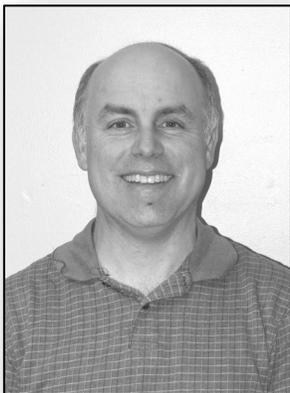


Church of the Sacred Heart

PARISH ANNUAL REPORT - 2014



PULPIT MESSAGE *delivered to the parishioners September 27-28, 2014*



My name is Steve Belanger. It's been my pleasure to have been a parishioner of Sacred Heart Church for the past 17 years. I have met many wonderful and generous people, and celebrating Mass with all of you in such a beautiful surrounding always uplifts my spirit.

Prior to joining the Parish Finance Council just a little over two years ago, I wasn't fully aware of the parish finances. Sure, every week I would look at the current week's offering and see how it compared to the same week a year ago. Usually it would be about the same or even a bit more, but sometimes it would actually be down. And then every month, I would see the monthly revenue and expenses. It always seemed that the expenses were more than the revenue. That was somewhat troubling to me. I would wonder to myself how it was possible for the parish to continue to function that way. But it was a passing thought, and I didn't spend too much time on it. Then two years ago was called to serve on the parish finance council. After prayerful consideration, I accepted the call. And it's been an eye-opening experience ever since.

This is a large parish. We have 2,100 registered families. That's a lot of parishioners to support, a lot of baptisms, weddings, funerals, religious education classes, and all the various parish ministries. And we have a large 10-acre property with several buildings (the church, the rectory, the convent, the parish center, and the school). Not surprisingly, it costs a lot of money to support all of this. If you look at the Parish Annual Report that the ushers have just passed out, you'll see that our expenses have increased from \$1,070,000 in 2012 to \$1,107,000 in 2014. We've done a good job of controlling the expenses that are under our direct control. You'll notice that the salaries and benefits have remained essentially flat, our religious education costs were reduced by \$6,000, and administrative and operating expenses were also reduced by another \$6,000. Unfortunately, most of the increased costs are beyond the direct control of the parish and they more than offset the cost reductions I just mentioned. We have higher plant maintenance and insurance costs. We have higher utility bills. We have a parish school subsidy that the diocese requires of each parish that does not operate a parish school. We've started repaying a loan from the diocese. It all adds up. And beyond that, we are still using the original boiler from when this church was built 50 years ago, back in 1965. The boiler is beyond its expected lifetime and could go at

anytime. We've estimated that the cost to replace it will be \$116,000. And there are other capital projects that have been deferred because the funds have simply not been available.

Which brings us to the revenue side of the equation. You'll see that our revenues have been decreasing at the same time that our expenses have been increasing. If you remove the "one-time" bequest of \$104,000 in 2013, you will see that the parish had a net loss of \$38,000 in 2012, a net loss of \$13,000 in 2013 (excluding the \$104,000 bequest), and a net loss of \$79,000 in 2014. This has resulted in our savings being reduced to a mere \$30,000.

That is why I am making this appeal today. The parish can't print more money and the parish can't go out and find a better-paying job. The only way that we as a parish can realistically close the annual operating shortfall and re-build our reserve for capital improvements is through increased giving. To that end, we are introducing the following initiatives.

First, we are asking everyone to prayerfully consider increasing your weekly offering. If you're tithing, we thank you for your continued contributions. For those who are not presently tithing, we ask that you consider increasing your weekly offering. A small increase by each one of us can have a large impact on the financial health of the parish. If everyone at Mass increased their weekly offering by an average of \$5 / week, we estimate that we would generate an extra \$3,000 / week, or approximately \$150,000 annually. That would put the parish back on a solid financial footing. Think about that a minute. \$5 a week. That's giving up a Dunkin Donuts coffee and donut a couple of days a week. Or smoking one less pack of cigarettes over the course of a week. Or in my case, not spending a \$1.50 every day on a soda with lunch.

Second, we are implementing a monthly Renovation and Repairs Collection. The immediate goal of this collection is to raise the approximately \$116,000 needed to replace the church boiler. This monthly collection would take place on the Sunday of every month. We'd ask that your monthly donation be in addition to your weekly offering. In other words, don't reduce your weekly offering in order to make a monthly donation.

Finally, there will be a minor change in the way we collect the donations. Rather than placing your donations in the baskets as you enter the church, the ushers will now be passing the basket after the Profession of Faith. This is in line with the practice at most other parishes. We are hopeful that this more visible act of giving will reinforce the concept that we're all in this together as a faith community.

Thank you for your attention. We pray for your generous response in this time of need for the parish. Members of the Finance Council will be available after the Mass to answer any questions or concerns you might have.