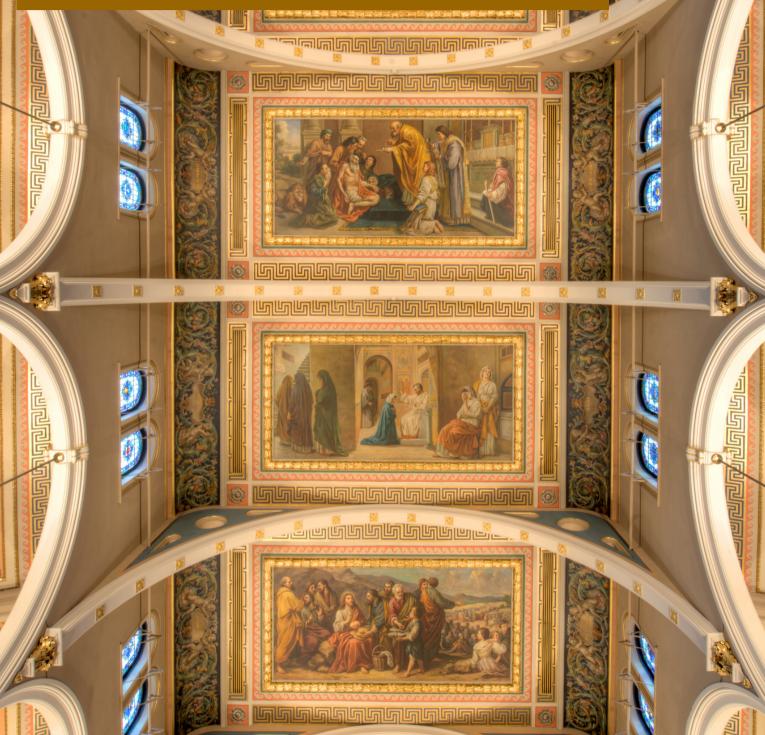
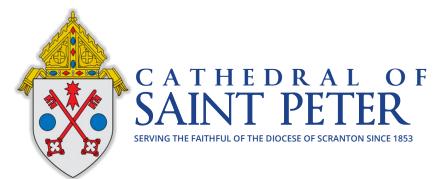
SAINT PETER THE ANNUAL REPORT 2023

Five-Year Financial Trend



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January 13, 2024

Dear Cathedral Family,

I hope that your Christmas celebrations were a time of rest and enjoyment as we celebrated Christ's birth into our world. Additionally, I hope that the beginning of 2024 is a time of hope and optimism for each of you. As we begin a new year, I want to take an opportunity to provide a brief update on finances here at the Cathedral of Saint Peter. The Diocese of Scranton requires each parish to publish a statement of a five-year financial trend. Accompanying this letter is a document that shows the financial trends for the Cathedral Parish for the previous five years, which includes the impact of the PPP loans from 2020 and 2021 and the remaining unfunded diocesan assessments.

For the fiscal year ending June 30, 2023, we concluded with an operational deficit of \$36,848.35. This might sound like bad news. However, as we anticipated the ongoing impact of inflation, additional administrative expenses and necessary capital expenditures, the actual projected deficit was expected to be \$142,274.00, outperforming our budget by over \$100,000! In addition, we also reduced our diocesan liabilities by \$30,000. Considering all of the financial headwinds that came our way, we fared pretty well.

How? First, your response to *Cathedral Mission Forward* in March resulted in an *increase* in offertory income by \$49,972.17 from the previous fiscal year. Second, careful monitoring of our expenses allowed us to minimize the impact of inflation as much as we were able and, frankly, a mild Winter season didn't hurt! Third, many friends of the Cathedral continued to show their generosity through gifts-in-kind to help offset the costs of various projects that needed to be addressed. Finally, the efforts of fundraising through the *Cathedral Bingo*, the *Night at the Races* and other fundraising events allowed us to make significant progress to close the deficit gap in our budget. In short, we survived the previous fiscal year because we all rolled up our sleeves and made it work.

