

Stewardship Renewal

Parish Operating Fund



2019-20 Parish Operating Budget

Fiscal year 2018-19 (July-June) ended with a deficit in the Sacred Heart parish operating fund (expenses exceeded revenues) for the first time in four years. Over the last four years, total **income has decreased about 2%**, while operating **expenses have increased about 2%**, a 4% swing.

For three of the four years, expenses were able to be managed so that the parish had a small surplus at the end of the year. The reasons for the shortfall in 2018-19 included several significant one-time special expenses (such as the 4 in 1 Capital Campaign) and several substantial cost of living increases in regular expenses (such as property and liability insurance premiums from the Archdiocese of Seattle).

As expenses increase, revenue must increase as well if we are to maintain the fiscally responsible operation of Sacred Heart Parish and still be able to offer the programs and services of a viable faith community which parishioners have come to expect.

Ramifications for the future include:

- To balance the 2019-20 operating budget, the Pastoral Assistant for Youth Ministry position on the parish staff was eliminated. Some duties of this position are being carried out by other members of the parish staff.
- Our property and liability insurance premiums from the Archdiocese of Seattle have increased 46% over the last two years.
- With more parishioners using online giving to make their church contributions—a good thing—our bank fees have gone up 41% over the last two years.

	2018 - 2019 Actual	2019 - 2020 Budget	Increase Needed
Sources of Funds			
Total Stewardship Offerings	1,400,709	\$1,600,000	
Total Business Income	55,752	\$50,000	
Total Sources of Funds	1,456,461	\$1,650,000	13%
Uses of Funds			
Salaries and Benefits	732,126	\$815,000	
Supplies	44,919	\$47,000	
Program Expense/Subsidies	40,829	\$39,000	
School Subsidy	315,000	\$315,000	
Operations/Maintenance/Utilities	117,696	\$125,000	
Business Exp./Contracted Serv.	170,979	\$121,000	
Archdiocesan Assessments	91,405	\$88,000	
Archdiocesan Loan Repayment	-	\$100,000	
Total Uses of Funds	1,512,954	\$1,650,000	9%
Net	(56,494)	\$0	

- Our employee medical insurance premiums have increased 13% over the last two years.
- With the \$500K overage in the 4 in 1 Church Project construction budget, the parish may have a debt service expense in the operating budget for the first time in a long time.

