

ST. ANN'S FINANCIAL REPORT

FISCAL YEAR 2019

KNOW THE CATEGORIES

Here are the ways expenses are tracked:

Church environment

Rectory
Music
Liturgy
Church
Pastoral Care

Education

Preschool
Launch
Edge
Life Teen
Encounter
Recreation

Administration

General administrative costs
Technology
Parishioner engagement

Facility maintenance

Buildings
Equipment

Capital improvements

Grounds
Equipment

Archdiocesan support

General assessment
School assessment
Georgia Bulletin

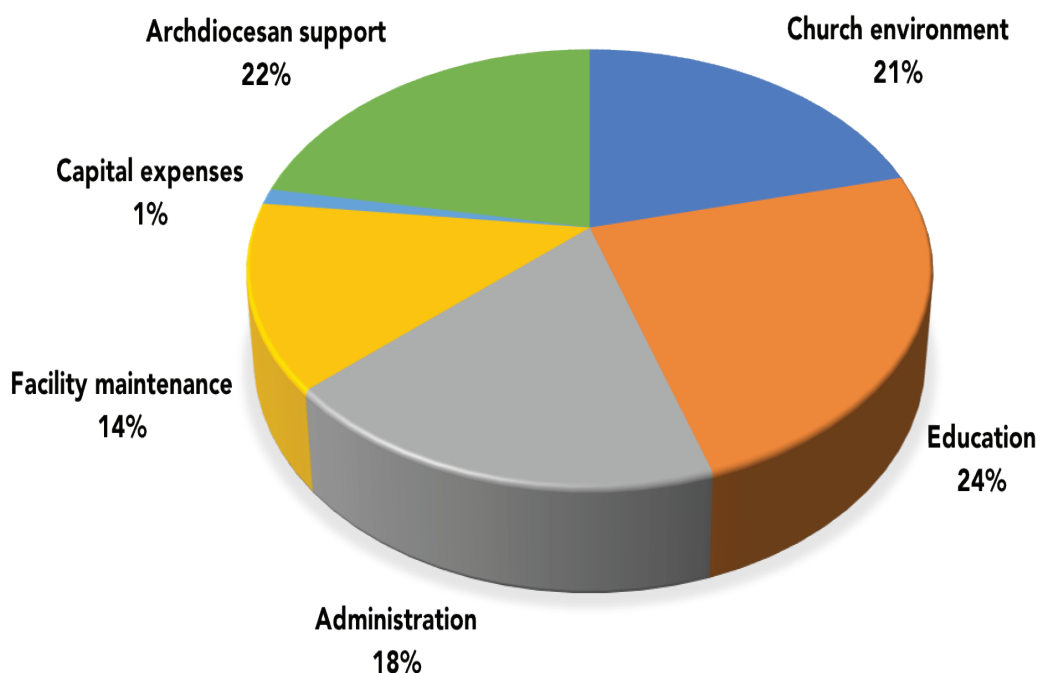
4%
DIFFERENCE
IN BUDGETED
& ACTUAL
EXPENSES

Dear parishioners,

Now that the fiscal year has ended and all the numbers are final, I'd like to share with you some highlights from 2019. As required by canon law, I am providing you with an accounting of fiscal 2019 on the following pages.

As reported weekly in the bulletin, we did not meet the budgeted offertory in fiscal 2019, which ended June 30. However, income is only one facet of budget management. As with any organization, home or business, when revenues fall short of projections, it is how you react that determines your financial stability. Because parish leaders — including Administrator Jim Herrel, recently retired Controller Dale Cox and the seven-member Parish Finance Council — matched revenue to expenses, the Catholic Church of St. Ann remains financially sound.

