



NATIVITY
OF OUR LORD

ANNUAL REPORT

Fiscal Year Ended June 30, 2023



Dear Parishioners,

In this report you will find the financial statement for the year concluded in June 2023. I invite you to read it, particularly the financial discussion and analysis, to understand more in depth about the Church and School operations and the outlook for the current year. You will also find there how we allocated the 10% of what we received to charity.

I am grateful to all of you who have responded to God's invitation to exercise your stewardship of treasure. This has supported the work of sanctification and teaching of our people and evangelization and charity done by our community. It has also strengthened our funds, which will be needed for the renovation of our building in the very near future. I am also grateful to everyone who contributed to the fundraising for our school, which has again secured its sustainability. May the Lord reward you in Heaven, and here on earth, through his Providence and through the joy of seeing the fruits of giving!

You will read that the growth in offerings seen in the past years has flattened. The reserves accumulated cannot bring us to settle our hearts in giving, considering also the future needs as previously mentioned. This stagnation in offertory may be a call to be faithful to giving; and if you have never given, please welcome the invitation of the Lord: "Give, and it will be given to you: good measure, pressed down, shaken together, and running over, will be given to you."

Let us bless the Lord for His care for us and for honoring us to be His stewards.

Fr Emanuele Fadini, F.S.C.B.

Pastor, Nativity of Our Lord

Statement of Activities

REVENUE

<i>Church</i>	<i>Year ended June 30, 2023</i>
Offertory (General & Special Needs)	\$ 2,585,900
Gifts & Bequests	92,500
Program Income	33,500
Archbishop's Catholic Appeal Rebate	68,300
Votive Candle Offerings	8,600
Interest	29,000
Other	2,300
Total	2,820,100

School

Tuition & Fees	2,242,500
Fundraising & Gifts	456,600
Grants & Scholarships	241,000
Program Income	23,100
Total	2,963,200

Total Revenue	\$ 5,783,300
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EXPENSES

<i>Church</i>	
Personnel Related Expenses	1,438,100
Program, Liturgical, & Administrative	409,800
Archdiocesan Assessment Fees	306,300
Charity	212,100
Facilities Maintenance	160,900
Total	2,527,200

School

Personnel Related Expenses	2,328,100
Facilities Maintenance	257,900
Program & Administrative	96,600
Books & Classroom Supplies	53,500
Total	2,736,100

Total Expenses	\$ 5,263,300
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Revenue over Expenses	\$ 520,000
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Capitalized Costs Not Listed as Expenses

School	\$ 61,600
Church	\$ 15,500



Statement of Financial Position

ASSETS

<i>Cash & Cash Equivalents</i>	<i>Year ended June 30, 2023</i>
Operating Accounts	\$ 3,586,500
Savings & Investments	975,000
Special Needs Fund	574,900
Auxiliary Organizations	67,400
Total Cash & Equivalents	5,203,800

Other Assets

Receivables, Deposits, Prepaids	17,800
Land, Buildings, & Equipment	9,987,200
Total Assets	\$ 15,208,800

LIABILITIES & NET ASSETS

Current Liabilities

Deferred Revenue - School	\$ 888,000
Accounts Payable	116,000
Funds Held in Reserve - Uganda School Construction	252,400
Accrued Salaries & Wages	124,800
Total	1,381,200

Net Assets

Unrestricted	13,824,300
Temporarily Restricted - Mass Offering	3,300
Total	13,827,600

Total Liabilities & Net Assets	\$ 15,208,800
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Financial Discussion and Analysis

Nativity is pleased to communicate that during the fiscal year ended June 30, 2023, it has maintained a healthy financial position, while at the same time continuing to expand the pastoral services and ministries which enable it to flourish as a vibrant Catholic community. This would not be possible without the stewardship of prayer and faith, time, talent, and treasure of its parishioners and school families. Nativity is grateful for this support.

Financial operations for the twelve months ended June 30, 2023, resulted in Parish (Church and School) revenues exceeding operating expenditures by \$520,000. In addition to operating expenditures a total of \$77,100 was invested in improvements and additions to the Parish's buildings, furnishings, and equipment resulting in total cash flow provided during the year of \$442,900. Cash flow generated by Church and School operations was \$277,400 and \$165,500, respectively.

The Parish's unrestricted cash balances totaled \$4,951,400 as of June 30, 2023. Pursuant to parish business practices outlined in the Archdiocese of Denver Pastoral Handbook, a parish is encouraged to accumulate cash balances equal to a minimum of six months of operating expenses. Based on Nativity's current monthly expenditures it has accumulated cash balances equivalent to approximately eleven months of operating expenses.

As the facilities of the Church and School continue to age these cash reserves are necessary. Major capital repairs and building improvements are going to need to be addressed in the very near future. The cash savings accumulated will enable Nativity to fund its near term capital project needs.

CHURCH OPERATIONS

Revenue from Offertory and Gifts are the primary source for funding Church operations and when necessary to also fund school operating deficits and capital expenditure requirements. For the first time in the last decade revenue from Offertory and Gifts decreased when compared to the previous year. Although the decrease of \$3,700 was nominal it was a noticeable shift when compared to the previous five year trends in revenue generated from Offertory and Gifts. During the previous five years the Church experienced average annual revenue growth of \$145,000 per annum. This is equal to an average annual increase of approximately 6.7%.

Although the cost of products and services increased significantly over the last 12 months, due to the high inflation rate, Nativity has closely monitored its operating costs. Budget management, as well as strategic implementation of programs and procedures, enabled Nativity to optimize and control operating expenses. This resulted in total operating expenses for the year of \$2,527,200, which was a \$13,200 decrease from the prior year.

