

The Case of the Parish Fiesta



- Based on the *Parish Budgeting Manual*, Archdiocese of Los Angeles (1996)

Charles Cowan

- Finance Council Member.
- Accountant selected by Father Chavez.
- Ran the hamburger stand at the fiesta.



N: Budget Final Draft

Table N: Parish Budget Final Draft Worksheet			
<u>Tables</u>	<u>Expense Categories</u>	<u>Amount</u>	<u>% Expenses</u>
D, E, F	Payroll	622,390	50%
H	Fixed Expenses	249,169	20%
I	Operating Expenses	225,119	18%
J, K, L	Ministries/Organizations	59,678	5%
M	Capital Expenses	91,949	7%
Total:		1,248,305	100%

Insights from Table N



- Charles noticed that payroll expenses were 50% of the parish budget.
- Discretionary (“Ministries/Organizations”) expenses were only 5%.

J: Discretionary Expenses

Table J: Discretionary Expense Worksheet						
Account Number	Description	Actual (2 yrs ago)	Actual (last year)	Budget (this year)	Projected (this year)	Budgeted (next year)
572210	Airfares	1,280	1,448	1,700	2,500	2,900
572240	Other Travel	1,589	1,687	1,655	1,700	1,750
572320	Annual Conventions	790	2,798	2,500	2,200	2,200
572330	Staff Development	1,589	1,214	1,500	2,200	2,500
572350	Other Meetings					
573019	Books and Periodicals	1,319	1,299	1,400	1,350	1,300
574043	Religious Ed. Program Exp.	16,870	17,669	19,000	18,000	20,000
573064	Goodwill	587	621	700	650	700
573067	Literature	1,546	1,987	2,300	2,000	2,200
573090	Donations	589	612	750	700	800
573099	Other Expenses	324	441	550	500	600
574550	Parish Programs/ Ministries	17,593	19,711	22,000	21,000	23,000
574750	Transfers to School	0	1,688	1,500	1,000	1,728
	Totals:	\$44,076	\$51,175	\$55,555	\$53,800	\$59,678

Insights from Table J



- Table J didn't even indicate that the parish had a fiesta.
- The fiesta yields parish income, but there was no record of the expenses of the fiesta.

Reflection by the Finance Council



The fiesta involves considerable expenses:

- the rental of booths and equipment,
- the purchase of food supplies,
- security, and
- cleanup afterwards.

K: Last Year's Fiesta

Table K: Event Budget Worksheet					
Ministry: Parish Fiesta, May 19-20					
<u>Income</u>			<u>Expenses</u>		
Date	Source of Income	Amount	Date	Reason for Expense	Amount
20-May	Food stands	17,426	17-Apr	Food expense	8,302
20-May	Amusement Rides	13,889	21-Mar	Equipment rental	5,241
20-May	Game booths	12,886	12-Mar	Sound system	466
20-May	Raffle ticket	832	12-Apr	Security	3,655
20-May	Book sale	934	15-Mar	Cleanup	1,254
	Total Income:	\$45,967		Total Expense:	\$18,918

What Table K Revealed



- At last year's Fiesta, the income outweighed expenses.
- This year the parish accountant had not listed the fiesta among the "Discretionary Expenses."

A: Five Year Income History

FIVE YEAR INCOME HISTORY							
Part 1: Ordinary (Unrestricted) Income							
Account #	Description	2019	2020	2021	2022	2023	Average
Collections							
470216	Envelopes	351,325	314,664	321,501	345,235	354,449	337,435
470217	Plate	162,990	115,004	128,335	165,997	170,035	148,472
470218	Holy Days	8,465	7,555	8,354	9,008	12,672	9,211
470219	Easter	45,336	36,998	41,365	42,002	48,336	42,807
470220	Christmas	66,365	57,987	61,011	63,336	69,889	63,718
Donations: Sacraments & Services							
470206	Baptisms	3,465	3,879	4,265	4,002	4,868	4,096
470215	Candles	2,547	2,656	2,700	2,556	2,997	2,691
470239	Funerals	5,336	5,887	6,006	5,768	6,354	5,870
470244	Literature	1,008	1,300	1,403	997	1,467	1,235
470247	Marriages	24,667	20,889	21,167	24,968	25,209	23,380
470253	Societies	15,979	15,609	16,079	16,112	16,308	16,017
470255	Quinceaneras	14,667	14,978	14,996	14,709	15,011	14,872
Fund Raising							
470227	Bingo	39,089	9,300	19,598	35,733	39,886	39,521
470233	Fiestas	58,500	0	0	58,901	59,204	58,571
Other Income: Specify							
472305	Property Rental (Net)	43,308	43,308	43,600	43,600	43,600	43,483
472501	Sale of Property	0	0	0	42,500	0	8,500
472601	Sale of Securities	0	0	0	0	0	0
474040	Miscellaneous Income	23,487	25,978	22,809	27,555	25,408	25,047
Total:		866,534	764,816	790,615	906,979	895,693	844,927

What Table A Revealed



- Covid reduced the parish income. There was no Fiesta in 2020 or 2021. Even afterwards, the income from the fiesta did not grow.

Stagnant Fiesta Income



- Parishioners had not raised fiesta prices.
- Fiesta organizers did not publicize the event except through the parish bulletin.
- Fiesta organizers never tried to envision a larger or more successful fiesta.

What the Tables Revealed



- Because it showed a profit, the fiesta was not listed as a “Discretionary Expense” (Table J).
- There was, however, an “Event Budget” (Table K).
- The income from the fiesta (Table A) was flat.
- The fiesta could potentially earn more for the parish.

