# Parish finance update 2024

## Parish Finances

Key points:

* Parish income is falling while expenses are growing.
* If nothing changes we are looking at a substantial deficit in calendar 2024 (about $50,000).
* In 2023 some one-off revenue (eg sale of the parish car) enabled the parish to record a surplus.
* Without those one offs, the parish would have recorded a significant deficit in 2022, a likely deficit in 2023 and now a significant projected deficit in 2024, which is unsustainable.
* We need a significant increase in planned giving (‘the second collection’), which constitutes about 75% of parish revenue, to address this.

Expenses

It is expected to cost about $190,000 to run the parish in 2024. Fuller details are available in the parish financial statements, the latest of which is made available in the church foyer. In summary, the largest elements of budgeted parish costs are:

* Staff salaries and related costs (roughly $45,000, including superannuation for clergy);
* Repairs and maintenance (about $26,000 – these have increased in recent years. It is false economy not to maintain parish assets properly);
* Insurances (just under $20,000, with a significant increase in recent years reflecting the costs of insuring parish buildings – moreover, current policies also require a very large excess payment in the event that a claim is made);
* Capital items (eg to repair heaters, install extra security cameras, potentially make changes to the confessional to meet safeguarding requirements– about $20,000);
* Levies payable to the archdiocese ($6,000);
* Support for charitable works (hospital chaplaincy, Samaritan House, Karinya House, Dominican Sisters in Timor Leste - $13,000); and
* Motor vehicle expenses (about $8,000).

One of the few items to fall in cost over recent years has been electricity, reflecting the significant investment in solar panels that the parish made in 2022. Compared to 2019 (prior to COVID-19 lockdowns and the part year benefits in 2022), the parish’s electricity costs in 2023 have more than halved, even though there has been a (small) increase in electricity consumption in 2023 and electricity prices increased about 15% over that period. The solar panels have also had the environmental benefit in 2023 of saving over 19 tonnes of carbon dioxide emissions or 374 equivalent trees planted.

The budget also includes an allowance of just over $4,000 to enable us to participate in a new program supported by the Archdiocese to place a part time, trained youth coordinator in each of the parishes of the Canberra Inner North Catholic Community. We are hoping to defray some of these costs through direct fundraising.

Revenue

On current projections parish revenue in 2024 is likely to be about $140,000:

* Direct giving, on current trends, is expected to amount to about $103,000 (down from almost $120,000 in 2022);
* Rent from the car park (a source of income that many parishes do not have) is set at a bit over $20,000.

Overall financial result

Previous parish finance updates (2019 and 2022) have shown that the overall trend in parish finances has been downward with deficits emerging. Lower Mass attendances, including as a consequence of the COVID-19 pandemic, have contributed to this. So have important projects in certain years; in 2022, for example, capital expenditure of about $44,000 on a data projector, alarms, solar panels and a multifunction copier contributed to a deficit.

In 2023, there was a surplus of almost $54,000. However, this result would not have arisen without ‘one-off’ items such as the net outcome of insurance claims and the sale of the parish car. Without those one-off factors the parish would likely have sustained an underlying deficit.

On current projections, without a significant increase in parish revenue, there is expected to be a budget deficit this year of the order of $50,000 and parish bank balances are declining. These balances are insurance against future large bills. For example, it will cost more than $50,000 to resurface the car park at some future point. And, under current insurance arrangements, the parish needs to meet the first $25,000 of any insurance claim, which means that the claims on the budget to defray otherwise insurable costs (eg water damage to the parish centre) will no doubt rise over time.

It is hoped that the cost of some projects may be able to be offset through fundraising. However, such activities can only help at the margins. The only way sustainably to support the financing of the parish is through the planned giving scheme.

This chart shows the parish surpluses and deficits from 2007 to 2023 (with 2023 adjusted to remove the estimated ‘one-off’ effects) as well as the forecast 2024 budget deficit. Although historically we have secured surpluses in some years, the overall trend continues to be downward (notwithstanding the apparently positive result last year).

Surpluses allow the parish to save funds for major items of periodical expenditure as well as for unplanned expenditure.

## Planned Giving Scheme

The Planned Giving Scheme (via envelopes, direct debit, electronic funds transfer and debit/credit card) as well as 70% of Tap & Go receipts and loose contributions to the ‘second collection’ go to meeting the parish financial commitments, including running costs, donations, Archdiocesan Levies and other payments.

To make a regular contribution through direct debit / electronic funds transfers, you can make a transfer to the parish bank account as follows:

 Account name: Blackfriars Parish Watson

 BSB: 062786

 Account number: 000013341

 Reference: Name & Giving Number

To make a regular contribution through debit /credit card transfers or to obtain a set of envelopes if you don’t already contribute in this way, please contact the Parish Office.

Regular contributions may also be made to support the priests of the parish (the ‘first collection’) as follows:

Account name: Central Presbytery Fund

 BSB: 062786

 Account number: 000029248

Reference: Use your parish location to assist in correct allocation and your name (eg Watson Jones)

Please note that these details have changed following the departure of the Dominicans. If you have Electronic Funds Transfer arrangements in place for some time, you may wish to revise them. This is clearly a personal choice.

To facilitate the making of donations, the collection plates will be re-introduced to weekend Masses.

Without your support the parish cannot operate effectively. On behalf of the parish, we accordingly encourage all parishioners who have an income to join the Planned Giving Scheme and share in the responsibility of funding our parish community. If you are already a contributor, you are asked to thoughtfully and prayerfully consider whether you can augment your contribution. Your level of contribution is obviously a very personal decision.

On behalf of the parish, we take this opportunity to thank you for your continuing membership of Blackfriars Parish community. Thank you also for your financial contributions and for the gifts and efforts contributed through all the volunteer work that helps build the parish community.

Parish Finance Council

16/17 March 2024

## Attachment: role of Parish Finance Council

The role of the Parish Finance Council (PFC) is to advise the Parish Priest in his role as steward and administrator of parish property. The PFC operates under rules issued by the Archbishop.

Membership of the PFC is one of the many ways of participating and sharing responsibility for the life and mission of the parish.

PFC deliberations keep in mind the best interests of the parish, its parishioners and those who work for the parish.

The Archdiocesan rules list some of the skills and competencies that are useful for PFCs: property management, architecture, building, maintenance, law, accountancy, information technology and business expertise. They also encourage a balance of male and female members and, where possible, across a range of ages to ensure that a variety of perspectives is available.

There are currently 4 members of the PFC: Fr Renoir, Joe Cortese, Steve Sedgwick and Roger Paul (Chair). We would welcome more members, particularly younger parishioners. If you are interested in becoming a member, or if you have any questions or would like to find out more about what the PFC does, please approach one of the members or contact the parish office (email: innernorth@cg.org.au; phone: 0416 823 447).