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To: Members of St. Mary Church, David City
From: Fr. Buhman, Fr. Kain, & Parish Finance Council
Subj: Financial State of the Parish (Fiscal Year End)
Date: August 15, 2021

June 30th marked the **conclusion of the fiscal year** for our parish finances. All of our financial documents from the previous year, and our budget for the new fiscal year, are due to the diocesan offices by the end of August. The conclusion of the fiscal year is a great opportunity to share the financial state of the parish.

This document is **one of seven** that will be distributed over the coming weeks to explain the nature of our parish finances. The series, in its entirety, can be found at once on the parish website. The seven topics to be covered include: The Fiscal Year-End, The Nature of our Assessments, The Nature of our Debt, Next Year's Budget, The Nature of Tithing, The Many Methods of Giving, and The Centered on Christ Campaign.

For the last nine months of the fiscal year, our parish basically **operated in the black**. We were able to make our assessments to the school and the diocese and pay all our bills. That means we've definitely experienced an increase in giving. A big thank you goes out to all of our families who have continued to give generously to our parish throughout this past year!

Many of you have shared a portion of your government stimulus checks with the Lord. Others have increased your giving as your income has increased. Still others have increased the percentage of your income that you give to the Lord - whether or not that income has recently increased. And many of you on a fixed income have continued to give generously even in an unsteady world marked by pandemic. **We are so grateful** for the financial support the parish has received over this past year!

A thank you also to all those who participated in this year's **Charity and Stewardship Appeal (CSA)**. Our parish goal, set by the parish finance council, was approximately \$56,000. Of the roughly 500 families on our parish books, 152 households contributed to the appeal, totalling gifts of \$38,616! That's about a 30% participation rate which is about the participation rate for Sunday Mass attendance in our parish! Our Diocesan goal for the appeal, set by the Diocese of Lincoln, was \$10,810. So, even though we didn't make our parish goal, we still stand to receive almost \$28,000 in rebates if all pledges are paid! This is a great help to our budget.

In addition, this year we've seen an **increase in electronic giving** - either through the banks or through the use of PushPay. We're going to try to show that differentiation in our bulletin each week. We understand how busy our families are each week and, living in an area where there are 20 other Sunday Masses within a 20 mile radius of David City, families sometimes choose to go to Mass at a more convenient time or place. Electronic giving has brought a regularness to our income and a stability to our parish budget. For those for whom online, or electronic, giving has become an option, we thank you for your consistent investment in our parish. From the parish's perspective, electronic giving is helpful for our parish, and we want to encourage participation for those who are open to it. It makes our accounting easier and it helps with cash flow consistency. For those who continue to drop envelopes in the mail, or at the office, after you've been absent, we thank you too for continuing to invest in our parish family.

The **finance council** has been working hard - meeting 90 minutes at a time, every other week, for the past five months - in order to help our parish get perspective, and a handle, on our parish finances. We want you to know that we are making every effort to be completely transparent with our parish finances. In addition to the summary Profit & Loss statement on the opposite side of this memo, please know you are always welcome to study the full financial documents of the parish. Simply make an appointment to stop by the parish office and we'll see to it that you have all the financial information you desire.

Lastly, we'd love to take this opportunity to again introduce **WalletWin**. The WalletWin program teaches personal finance strategies like examining your relationship with money, paying off debt, building wealth, and changing the world through generosity from the Catholic perspective. This program has helped thousands of families eliminate debt, build savings, and change the world through generosity. Healthier finances make for healthier people and marriages. St. Mary's is offering our parishioners access to WalletWin for free. See what WalletWin has to offer you by going to walletwin.com/stmarysdavidcity. Or, join the group classes going on now! Details are in the bulletin.

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J M J

To: Members of St. Mary Church, David City
From: Fr. Buhman, Fr. Kain, & Parish Finance Council
Subj: Nature of Our Assessments
Date: August 22, 2021

At the end of the fiscal year, as we finish our financial reports for the Diocese of Lincoln, we are taking the opportunity to also present a number of financial topics to our parishioners. Last week, we touched on the conclusion of the fiscal year. This week, we want to expound on the **nature of our assessments**.

