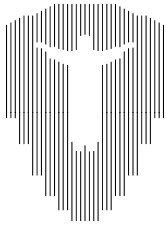


SACRED HEART CHURCH



PASTOR'S REPORT

April 15, 2016



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Dear Friends in Christ,

This Pastor's Report is late. I meant to present it in mid-February/March, but I suffer from an untreatable case of procrastination which gathers momentum and finally bowls over my stoutest resolution. It is also shorter than previous reports for the same reason. However, I hope that the brevity of the report makes it more readable and that its contents are simple, clear and transparent. You support us with your money, your talent and your time, and you have every right to know how your gifts are used. There are lots of numbers, but underneath them and giving them meaning is Christ.

BASIC FACTS ABOUT SACRED HEART PARISH, SCHOOL AND CHRIST OF THE DESERT

In the Catholic Church the Pastor is ultimately responsible for both the parish and any school which may be attached to it. This year's parish budget is \$3,826,353. The school budget is \$5,465,772. The parish has 36 paid employees (including maintenance staff and our music ministry). The school employs 81 and provide for the scholastic and spiritual education of 650 kids including the pre-school. The number of children has increased from 303 in 2001.

My net monthly salary is \$1,824.

It costs \$25,455 per day to run the parish and school.

It is very important to note that both the parish and school budgets factor in, historically, consistent funds from donations and fundraisers. Without these funds, the parish runs at a \$400,000 deficit and the school lists "fundraisers" at \$692,650 (which would include our Gala). Before depreciation, the school projects a surplus of \$21,561. These budgets can only be justified based on donations that we have historically received with consistency throughout the years along with the cushion savings accounts held by the parish and school of approximately \$4,500,000 and \$2,000,000, respectfully.

Nonetheless, we try to run our parish school and church with conservative fiscal management. Given our affluence, Sacred Heart Church should be run with a significantly reduced deficit, or no deficit at all. It is always difficult for me to speak to you about money; however, I am asking that you increase your donation, perhaps by participating in a program which deducts a monthly donation automatically from a your designated bank account by enrolling in our automated giving program, **WeShare**, which could be accessed through our web site:

www.sacredheartpalmdesert.com under donations. Please feel free to call our office

and we can easily set up this for you. This would have the very significant benefit of providing consistent funding from those who are seasonal parishioners and enormously help our parish. If everyone would increase their donation by just 5%, we would be in the "chips".

CHARITABLE CONTRIBUTIONS

Our Finance Committee recommended that, for purposes of this report, that we delineate charitable donations taken from collection (essentially, the Sunday basket collection), and funds directly solicited from parishioners for specific needs and projects or monies which were given from "custodial account" monies which parishioners have trusted me to disburse. Some of these figures overlap our 2015/2016 fiscal years (for example, we have included funding figures for both of our T.V. "suicide" tapings); however, I want to include them to give you an idea of what we have given away.

Funds taken from the collection to give away were \$412,398 and include the following:

Seminarians	5,000.00
Martha's Village & Kitchen	50,000.00
Nepal Earthquake (RC Bishop)	5,000.00
Armenian Apostolic Church	1,000.00
WOW (Dr. Lindley)	2,133.95
Raise the Paddle (RC Bishop)	5,000.00
National Family Planning	1,000.00
Catholic Charities	2,000.00
E-Rate Consulting Service (Office Catholic Schools)	16,800.00
Mecca School Cubbies Baseball	1,913.00
International Medical Alliance	3,300.00
World Meeting of Families	2,589.60
Eisenhower School Eagles	702.00
White Mass @ Diocese	3,000.00
Dominican Sisters Family	1,000.00
St. Theresa School Alarm	50,000.00
St. Bernardine	3,000.00
St. Elizabeth	400.00
Our Lady of Soledad – Mecca Christmas	2,000.00
Xavier	61,410.00
Galilee Center	46,055.00
Barbara Sinatra	10,000.00
Emotional Support Dog	4,000.00
Teen Suicide PSA (2nd Taping)	61,077.00
Mecca Uniforms	1,294.38
Find Food Bank	76,503.04
Sacred Heart School Tuition	12,220.00
Birth Choice	10,000.00
Birth Choice (Director)	<u>29,000.00</u>

