

St. Clement Parish Status Report June 15, 2014

In addition to the financial statements for the year ended December 31, 2013 the following information is provided to highlight progress since our move to St. Anne's Church and to outline some of the key steps in the next phase of work.

Sale of 87 Mann Avenue: The sale was finalized in May 2013. After payment of real estate commissions, legal costs and other closing expenses the net proceeds were \$1,922,383.32. Debts for both St. Clement Parish and the former St. Anne Parish were then paid off, leaving a net balance of \$1,664,292.88. It should be noted that proceeds from the sale of a church would normally become the property of the archdiocese; however, Archbishop Prendergast allowed ownership of these funds to be retained by St. Clement Parish to assist with the financing of a hall and to help pay for some of the restoration and repair costs. To date we used \$100,000 to pay for some of the major renovations to St. Anne's carried out in 2013. Counting accumulated interest, we have a balance of \$1,620,328.00 as of May 1, 2014, which is currently on deposit through the archdiocese at the National Bank. We will be using a further \$200,000 to finance some of the 2014 planned repairs and restoration costs. The balance of approximately \$1.4 million will be set aside for the eventual construction or purchase of a suitable building for a hall. Additionally, we are exploring the feasibility of using a portion of this amount to set up an endowment fund to help finance future repairs and renovation expenditures.

Sanctuary Design: A committee has been working to develop a comprehensive plan for the redesign of the sanctuary, encompassing the altars, railing, flooring and other elements. The plan will be presented in the coming months. The first significant work was the removal of the modern windows behind the altar. The next step, recently completed, was the restoration and installation of the sanctuary lamp. A set of beautiful Stations of the Cross, donated from a church in Quebec, will be installed in the nave soon.

Major Repairs and Renovations: Since moving to St. Anne's in June 2012 we have spent \$316,000 on major repairs and renovations. Some of the main projects were:

- Replacement of furnace boilers
- Masonry work -- apse chancel (south end of the church)
- Foundation repairs, south end
- Installation of soffit and eaves trough, south end
- Commencement of work on new washroom

In 2014 further work will be initiated on church repairs and renovations estimated at \$384,000.

The major projects planned consist of:

- Completion of the washroom
- Masonry work -- east elevation nave wall
- Masonry work -- entrance to basement

- Renovations to storage room beneath sacristy
- Installation of Stations of the Cross

The proposed financing of these renovations is as follows:

- \$200,000 from the sale proceeds of 87 Mann Avenue
- \$50,000 in interest earned on invested sale proceeds
- \$15,000 from fundraising activities
- \$119,000 from restoration envelope collections

Parish hall: A committee is evaluating options for a hall. One possibility is to purchase and renovate the John Howard Society (JHS) building next door. The other is to construct a new building on the premises. In order to provide for either option, we are allocating \$1.4 million (approx.) from the proceeds of the sale of 87 Mann Avenue. This money has been placed in conservative, accessible investments, while interest earned will go toward repairs and renovations. As mentioned earlier in this report we are exploring setting aside some of this money in an endowment fund.

Fundraising: Our fundraising goal, established before the move, is to raise \$20,000 annually, through efforts directed as much as possible to securing contributions from sources outside the parish. In 2013 we raised approximately \$16,000 from fundraising activities. The golf tournament raised \$12,000, about two thirds of which came from external sources. While the tournament is planned to be an annual event, we need to establish two other major fundraisers; we will need new volunteers to develop and carry them out.

Analysis of 2013 Collections Data

We have done an analysis of our collections since the move in order to inform parishioners of our financial situation and to guide you on how much to give. Since our move in June 2012 collections have increased slightly overall.

Total Collections from All Envelopes

A breakdown of contributions from the weekly envelopes is as follows:

Dollar amount of donation for the year	# of envelopes	% of total envelopes	% of total collections	
+\$4,000	13	7%	29%	
\$3,000 to \$3,999	14	7%	16%	
\$2,000 to \$2,999	22	11%	18%	
\$1,000 to \$1,999	49	25%	23%	
\$0 to \$999	100	51%	14%	

Highlights:

- In 2013 there were 198 envelope users, including 26 new users since the move.

