

# Saint Francis of Assisi Parish Ann Arbor

## Annual Report for Fiscal Year Ending June 30, 2022

### Statement of Activities

Income category	2020/2021 actual	2021/2022 budget	2021/2022 actual	% of total
Offertory donations	\$ 2,098,815	\$ 2,125,000	\$ 2,203,478	38%
Other church income	\$ 794,110	\$ 263,500	\$ 139,116	2%
Faith Formation tuition & income	\$ 67,194	\$ 97,500	\$ 62,569	1%
School tuition	\$ 2,056,339	\$ 2,425,000	\$ 2,328,201	40%
EANS grant income	\$ -	\$ -	\$ 67,651	1%
ETF grant	\$ 226,000	\$ 125,000	\$ 125,000	2%
School clubs & other school income	\$ 306,849	\$ 133,000	\$ 219,373	4%
Child Care tuition income	\$ 227,248	\$ 562,000	\$ 572,451	10%
CCSG grant income	\$ -	\$ -	\$ 135,438	2%
<b>Total income (exclude building)</b>	<b>\$ 5,776,555</b>	<b>\$ 5,731,000</b>	<b>\$ 5,853,276</b>	<b>100%</b>
Expense category	2020/2021 actual	2021/2022 budget	2021/2022 actual	% of total
Church administration and ministry	\$ 1,277,934	\$ 1,257,250	\$ 1,201,609	21%
Plant operation and maintenance	\$ 628,439	\$ 688,500	\$ 675,657	12%
Capital expense	\$ 37,759	\$ 275,000	\$ 59,810	1%
Other church expense	\$ 20,345	\$ 25,000	\$ 17,964	0%
Faith formation expense	\$ 250,183	\$ 272,250	\$ 282,386	5%
School administration	\$ 636,778	\$ 700,000	\$ 709,835	13%
School instructional	\$ 1,843,693	\$ 1,913,500	\$ 1,908,243	34%
School clubs and other school expense	\$ -	\$ 32,000	\$ 71,646	1%
Child Care expense	\$ 216,229	\$ 542,500	\$ 678,162	12%
<b>Total expense (exclude building)</b>	<b>\$ 4,911,359</b>	<b>\$ 5,706,000</b>	<b>\$ 5,605,312</b>	<b>100%</b>
<b>Parish Surplus/(Deficit)</b>	<b>\$ 865,196</b>	<b>\$ 25,000</b>	<b>\$ 247,964</b>	

Key take-aways from the statement of activities above:

- Offertory continues to provide strong stewardship of the Parish's operations and programming.
- School tuition income grew based on enrollment increase over previous year.
- Child care income increased with the addition of a third preschool classroom and the return of afterschool care.
- Saint Francis started to receive grant income from two programs: EANS for the K-8 school and CCSG for the Preschool. This income is broken out separately to see the impact of the grants, which will continue in the next fiscal year.
- Major expense categories are all consistent with the budget.
- Attention for capital expense repair projects has been overshadowed by the construction of the Assisi Center which contributed to the parish surplus.

Kasco, LLC's construction of the Assisi Center project has made steady progress over the past year and the contractor's momentum has been strong over the summer heading into the fall. The approved cost of the project stands at \$7.017 million and we are expected to end up very close to budget. There have been some unexpected issues that have surfaced along the way. Despite a successful appeal to the zoning board to reduce the cost impact of Ann Arbor's new Electric Vehicle Charging Station law, another infrastructure improvement required by the city expanded the scope of the overall project and caused work to start later than scheduled. The schedule delays caused by our water main upgrade, compounded by the sluggish recovery of the global economy, caused escalated cost on some materials that could not be ordered in advance like concrete. Finally, there was some misunderstanding on how sales tax would be handled for construction materials. After quite a bit of input from the Finance Council, the Building Committee, and other subject matter experts within Saint Francis, there were good negotiations between Kasco and the Parish. While all these issues resulted in cost increases to the project, the impact of these increases was mitigated. We expect the project to be substantially completed at the end of March and the certificate of occupancy to be issued by the end of June.

**Statement of Financial Position**

Balance as of:	7/1/2021	6/30/2022	Annual Change
Local operating accounts	\$ 201,804	\$ 257,103	\$ 55,299
Local building project account	\$ 10,000	\$ 398,286	\$ 388,286
Diocesan savings	\$ 749,388	\$ 821,954	\$ 72,566
Hopes and Dreams Fund	\$ 456,580	\$ 576,354	\$ 119,774
Other endowed scholarships/dedicated funds	\$ 231,232	\$ 244,198	\$ 12,966
School clubs	\$ 199,934	\$ 217,210	\$ 17,275
WTH and Building Funds at Diocese	\$ 4,822,911	\$ 4,394,027	\$ (428,884)
SVdP Fund	\$ 61,840	\$ 68,021	\$ 6,181
ETF	\$ 2,923,379	\$ 2,875,856	\$ (47,522)
Other parish assets	\$ 9,021	\$ 38,735	\$ 29,714
<b>Total Parish Assets</b>	<b>\$ 9,666,089</b>	<b>\$ 9,891,744</b>	<b>\$ 225,656</b>
Balance as of:	7/1/2021	6/30/2022	Annual Change
Accounts payable and other short term liabilities	\$ 225,421	\$ 432,154	\$ 206,733
Deferred revenue and other liabilities	\$ 77,501	\$ 164,678	\$ 87,177
<b>Total Parish Liabilities</b>	<b>\$ 302,922</b>	<b>\$ 596,832</b>	<b>\$ 293,910</b>
Unrestricted net assets	\$ 1,700,424	\$ 2,389,882	\$ 689,458
Restricted net assets	\$ 7,662,743	\$ 6,905,031	\$ (757,712)
<b>Total Net Assets</b>	<b>\$ 9,363,167</b>	<b>\$ 9,294,912</b>	<b>\$ (68,254)</b>
<b>Total Liabilities + Net Assets</b>	<b>\$ 9,666,089</b>	<b>\$ 9,891,744</b>	<b>\$ 225,656</b>

The statement of financial position above summarizes how the assets owned by the Parish and the liabilities owed changed during the fiscal year. The report shows assets dedicated to the building broken out separately: there is a checking account dedicated to the payment of construction costs which is replenished from two Parish savings accounts at the Diocese. The decrease in ETF assets was driven by a weakening in the investment market. The losses were nearly offset by a donation of more than \$215,000 from a parishioner's estate. Parish liabilities increased because of the construction payments that are due to the contractor each month in addition to the small amount that is withheld until the project is completed.

Witness to Hope pledges continue to be paid off. Thank you for your generosity! A little over \$500,000 in outstanding pledges remain due so if you could please get them paid by December 31, 2022 it will put the Parish in a position to keep the contractor paid without having to borrow money from the Diocese.

Please send any questions, comments, or concerns to [rkehn@stfrancisa2.org](mailto:rkehn@stfrancisa2.org).

Respectfully,



Robert Kehn, CMA  
Parish Business Manager