

SAINT ANN CHURCH

December 23, 2007

Dear Brothers and Sisters in Christ:

“Give thanks to the LORD, for he is good; his love endures forever.” Psalm 107

At this time I would like to express my gratitude both to God and to you, my family here at St. Ann, for the many blessings God has graciously bestowed on us. In this spirit of gratitude, but also concern, I present to you the following report.

On June 30, 2007, St. Ann Parish ended its fiscal year. I am enclosing our abbreviated Annual Parish Financial Report, which describes our financial results for that period (July 1, 2006 through June 30, 2007). We have delayed providing this information pending completion of our annual Diocesan Independent Auditors' Review. I am pleased to tell you that the Auditors found us to be substantially in compliance with all major aspects of the Diocese of Bridgeport policies.

You will note that this year's annual report is in summary version. The Diocese instituted significant changes to every parish's accounting structure during the course of the last fiscal year, making a detailed comparison to previous years impossible. As you will see in this report, St. Ann continues to operate at an annual deficit. To give you a more current status of our finances, I am also enclosing both a summary and a more detailed analysis of Saint Ann's current financial picture for the first five months of this fiscal year (July, 2007 through November, 2007).

We continue to struggle in meeting our ongoing monthly obligations. Like all of you, we have increased expenses for utilities, heating oil, and employee benefits. Currently, we are in need of \$40,000 just to meet our current obligations. We are *almost* meeting our day-to-day financial obligations. However, the ongoing maintenance for our church, rectory, and parish center continue to exceed our current fundraising. Mark Delmonico, in the course of making the repairs to our church windows, has determined that there is an additional \$7,000 in repairs needed beyond the original estimate. In addition, the Southern Connecticut Gas Company has told us that the rectory furnace (which is 30+ years old) is on its very last legs. We have taken advantage of volunteer labor when it is available to minimize the out-of-pocket expenses for the necessary maintenance we have performed, and we will continue to do so whenever possible. We ask that you support the major fundraisers planned for this coming year as they contribute to our deficit reduction: our 2nd Annual New Years Eve Gala, Daniel Kirkley in concert on January 13, a joint car-raffle planned with the school, as well as a carnival planned in conjunction with the school and Black Rock Day, and our 2nd Lobster Festival, planned for next summer. Also, if any of you are in a position to make a substantial donation to cover our current shortfall, it would be most welcome (and is, of course, tax-deductible to the full extent of the law).

However, our major source of revenue is all of you who contribute through the weekly offertory. *At this point, we are not meeting our financial obligations and our deficit increases each month.* Last year, we communicated through our Increased Offertory Campaign the need to increase our weekly offertory to \$6,300. I thank those families who were able to do so. I must ask all of you, once again, to prayerfully consider your weekly contribution. If you do not currently use envelopes, I encourage you to do so. If you do use envelopes, thank you! *You may also wish to use our online donation system, available on the Stewardship page of our website, www.stannblackrock.com/stewardship.html where we can accept both credit cards and PayPal payments.* In either case, please review your weekly

contribution. Has your salary increased over the last year? If so, please consider sharing some of that increase with Saint Ann.

I trust that God will lead us to a financial solution to these challenges we are faced with. And I thank you for your care and concern for our parish family. As always, please feel free to contact me with any questions or concerns you may have.

*“May the God of hope fill you with all joy and peace as you **trust** in him, so that you may overflow with hope by the power of the Holy Spirit.” Romans 15:13*

Faithfully Yours in Christ,

A handwritten signature in dark ink, appearing to read "Peter Towsley". The signature is fluid and cursive, with a large initial "P" and "T".

