

Saint Teresa of Calcutta Parish

17856 NE Woodinville Duvall RD, Woodinville, WA 98077 • (425) 806-8096 • www.blessedteresa.org



Fiscal Year 2017-2018 Annual Report

October 2018

Parishioners, Staff, and Father Frank,

The members of the Finance Council, Parish Council, and parish staff are very pleased to share this annual report for our full fiscal year ending June 30, 2018. This past year we continued to experience parishioner growth, consistent giving from our parishioners, and solid financial performance.

In addition, there are great things happening across our ministries, and we have attempted to highlight many of these things so you as our parish community gains a better understanding of the fruits of our time, talent and treasure.

Lastly, we are excited to have begun construction on additional classroom space and an expanded social hall, and we thank you for your contributions as part of our latest capital campaign.

The next few pages provide a summary of our parish ministries and parish finances, followed by an appendix containing financial statements and information on our FY'18-FY'19 budget.

Highlights from Our Various Ministries

Children's Faith Formation:

Infant Baptism

- 37 children were baptized in the 2017-2018 year.
- In fall of 2017, we introduced a new infant baptism preparation program, implementing a new curriculum and forming a team to facilitate it.
- In addition to being doctrinally sound, the new curriculum offers the opportunity to welcome families into the life of the Church through hospitality and inclusion in the parish community.
- We now have eight facilitators on the team, up from only one person working with the program in the 2016-2017 year, and the team has done a fantastic job, not only in helping parents understand the importance of baptism and their role in the continued formation of their children's faith, but also in making parents feel welcome and connected to our parish.

First Communion

- 45 children received their first Communion on May 12, 2018.
- Our catechist team for our first Communion program grew from four members to six in the 2017-2018 year, allowing us to shrink the size of the children's small groups and creating a more engaging experience for the children.
- The new curriculum we moved to in the 2016-2017 year is still producing good feedback from parents, as is the parent portion of the program that we also added that year.

Saint Teresa of Calcutta Parish

17856 NE Woodinville Duvall RD, Woodinville, WA 98077 • (425) 806-8096 • www.blessedteresa.org



- Parents have told us they are enjoying the opportunity to learn about and discuss their faith at an adult level and with other adults during the parent sessions of the program.

Vacation Bible School

- Due to construction we were unable to have Vacation Bible Camp in the summer of 2018, but we had 70 children in our camp for the Summer 2017 program. This is up from the 59 children we had in the Summer of 2016, and it maxed out the capacity of our current space. We are looking forward to being able to expand into the new classrooms next summer!

Youth Ministry:

It is easy to see that God is doing great things through the youth here at Saint Teresa. Our numbers are constantly growing, but more importantly the teens who are coming are growing deeper in their Catholic Faith and deeper in their personal relationship with Jesus.

Here are some of the highlights from the past year:

- Our Life Teen Program has grown from 12 students regularly to 35 students
- Our Edge programs has grown from 20 to about 35 as well.
- Our first mission trip to Los Angeles in 2017 had 9 people, this year our LA mission trip had 22 people
- The middle school mission trip had 12 people last year and had 25 this year
- We have now gotten to the point where we rent a bus for every event we do, because we have around 50 teens signing up for things like Insanity Night and Thomas Family Farms.
- A different teen service project is offered every month, and these projects have become very popular and loved. As one example, last month we had 20 teens make sandwiches then deliver them and talk with the men and woman at the Lazarus House shelter in Seattle.
- Confirmation is consistently staying strong and teens are diving into their faith through the program

Thank you to such a generous and supportive parish that elevates and encourages their teens to live authentic Catholic lives.

Adult Faith Formation:

Bible Study

- In fall of 2017 we were able to add a Tuesday morning Bible study in addition to the Thursday evening study. This study proved popular and will be continuing to meet in the 2018-2019 year.

Saint Teresa of Calcutta Parish

17856 NE Woodinville Duvall RD, Woodinville, WA 98077 • (425) 806-8096 • www.blessedteresa.org



Adult Confirmation

- Our 2018 adult Confirmation class wasn't very big, but it's been a pleasure to see the members of the class become more actively involved in the parish after their Confirmation. We've had several catechists for both children and youth faith formation come out of the class, and we're seeing their children participating regular in our formation programs now.

FORMED.org

- We began a subscription to FORMED.org in the summer of 2017. This service provides free high quality Catholic media and education tools to our parishioners.
- We've also found the programs offered through FORMED.org very helpful in many of our Sacramental Prep programs, including First Communion, RCIA, and adult Confirmation.