- Regular collections averaged \$5,134 per week compared to our target of \$5,300 per week.
- 13 envelope users (7% of the total) each contributed over \$4,000 for the year and accounted for 29% of the total annual collections.
- 100 envelope users (51% of all envelope holders) donated less than \$1,000.

Note: all parishes pay 14% of their regular collections to the archdiocese; this is called the diocesan tax. To assist us with our move and the funding of our activities, the archdiocese granted us a three-year period of grace during which regular weekly collections above \$4600 would be exempt from this tax. Any money we collect above this figure is entirely ours. Excess regular collections (white envelopes) above and beyond operational needs can be allocated to capital projects.

Restoration Envelopes

A breakdown of collections from restoration envelopes in 2013 is as follows:

Dollar amount of Donation	# of envelopes	% of total envelopes	% of total dollars donated	
+\$7,000	1	1%	14%	
\$5,000 to \$6,999	0	0%	0%	
\$3,000 to \$4,999	3	2%	20%	
\$1,000 to \$2,999	6	3%	18%	
\$500 to \$999	14	7%	17%	
\$250 to \$499	24	12%	17%	
\$100 to \$249	30	15%	10%	
Less than \$99	60	30%	4%	
\$0	60	30%	0%	

Highlights:

- Collections earmarked for restoration totalled \$51,818 = \$1000/week.
- 10 envelope users accounted for 52% of the total restoration collection.
- 120 envelope users (60% of the total) each contributed less than \$100, including 60 envelope user who did not make any contribution earmarked for restoration.

To finance the budgeted major repairs and renovation costs for 2014, collections earmarked for restoration will need to average approximately \$2,300/week. Given last year's amount (\$1000/week), there is a need to increase the level of contribution this year. In considering how much to give, parishioners should remember that all contributions earmarked for restoration work are exempt from diocesan tax.

This analysis of our collections gives us all an opportunity to review our level of contribution and consider whether we can give more. Those who do not use envelopes are encouraged to register with the parish and obtain them. Young people who have recently graduated and are now working but who are not currently contributing are encouraged to do so.

Tithing

We have provided the following information on tithing to assist you in your deliberations about your level of contribution.

Tithing is the practice, established by God in the Old Testament, of returning 10% of our blessings to God (Leviticus 27:32; Deuteronomy 14:22). According to the CCC #2043, “the faithful are obliged to assist with the material needs of the Church, each according to his own ability”. Today our Church still needs our support to pay the expenses and financial obligations it incurs as it operates in a commercial society. Salaries, benefits, insurance, maintenance, utilities and service fees are all expenses that never even existed in Biblical times. Additionally, we are still called to care for the poor among us. It’s about putting God first, even in our finances. Supporting the Church financially is still a precept of the Church.

When striving to give a full tithe to God through the Church, we can calculate the amount we give back to God based on our gross income. If giving a full tithe is not immediately possible, people can work towards this goal. The first step is to determine what percentage one is currently contributing to charities. From there, one can strive to increase the percentage each year until reaching a full tithe of 10%.

Tax Credit for Charitable Contributions

To illustrate the tax benefits of charitable donations, we have presented some examples.

Residents in each of the provinces of Ontario and Québec receive a Federal and Provincial tax credit for charitable donations, which is applied against taxes owing. For example, in Ontario in 2013, a person with an average level of income who donated \$3000 to a registered charity received a combined Federal and Provincial tax credit of 38.8 %, resulting in a tax saving of \$1,164. Thus the net cost of a \$3,000 donation is only \$1,836. Similarly, a resident of the Province of Québec with a similar average level of income making the same donation received a combined Federal and Provincial tax credit of 47%. The resulting net cost of a \$3,000 donation was \$1,590.

Closing Remarks

Father Deprey and his assistants, along with all committee members and all volunteers working on behalf of the parish, wish to thank parishioners for their support and encouragement in the time since the move from Mann Avenue. As we move forward, your continued support will be greatly appreciated. If you have questions about any aspect of this report, you are invited to contact a member of the Finance Council, as follows: John Fennelly (Chair), Frank Tanner, Jim Gallagher, Brad Hamilton, Sebastion Tier, and Ken Bradley.