Fr. Peter Towsley, Pastor

Saint Ann Summary Financial Information
Comparison of FY 06-07 to FY 05-06

	Jul '06 - Jun 07	Jul '05 - Jun 06	\$ Change
Ordinary Income/Expense			
Income			
4000 · OFFERTORY INCOME	316,946.50	272,129.22	44,817.28
4100 · OTHER REGULAR INCOME	124,065.95	106,633.82	17,432.13
4200 · UNUSUAL (NON-SCHEDULED) INCOME	72,005.00	22,289.31	49,715.69
Total Income	513,017.45	401,052.35	111,965.10
Expense			
5000 · COMPENSATION & BENEFITS	228,752.33	205,572.27	23,180.06
5100 · CONTRIBUTION & ASSESSMENTS	40,698.07	38,438.00	2,260.07
5200 · PROFESSIONAL FEES & INSURANCE	38,028.01	35,176.80	2,851.21
5300 · SUPPLIES, REPAIR, MAINT & OTHER	156,871.95	143,877.19	12,994.76
5400 · UTILITIES	56,216.01	57,024.59	-808.58
5500 · INTEREST	27,803.25	24,025.99	3,777.26
Total Expense	548,369.62	504,114.84	44,254.78
Net Ordinary Income	-35,352.17	-103,062.49	67,710.32
Net Income	-35,352.17	-103,062.49	67,710.32

Saint Ann Summary Financial Information
July 1, 2007 through November 30, 2007

	Jul - Nov 07	Jul - Nov 06	\$ Change
Ordinary Income/Expense			
Income			
4000 · OFFERTORY INCOME	114,351.00	107,944.74	6,406.26
4100 · OTHER REGULAR INCOME	77,514.95	79,893.43	-2,378.48
4200 · UNUSUAL (NON-SCHEDULED) INCOME	19,579.00	3,215.00	16,364.00
Total Income	211,444.95	191,053.17	20,391.78
Expense			
5000 · COMPENSATION & BENEFITS	95,994.61	98,533.16	-2,538.55
5100 · CONTRIBUTION & ASSESSMENTS	22,411.37	14,256.95	8,154.42
5200 · PROFESSIONAL FEES & INSURANCE	17,705.26	15,633.39	2,071.87
5300 · SUPPLIES, REPAIR, MAINT & OTHER	128,009.06	79,321.08	48,687.98
5400 · UTILITIES	17,510.71	15,314.98	2,195.73
5500 · INTEREST	11,079.48	11,690.27	-610.79
Total Expense	292,710.49	234,749.83	57,960.66
Net Ordinary Income	-81,265.54	-43,696.66	-37,568.88
Net Income	-81,265.54	-43,696.66	-37,568.88

Saint Ann Detailed Financial Information
July 1, 2007 through November 30, 2007

	Jul - Nov 07	Jul - Nov 07
Ordinary Income/Expense		
Income		
4000 · OFFERTORY INCOME	114,351.00	
4100 · OTHER REGULAR INCOME	77,514.95	
4190 · Mass Stipend Income		2,432.18
4120 · Fundraisers		47,466.25
4130 · Investments		47.52
4150 · Religious Education Fees		709.00
4160 · Rental Income		24,165.00
4170 · Votives		2,695.00
4200 · UNUSUAL (NON-SCHEDULED) INCOME	19,579.00	
Total Income	211,444.95	
Expense		
5000 · COMPENSATION & BENEFITS	95,994.61	
5010 · Salaries & Wages		76,063.27
5030 · Payroll Taxes		3,891.90
5040 · Employee Benefits		16,039.44
5100 · CONTRIBUTION & ASSESSMENTS	22,411.37	
5200 · PROFESSIONAL FEES & INSURANCE	17,705.26	
5250 · Professional Fees		10,427.70
5270 · Insurance		7,277.56
5300 · SUPPLIES, REPAIR, MAINT & OTHER	128,009.06	
5310 · Supplies Equip Under 1,000		24,790.59
5330 · Repairs & Maintenance		33,211.68
5350 · Other		
5351 · Subscriptions		22.50
5352 · Bank Charges		90.00
5355 · Dues and Memberships		100.00
5357 · Other Services		
5357G · Service Contracts		1,729.20
5357B · Sub-Contractor		61,324.25
5357C · Extra Priests		1,225.00
5357E · Household Expenses		2,900.36
5357F · Club & Society Expenses		50.00
5357 · Other Services - Other		1,807.00
5359 · Postage and Delivery		758.48
5400 · UTILITIES	17,510.71	
5460 · Communications		2,326.78
5470 · Power & Water		15,183.93
5500 · INTEREST	11,079.48	
Total Expense	292,710.49	
Net Income	-81,265.54	