For fiscal year 2023-2024, we are anticipating a deficit of \$66,923. We are taking a very cautious approach to administrative expenses this year and projecting the need for additional capital investment in our historic and beautiful buildings. Additionally, this budget includes an expansion of ministerial programming as well as provision for a reduction in diocesan liabilities by an additional \$30,000. To address our projected deficit, I have formed a task force from our finance council to examine our operations and propose solutions for ongoing cost saving measures. I am confident that responsible oversight of parish administration combined with your continued generosity will allow us to close the gap in our budget.

Know that I am grateful for your incredible generosity, which continues to have an impact on the mission of our parish. Be assured of my continued prayers.

Sincerely in Christ,

Rev. Jeffrey D. Tudgay, J.C.L. Pastor and Rector



Parish Financial Report St. Peter's Cathedral - Scranton						
	TREND ANALYSIS					
		Fiscal Year July 1 - June 30				
		2023	2022	2021	2020	2019
Revenue						
Collections		516,675	466,703	417,453	418,926	417,887
Faith Formation Fees		-	-	-	-	
Fundraising/Development		144,908	102,456	113,947	49,739	39,232
Other Income		29,006	36,983	21,442	29,703	27,218
Designated Income/Grants/PPP Loan		202,000	175,500	162,000	162,000	148,500
Transfers Savings Account/Other		-	59,820	61,300	-	-
Diocesan Special Collections		18,881	25,456	14,315	23,331	27,567
Total Revenue	-	911,470	866,918	790,457	683,699	660,404
Expenses						
Administration		275,930	222,389	212,121	216,442	217,083
Rectory		191,342	130,520	134,280	115,367	122,322
Liturgy		205,910	130,320	129,063	132,407	151,206
Faith Formation		203,910 666	140,037 307	306	132,407	1,015
Social Justice		3,984	6,401	3,215	2,449	3,165
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Operation & Maintenance of Plant		84,601	71,181	62,298	64,761	58,838
Fixed Expense		49,809	46,907	45,338	43,846	42,018
Debt Service		-	-	-	-	2 5 0 2
Capital Outlays			38,879	-	8,144	2,502
Designated Expenses /Transfers Out		9,350	306		-	-
Catholic School Assessment		107,880	101,208	99,178	50,400	35,000
Diocesan Special Collections Remittance		18,845	24,812	13,704	23,388	28,441
Total Expense	-	948,319	788,968	699,503	657,310	661,590
Parish Surplus/(Deficit) - CASH Basis		(36,848)	77,950	90,954	26,389	(1,186
(Increase)/Decrease in Unpaid Diocesan Obligations	**(SEE NOTE)**	28,127	36,972	29,476	(16,655)	(46,259
Actual Parish Net Surplus/(Deficit)		(8,721)	114,922	120,430	9,734	(47,445
NOTE						• •
Outstanding Diocesan Obligations could include: Dioces	an assessments, Schoo	l assessmen	ts, health in	surance, sel	f-insurance,	,
pension and other expenses.						
End of Year Unpaid Diocesan Obligations		69,121	97,248	134,220	163,696	147,041
Beginning of Year Unpaid Diocesan Obligations		97,248	134,220	163,696	147,041	100,782
(Increase)/Decrease in Unpaid Diocesan Obligations		28,127	36,972	29,476	(16,655)	(46,259
Diocesan Loan/Debt		N/A	N/A	N/A	N/A	N/A

