



October 27, 2018

RE: Annual Financial Report to the Faithful

Dear Parishioners,

Last October I shared the parish's financial budget for the 2017-18 fiscal year as developed and approved with the assistance of the *Parish Finance Council*. I am now reporting the actual financial results of the 2017-18 fiscal year. The report is located on the back, and compares actual financial results to the budgeted amounts for the 2017-18 and the 2018-19 year. It also lists the current balance of our financial accounts as of June 30, 2018. On the right side of the report are the totals of one time income and expenses from the 2017-18 fiscal year. Those items are single time occurrences rather than a part of regular parish operations.

One year ago, I was pleased to report the parish operated at a surplus balance of \$109,755., but due to unexpected expenses, and a lack of bequests and large one-time donations as found in the previous year, St. Isidore is ending this fiscal year with a negative balance of \$63,326.63.

There are two primary reasons which account for the deficit. We installed our solar system and therefore budgeted lower PG&E bills. However, PG&E delayed the hookup by 6 months. This resulted in simultaneously paying high power bills while beginning to pay off the diocesan solar loan. On the sunny side (always good with solar panels), there is good news. Since we paid \$200,000 up front for the project, the remaining solar loan of \$303,174.34 could be paid in full in 5 to 6 years. With the loan paid off early, we would be looking at savings of \$50,000 or more annually on utilities.

Another large unexpected expense last year was much needed support for St. Isidore School. The Parish provided an extra \$76,000 over and above the school monthly second collections. The school is growing and fulfilling an important ministry in our parish by providing our children an excellent academic and religious education, but they need the support of parishioners in nurturing our young people.

Finally, you are well aware that our facilities are aging and deteriorating. We are at a crossroads in how to be financially prudent in repairing and updating our Church and facilities. Do we continue investing in maintaining deteriorating buildings or consider replacing them? Either way, St. Isidore is in need of your continued and increased support through Sunday collections and your gifts of time, talent, and treasure.

Thank you for your loving and generous gifts during the past year. You are the heart of St. Isidore parish as Christians and community members. I am confident that we will meet the coming needs of the parish as we strive to respond sacrificially to God's call for good stewardship of the gifts He has bestowed on each of us.

May God, who is never outdone in generosity, continue to bless you.

Sincerely in Christ,

Rev. Avram Brown  
Pastor