African Ministries:

God continues to bless us with children and supporters of the parish's Program to provide an education and a safe, spiritual and loving environment for the children. In this 12th year of the program it continues to grow each year and provide an opportunity for all of us to walk the gospel as we help some of God's children. These children are those that Saint Mother Teresa would call the "poorest of the poor". This year we have been fortunate to:

- Begin construction of a new church that will seat 500 orphans in Nyumbani Village in Kenya. The construction is well on its way and will be completed in October or November of 2018.
- Add 15 additional children to the program at St. Agnes Orphanage in Tanzania. These children range from pre-schoolers to high school children.
- Add 2 additional children in Nyumbani Village to the college portion of the program.
- Fund the building of 2 commercial type greenhouses to provide nutritious food for our children at Nyumbani Village. These greenhouses are now under construction in the large multi-acre garden at the Village.
- Complete the second year of our well-received "Child of the Month" program that helps our parishioners learn about the children in their Program.

There are many other ministries in our parish that are a blessing to our community, such as St. Vincent de Paul, Music Ministry, Liturgical Ministry, Homebound Ministers, Office Volunteers, Maintenance Volunteers, and the list goes on. We want to especially thank all our parishioners for the contributions of their time and talent.

Saint Teresa of Calcutta Parish

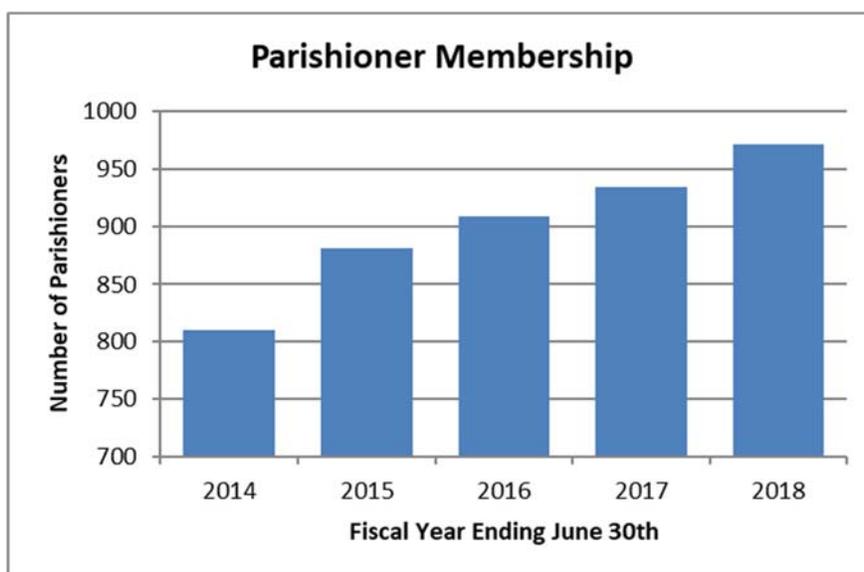
17856 NE Woodinville Duvall RD, Woodinville, WA 98077 • (425) 806-8096 • www.blessedteresa.org



Parish Membership and Tithing Trends

As of June 30th, we have **971** registered members, which reflects a 4% growth versus last year.

As our parish continues to attract new members, we'd like to extend another hearty welcome to newcomers to join our parish family by registering as parishioners of Saint Teresa of Calcutta Parish.



Total collections for the fiscal year were \$1,125,330, down 1% from last year but still slightly ahead of our budget. In any given month, between 44% and 50% of registered members tithe something, and the average monthly tithe is \$180. In addition, during the fiscal year we received \$708,553 in pledges as part of the Forward in Faith – Growing Together campaign.

This is strong participation but is also a reminder to all parishioners to consider contributing to our parish in some way as part of our Time, Talent, and Treasure stewardship campaign.