As one parish among many in the Diocese of Lincoln, and as one parish among many with children attending Aquinas Catholic central school system, part of our support to the Diocese and to the Catholic school is **financial support** assessed by the Diocese and the school to assist in their respective work in the Diocese and in the community.

Our **assessment to the Diocese of Lincoln** for the past fiscal year (2020-2021) was \$12,511 per month. The assessment to the Diocese of Lincoln for this fiscal year (2021-2022) will be \$11,500 per month. As you can see, this marks a drop in the assessment which should be very helpful to our bottom line. This diocesan assessment is one that goes out to all the parishes in the Diocese of Lincoln. About half of the funds from these assessments are used for the work of the Youth Ministry Office, the Family Life Office, the Office for Religious Education, the Safe Environment Office, the Diocesan Education Office, the Finance Office, and the work of the Marriage Tribunals. All of these offices offer services to our parishioners that we as a parish would never be able to offer on our own. Our cost to fund these diocesan programs is minimal in comparison to many other dioceses in the United States. The other half of the assessment each month pays for various parish insurance premiums, our own clergy retirement, and our parish subscriptions to the Southern NE Register.

Our **assessment to Aquinas Catholic Schools** (elementary, middle school, and high school) for the past fiscal year was \$75,131 per month. The assessment to Aquinas Catholic Schools for this fiscal year will be \$66,798 per month. Again, this marks a significant drop in the assessment this year which will be very helpful to our budget. We offer a big thank you to Fr. Sean Timmerman and to the school finance council members for finding opportunities to cut their school budget, thereby giving our parish some breathing room this year.

Aquinas Catholic Schools continues to educate its students at the almost unbelievable average rate of roughly \$8150 per student. That is a fraction of the cost of education at surrounding schools. However, the cost of education continues to increase. Tuition has increased over the past few years to cover the increase in cost. Aquinas Catholic greatly desires to keep the tuition reasonable which means that our parish family has received the **challenge of paying approximately half of the cost of education** for our approximately 230 students enrolled in Aquinas Catholic Schools. And, to keep tuition reasonable, the assessment to our parish will have to increase a little next year and in the years to come.

As you could see in last week's financial reports, the majority of our budget goes to support the education of our children at Aquinas Catholic. While the parish itself serves as the Mother of the life of faith for all in our parish family - caring for souls, and providing grace and growth opportunities for souls, from conception until death - our Catholic schools play a vital role in the lives of our families and in the life of our community. **Parents are the primary educators** of their children socially, in natural virtue, and in the life of Faith. Therefore, parents have the right to determine whether or not our Catholic schools are the proper educational path for their children. As a parish, we're supportive of our parents to make the best decision for their children and for their family.

But, hopefully, we also recognize how **important the Aquinas Catholic School system is** to our parish and to our community. Even if our Catholic school is not the right fit for a particular family or a particular child, our

Catholic School offers incredible assistance to the formation and education of so many children who will go on to be an important part of our community and communities throughout the state and the country. Aquinas Catholic continues to offer a high-level education rooted in Faith. Aquinas Catholic continues to guide so many of our young people in the life of discipleship and, as societal norms continue to shift toward error and individualism, offers to many families an alternative education rooted in Christian faith, hope, and charity.

Many of our households once had children in our Catholic Schools without the burden of a high tuition rate. In past years, many families experienced the help of the parish at large to contribute to the Catholic education of their children. Hopefully, our households without children, and even families who have made the decision to not place their children in Catholic Schools, will see the **value of having the option of Catholic School** present in our community.

Whether or not particular families have children in our Catholic Schools this year, as a parish family **we financially support the families** who choose to educate their children at Aquinas Catholic. And Aquinas Catholic serves an important role in the work of St. Mary's parish to bring souls into a life of discipleship and a deeper relationship with Jesus Christ from the moment of their conception to the moment of their death.