Certain operating expenses of the Church are incurred as a percentage of Church revenue and as a result are less controllable. As a tithing Parish, Nativity donates 10% of general offertory received to charity. A list of those donations by charitable organization are provided in this report. Additionally, the Church pays 11.4% of Church revenue to the Archdiocese of Denver for service and assessment fees. The Cathedralium Fee pursuant to Canon 1263 is 7.3% of revenue. Additional Archdiocesan assessment fees include a 3.5% fee to the Office of Catholic Schools school fund and a .6% fee to Seeds of Hope. The expense for Charity and the Archdiocesan Cathedralium and Assessment Fees for the fiscal year ended June 30, 2023, totaled \$212,100 and \$306,300, respectively.

SCHOOL OPERATIONS

The school achieved a third consecutive year with revenue exceeding operating expenses. This has enabled the school to recover from the significant operating losses incurred when enrollment in the Kindergarten through 8th grades experienced a 30% decline from 2016 to 2020. The financial improvement was primarily the result of four initiatives: 1) "Right-sizing" of operations due to the decrease in the average annual enrollment from 450 in 2016 to 316 students in 2023. This required the reduction in the number of classes for some grade levels from two to one; 2) New fundraising programs and efforts which have succeeded in increasing annual revenue from fundraising and gifts by 200%; 3) a strong and stable Pre-School enrollment which has generated additional revenue to support the fixed base of school overhead costs; and 4) Grants from the Archdiocese and the State of Colorado.

School tuition, net of financial assistance accounted for approximately 76% of school revenue. The school relies on fundraising and gifts, as well as Archdiocesan and third party grants and scholarships as additional revenue sources to support school operating costs. These additional sources of revenue which totaled \$697,200 in 2023 enable the school to minimize annual tuition increases. The average tuition rate increase over the last three years has been 2.2%, even with inflation rates hovering at 8%.

Personnel related expenses accounted for 85% of total school expenses. The salary scales are determined by the Archdiocesan Office of Catholic Schools. Rate increases over the last two years have been approximately 7% per annum.

The future outlook for both enrollment growth and financial stability at the school is extremely encouraging. Enrollment for Kindergarten through 8th grade has grown to 360 for the current 2023-24 school year. As a result, the school has returned to two classes for each grade. In addition, Pre-School enrollment is full at 51, resulting in a total student enrollment of 411.

O Lord,

Who in the Nativity of your Son revealed to the world your infinite generosity, grant that we too, who were made in your image and likeness, may be moved by a similar generosity and so experience the fullness of the joy you have prepared for us. We ask this through Jesus Christ Our Lord, Amen.

Mary,

Mother of the Church,
Pray for us.

St. Joseph,

Patron of the Church,
Pray for us.

Give online:





Charitable Disbursements

As a tithing parish, Nativity donates 10% of its general offertory to charity. Donations for fiscal 2022-23 from the generosity of our parishioners included:

Parish Numbers

PARISHIONERS

2022-23

Total Registered Households	2,485
Households Contributing to Offertory (49%)	1,196

PARTICIPATION

School Enrollment

K-8	316
Pre-kindergarten	45

Youth Participation

Faith Formation	137
Venturers of the Star (Middle School)	46
GS/High School Youth	48
Catholic Young Adults and CLU	36

Sacraments

Received into the Church (RCIA/RCIC/POF)	14
Baptisms	65
First Communions	107
Confirmations	152
Marriages	10
Funerals	36

STAFF

Religious Serving Nativity of Our Lord

Priests - Fraternity of St. Charles Borromeo	5
Sisters - Missionary Sisters of St. Charles Borromeo	3
Deacons	2

Church & School Staff

Full and Part-time Church Staff	28
Full and Part-time School Staff	38

ARCHDIOCESE OF DENVER DESIGNATED CHARITIES

2022-23

Mission Co-op, Daughters of Mary	\$ 6,000
Retirement Fund for Religious	3,000
Seminaries' Appeal	3,000
Retired and Infirm Priests	2,000
Holy Land	2,000
Respect Life	2,000
Peter's Pence	1,500
Catholic Relief Services	1,500
Church in Latin America	1,500
Church in Africa	1,000
World Mission Sunday	1,000
Eastern European Collection	1,000
Catholic Home Missions Appeal	1,000
Black & Indian Missions	1,000
Catholic University of America	500

NATIVITY DESIGNATED CHARITIES

Nativity High School Construction, Uganda	\$ 50,000
St. Vincent de Paul Society	30,000
Catholic Charities - Marisol Health	25,000
FISH	10,000
FRIENDS of Broomfield	10,000
Sacred Heart Parish, Denver	10,000
Christ in the City, Denver	7,000
Little Flower Maternity Home	5,000
Mary's Home of Hope	5,000
Grocery Card & Bill Assistance - Walk-ins	4,500
Dominican Sisters - Emmaus Hospice	4,000
Amigos de Jesus, Honduras	3,000
A Precious Child	3,000
Christ the King & Holy Ghost Sandwich Lines	3,000
Capuchin Province of St. Conrad	3,000
Denver Catholic Worker's Soup Kitchen	2,000
St. Thomas Aquinas Campus Ministry	2,000
Grocery Cards - Samaritan House	2,000
FOCUS Missionary Support	2,000
CSU Ram Catholic Campus Ministry	1,500
UNC Bear Catholic Campus Ministry	1,500
Valley of Our Lady Monastery	1,000
Christmas Giving Tree Grocery Cards	1,000
Road to Purity	1,000
My Father's House	1,000
AVSI - Turkey Earthquake Victims	1,000
Centro San Juan Diego	1,000
St. Anthony of Padua - Capuchins	500
Franciscan Sisters - Senior Assistance	500
Bottom Line Diaper Bank	500
Casting Nets Ministry	500
Saint Luke Institute	500