

## *St. Barbara Parish*

*Old Mission • 2201 Laguna Street • Santa Barbara, California 93105 • 805.682.4151*

### FINANCIAL REPORT

September 1, 2017

Dear Friends,

The Lord give you peace!

On behalf of Fr. Larry and myself, as well as our Parish Staff, thank you for your faith and generosity this past Fiscal Year (July 1, 2016–June 30, 2017). As Interim Administrator, I have learned first-hand how many wonderful, hard-working and devoted people call the parish and Old Mission Santa Barbara their spiritual home.

The Parish Finance Council has shared with you over the past few years information to keep you informed about our financial position. It is easy to do so when there is good news, such as when we have had surpluses; less so, when the news is not so good. However, truth is always our friend, and transparency is a necessary and valued attribute of a strong parish. As you know, Jim Pattison, the Finance Council Chair, reviewed with you in mid-March the challenges that the parish was facing and the direction in which financial results were heading.

As shown below, the parish operated at a deficit this past year of nearly \$37,000, even after a good deal of belt-tightening. The loss would have been even greater (nearly \$100,000) if it had not been for the extraordinary performance of our investment portfolio. We had to dip into our “rainy day” fund to cover this shortfall.

There were two areas of significantly less income: collections from weekend Masses and donations, largely from marriages. There is a general societal decline in marriage ceremonies, which is reflected in our reduced donations. Limiting marriages only to parishioners is no longer necessary. While we would never want Old Mission Santa Barbara to have any “wedding chapel” connotation, it is a lovely and holy place for couples to pledge a lifetime of commitment to one another. We are hiring a wedding coordinator to help make the parish a welcoming community for those who choose St. Barbara as the venue for this important life event.

As Jim mentioned in March, collections and donations were running about \$2,000 per week behind our need (50 weeks x \$2,000 = \$100,000). The answer to our needs is coming together as a parish. Increasing our envelope collections, loose collections and online gifts is something all of us need to give serious consideration to on a personal basis. This is YOUR parish – and it is everyone’s responsibility to be a part of the solution.

**The mission of Old Mission Santa Barbara is Evangelization.** This is at the heart of our parish – whether it is the music that we enjoy at Sunday liturgies, the religious education program, or our

(over)

outreach efforts. We don't want to reduce or eliminate these; in fact, we would like to provide even more quality programs and ministries.

It costs money to pay just wages for the personnel involved and the logistical costs. It would be irresponsible and imprudent to continue to operate at a loss for many years in a row; it would be equally irresponsible to sit tight on our investment portfolio and fail to make expenditures necessary to keep St. Barbara Parish and Old Mission Santa Barbara the spiritual heart of our city.

We hope that in the coming year we will see an increase in collections and donations. With the arrival of Fr. Dan Lackie, OFM, as pastor and the increased spiritual energy that is a result of the Novitiate's relocation to Old Mission Santa Barbara, 2017-18 should be and can be a year of recovery and renewal. As St. Junipero Serra would say, "Adelante!" (Always forward!)

The Finance Council and the pastor will continue to monitor the situation closely and if income continues to lag, then an appropriate reduction in expenses will be made.

Here is a summary:

	2017-18 BUDGET	2016-17 ACTUAL	2015-16 ACTUAL
<b>Income</b>			
Operations	\$726,700	\$761,693	\$789,632
Special Gifts	<u>64,900</u>	<u>56,197</u>	<u>54,724</u>
Total Income	\$791,600	\$817,890	\$844,356
<b>Expenses</b>			
Fixed Cost	\$443,962	\$438,062	\$411,630
Liturgy	\$228,129	\$221,637	\$218,424
Priests	\$103,244	\$ 95,218	\$ 94,090
Religious Education	\$105,805	\$ 81,480	\$105,247
Outreach	<u>\$ 21,300</u>	<u>\$ 18,427</u>	<u>\$ 34,694</u>
Total Expense	\$902,440	\$854,824	\$864,085
 Surplus/(Deficit)	 <u>(\$110,840)</u>	 <u>(\$36,934)</u>	 <u>(\$19,729)</u>

If you have specific questions about the parish finances, the members of the Finance Council are always happy to try to answer them. They are usually at the weekend Masses and available afterwards.

With good wishes and every blessing.

Thank you for your continued generosity.

Fr. John Hardin, O.F.M., Interim Administrator