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J M J

To: Members of St. Mary Church, David City
From: Fr. Buhman, Fr. Kain, & Parish Finance Council
Subj: Financial State of the Parish (Nature of Our Debt)
Date: August 29, 2021

At the end of the fiscal year, as we finish our financial reports for the Diocese of Lincoln, we are taking the opportunity to also present a number of financial topics to our parishioners. We've touched on the conclusion of the fiscal year, the nature of our parish assessments, and now, this week, we want to expound on the **nature of our current debt**.

As of the conclusion of the fiscal year on June 30, 2021, St. Mary's Church had an **operational debt total** of \$620,393. (This number has not changed in the two months since the conclusion of the fiscal year.) This debt total consists, in part, of debt owed to the Aquinas Catholic School assessments in the amount of \$270,393. This is the assessment amount to the school that is overdue. The total debt also reflects debt owed to the Diocese of Lincoln in the amount of \$250,000. Lastly, the total operational debt reflects an amount of \$100,000 owed to our own restoration project savings account. We'll say a quick word about each aspect of our operational debt.

It is important to understand that our **debt is operational and not capital**. All of the funds used for the restoration of our church and chapel were paid for, in full, by funds raised in the Centered on Christ Campaign. Not a single dollar of our accumulated debt has come from your beautiful restoration of your church.

The majority of our debt is **current debt to pay assessments to Aquinas** Catholic Schools. As mentioned in previous memos, our support to our Catholic School is important and significant. There is no denying that, for a parish our size, our monthly school assessment is difficult to maintain. As also mentioned, thanks to your generosity, the increase in parish tithe has allowed us to pay our school assessment for the past nine months. This year's school assessment has been temporarily reduced. So, if we can continue to manage our budget wisely and well, we should be able to pay our school assessment each month, paying more than our current assessment, and slowly paying down the debt to Aquinas.

We currently owe \$250,000 **to the Diocese of Lincoln**. When our debt to Aquinas Catholic Schools became a burden to the school, and they needed our money to pay bills or to make payroll, we approached the Diocese of Lincoln for a loan. This happened about four years ago and about two years ago. Each time we borrowed enough money to draw even on our assessment to the school. We have paid down some of this loan but have not paid on this loan for about six months. Currently, this loan is not accumulating interest. The Diocese of Lincoln has made it clear that loans of this nature are not available to us again in the future.

The last part of our debt is actually a **debt to ourselves**. A number of years before the Centered on Christ campaign began, there was money given by parishioners for future capital improvements in the church building. This money was stored, for that purpose, in the Diocesan Investment & Loan (DI&L). In 2017, during a time of debt, the parish borrowed money from itself, borrowing \$100,000 from that savings in the DI&L in order to pay overdue assessments to the school. That money needs to be returned for the purpose for which it was designated. Those funds will be the last of the debt to be repaid, and will be repaid back into the DI&L account from which it was borrowed, so that the funds can be used for their intended purpose in the future.

We will continue to pay down the current debt to Aquinas Catholic Schools to the best of our ability. Once our parish **is operating without adding to our current debt**, we'll work on a plan to address the debt to the Diocese and to ourselves.

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J M J

To: Members of St. Mary Church, David City
From: Fr. Buhman, Fr. Kain, & Parish Finance Council
Subj: Financial State of the Parish (Next Year Budget)
Date: September 5, 2021

At the end of the fiscal year, as we finish our financial reports for the Diocese of Lincoln, we are taking the opportunity to also present a number of financial topics to our parishioners. We've touched on the conclusion of the fiscal year, the nature of our parish assessments, the nature of our current debt, and now, this week, we want to expound on **next year's budget**.