Saint Teresa of Calcutta Parish

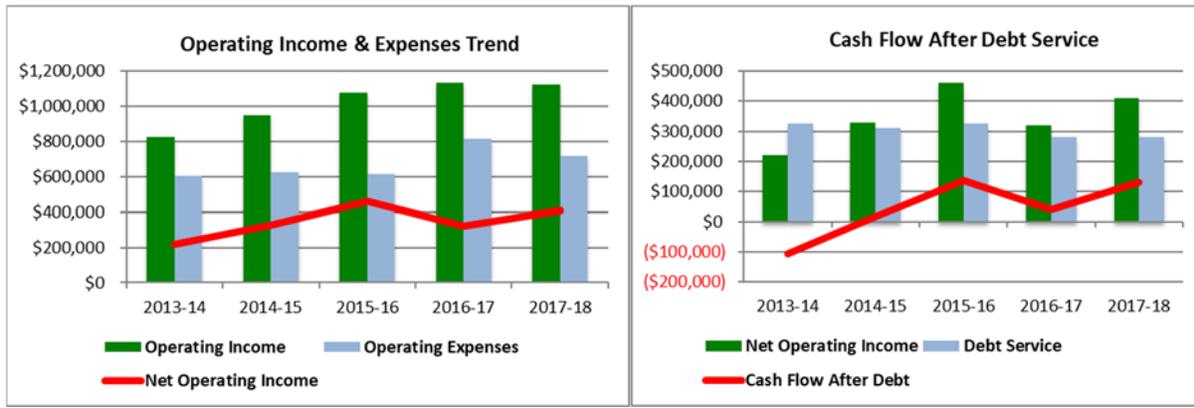
17856 NE Woodinville Duvall RD, Woodinville, WA 98077 • (425) 806-8096 • www.blessedteresa.org



Operating Income and Expenses

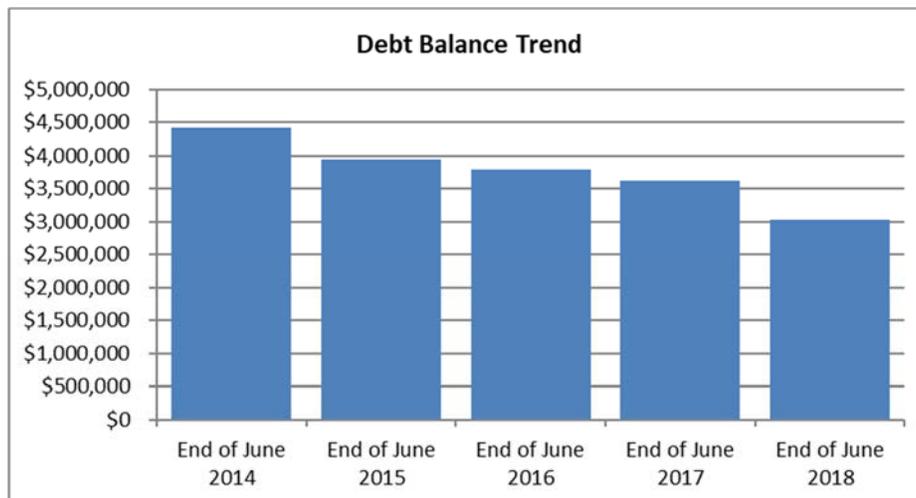
Total operating income for July through June was \$1,125,330; down 1% from last year. Operating expenses before debt service were \$715,443; down 12% from last year due to a decrease in church campus expenses such as landscaping and watering and a year-on-year decrease in professional services expenses. This resulted in a net operating income of \$409,887 before debt service.

The two charts below shows a multi-year trend of our annual operating income and expenses before debt service, and a trend of our cash flow after debt service. For more details on our income and expenses, please see the table included in the appendix of this report.



Debt Balance

As a recap from prior years' reports, in order to fund the building of our church we received two loans from the archdiocese. We were able to pay off the \$1.2M bridge loan in the spring of 2015 due to pledge receipts from our past capital campaigns, and now are paying interest and principal on the base loan, which was originally \$4M. As shown in the debt balance trend chart below, during this last fiscal year we were able to pay down over \$500K of debt, so that our debt at the end of June 2018 was \$3.0M, down from \$3.6M a year ago.



Saint Teresa of Calcutta Parish

17856 NE Woodinville Duvall RD, Woodinville, WA 98077 • (425) 806-8096 • www.blessedteresa.org



Update on Our Latest Capital Campaign and Church Construction

We saw changes to the parish property as soon as we finished the fiscal year. The construction team started the expansion project on June 25th, a little ahead of schedule with the goal of completing on time for Christmas.

The expanded social hall and class room space will be a welcome addition to our parish community!

The best news on the project is that currently we are ahead of schedule and under-budget, and as we get closer to project completion, most of the contingency risks associated with the project have not been realized.

By the end of September, the current wall separating the current social hall from the expansion will come down. As the interior work is completed, the social hall will be inaccessible, however, the updated space will tie in the overall architecture and Pacific Northwest feel of our parish.

While not part of the original plans, you may be aware that starting in October, a bell tower will be added to the church property. This additional project scope was made possible by a very generous donor. We are most appreciative for this gift and addition to St. Teresa of Calcutta Parish.

Financially, the capital campaign – Forward in Faith Growing Together – which made all of this possible remains very successful. As of the end of the fiscal year, 69% of pledges have been paid to the campaign. Not only is this allowing us to not take on additional debt for the project, but your commitment allowed the Finance Council to pay down an additional \$500,000 of our original loan prior to construction commencing.

