

Fellow Parishioners,

On behalf of the St. Philip Parish Temporal Affairs Council (“TAC”), I would like to present our “Parish Report,” for the three months ending March 31, 2018. This report is part of the TAC’s commitment to provide parishioners with ongoing financial information concerning 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.

2018 Quarterly Financial Results

For the three months ending March 31, 2018, the parish recorded a deficit from its ordinary operations, of \$11,532. While our revenue received, during these three months, was consistent with last year, when we recorded a deficit from ordinary operations of \$5,242. Our expenses were considerably higher this year, primarily due to a larger-than-usual adjustment, in our diocesan taxes.

For background, the parish pays a 13% tax, on several revenue categories – weekly collections, hall rental sales and restoration donations, in particular – to the Archdiocese, to cover diocesan expenses. In previous years, amounts received for restoration, received tax-exempt status, as the parish used those funds to help finance the building of the canopy. However, this exemption has since been “maxed out” and therefore, 2017 was the first year, in recent years, in which restoration donations bear this tax. Going forward, in the absence of a tax exemption received for a specific project, Fr. Bob accepted the TAC’s recommendation that 13% of all restoration donations received will be used instead, to offset the diocesan tax amount the parish will incur on these donations. In other words, only 87% of all restoration donations will be transferred into the restoration fund and used for future restoration-designated projects. In light of this, we will be transferring approximately \$2,000 out of the “Restoration Fund” and deposit it back into the parish’s operating bank account, to reimburse the parish for the diocesan taxes paid on restoration funds received in 2017. Also, we have temporarily used the parish’s \$5,000 operating reserve, to cover the unusually-high diocesan tax expenditure. These two actions, along with the new monthly rental income, being received from Lift Jesus Higher, should help stabilize the parish’s cash flow, over the next few months.

Last, the parish is currently carrying a deficit in the Canopy project account of approximately \$11,800. The TAC would like to remind parishioners that donations specific to the Canopy project are still welcomed. Over the next year, we will look into holding one more fundraiser to help retire this debt, and consider whether to clear the deficit with funds donated for general restoration purposes.

Other Matters

First, the parish replaced the furnace in the church, contracting with a local firm, Tercon and its owner Terry Steele, to do the replacement. The work cost the parish \$5,249 and was paid with funds from the restoration fund. We anticipate experiencing a noticeable decrease in the church’s hydro consumption, thus leading to energy savings and reduced electricity costs. Second, with the assistance of the Knights of Columbus, the CWL and the euchre group, new trash and recycling receptacles have been installed in the parish hall. This will help reduce the amount of refuse currently going into the garbage (redirecting the recyclable/compostable items into the black/blue recycling bins or the green bin) and help the parish become better stewards of our environment. The TAC sincerely thanks Bill Flynn and Sheila Hearne for spearheading this worthwhile and necessary initiative and to all members at large, of the Knights, the CWL and the euchre group, for supporting this initiative financially and otherwise.

Finally, the TAC continues its efforts to increase the height of the balcony railing, which the parish’s insurance company has identified as being a safety risk. The TAC will soon engage a contractor/engineer to determine the most effective way to increase the railing height, satisfy the safety requirements and that will be the least obstructive to viewing of the altar, from the balcony. Following that step, railing designs will be drafted and put to the Parish Pastoral Council and then to the diocese, for their review and approval. City building permits are also necessary, before any construction begins. While this process unfolds, we continue to ask that parishioners refrain from sitting in the first row, of the balcony.