You'll notice on the budget presentation on the other side of this memo that we are **presenting a parish budget that is balanced** without having to resort to unrealistic increases in parish tithes like we've needed to do in the past. There are two reasons for this: first, a one-year drop in our assessment to Aquinas Catholic Schools. Again, in thanksgiving to Fr. Sean Timmerman and his school finance council, who made some cuts in the school budget in order to help us, our assessment to the school has decreased significantly. Second, we've worked into the budget a reasonable continued trend toward an increase in tithing throughout the year. This simply continues the small upward trend in giving that we've experienced during this calendar year. These two factors combine to give us an opportunity to stand firm on solid ground and then build some momentum in the right direction in our financial outlook for the coming years.

You'll notice in the budget that we've included **a parish tithe**. If we're going to continue to talk to our parishioners about tithing with trust and confidence in the Lord, the parish herself should live in that same trust and confidence. In addition, those who give sacrificially to the Lord, also have confidence that the Lord will provide for their needs when needs arise. Again, our parish as a whole should have the same confidence. When we are generous to our parishioners and to all those in need, the Lord will not be outdone in generosity.

We're starting with a **modest tithe of 2% of our collection income**, payable monthly, and given to those in need. We will continue our wonderful relationship with Hope of the Poor by making them the recipient of our tithe. Hope of the Poor was founded by a native Nebraskan who serves the poor in Mexico City, and on Native American Reservations here in Nebraska, in both material and spiritual ways. We've been partnering with Hope of the Poor for our parish mission trip each year in the month of January. Hope of the Poor will keep us informed of how they're putting our tithe to use and we'll relay that information to parishioners through the bulletin. We hope to increase our parish tithe each year by ½ to 1% until we reach 10%. As our tithe increases, we'll diversify the recipients of that tithe.

On occasion, throughout the year, we'll want to provide additional spiritual-growth opportunities for our parishioners that would not be available to us in the current budget. We hope to have a **few smaller fundraisers** throughout the year that will add funds to the budget for parish activities such as parish social events, date nights, our Encounter programming, events for widows and widowers, our music ministry, or other such examples or activities. Hopefully, those fundraisers will give us some extra resources to fund activities that will help our parishioners to grow in their relationship with one another and with the Lord.

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To: Members of St. Mary Church, David City
From: Fr. Buhman, Fr. Kain, & Parish Finance Council
Subj: Financial State of the Parish (Means of Giving)
Date: September 19, 2021

At the end of the fiscal year, as we finish our financial reports for the Diocese of Lincoln, we are taking the opportunity to also present a number of financial topics to our parishioners. We've touched on the conclusion of the fiscal year, the nature of our parish assessments, the nature of our current debt, next year's budget, and the theology of tithing. This week we want to focus on the **means of giving**.

The traditional means to tithe to the parish is through the Sunday envelopes. Each household should be receiving envelopes unless you've already opted out of them. Over the past few years, we've been encouraging **electronic giving** to the parish, for those who are comfortable with it. Electronic giving is helpful to our parish because it is an easier accounting process, saving time and money, and it is more regular. As mentioned a few weeks ago, there are 20 other Masses within a 20 minute drive of our parish. Most people who give electronically set up a recurring gift to the parish. So, even if family life dictates another Mass in another city on any given weekend, the tithe still supports their home parish.

There are three different ways to give electronically to your parish - Billpay, ACH, or mobile/online giving. **Billpay** is usually established through your bank. It can be a one-time gift whenever you ask your bank to "pay a bill," or set up to be recurring. You might set this up online on your bank's website or you might call it in. The bank cuts a check and mails it to the parish. When the check arrives, we make out an envelope for you so you are credited for your gift. This type of gift is processed just like an envelope that comes in through the Sunday collection.

ACH is electronic giving that originates with the parish. You can contact our parish office and fill out the necessary forms, and the office processes those gifts, usually monthly, weekly or even bi-weekly. To change the amount of these gifts, you have to contact the office and re-do the paperwork, and the gift is applied only to the general weekly giving to the parish. In order to give an additional one-time gift, to Mission COOP for example, you'd have to fill out separate paperwork through the office for that gift.