The table below summarizes our sources and uses of funds associated with this.

Sources of Funds		Uses of Funds	
Capital Campaign Pledges	\$1,500,000	Project costs	(\$1,800,000)
Cash Reserves from Operations	\$800,000	Debt Reduction	(\$500,000)
Total Sources	\$2,300,000	Total Uses	(\$2,300,000)

Highlights of our 2018-2019 Budget

The 2018-2019 budget is shown on the last page of this report. Some of the highlights include:

- Budgeted income growth of about 1%, based on the assumption that our parishioner growth is leveling out, and assuming roughly consistent giving
- Budgeted expenses will increase by about 22%, or \$63K, year-on-year, driven by the following factors:
 - An increase in Facilities expenses related to the need to re-stripe and re-seal the parking lot, as well as some repairs needed on the rectory.
 - A year-on-year increase in Administrative expenses of about 62%, or \$65K, year-on-year due to an increase in our parish assessment fees. This is because for the last five years, we received a discount on our assessment fee because we built a new church, but effective this year that discount period is over and our assessment fees have increased.
- These changes result in a net operating income of \$258K, and slightly negative cash flow projected for the year after debt service.

For any questions on the budget, contact the members of the finance council listed below.

Saint Teresa of Calcutta Parish

17856 NE Woodinville Duvall RD, Woodinville, WA 98077 • (425) 806-8096 • www.blessedteresa.org



Summary

As summarized in this report, our parish is in good, stable financial condition, and we are able to fund a variety of ministries to build and serve our community. We are excited to be able to complete the construction on our expanded social hall, expanded classroom space, and new bell tower in the next year.

Thanks to you – our parish community – for your ongoing commitments of your time, talent, and treasure, and please prayerfully consider your contributions as part of our annual stewardship campaign.

In addition, we would like to extend a special thanks to Chris Yetman and Ruth Anderson, who have served on the finance council in the past year and have helped us get to this point.

If you have questions about the contents of this report, please contact any of the finance council members listed below, or the appropriate ministry contact as listed in the weekly bulletin.

Andrew Steinbrecher (Chairman)

andrew.steinbrecher@gmail.com

Kathryn Foreman

kathryn.anne.foreman@gmail.com

Eric Bassier

ebassier1@yahoo.com

Joe Schick

joeillini84@aol.com

Mike Rice

mikericeseattle@gmail.com

Bob Simpson

bullelksimpson@msn.com

Terry DePolo

terry.depolo@gmail.com

Father Frank

frschuster@saintteresacalcutta.org

Saint Teresa of Calcutta Parish

17856 NE Woodinville Duvall RD, Woodinville, WA 98077 • (425) 806-8096 • www.blessedteresa.org



Detail – Operating Income and Expenses, FY'18-19 Budget

The table below shows a multi-year trend of income and expenses, as well as our 2018-2019 budget.

Income	FY14-15 Actuals	FY15-16 Actuals	FY16-17 Actuals	FY17-18 Actuals	FY18-19 Budget
Regular giving	513,243	552,902	549,486	551,822	562,859
EFT	363,151	437,116	485,836	500,528	510,539
Holy Days	24,946	25,892	14,128	28,759	29,334
Liturgy Donations & Stipends	3,410	9,390	8,580	13,645	9,600
Interest Income - PRF	11,719	9,616	17,846	20,217	17,100
Misc. Revenue	3,476	3,153	3,750	4,132	4,400
Annual Appeal	31,161	39,943	55,791	6,229	0
Total Revenue	951,106	1,078,011	1,135,418	1,125,330	1,133,832
Staff	239,501	241,539	270,933	306,602	336,560
Ministry	146,747	149,710	274,934	174,645	176,824
Facilities	104,721	122,738	181,882	128,790	191,642
Administrative	132,671	102,791	87,414	105,406	170,814
Total Expense	623,641	616,777	815,163	715,443	875,840
Net Operating Income	327,465	461,234	320,255	409,887	257,992
Principal payments on Rectory	(5,436)	(4,951)	(5,382)	(5,465)	(5,716)
Debt Service - Interest Expense	(268,697)	(269,005)	(214,948)	(196,527)	(177,269)
Principal Paydown on \$4M	(42,629)	(56,007)	(65,867)	(84,205)	(103,214)
Total Debt Service	(316,762)	(329,962)	(286,197)	(286,197)	(286,199)
Cash Flow After Debt Service	10,703	131,272	34,058	123,690	(28,206)