\$412,397.97

Money given away from directly solicited funds and custodial accounts include:

Individual Assistance	\$22,604.19
Stem Lab	700,000.00*
St. Theresa School	150,000.00
Xavier Prep High School	2,050,000.00**
Our Lady of Hope – San Bernardino	10,000.00
Our Lady of Perpetual Help	50,000.00
Mecca Soccer Field	90,000.00
TV PSAs Re: Suicide (1st Taping)	<u>71,077.00</u>

\$3,143,681.19

Because they stands out, I want to give a brief explanation of 2 line items listed above.

* The \$700,000 was donated by a generous parishioner and is dedicated to the construction of a STEM Lab (Science, Technology, Electronics and Math) for our School. We intend to complete this project by 2017.

**The \$2,050,000 given to Xavier Preparatory High School was solicited from two individuals solely for the purpose of helping Xavier's successful efforts to retire Berger Foundation Loan which was absolutely pivotal in the success of this wonderful school. All of these donations came from individual and companies including West Coast Turf and Prime Time Produce. \$1,045,000 of funds came from people who like, trust respect our parish, but are not Catholic.

HOW A PARISH AND DIOCESE WORK

In very simple terms, all funds needed to run the universal Catholic Church come, at least initially, from parishioners. Parishes receive collections and give a percentage to their Diocese which in turn gives a percentage to Rome. This is way over simplified but you get the idea. Our Diocese (and many others) receives its funding by assessing a percentage of a parish's income. This percentage is graduated based on collections.

In the case of Sacred Heart, we are assessed 18% of our income. If you give a ten dollar bill to the parish, we send \$1.80 to the Bishop, One hundred dollars and we would send \$18, and so on.

Any donations over \$5,000 are taxed at 5%. The exceptions are designated gifts. For example, if you write a check and designate the gift to pay the debt, or to help the school, or to assist Mecca, or other charities that our parish helps, then there is no assessment. We do not pay the 18% on those donations and we need all of these designated gifts. However, please don't make all checks payable to a ministry that would make the donation exempt from the 18% tax. The Bishop needs funds to run the Diocese and Sacred Heart needs the Diocese for a host of administrative and

ministerial assistance that we need to run the parish. Sacred Heart pays \$40,843 per month to the Diocese for this assessment.

The second source of funding for the Diocese is called the DDF (Diocesan Development Fund). Based on parish income, each parish is assigned a DDF "goal." Actually, the term "goal" is a euphemism as a parish is expected to raise the money; if we come up short, the goal becomes a debt/liability to the Diocese. In other words, we have to raise the money. It is not an option. This year, our DDF goal is \$261,500. We have the highest assigned goal among the 95 parishes in the Diocese. This year we will give the Diocese, apart from any other gifts, \$751,676.

Additionally, we pay a higher graduated rate on my health insurance, pension, and medical insurance, together with higher premiums on our earthquake insurance. This approximately totals an additional \$100,000.

We no longer have to subsidize the school thanks to Gala events of the past four years which have featured George W. Bush, Vin Scully, 60 Minutes Correspondents and Bill O'Reilly and Dennis Miller, Cardinal Timothy Dolan, and this year, Rudy Giuliani and Robert Gates. If collections and donations go down, it will dramatically impact what we can do for others. "Counterfeiting" frequently is envisioned as a viable option!!

In this connection—and I almost feel guilty writing this—it is my fervent hope that you will consider filling in the back page of this report and making a pledge to the DDF. You can pay this off monthly or in installments any time before December 15, 2016.

We are so grateful to the hundreds of volunteers and committed priests without whom Sacred Heart simply could not run.

I hope that all of the above helps to give, at least numerically, a better idea of Sacred Heart Church and where we are, and hope to be, in the near future. Please remember, it is all about Christ, and our Catholic Faith and what we can do to promote the Kingdom during the time we are allotted here on this earth.