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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	Year to date		2017/2018	2018
	March 31, 2017	March 31, 2018	Fav/(Unfav)	Budget
Revenue from ordinary operations				
Collections	26,093	26,165	72	113,760
St. Clare's share of expenses	4,950	3,750	(1,200)	15,640
Hall rent and bar sales	1,055	3,005	1,950	13,430
Donations (Easter, Christmas, United Way)	895	740	(155)	7,000
Bulletin advertising sales	1,710	960	(750)	7,200
Sale of objects (candles)	506	307	(199)	1,600
Other revenue	1,874	1,613	(262)	5,370
	37,083	36,540	(543)	164,000
Expenses from ordinary operations				
Payroll expenses	21,406	22,156	(750)	87,701
Pastoral expenses (altar supplies, etc.)	2,571	2,915	(344)	7,600
Office expense	1,788	1,997	(209)	8,425
Electricity and heat	4,111	3,740	371	10,500
Municipal taxes, insurance, water	3,040	1,953	1,088	8,324
Diocese tax	2,999	6,948	(3,949)	19,000
Repairs and maintenance - church and rectory	5,198	6,990	(1,791)	17,000
Repairs and maintenance - parish hall	642	1,121	(479)	4,000
Miscellaneous and other expenses	570	253	317	1,450
	42,325	48,071	(5,747)	164,000
Surplus (deficit) from ordinary operations	(5,242)	(11,532)	(6,290)	-
Revenue from extraordinary operations				
Restoration fund collections	3,229	3,046	(184)	12,000
Canopy Front Walkway	667	-	(667)	11,804
200th Anniversary fundraising proceeds	-	72	72	-
Peru mission fundraising proceeds	3,604	4,592	988	2,500
	7,500	7,710	210	26,304
Expenses from extraordinary operations				
Restoration fund expenditures	-	5,249	(5,249)	12,000
Canopy Front Walkway expenditures	550	-	550	-
200th Anniversary expenditures	782	470	312	6,600
200th Anniversary Lighting Expenditures	-	-	-	20,943
Peru mission fundraising transfers to mission	3,500	544	2,956	2,500
	4,832	6,263	(1,432)	42,043
Surplus (deficit) from extraordinary operations	2,668	1,446	(1,222)	(15,739)
Total surplus (deficit)	(2,574)	(10,085)	(7,512)	(15,739)

**St Philip's Parish
2018 Financial Statements**

	January-18	February-18	March-18
Assets			
General bank account	715	(1,242)	(1,111)
Mass account	1,436	1,461	1,016
Accounts receivable	946	276	1,282
Cash reserves and restricted funds	84,322	85,263	78,576
	<u>87,420</u>	<u>85,758</u>	<u>79,764</u>
Liabilities and Accumulated Surplus (deficit)			
Accounts payable	10	294	829
Masses owed	1,436	1,461	1,016
Restoration fund	42,430	43,420	39,234
200th Anniversary general fund	17,837	17,837	17,368
200th Anniversary lighting fund	20,943	20,943	21,015
Front Walkway (Canopy) fund	(11,804)	(11,804)	(11,804)
Peru mission fund	9,916	9,866	12,763
Accumulated surplus (deficit) from operations	6,651	3,740	(658)
	<u>87,420</u>	<u>85,758</u>	<u>79,764</u>

Statement of Changes to Cash Reserves & Restricted Funds

	as at March 31, 2018						Cash Reserves & Restricted Funds
	Operating Cash Reserve	Restoration Fund	200th Anniversary General Fund	200th Anniversary Lighting Fund	Canopy Front Walkway Fund	Peru Mission Fund	
Opening cash reserves and restricted funds	5,000	41,437	17,837	20,943	(11,804)	8,716	82,130
Cash receipts							
Collections (Pink envelopes)		3,046					3,046
Front Walkway Donations							-
200th Anniversary Donations				72			72
Transfer from Restoration Fund							-
CWL donation							-
Euchre donation							-
Coffee Sunday (Knights/CWL) donation							-
Coffee House for Peru Mission (net proceeds)						2,898	2,898
Donations for Peru Mission						200	200
LJH amount						1,000	1,000
Expenditures							
Peru Mission						(50)	(50)
Purchase of furnace		(5,249)					(5,249)
Repairs to Stations of the Cross			(470)				(470)
Transfers to/from General Bank Account	(5,000)						(5,000)
Canopy Expenses							-
Ending cash reserves and restricted funds	<u>0</u>	<u>39,234</u>	<u>17,368</u>	<u>21,015</u>	<u>(11,804)</u>	<u>12,763</u>	<u>78,576</u>