2019 EXPENSES



ST. ANN'S FINANCIAL REPORT

FISCAL YEAR 2019

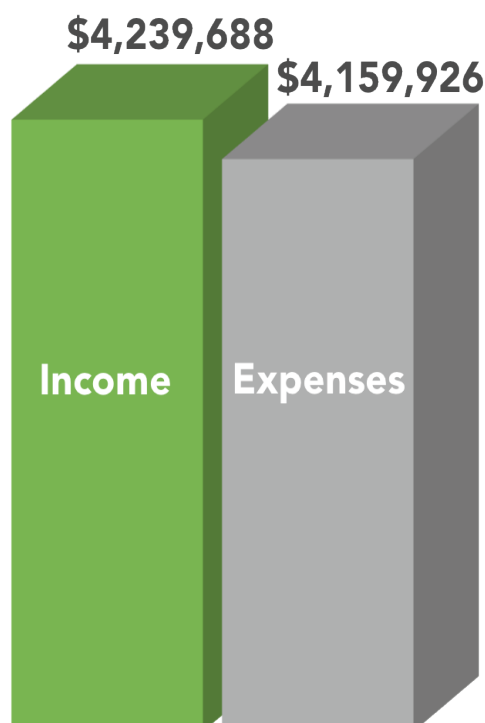
To further ensure the proper financial stewardship of our parish, the Archdiocese of Atlanta conducts regular audits of our books. In fact, St. Ann has been audited three times in as many years due to staffing changes at pastor and controller. I am pleased to let you know that these audits have found no material deficiencies in process or accountability.

Overall, the financial status of our parish is strong. Many thanks to the qualified stable of financial advisors who work with me to develop our budgets and meet the pastoral mission of our church.

Blessings,

Father Ray

2019 TOTALS



KNOW THE PEOPLE

St. Ann's Finance Council, in accordance with canon law, provides expertise and consultation through financial analysis, planning and policy development to aid the pastor and parish administrator in the administration of parish financial resources, buildings and grounds.

Finance Council members:

- Father Ray Cadran
- Steve Demboski (chair)
- Jennifer Brennan
- Chris Dodd
- Tim Escott
- Kevin Murray
- Rick Toppin
- John Callozzo, parish controller (ex officio)
- Jim Herrel, parish administrator (ex officio)

st-ann.org/finance-council

0
**OUTSTANDING
DEBT FOR
THE PAST SIX
YEARS**

ST. ANN'S FINANCIAL REPORT

FISCAL YEAR 2019

KNOW THE TERMS

To better understand the numbers, here are a few definitions:

• Budgeted income

This income is comprised of offertory, fees from parishioners that offset programs, interest income and rental fees.

• Budgeted expenses

These expenses support the buildings on campus and the maintenance and operational needs of the departments supporting our pastoral mission. They include all expenses related to payroll and human resources.

81%
OF PARISH
INCOME
COMES FROM
OFFERTORY

BUDGETED INCOME

| Category | Actual | Budget | Over/(Short) |
|------------|-------------|-------------|--------------|
| Offertory | \$3,347,932 | \$3,484,652 | (\$136,720) |
| Fees, etc. | \$806,224 | \$737,550 | \$68,674 |
| Total | \$4,154,156 | \$4,222,202 | (\$68,046) |

BUDGETED EXPENSES

| Category | Actual | Budget | Over/(Short) |
|----------------------|-------------|-------------|--------------|
| Church environment | \$850,173 | \$913,115 | (\$62,942) |
| Education | \$974,983 | \$1,018,428 | (\$43,445) |
| Administration | \$731,014 | \$758,822 | (\$27,808) |
| Facility maintenance | \$551,671 | \$569,228 | (\$17,557) |
| Capital expenses | \$46,857 | \$73,000 | (\$26,143) |
| Archdiocesan support | \$889,469 | \$889,609 | (\$140) |
| Total | \$4,044,167 | \$4,222,202 | (\$178,035) |

UNBUDGETED INCOME

| | |
|--|----------|
| Archbishop's Annual Appeal refund ¹ | \$85,532 |
|--|----------|

¹ Donations over the parish goal are returned to the parish assessment-free. Ten percent of the refund is automatically deposited in the parish general endowment.

