

**Part One of a Five Part Series:**  
**Parish Finances 101**

The recent Parish Survey revealed the preferred method for receiving information about Parish finances was through our Parish Bulletin. With this in mind, we will begin a five-part series on a variety of topics that address our Parish finances. We are hoping this will provide more detail and better explanations on our Parish finances. We will then continue the remainder of the year with pertinent Q&A sections within the Parish Bulletin. Please feel free to let us know if there are questions or topics that you would like us to highlight with regards to our finances.

98% of the Parish Survey respondents indicated that they agreed that each parishioner is responsible for supporting the parish financially! Our budget is quite simple. We calculate our known parish operating expenses and known revenue with the difference between the two becoming what we need to receive on an annual basis through tithing (i.e. our “weekly need” as you have seen it referred to). We also try to proactively fund reserves for future capital projects but what determines how much we can fund in reserves comes down to one simple principle: how many excess dollars we receive in a given fiscal year over and above our expenses. Our first priority must be funding our fiscal year operating budget expenses.

In general, our operating expenses are broken down as such:

- 63% Salaries and Benefits for Priests, Administrative and School Staff
- 14% Parish School/Ministries/Programming
- 11% Archdiocesan Obligations
- 10% Maintenance/Repairs/General Overhead
- 2% Mortgage Debt Interest

Our known revenues include preschool and school tuition, cafeteria, SOR fees, and other misc parish activities and make-up 39% of our total revenues with our tithing making up the majority at 61%.

We report our weekly receipts in the Parish Bulletin, as well as our fiscal year-to-date numbers. For Sacred Heart, giving is more cyclical which is why it can appear that we have wide swings in whether or not we are meeting budget from week to week. This is also why we report our fiscal year-to-date numbers to provide a more global look. In terms of our cyclical giving, we receive a majority of our receipts through the weekend collection with a slow down in the summer months while families are out of town and traveling on vacation. You can help Sacred Heart with a more predictable revenue stream during these times by putting your contribution on automatic withdrawal from your checking, savings or credit card.

Finance Council is a mandatory Council as per Canon Law 537 and acts as an Advisory Council to the Pastor. Finance Council members are appointed by the Pastor. Monthly income and expense reports, bank statements and reconciliations, cash flow and forecasting reports are prepared by staff and are reviewed at each Finance Council meeting. In addition, every three years the parish is audited by the Archdiocesan auditor. All of Sacred Heart’s audit reviews have been given the highest rating of Consistent Controls.

Current Parish Finance Council members include Dan Janatello, Julie Bowen, Scott Coup, Brandi DiGiorgio, Bill Geckles, Tony Rome and Tillie LaPlante. Please feel free to reach out to any of these members with additional questions at any time throughout the year.

*Next week: Reserves: what are they, do we have any and how do we fund them?*