



Financial Stewardship Update

In our efforts to be transparent and forthcoming with information as it becomes available, we would like to advise you of some financial developments which have and will continue to impact our budget:

- Since the fiscal year started on July 1, 2011, Sunday envelope & plate collection are \$34,094 below budget.
- Current year giving is \$39,466 below the same time last year.
- Between decreased cash flow, payments for the pipe replacement this past summer and our current expenses, we have depleted our savings.
- Due to budget cuts, the state is withholding payments that we had expected to receive over the next year. This could impact our budget by \$60,000 over the next 12 months. We have not received a final answer regarding the resolution of this and hope to hear more in the next month.

We have taken a number of steps to offset these factors:

- We decreased our budget based on last year's actual contributions, anticipating a decline in giving due to the pastoral change.
- All of our departments are reducing their purchases of supplies.
- To ensure continuation of our ministries, we are asking for donations to cover materials that have traditionally been provided for free.
- Our staff members have tightened their belts and are now each paying more out-of-pocket for their health insurance. There have been no pay raises for three years.

However:

- In the past couple of weeks we have not had the money to pay both our operating expenses and payroll, so we were forced to hold payment on our bills in order to fulfill our commitment to our staff.

Therefore, to prevent us from falling further behind on our financial commitments:

- We have taken out a \$24,500 line of credit with our bank, First National Bank of the Lakes, which will be used as needed and paid off once we have stabilized our stewardship situation.

Questions???? Please feel free to contact Sr. Sue Ernster, FSPA, Parish Administrator via 612-869-2426, ext. 111, or administrator@strichards.com.