

September 7, 2021

Dear St. Jerome Parishioners:

Another year has come and gone, which means it is time to report on the financial position of our parish for the fiscal year ended June 30, 2021 (July 1, 2020, to June 30, 2021). The past year has been challenging from many different perspectives and a year of firsts as we have endured the pandemic while maintaining and growing our St. Jerome community through worship and social activities. For instance, we had our first outdoor Mass while parishioners listened in their cars, we began live-streaming weekly Mass so that all parishioners could attend without jeopardizing their health, and we held monthly drive-by food collections. While we were limited in our ability to meet in person, our Parish continued to thrive by finding ways to stay connected while putting our health first.

Concerning our parish's financial health, at the beginning of the pandemic, we were not sure how the parish would survive financially and whether our parishioners would be able to continue their financial support through these challenging times. As I have mentioned in prior finance updates, St. Jerome parish is blessed in that so many parishioners were able to continue some level of support for the parish! Many of our parishioners also worked very hard to reduce our expenses, especially when we had very little in-person activity at the church building. As you will see in the financial reports accompanying this letter, the continued financial support along with reduced spending resulted in an improved overall financial position.

Our improved financial position provides our parish with more financial stability as we move to open up more in-person activities focusing on weekly masses and other social/community activities. The lessons we learned over the past year regarding expense management will help our future financial picture as we strive to support the parish activities in a prudent and financially efficient manner. All of you had a part in leading our parish towards a firmer financial footing to help ensure our parish grows and prospers for many years to come.

The financial report accompanying this letter was prepared and approved by the Finance Council. You will notice that the format is a little different from prior years as the Diocese of Bridgeport has requested all parishes adopt a standard reporting format that they provided. Included in this year's financial report is a new report - Statement of Financial Position - which provides a summary of our parish's financial assets and liabilities. Of key importance is that our cash position improved over the past year due to your continued support of the We Stand With Christ campaign, of which our parish received \$87,959 in temporarily restricted funds from the Diocese. For the fiscal year ended June 30, 2021, our parish received \$98,429 in primarily unrestricted income above our expenses, which doubled our cash in the checking and savings accounts as of the end of the fiscal year. The growth in cash provides our parish with greater financial security and the financial resources to support existing and new parish activities.

Our financial results for the fiscal year ended June 30, 2021 indicate our parish is a strong community of parishioners with a deep commitment to the parish. As I just described, the financial results turned out very well for the fiscal year and provide much-needed financial resources to be used in part to update our parish infrastructure to meet the needs of our future parish in-person activities. Our church building is more than 60 years old. It has several major components - air conditioning, heater/boiler, roofing, parking lot, windows, to name a few - which need updating to extend the useful life of our church facilities. In the coming months, we will take a closer look at deploying some of the funds we accumulated last fiscal year to invest in our facilities. Any major update to our church facilities will be closely linked to beginning our

journey to put We Stand With Christ funds to work. In other words, we will use the funds in such a way that they would also meet the current crucial needs of the parish. We will begin the planning process soon for the new chapel and other significant updates required at St. Jerome. I will provide more details on this process later. I hope this planning process will allow many parishioners opportunities to get involved in defining the future of our parish.

The recent increase in Covid-19 due to the Delta variant is a clear indication we must remain cautious and vigilant in protecting the health and welfare of our parish community. While our financial position has improved, there are still significant uncertainties about the future in which we operate. We continue to monitor our economic health on a weekly basis to protect and conserve our financial resources and use them as wisely as we can in supporting the needs of our parish.

As always, any parishioner is welcome to take a closer look at our finances. Please speak with a Finance Council member or make an appointment with me. And please know you are always, always in my prayers. God bless you. Please continue to keep yourself and your families safe and secure through these troubling times and thank you for your loving support of St. Jerome parish.

Gratefully,

Fr. Rojin Karickal, Pastor

St. Jerome Catholic Church, Norwalk
Comparative Statement of Activities
Fiscal Years Ended June 30, 2021 and June 30, 2020

	7/1/2020 - 6/30/2021	7/1/2019 - 6/30/2020	Variance (\$)
Ordinary Income/Expense			
Income			
4000 • OFFERTORY INCOME	459,743	484,142	(24,399)
4100 • OTHER REGULAR REVENUE (includes raffle)	80,930	87,279	(6,349)
4200 • NON-OPERATING REVENUE (includes gifts)	44,272	47,376	(3,104)
Total Income	584,945	618,797	(33,852)
Expense			
5000 • COMPENSATION AND BENEFITS	204,350	250,581	(46,231)
5100 • CONTRIBUTIONS AND ASSESSMENTS	78,963	108,760	(29,797)
5200 • PROFESSIONAL FEES AND INSURANCE	30,387	48,236	(17,849)
5300 • SUPPLIES, REPAIRS & MAINT, OTHER	109,282	140,783	(31,501)
5400 • UTILITIES	38,092	43,428	(5,336)
5600 • PROPERTY TAXES	-	149	(149)
5700 • DEPRECIATION	21,934	21,934	-
5800 • OTHER EXPENSES	2,162	3,521	(1,359)
5900 • PROGRAM EXPENSES	1,346	2,076	(730)
Total Expense	486,516	619,468	(132,952)
Total Ordinary Income/Expense	98,429	(671)	99,101
Other Income/Expense			
Other Income			
7000 • TEMPORARILY RESTRICTED NET ASSET	115,984	107,341	8,643
8000 • PERMANENTLY RESTRICTED NET ASSET	-	-	-
Total Other Income	115,984	107,341	8,643
Total Other Income/Expense	115,984	107,341	8,643
Total Changes in Net Assets	214,413	106,670	107,744
Net Assets - beginning of year	332,363	225,693	106,670
Net Assets - end of year	546,776	332,363	214,413