Understanding Your Parish Financial Report

Revenue

- Collections include all offertory envelopes, online giving and loose collections, including for holidays, Holy Days and any special collection (flowers) envelopes.
- Faith Formation Fees include all registration and program fees for both faith formation and adults programs.
- Fundraising/Development includes any gifts or donations that are not regular parish offertory, bequests and memorials, parish activities (dinners, picnics, bingo, lottery, etc.), donations from parish societies and any parish rebate from the Diocesan Annual Appeal (75% over goal is refunded to the parish).
- Other Income includes rental of facilities, insurance refunds, interest income, sale of assets, funeral/wedding perquisites or any other income.
- Designated Income/Grants/PPP Loan includes donations or grants specifically earmarked for a designated purpose, reimbursements from linked parishes to help cover expenses and any Paycheck Protection Plan grant income.
- Transfers Savings Account/Other includes transfers from bank accounts that are excluded from operating income or have already been reported as operating income.
- Diocesan Special Collections are special collections (Care & Education of Priests or Emergency collections following a natural disaster) which get remitted back to the Diocese.

Expenses

- Administration includes clergy salary and benefits, office staff salary and benefits, administrative expenses, telephone, computer services, postage, printing, envelopes and the Cathedraticum (9.5% parish assessment to the Diocese) and Clergy Care and Wellness Assessment.
- Rectory expenses include the costs to run and maintain the rectory, as well as household expenses for the pastor(s).
- Liturgy includes salaries and benefits for musicians and liturgical staff including directors, musicians and sacristans. This also includes all liturgical equipment and supplies (printed materials, candles, flowers, decorations, etc.)
- Faith Formation includes salaries and benefits of faith formation director and staff, including family and/or youth director. This also includes the cost of all textbooks and supplies, retreats, etc.
- Social Justice includes all social justice salaries and benefits, as well as the cost of all social justice expenses.
- Operation & Maintenance of Plant includes salaries and benefits of all maintenance staff. This also includes the occupancy costs of the parish buildings, including electricity, heat, water, cleaning, janitorial, repairs and maintenance, and any plant and maintenance supplies.
- Fixed Expense includes insurance premiums from the Diocesan self-insured program for property, liability and workers compensation, real estate taxes (if any) and rental of facilities.
- Debt Service includes the interest and principal payments paid on outstanding parish debt.
- Capital Outlays includes any major repairs on the parish building or site or any new construction costs.
- Designated Expenses/Transfers Out includes all expenses designated for a specific purpose (i.e., food pantry) or transfers out to savings/building fund.
 Catholic School Assessments paid are included here. These represent the parish's portion allocated for the support of the Diocese of
- Scranton Catholic School System which are 14.5% for a parish with a Catholic School in its county and 8% if there is no school in its county.
- Diocesan Special Collections Remittance are the remittals of the Diocesan collections above.

Parish Surplus/(Deficit) - CASH Basis

• This line represents the **increase** or **decrease** in parish cash balances from the beginning of the year to the end of the year on a **CASH BASIS** based on actual expenses paid.

(Increase)/Decrease in Unpaid Diocesan Obligations

• This amount represents the change in the parish's **unpaid obligations** over the year. If there is an **increase** in unpaid obligations, this number will be **negative**. If the parish **reduced** its unpaid obligations, this will be a **positive** number.

Actual Parish Net Surplus/(Deficit)

• This value is the sum of the Parish Surplus/(Deficit) and the (Increase)/decrease of Unpaid Diocesan Obligations. The cash balance represents the net effect of operating activity on a cash basis. If a parish is current on all of its obligation, there would be no difference between the Cash and ACTUAL Parish Net Surplus/(Deficit). However, if a parish is unable to stay current on its obligations, the increase of unpaid obligations will reduce their CASH Basis Net Surplus/(Deficit) by the amount of the increase in unpaid Diocesan obligations.

This Actual Parish Net Surplus/(Deficit) reflects a parish's true ability to pay its current obligations.

Outstanding Diocesan Obligations

• This section highlights the change in a parish's unpaid Diocesan obligations over each fiscal year. If a parish has an increase in unpaid obligations for the year, this will result in a lower Actual Parish Net Surplus/(Deficit) as these are an annual obligation of the parish that was not paid in the current year.

Diocesan Loan/Debt

• This is the amount of outstanding loans of the parish.