

# The Shrine Church of Our Lady of the Rockies

## 2020 Financial Results and 2021 Budget

January 26, 2021

Dear Parishioners,

The following is a summary of our financial results for 2020, a momentous year that included the opening of our new building on June 1 and the many challenges posed by COVID-19 for most of the year. All-in-all, 2020 was successful for our parish with respect to our ongoing operating income and expenses but we still have the challenge of servicing and repaying the \$8.4 million mortgage that we have on our new church building.

### Operating Results

				2020		2021
	2017A	2018A	2019A	Budget	Actual	Budget
<b>Revenue</b>						
Weekly Donations	\$166,493	\$158,891	\$187,942	\$186,000	\$279,059	\$260,400
Loose	\$45,367	\$34,308	\$34,536	\$43,991	\$33,367	\$33,600
Other Income <sup>(1)</sup>	\$23,676	\$10,047	\$1,795	\$54,094	\$28,131	\$28,515
	\$235,537	\$203,246	\$224,273	\$284,085	\$340,557	\$322,515
<b>Expenses</b>						
Diocese	\$28,131	\$28,035	\$28,866	\$37,680	\$13,692	\$22,548
Salaries	\$104,078	\$97,047	\$92,703	\$96,485	\$86,910	\$95,943
GST	\$17,050	\$2,007	\$1,846	\$1,125	\$2,904	\$4,959
Insurance	\$1,298	(\$1,146)	\$724	\$6,500	\$46,426	\$46,500
Office	\$39,195	\$38,349	\$30,014	\$43,928	\$34,303	\$22,377
Programs	\$22,073	\$14,919	\$9,187	\$11,462	\$21,177	\$19,849
Rectory	\$5,343	\$4,614	\$3,500	\$4,547	\$2,500	\$4,004
Rent	\$10,648	\$36,093	\$41,050	\$9,513	\$20,672	\$2,988
Repairs/Snow Removal	\$1,359	\$1,090	\$150	\$0	\$12,427	\$4,800
Taxes	\$7,623	\$11,330	\$4,106	\$3,900	\$2,335	\$2,677
Utilities	\$10,704	\$3,917	\$2,187	\$16,116	\$38,443	\$62,150
Mortgage w. Diocese	\$5,887	\$7,249	\$7,074	\$119,234	\$1,703	\$30,000
	\$253,390	\$243,505	\$221,408	\$350,490	\$283,493	\$318,796
Surplus/Deficit	(\$17,853)	(\$40,259)	\$2,865	(\$66,405)	\$57,064	\$3,720

(1) Other collections, weddings, etc.

A few comments about these numbers:

- Donations were very strong due to the generosity of our parishioners and our many visitors. Donations to our operations not including to the building fund increased 52% in 2020, the second highest percentage increase in the Diocese in a year where many parishes experienced declines of 20-30% or more. We are grateful for this support;
- Currently, our regular on-line (credit and debit cards and automatic bank transfers) donations total \$14,800 per month or \$177,600 per year. This represents 57% of our total income in 2020 and provides a very strong base for our operating costs in 2021 --- we are thankful that so many parishioners have responded to our appeal to move their weekly offerings on-line and continue to encourage others to do so;

- We benefitted from the Diocese's suspension of the Cathedradicum (the 14.5% 'tax' on total donations on all parishes that supports the operations of the Diocese) from April – December 2020 and also a suspension of interest on our mortgage in the same period; and
- We are getting a better sense as to what our operating costs are on the new building, especially the utilities, ongoing maintenance and insurance and we are working to lower all of these costs, where possible.

### Mortgage Owing to the Diocese

- As mentioned above, the total amount of mortgage is \$8.4 million as of December 31, 2020. This includes \$139,000 that was owing on the rectory that we purchased in 2015 and is net of a \$300,000 payment that we made against the mortgage in December, 2020;
- The two main reasons for mortgage being higher ~\$6 million that we were expecting are the significantly higher cost of the foundation due to subsurface water issues and the project delay that occurred in 2017 and 2018 as we changed our architect and engineering firm;
- The sales of columbarium niches (252 in total) are expected to generate \$1.8 million over time with all of these proceeds directed to the mortgage. The cost of the niches range from \$5,500 to \$8,500. To-date the number niches that have been sold or are pending is 12 for proceeds of \$80,000. We do not include this money in our operating budget as the proceeds from all of these sales are used to pay down our mortgage; and
- Although COVID has limited our ability to pursue an aggressive fundraising program over the last year, we are in the process of preparing a stewardship strategy for the Shrine going forward that will include a rejuvenated fundraising effort and strategy to service and repay the mortgage. We will keep you informed about this initiative as it develops and may be coming to you in the near future to ask for your input and assistance in this endeavour.

### 2021 Budget

Our budget for 2021 conservatively assumes that revenue will be close to the same as in 2020 while our expenses will increase reflecting the reinstatement of the Cathedradicum, a full year of operating costs for the Shrine and a modest amount of interest on our mortgage. The Diocese is still giving us and other parishes a huge break on our mortgage rate in 2021 due to the continuing challenges posed by COVID-19. This provides us a significant incentive to pay down our mortgage before the Diocese reinstates its traditional interest rate of ~5%.

### Closing

We would like to thank you for your support of our parish in 2020 with all of its challenges. We look forward to better times ahead in 2021 when we can fully utilize our beautiful Shrine with a return to full masses, parish events and programming befitting our parish mission.

In Christ,

**Our Lady of the Rockies Finance Committee**