St. Jerome Catholic Church, Norwalk
Statement of Financial Position vs Prior Year
As of June 30, 2021

	6/30/2021	6/30/2020	Variance (\$)
Assets			
Bank			
1000 • OPERATING CHECKING (includes \$28,026 of other temporarily restricted funds)	95,972	64,390	31,582
1011 • SAVINGS ACCOUNT (unrestricted)	169,094	61,393	107,701
Subtotal	265,066	125,783	139,283
1015 • WE STAND WITH CHRIST (temporarily restricted)	195,300	107,341	87,959
Total Cash in Bank	460,366	233,124	227,242
Other Current Asset			
1200 • OTHER ASSETS	-	700	(700)
Total Other Current Asset	-	700	(700)
Fixed Asset			
1300 • PROPERTY AND EQUIPMENT	158,980	180,914	(21,934)
Total Fixed Asset	158,980	180,914	(21,934)
Total Assets	619,346	414,738	204,608
Liabilities and Net Assets			
Liabilities			
Other Current Liability			
2050 • SPECIAL COLLECTIONS	4,866	(917)	5,783
2100 • OTHER ACCRUED EXPENSES	11,129	11,515	(386)
2200 • PAYROLL LIABILITIES	(6,530)	-	(6,530)
2300 • LOANS PAYABLE	60,105	71,777	(11,672)
2400 • DEFERRED REVENUE	3,000	-	3,000
Total Other Current Liability	72,570	82,375	(9,805)
Total Liabilities	72,570	82,375	(9,805)
NET ASSETS			
Without donor restrictions	323,451	225,022	98,429
With donor restrictions	223,325	107,341	115,984
Total net assets	546,776	332,363	214,413
Total liabilities and net assets	619,346	414,738	204,608

**Comments Regarding St. Jerome Catholic Church
Financial Reports for Fiscal Year July 1, 2020 to June 30, 2021 (FY20/21)**

The Financial Report for FY20/21 includes the typical Statement of Activities which provides a comparative view of our operating income and expense compared against the prior fiscal year. New for this year is a second report entitled Statement of Financial Position which gives a snapshot of the parish assets and liabilities as of June 30, 2021 and June 30, 2020.

STATEMENT OF ACTIVITIES

- Overall, FY20/21 ended with a significant increase in unrestricted income of \$98,429 as well as an increase in temporarily restricted income of \$115,984 resulting in a total increase in Net Assets of \$214,413
- Offertory as well as other revenue sources were down compared to FY19/20 by over (\$33,000); however, this represented only a 5% decrease during this challenging pandemic year
- Expenses for FY20/21 were down more than (\$132,000) which offset and exceeded the decrease in income.
 - During FY20/21, daily in-person activities were restricted due to Covid-19 and staff hours declined accordingly which significantly reduced our compensation and benefits costs during the past year.
 - Contributions and assessments were down for the year as our parish cut back on contributions to other organizations and remitted lower cathedraticum payments to the Diocese of Bridgeport in line with prior year income which has been decreasing for the past few years
 - Professional fees and utilities were down due to reduced use of the church building during the year
 - Supplies, Repairs and Maintenance were down directly related to reduced use of the church building and also to the conservation of financial resources spent on building updates during this time of uncertainty.
- Temporarily Restricted Net Assets are primarily composed of We Stand with Christ contributions which continued to be paid by the Diocese as scheduled. Once we have a better understanding of the future of the pandemic, we will begin efforts to utilize these funds towards the proposed chapel in conjunction with overall building enhancements.

STATEMENT OF FINANCIAL POSITION

- Overall, assets increased significantly, and liabilities decreased to result in a \$214,413 increase in net assets as explained above.
- The most significant change was to cash in the checking and savings accounts which increased over \$139,000 due to the positive net operating result for FY20/21.
 - Contributions received during the year that are restricted for activities such as Total and specific improvements to the church building are retained in the operating checking account; but tracked separately until they are utilized for the specific designated purposes. During FY20/21, restricted funds increased by \$28,025 representing 7 different categories of restricted use.
 - Per direction from the Diocese of Bridgeport, our Operating Checking account includes \$60,105 related to the outstanding loan payable for the pandemic assistance for EIDL and PPP (see note below for more details). Otherwise, we maintain the majority of unrestricted cash in the savings account.

- All financial funds are currently held at Bank of America, and we are working with the Diocese of Bridgeport to gain approval to diversify the number of institutions during FY 21/22.
- Fixed Assets include our church building, land and all of the furniture and fixtures.
 - The current balance of \$158,980 primarily relates to the remaining undepreciated value of improvements made to the church building and rectory roofs in 2005, Honor Walk installed in 2017, and the Pascom sound system installed in 2018.
- Liabilities primarily consist of special collections to be sent to other organizations, accrued expenses, and the timing of the payroll liability that was paid on July 1, 2021.
 - The loan payable of \$60,105 relates to \$8,000 St. Jerome received in April 2020 under the EIDL (Economic Injury Disaster Loan) program and \$52,105 received under the PPP (Payroll Protection Plan) program of the Federal government. In February 2021 St. Jerome filed for forgiveness and we are currently awaiting approval of our loan forgiveness application. These loans were a crucial financial support in Spring 2020 at the beginning of the pandemic when we had to immediately cut back all in-person activities and we would have had to cut back salaries without the financial assistance at that time. Fortunately, our financial outlook improved later in year.
- Net Assets is a key financial health measure showing the amount of financial assets which exceed our liabilities
 - Net Assets are tracked in our accounting records with and without donor restrictions. When donor restricted amounts are spent, the expense is reflected in our operating income and the offsetting amount is transferred from restricted assets to operating income