UNBUDGETED EXPENSE

| | |
|-------------------------------|-----------|
| Capital expenses ² | \$115,759 |
|-------------------------------|-----------|

² Repair and renovation of entrance steps to church, parking lot resurfacing and striping, new lift and cost associated with mold mitigation in the Carroll Center

CASH BALANCES

St. Ann's is debt-free and has been so for the last six years. Strong fiscal management has allowed the parish to be a light in the archdiocese and afford for additional growth.

| Category | Cash balance 6/30/19 |
|--|----------------------|
| Operating account | \$713,938 |
| Operating savings account | \$1,295,613 |
| Endowment market value | \$236,798 |
| Reserve restricted accounts ³ | (\$294,341) |
| Outstanding debt | 0 |

³ Balance in the ministry accounts maintained in parish operating account for ministry use

ST. ANN'S FINANCIAL REPORT

FISCAL YEAR 2019

COLUMBARIUM OPERATIONS

In accordance with archdiocesan guidelines, the cost of a parish columbarium has to be borne by those who will be inurned. When we undertook the columbarium project, the cost of the project came from our savings. In the original business plan provided to the archdiocese, we projected paying back the savings through 2025, thereby not recognizing any income from the facility until then. Through fiscal year 2019, we are well over 65% sold and we project full payback in fiscal 2020 when we will begin realizing income.

COLUMBARIUM CASH BALANCES

While highly restricted, we have two endowments that support the columbarium and were captured as part of the total cost of the columbarium.

| Category | Balance |
|---------------------------------------|-----------|
| Relocation endowment market value | \$273,850 |
| Perpetual care endowment market value | \$267,494 |

KNOW THE TERMS

To better understand the numbers, here are a few definitions:

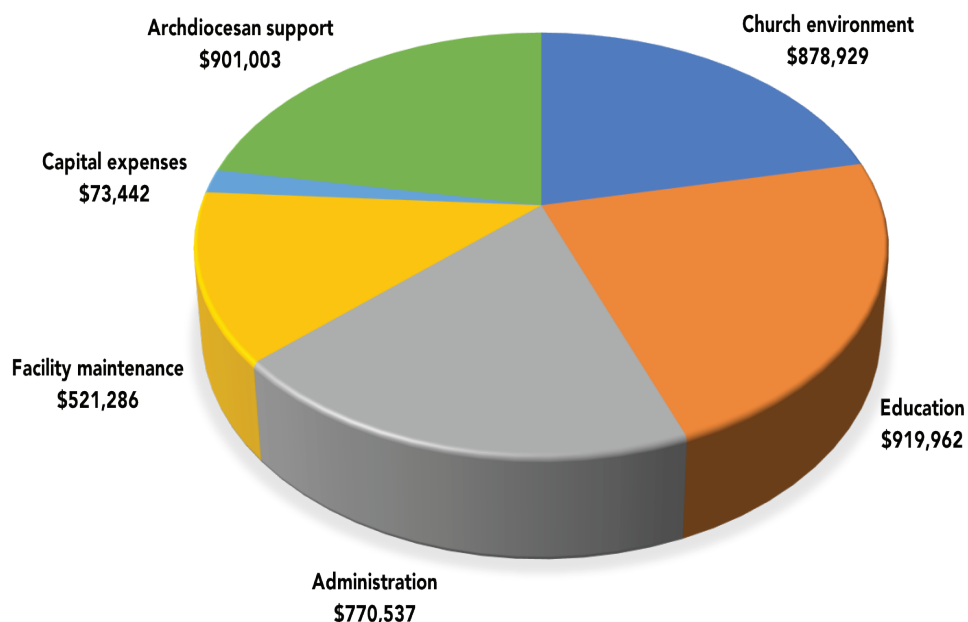
•Unbudgeted income

This comes from sources such as bequeaths of deceased parishioners, distributions from our endowment funds and refunds from the Archbishop's Annual Appeal.

•Unbudgeted expenses

These expenses, such as mold mitigation and parking lot resurfacing, are not covered in our normal budgeting process. They were paid out of a savings account with approval from the Finance Council.

2020 BUDGETED EXPENSES



100%
OF 2019
EXPENSES
CAME IN
UNDER
BUDGET