

Comments Regarding St. Jerome Catholic Church  
Financial Report for Fiscal Year July 1, 2020 to June 20, 2021 (FY2020)

The Financial Report for FY2020 includes the typical Statement of Activities which provides a comparative view of our operating income and expense for the fiscal year compared against the prior fiscal year. New for this year is a second report entitled State of Financial Position which gives a snapshot of the parish assets and liabilities as of June 30, 2021 and June 20, 2020. The following comments provide commentary regarding these two reports.

#### STATEMENT OF ACTIVITIES

- Overall, FY2020 ended with a significant increase in unrestricted income of \$98,429 as well as an increase in temporary restricted income of \$115,984 resulting in a total increase in Net Assets of \$214,413
- Unrestricted income from offertory as well as other revenue sources were down compared to FY2019 by over (\$33,000); however, this represented only a 5% decrease which is much lower than the decline many parishes in the Diocese of Bridgeport experienced during this pandemic year
- Expenses for FY2020 were down more than (\$132,000) which absorbed the decrease in income and resulted in the overall income.
  - During FY2020 most of the people working for the parish moved from a salary to an hourly pay program which significantly reduced our costs during the past year as our daily in-person activities were restricted due to Covid-19
  - Contributions and assessments were down for the year due to our parish cutting back on contributions to other organizations as well as lower cathedraticum payments to the Diocese of Bridgeport which are based upon our prior year income which has been decreasing for the past few years
  - Professional fees and utilities were down to reduced use of the church building during the year
  - Supplies, Repairs and Maintenance were also down due to reduced use of the church building as well as fewer updates to the church building were made in order to conserve financial resources during this time of uncertainty.
- We Stand with Christ contributions continued to be paid by the Diocese. Once we have a better understanding of the future of the pandemic, we will begin efforts to utilize these funds toward enhancing our church building with the proposed chapel.

#### STATEMENT OF FINANCIAL POSITION

- Unrestricted cash increased over \$138,000 due largely to the positive total ordinary income for FY2020
  - In order to keep the number of bank accounts we maintain, various contributions received during the year with restrictions such as contributions to Total or for specific improvements to the church building are retained in the unrestricted operating checking account; however, the parish financial team tracks all of these amounts until they are utilized for the specific purposes. During FY2020, restricted funds increased by \$28,025 representing 17 different categories of restricted use.
  - Per direction from 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 try to maintain the majority of our unrestricted cash in the savings account.
  - All of our financial funds are currently held in bank accounts at Bank of America, and we are working with the Diocese of Bridgeport to gain approval to diversify the number of institutions we hold funds with.
- Fixed Assets include our church building, land and all of the furniture and fixtures.
  - The amount carried as of June 30, 2021 of \$158,980 is due to most fixed assets have been fully depreciated.
  - The current balance of \$158,980 relates to 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 payroll taxes.
  - 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 of these two loans and we are currently awaiting approval of our loan forgiveness application.
- Net Assets is a key financial health measure which provides the amount of financial assets which exceed our liabilities
  - The 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