Our **mobile/online giving** platform is called Pushpay. The use of Pushpay gives you full control over all your gifts. On your phone or computer, you can bring up the Pushpay platform and set up or change your gifts at any time. You are able to set up one-time gifts, or recurring gifts, and you can give to multiple causes, such as Mission COOP, Peter's Pence, etc. All the different funds are available. You can also see a summary of your giving at any time. Pushpay also sends you a notice, or receipt, anytime a gift is made. This is also a helpful reminder of when your recurring gifts are processed. To sign up for Pushpay, simply go to pushpay.com/pay/stmarysdavidicity

There are **so many ways** a household can be generous to our parish. Gifts of grain, livestock, property, vehicles, scrap metal, and more are all ways to be generous to your parish. In addition, over the years, St. Mary's and Assumption have been blessed to be the beneficiary of end-of-life gifts from our parishioners. There are so many ways to give a gift to the parish while also minimizing money lost to taxes or even continuing to provide income for yourself until the moment of death. A Charitable Life Estate, a Charitable Remainder Trust, a Qualified Charitable Distribution, a Donor Advised Fund, gifts of Insurance, a Gift Annuity, and more, are all ways to include our parish in your charitable giving plans for the future. You are welcome to contact Fr. Buhman at any time to talk about these different possibilities. Or, you can contact Les Mach at the Catholic Foundation. The Catholic Foundation is an independent organization available to help catholics learn about the many ways they can be generous to our parish. You can also visit catholicgift.org.

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To: Members of St. Mary Church, David City
From: Fr. Buhman, Fr. Kain, & Parish Finance Council
Subj: Financial State of the Parish (Nature of Tithing)
Date: September 12, 2021

At the end of the fiscal year, as we finish our financial reports for the Diocese of Lincoln, we are taking the opportunity to also present a number of financial topics to our parishioners. We've touched on the conclusion of the fiscal year, the nature of our parish assessments, the nature of our current debt, and next year's budget. This week we want to focus on the **nature of tithing**.

The word *tithe* actually means *tenth*. The **theology of a tithe** is having a need to give generously and sacrificially to others as a response to all that God has given to us. A tithe is a need to be generous which arises out of our relationship with God and the recognition of His generosity to us in our life. A tithe is most often formulated as a percentage, and not as a particular amount, because the percentage is a more accurate assessment of the level of sacrifice involved in the gift. A very wealthy person might be able to give away a tremendous amount of money but, because of his or her wealth, it might not be much of a sacrifice at all. A person with very little means might give a small amount, but it might be a large percentage of what he or she has, and therefore might be a very sacrificial gift. You can recall our Lord's response to the widow's mite from Scripture (Mark 12 or Luke 21). When we speak of tithe, we are describing gifts of a percentage of our time, talent, and treasure based on a need to be generous in response to God's generosity to us.

Every September there is at least one homily from the pulpit on stewardship of time, talent, and treasure. The concept of stewardship, with which most Catholics are familiar these days, **is built on relationship** - and, in this case, one's relationship with God. All our time, talent, and treasure is a gift from the Lord. Recognizing time, talent, and treasure as a gift, we desire to, and have a need to, give back to the Lord. The tithe as 10% is a biblical standard that has been used for centuries as a guideline for giving generously and sacrificially. Many households work toward that 10% gift back to the Lord - in time, talent, *and* treasure - as a goal simply because of its biblical roots.

So, a true tithe is an act of giving, especially of time, talent, and treasure, based on the need to give and to be generous with all that God has given to us. The **mission of our parish** is to bring every household, every family, every soul, into a deep, personal, discipleship-oriented relationship with the Lord. From this relationship we'll recognize God's gifts to us and have a need to be generous to the Lord and to those around us.

