

Message from Chairman Finance Committee

Alexandra Parish

12 Nov 2023

The most recent financial reports for the Alexandra/Roxburgh parish areas have just been released.

They contain a lotto take in and it is easy to get bogged down in the detail and lose sight of the big picture.

So, as chairman of the finance committee and as the administrator of the planned giving scheme Fr Sani has asked that I give my insights, hopefully in a simplified form.

As you may know, virtually all the parish income comes from parishioners' donations through the planned giving scheme.

It is a good system that produces reliable and predictable income arising out of our parishioners' generosity.

75% of all that income derives from regular automatic online contributions while the rest comes in the plate on Sunday.

About half on the plate income comes from those who still choose to use envelopes and the other half from anonymous cash.

The advantage of automatic payments is that they are set and forget and the income keeps coming in.

The disadvantage is that we actually do tend to forget about it and don't review our contributions often enough.

Having said that, our donor numbers have reduced by about 20% over the past three years (mostly from older folk who have passed away) but we have still maintained a steady income.

This implies that at least some of our donors are good at reviewing their gifting.

The income we receive has remained quite steady, in the order of \$70k per annum for the last three years.

This might sound like a tidy sum but to put it into perspective it is no more than the income of two pensioner couples who have no income other than the pension.

The parish therefore lives frugally, there is no extravagant spending, in fact one could argue we should be spending more on the likes of maintenance of an aging church building or on winter heating as examples.

Frugal living or not I think we are a privileged parish.

Our predecessors were wise and generous and we have inherited a debt free parish.

Many parishes are not as fortunate. I would hate to be remembered as part of the generation who were the first to see that change. Perhaps you feel the same.

On the other side of the coin where there is good and generosity the devil lurks not far away.

The tool he uses is inflation and this has caused the costs of running the parish to rise to the extent that last year, for the first time I know of in recent years, we have suffered a deficit.

The figures are not yet in for the current year but I can't see it will be any different.

Costs have increased in the order of \$5000 per annum for the last three years while our income has remained static.

We should expect cost rises to continue.

Like death and taxes there is nothing more certain than continuous rises in operational costs in any endeavour.

We have little control over our costs as the majority of them are fixed and non discretionary, big ticket items, such as rates, insurance, heat/light and power and vehicle, the same sort of expenses all of us face in daily life.

Small reserves, arising from our frugal living in past years, insulate us from small deficits like this in the short term but we will have to be vigilant in the medium to longer term and sooner rather than later we will have to increase income, or cut our cloth, so to speak.

Don't be alarmed though, we are not in crisis and have time to adjust but we must not dally.

We must be proactive.

In the short term I suggest you all consider 2 main things.

Think carefully about all the benefits the parish affords you in your daily life and think about how much you truly value all those things and how much you would miss them if they were not there.

In considering that, think about how much the financial contributions you currently make are consistent with that value, particularly considering how inflation has eroded the spending power of your contributions since you last reviewed them.

While thinking about this, might I suggest there is one small part of the financial report that is worth some detailed scrutiny.

Fr Gerard Aynsley, the diocesan financial administrator, writes just a couple of paragraphs entitled "A thought about our parish giving".

A careful read of this should further assist you in your thinking on this subject.

It is three years since I last spoke to you all on this topic and the outcome made me proud to be part of this parish community. We have been through three tough years of economic gloom and a global pandemic and are only now just starting to feel the financial strain.

If you are honest in your assessment of your own gifting, under the watchful eyes of your lord, I am sure you will again find it in your hearts to do the right thing and thus prevent the parish heading off down the road into debt.

Without wishing to predetermine how much value you personally place on your parish please allow me to guide you with one final perspective on the scale of the issue.

We are not talking about individual large sums of money here.

If, for example, everyone who now contributes, was to forgo a cup of coffee a week and added it to their current contributions (the saved money I mean, not the coffee) the Parish income would increase by some \$20,000 a year.

It would then be some time, perhaps another three years, before we would need to have this conversation again.

Phil Peguero

Finance Committee Chair