Walkway expenditures	77,747	550	77,198	-
200th Anniversary expenditures	15,488	782	14,707	800
Peru mission fundraising transfers to mission	-	6,937	(6,937)	2,500
	93,579	8,268	85,311	15,300
Surplus (deficit) from extraordinary operations	(50,528)	21,464	71,992	20,786
Total surplus (deficit)	(52,185)	23,081	75,266	20,786

St. Philip Parish
Historical Financial Results & 2018 Parish Budget

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget
ORDINARY OPERATIONS										
Ordinary Revenues:										
Collections	\$ 96,314	\$ 92,625	\$ 94,638	\$ 99,367	\$ 102,214	\$ 104,743	\$ 105,035	\$ 107,350	\$ 110,348	\$ 113,760
St. Clare's Portion of Shared Expenses	17,757	11,293	16,950	18,000	19,930	19,800	19,800	19,800	19,800	15,640
Hall Rent and Bar Revenue	11,249	13,818	14,512	6,105	6,707	9,813	13,046	6,712	3,747	13,430
Donations (Easter, Christmas)	4,965	9,207	8,053	8,141	11,083	6,956	6,864	6,524	6,990	7,000
Bulletin Revenues	(208)	(295)	2,250	1,790	3,150	4,590	6,540	6,715	8,310	7,200
Sale of Objects	1,988	1,546	2,494	2,158	1,678	2,229	1,789	1,588	1,576	1,600
Other Revenues	8,257	10,746	13,587	6,777	4,197	5,832	4,435	5,685	5,380	5,370
Total Ordinary Revenues	\$ 140,323	\$ 138,940	\$ 152,485	\$ 142,338	\$ 148,959	\$ 153,963	\$ 157,509	\$ 154,375	\$ 156,152	\$ 164,000
Ordinary Expenses:										
Payroll Expenses	72,929	79,354	84,137	78,657	78,510	83,656	86,879	85,665	85,318	87,701
Pastoral Expenses (Altar Supplies, wine, etc.)	7,498	6,118	7,768	9,630	9,251	7,134	9,440	6,189	6,486	7,600
Office Expenses	5,161	5,647	8,502	7,673	8,618	9,302	8,436	7,769	8,034	8,425
Electricity and heat	14,535	10,056	8,264	8,089	9,098	10,172	11,531	11,677	10,368	10,500
Municipal Taxes, Insurance, Water	6,341	9,645	6,025	7,068	7,493	7,468	7,613	6,780	9,465	8,324
Diocesan Tax	12,905	16,410	17,132	15,362	15,837	17,577	19,254	17,193	15,230	19,000
Repairs and maintenance - church and rectory	12,835	11,194	10,172	12,667	12,627	14,355	14,658	15,001	15,169	17,000
Repairs and maintenance - parish hall	9,251	5,535	5,684	2,878	3,600	2,704	3,365	4,342	3,082	4,000
Miscellaneous and Other Expenses	8,482	7,191	7,252	1,439	1,660	1,469	1,108	1,416	1,383	1,450
Total Ordinary Expenses	\$ 149,937	\$ 151,150	\$ 154,936	\$ 143,463	\$ 146,694	\$ 153,837	\$ 162,284	\$ 156,032	\$ 154,535	\$ 164,000
SURPLUS (DEFICIT) FROM ORDINARY OPERATIONS	\$ (9,614)	\$ (12,210)	\$ (2,451)	\$ (1,125)	\$ 2,265	\$ 126	\$ (4,774)	\$ (1,656)	\$ 1,617	\$ -
EXTRAORDINARY OPERATIONS										
Extraordinary Revenues:										
Collections for Renovations and Major Projects	29,392	29,785	35,766	18,514	21,524	22,619	25,359	34,887	17,592	23,804
Collections for 200th Anniversary Projects				1,230	14,018	6,224	12,781	6,893	7,711	
In Memorial, Peru Mission and Other Donations	420	2,660	2,930		776	2,340	13,613	1,270	4,429	2,500
Total Extraordinary Revenue	\$ 29,812	\$ 32,445	\$ 38,697	\$ 19,744	\$ 36,319	\$ 31,183	\$ 51,754	\$ 43,050	\$ 29,732	\$ 26,304
Extraordinary Expenses:										
Major Repairs, Projects and Asset Purchases	18,263	21,032	16,090	4,810	11,402	7,218	5,274	78,090	550	12,000
Peru Mission							6,000		6,937	2,500
Repairs & Maintenance - Property Manager					1,500					
200th Anniversary Projects				1,000	14,138	1,000	4,023	15,488	782	27,543
Total Extraordinary Expenses	\$ 18,263	\$ 21,032	\$ 16,090	\$ 5,810	\$ 27,040	\$ 8,218	\$ 15,297	\$ 93,578	\$ 8,268	\$ 42,042
SURPLUS (DEFICIT) FROM EXTRAORDINARY OPERATIONS	\$ 11,549	\$ 11,413	\$ 22,607	\$ 13,934	\$ 9,279	\$ 22,965	\$ 36,457	\$ (50,528)	\$ 21,464	\$ (15,738)