As we strive to bring every soul into this kind of a relationship with the Lord, we also recognize that not everyone is in this kind of relationship with God right now. Those who haven't yet placed their relationship with God at the very center of their life hopefully recognize the importance of that mission of our parish and will choose to **invest in that mission** for their own sake and for the sake of the other families in our parish. Mother Angelica, of EWTN, used to say, "Don't forget to put us between your water bill and electric bill!" She wasn't just asking people not to forget to make a charitable contribution. She was reminding people that what they were receiving from EWTN was as important to them as water and electricity, and that they would hopefully invest in EWTN in the same way they invest in so many other needs of their lives - like water, electricity, food, etc. This is how we hope you see your parish, or this is how we hope you *will* see your parish, as we continue to do our best to offer you all you need to grow in your relationship with God.

If you don't yet experience a need to give generously because of all that God has given you, hopefully you still **see the need to invest in your parish**, in time, talent, *and* treasure, so that your parish can continue to provide all our families with every opportunity to help them grow in the life of faith.

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To: Members of St. Mary Church, David City
From: Fr. Buhman, Fr. Kain, & Parish Finance Council
Subj: Financial State of the Parish (Centered on Christ)
Date: October 10, 2021

At the end of the fiscal year, as we finish our financial reports for the Diocese of Lincoln, we are taking the opportunity to also present a number of financial topics to our parishioners. We've touched on the conclusion of the fiscal year, the nature of our parish assessments, the nature of our current debt, next year's budget, the theology of tithing, and the different means of giving. Our last topic in the series is on the **Centered on Christ Campaign**. Remember, you can find the entire series at any time on our website.

Planning for the Centered on Christ Campaign began in the Fall of 2014 with the **goal of raising a total of \$2.5 million**. (For an easier read all figures are rounded.) This campaign was a joint campaign with the Diocesan Joy of the Gospel campaign taking place at roughly the same time. The Centered on Christ Campaign planned to raise approximately \$800,000 for the Diocesan Joy of the Gospel Campaign, \$900,000 for the restoration of the church building, and \$800,000 for the construction of a new parish hall.

The Centered on Christ Campaign was a five-year campaign beginning in 2015 and concluding in 2020. A total of \$2,653,598 was pledged. The total amount collected from the beginning of the campaign until now is \$2,295,288. That's an **86% return on what was pledged**. A total of \$51,688 was written off because parishioners passed away or moved out of the parish. There were a total of 331 donors to this campaign. Thirty-nine of those donors gave more than what they originally pledged! Nineteen donors made a pledge but didn't make any payments.

Statements, used as pledge reminders, were sent out at various points throughout the duration of the campaign, including a final statement sent out to all donors at the end of last year in anticipation of the conclusion of the five-year campaign period. At this moment, in the Fall of 2021, **we consider the Centered on Christ Campaign to be closed**. Those with pledge balances should not feel an obligation to continue to make payments. Those who still desire to make payments are welcome to do so; gifts and donations are never turned away. As the restoration of our church building comes to completion, we want to turn our attention to making the monthly operation of our parish solvent and sustainable. When we are on solid financial ground, month to month, then we'll tackle the debt. After we're debt free, we'll consider the need for a parish hall.

Of the \$2,295,000 collected through the campaign, \$804,000 was raised for, and paid to, the Diocesan Joy of the Gospel Campaign. The restoration of the church building, in two phases, has totaled a cost of \$1,457,650 (\$1,182,658 in phase one and \$274,992 in phase two). That leaves roughly \$33,000 in the campaign fund. Once the final bills have been paid on the restoration project, the money left from the campaign will be joined to **the previously established Building Fund Savings**, held in the Diocesan Investment and Loan. Any further gifts or donations toward future building projects, including any funds designated as a continued payment of a campaign pledge, will become a part of the Building Fund Savings and reserved for the purpose of capital improvements in our parish.

Every one of you should be very proud of all you have accomplished in the restoration of your church building. It is a testimony to faith, hope, generosity, and love. The mission of our parish is to build up disciples of Jesus Christ who are steeped in the sacramental life and the life of prayer. This church building will be instrumental in that mission, raising hearts and minds to the glory and goodness of God, for many years to come. **Thank you for all your support** of the Centered on Christ Campaign, the Joy of the Gospel Campaign, and the beautiful restoration of St. Mary church - built in 1911 and renewed in 2015!