



# Finance Committee Report

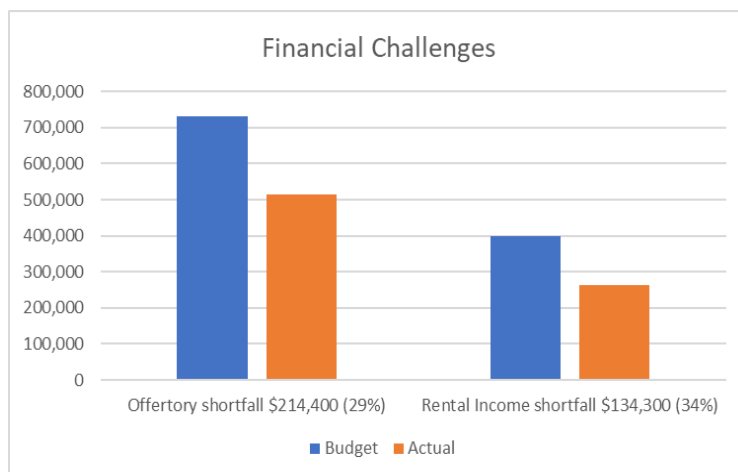
**2**020 was a year of extraordinary operational and financial challenges for St. Peter's Cathedral Parish. We are very thankful for the support received from the many parishioners who were able to continue regular offertory giving, from our generous donors, from the Diocese of London, and from government support programs. The Finance Committee is

particularly indebted to the Cathedral staff for their untiring and successful efforts to keep the Cathedral operating while substantially reducing expenses in these trying times. Overall, we are happy to report that the Parish has successfully weathered the storm so far and our finances are in reasonable condition as we enter 2021.

## 2020 HIGHLIGHTS

- Total Operating Revenue was lower than budgeted by \$266,000.
- Total Operating Expenditures were lower than budgeted by \$319,000.
- Financial support from "other" sources amounted to \$235,000.
- The boiler loan is finally fully paid off.
- Both operating and capital accounts are in satisfactory condition.

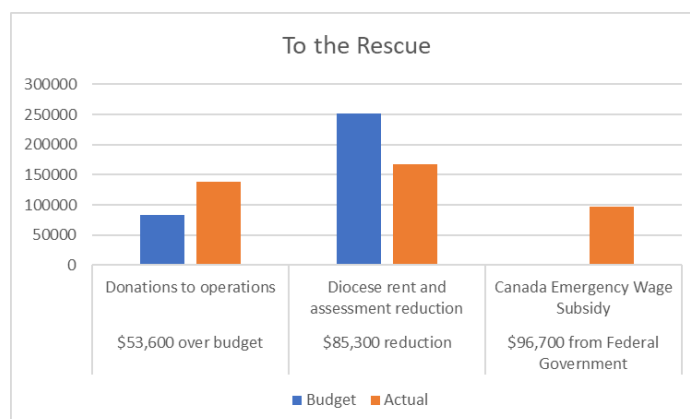
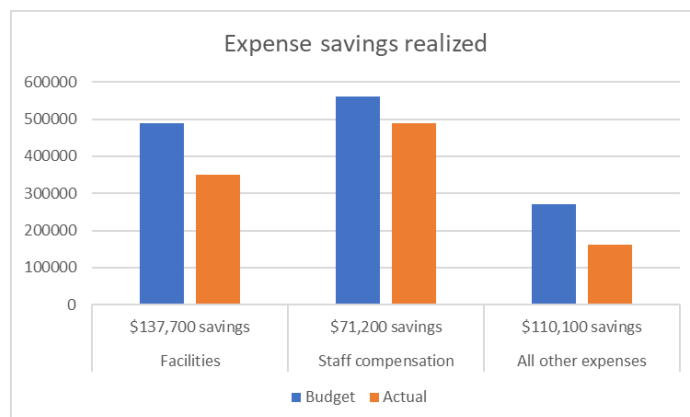
With the Cathedral closing mandated in March, 2020, there was a dramatic initial slowdown in regular offertory receipts and especially the Easter Appeal. It has been very gratifying to witness a gradual but steady recovery in offertory receipts during the year despite the ongoing restrictions on Masses. Regular offertory receipts ended the year at 72.6% of budget, and the total Easter, Thanksgiving and Christmas appeals generated 60.3% of the budgeted level. One surprise was the precipitous collapse in rental revenue, down by \$134,300 for the year, due largely to a dramatic drop-off in parking revenue.



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A tight lid was kept on expenses. With the Cathedral closed or in very limited operation for most of the year, the cost of operating the overall facilities was lower than budget by \$137,700 and salary costs were reduced by \$71,200. Expense reductions due to limited activities in education, ministry, liturgy and other costs resulted in additional savings of \$110,100.

Finally, we are very grateful for the support received from our generous donors (operating donations \$53,600 higher than budgeted), the Diocese of London (\$85,300 in forgiven rental charges and Diocese assessment), and from the Canadian government (Canada Emergency Wage Subsidy \$96,700).



