

January 2, 2010 Revised Jan 9

**Presentation to Parishioners – 2009 Annual Financial & Activity Report ---- January 9 & 10, 2010**

Good evening/morning

On behalf of our Finance Council I'm here to give an update on the financial activity of our Parish.

**Financial**

**Overall our financial position continued to improve** despite a “tough” economy.

- \*We are paying our bills on time and
- \* We are steadily reducing our debt.

However, our **operating cash accounts and investments** continue to be “**tight**”.  
Hopefully an anticipated operating surplus for 2010 can improve this situation.

**For the Year 2009 that ended last June 30th**

We experienced an operating **deficit** of **\$74,000**.

This **deficit** was primarily attributed to:

- A **decline** in “Sunday Offerings” that was approx. **\$33,000** less than the prior year.
- And a drop in income from Fund Raisers and Socials that missed budget by **\$53,000**.

**For the first (5) months of this year ---July to November**

We are off to a good start with

Revenues exceeded expenditures by **\$91,000**

- partly because Sunday Offerings are up **\$27,000** and
- there was a significant reduction in expenses -- largely due to better supplier contracts negotiated by our Business Manager Joe Ryzewski and
- by continued scrutinizing, monitoring, and controlling **all** expenditures.

**For the year 2010**

We budgeted and **expect to attain** an **operating surplus** of **\$37,000**.

**Subsidy for the Education Center**

The **Education Center** which includes Pre-School, Kindergarten, Elementary School, and PREP do not generate **sufficient** revenues to cover their cost of operations:

Therefore, the Parish must **subsidize** the difference.

Subsidies for the last (2) years averaged **\$406,000** which was **(47%) of total expenses**.

We budgeted the same for this year.

The Archdiocese would like the subsidy to be **25%** or less.

But again this year we will exceed the recommendation by about **\$186,000**.

In spite of on-going efforts we have not been successful reducing the subsidy.

There are a number of influencing factors that we continue to focus on:

- One are the **Operating Expenses** --- which are about as lean as we can get them.
- Another is **Donations and Fund Raising** revenues---which are noticeably down

- Of course Tuition is a significant factor -- Increasing tuition has a negative effect on enrollment. **Not** raising tuition for this year may be a reason enrollment **improved** in the Pre-School, Kindergarten, and 1<sup>st</sup> grade.
- The most important factor that influences the subsidy is **Increasing Enrollment**-- Enrollment in the School has **averaged (177)** per year for the last 3 yrs. The Archdiocese would like to see a minimum of **(255)** enrolled.  
One bright spot ---enrollment in **Pre-School is (28), Kindergarten (21), 1<sup>st</sup> Grade (24)**.  
If these students continue their education at SMG and we maintained that level of enrollment in these early grades---projected enrollment could be (240). That would get us very close to the subsidy and enrollment guidelines.  
PREP enrollment which has been reasonably constant; had an unusual decrease this year going from **(618) to (546)** students.

### Debt

Our debt was reduced \$196,000 in the last 1 ½ years and now stands at \$449,000. Of this remaining debt \$51,000 is the mortgage balance which will be paid in full by the end of this June.  
It's reasonable to expect that the remaining balance can be retired in the next (3) to (4) years.

### About Offerings and Envelopes

- We ask that you be **committed and consistent**. Parish obligations don't take a vacation or holiday.
- **Electronic Fund Transfer** is now available. If you are interested in using this method of making your offerings --- call the Parish Center to get more information.
- We understand that there are those in our Parish Family who simply **cannot afford to make an offering**. Please don't let money problems impede your attendance at Mass or enrolling your Children in any of our educational programs. Your family's spiritual needs will continue to be the top priority SMG.
- Of the more than (2900) registered households.
  - about (750) are committed and give regularly.
  - about (750) give sometimes.
  - about (1400) don't give.
- We **discontinued** sending envelopes to non-users. If you are not getting envelopes and want to use them; please call the Parish Center and we'll get you back on the mailing list.
- If you cannot afford to give or if you use EFT or Bill Pay; We ask that you still place your empty envelope in the basket anyway. This maintains the offering tradition at Mass and most important it lets us know you are at Mass and are an "active" member of the Parish.

### Items of note and interest:

- ◆ A Long Term Planning Committee is being formed. Their purpose will be to guide and co-ordinate the development of a long term plan for all aspects of our Parish.
- ◆ Church Boiler Project is now completed. We expect to recover our \$25,000 investment over a reasonable time period because of the increased efficiency of the new boilers.
- ◆ A Finance Council members list, as well as agendas & minutes are posted on our web-site along with regular financial reports.

### In Closing

The concept of Stewardship must be taking hold at SMG if your response to the treasure component is any indication.

For the last year and a half as our economy was taking a nose dive; the Council was uncertain about how the Parish would fare financially. What happened during period was amazing.

Your generosity and willingness to **support your Parish, help others in need, and help many who do God's work** is evident in the following:

- Regular weekly offerings were maintained
- \$196,000 debt reduction
- \$100,000 Tabernacle Project fully funded by extra donations
- \$300,000 in this first year of the Heritage of Faith- Vision of Hope Campaign
- \$9,000 to Oblates of St. Francis DeSales
- \$12,000 to the Poor Box
- \$9,000 for a mission in Haiti
- \$7000 to the Little Sisters of the Poor

And so on

- And I learned on Thursday that the final total for our Christmas Offerings is a record \$70,000.

**Fr. Peterson, Fr. Brownholtz, and the Leaders of YOUR PARISH THANK YOU!**

I will be in the Chapel after Mass along with members of the Finance Council to answer questions and listen to your comments.

Thank You for your time and attention.