## The Challenge Ahead

With the severe restrictions on Masses ongoing for several more months at least, the operational and financial challenges to the Cathedral Parish are expected to continue throughout 2021. Management of these challenges is made particularly difficult due to the many uncertainties and the unpredictability of future developments. It has proven virtually impossible to budget more than a month or two ahead with any degree of confidence.

As mentioned, we entered 2021 in reasonably satisfactory financial condition, and we are carefully monitoring our ongoing fund balances against an “early warning” fiscal plan for the

year. However, it appears certain that our expense controls have reached their practical limits, and the 2020 levels of support we received from the Diocese and from government programs are unlikely to be repeated.

Accordingly, in order for the Cathedral Parish to continue to successfully deliver on its faith mission including continued Mass celebrations, it will be vitally important for St. Peter’s parishioners to continue to support the Parish through regular offertory giving in 2021. The Finance Committee and the Cathedral staff are sincerely appreciative of your ongoing generosity.

## St. Peter's Cathedral Basilica Financial Report to the Parish Year Ended December 31st 2020

	Previous Year 2019	Year 2020	
Operating Revenue		Budget	Actual
Offertory	717,424	730,145	515,746
Stipends and Parish Social Activities	27,448	27,700	8,901
Donations	148,477	84,000	137,612
Ministry Revenue	5,515	5,500	4,020
Rental Income	386,614	398,200	263,890
Other	48,036	48,250	12,356
Special Collections Received	30,294	30,900	19,162
Canada Emergency Wage Subsidy	-	-	96,680
<b>Total Operating Revenue</b>	<b>1,363,808</b>	<b>1,324,695</b>	<b>1,058,367</b>
<b>Operating Expenditures</b>			
Facilities	472,271	488,715	351,058
Liturgy	41,721	43,431	20,237
Compensation	542,302	560,217	489,066
Education and Ministry	34,944	40,413	17,427
Other	4,404	5,020	711
Stipends Paid	9,220	9,100	1,650
Special Collections Paid & Fundraising Expense	17,472	18,690	10,310
Diocesan Assessment	102,831	104,040	60,687
Donations Paid	63,904	50,625	50,192
<b>Total Operating Expenditures</b>	<b>1,289,069</b>	<b>1,320,251</b>	<b>1,001,338</b>
<b>Operating Surplus (Deficit)</b>	<b>74,739</b>	<b>4,444</b>	<b>57,029</b>

*See Frequently Asked Questions on the [next page](#).*

## Frequently Asked Questions

### ***Why is there no 2021 Budget shown in the financial statement?***

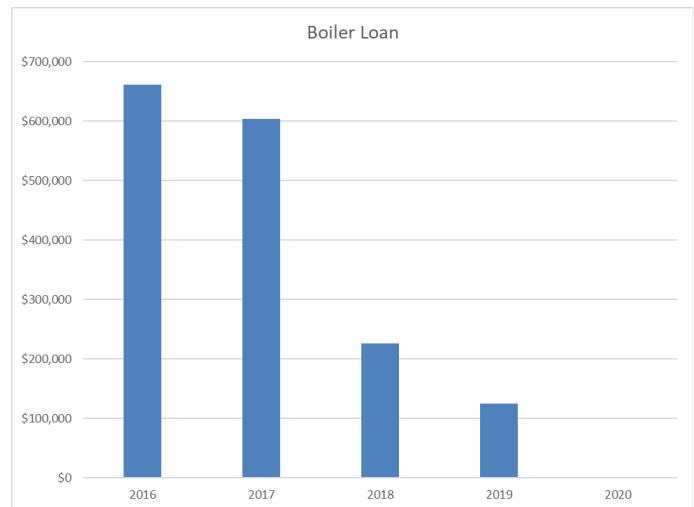
See the first paragraph under *The Challenge Ahead* on [page 2](#).

### ***What happened to rental income?***

When the first lockdown was applied in March 2020 many of the largest downtown office buildings were quickly emptied when office staff moved to work-from-home. As a result many office workers no longer required monthly parking in our North Lot. At the same time, downtown restaurants and theatres were closed and all Victoria Park events were cancelled, so there has been little demand for evening and event parking. Interestingly, office rentals in the parish centre have held up well. Gatherings and events in the gymnasium have ceased but this lost income has been replaced by the very high demand for pickleball courts ... an excellent example of innovation by Parish staff.

### ***Why is paying off the boiler loan important?***

We have been making substantial regular annual payments of interest and principal on the outstanding boiler loan since the loan was taken out in 2013, and additional payments to reduce the loan have been made when funds permitted. The chart shows the loan progress in recent years. Now that the loan is fully paid off, we will be able to reallocate these funds toward making much-needed facility repairs and improvements.



## Role of the Finance Committee

The goal of the Finance Committee is to faithfully represent parishioners in supporting and advising the pastor and business manager in their stewardship of the parish's financial and facility resources, as they continue to deliver on the church's mission.

If you have any questions which we can answer or comments to make, please contact any of us.

*Fr. Jim Mockler*  
Rector

*Brian Galea*  
Business Manager

*Jay Jeffery*  
Chair, Finance Committee