

**SAINT MARGARET MARY PARISH
STATEMENT OF REVENUE, EXPENSE AND FUND BALANCE
FISCAL YEAR JULY 1, 2006 TO JUNE 30, 2007" ACTUAL" &
FISCAL YEAR JULY 1, 2007 TO JUNE 30, 2008" BUDGET"**

	YEAR END JUNE 30,2007 <u>ACTUAL</u>	YEAR END JUNE 30, 2008 <u>BUDGET</u>
<u>REVENUE</u>		
OFFERTORY	362,819	375,000
GRAND ANNUAL COLLECTION	133,350	120,000
RELIGIOUS EDUCATION	52,948	53,000
SACRAMENTAL OFFERINGS	10,305	10,000
SHRINES, CANDLES, FLOWERS	7,454	7,200
WILLS/BEQUESTS	14,067	0
SPECIAL DONATIONS	63,851	30,000
INTEREST INCOME-CHECKING & SAVINGS	5,885	6,000
OTHER REVENUE	<u>4,764</u>	<u>13,160</u>
TOTAL OPERATING REVENUE	655,443	614,360
<u>EXPENSE</u>		
LAY SALARIES, NON-EMPLOYEE COMPENSATION	175,860	183,227
LAY BENEFITS, INSURANCE, PENSION,PAYROLL TAX	54,707	61,880
CLERGY STIPENDS,HEALTH INSURANCE	38,900	50,720
OFFICE EXPENSE, SUPPLIES, PHONE,BOOKS, MISC.	71,831	78,861
HOUSEHOLD SUPPLIES, FOOD	11,757	16,000
FACILITIES MAINT, UTILITIES, GROUNDS,PROP. INSUR.	111,137	118,500
PASTORAL /LITURGICAL/TITHING	87,587	67,000
OTHER, INCLUDING PARISH SCH SUPPORT	24,539	26,750
DEPRECIATION EXPENSE	<u>5,289</u>	<u>13,847</u>
TOTAL OPERATING EXPENSE	581,607	616,785
NET OPERATING INCOME(LOSS)	73,836	-2,425
<u>OTHER INCOME</u>		
PROMISE FOR TOMORROW INTEREST INCOME	9,738	9,700
PROMISE FOR TOMORROW QTRLY RECEIPTS	<u>9,239</u>	<u>0</u>
<u>NET INCOME</u>	92,813	7,275
FUND BALANCE AT BEGINNING OF YEAR	<u>565,907</u>	<u>658,720</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>658,720</u>	<u>665,995</u>

SEE ATTACHED NOTES

**SAINT MARGARET MARY PARISH
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
FISCAL YEAR JULY 1, 2006 TO JUNE 30, 2007" ACTUAL" &
FISCAL YEAR JULY 1, 2007 TO JUNE 30, 2008" BUDGET"**

	YEAR END JUNE 30,2007 <u>ACTUAL</u>	YEAR END JUNE 30, 2008 <u>BUDGET</u>
<u>ASSETS</u>		
<u>CASH:</u>		
CHECKING/OPERATING ACCOUNTS	114,732	26,054
SAVINGS ACCOUNT	126,384	101,484
PROMISE FOR TOMORROW FUND	<u>263,759</u>	<u>273,459</u>
TOTAL CASH	504,875	400,997
<u>FIXED ASSETS</u>		
FURNITURE & EQUIPMENT-FISCAL 6/30/07	40,957	40,957
FURNITURE & EQUIPMENT-FISCAL 6/30/08	0	15,000
BUILDING RENOVATIONS-FISCAL 6/30/07	118,177	118,177
BUILDING RENOVATIONS-FISCAL 6/30/08	0	110,000
LESS: RESERVE FOR DEPRECIATION	<u>-5,289</u>	<u>-19,136</u>
NET FIXED ASSETS	<u>153,845</u>	<u>264,998</u>
<u>TOTAL ASSETS</u>	<u>658,720</u>	<u>665,995</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES	0	0
FUND BALANCE	<u>658,720</u>	<u>665,995</u>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>658,720</u>	<u>665,995</u>

SEE ATTACHED NOTES

**SAINT MARGARET MARY PARISH
STATEMENT OF OPERATING CASH FLOWS
FISCAL YEAR JULY 1, 2006 TO JUNE 30, 2007" ACTUAL" &
FISCAL YEAR JULY 1, 2007 TO JUNE 30, 2008" BUDGET"**

	YEAR END JUNE 30,2007 <u>ACTUAL</u>	YEAR END JUNE 30, 2008 <u>BUDGET</u>
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
NET OPERATING INCOME (LOSS)	73,836	-2,425
ADJUSTMENTS TO RECONCILE NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
DEPRECIATION	<u>5,289</u>	<u>13,847</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	79,125	11,422
CASH FLOW FROM INVESTING ACTIVITIES:		
ACQUISITION OF FURNITURE AND EQUIPMENT	-40,957	-15,000
ACQUISITION OF BUILDING IMPROVEMENTS	<u>-118,177</u>	<u>-110,000</u>
NET CASH USED BY INVESTING ACTIVITIES	-159,134	-125,000
NET INCREASE(DECREASE) IN OPERATING CASH	-80,009	-113,578
BEGINNING CASH - CHECKING & SAVINGS ACCOUNTS	<u>321,125</u>	<u>241,116</u>
<u>ENDING CASH - CHECKING & SAVINGS ACCOUNTS</u>	<u>241,116</u>	<u>127,538</u>

SEE ATTACHED NOTES ON CAPITAL EXPENDITURES

Explanation of the Budget Process and Proposed Capital Expenditures for Fiscal Year 2007-08

In planning the budget for the fiscal year 2007-08, the decision was made to be conservative in terms of projected revenue and more liberal in the projection of expenses. Nevertheless, both projections are well within the realm of possibility. Still, it is hoped that, in fact, revenue will be more than forecast and expenses will be less.

Projected Revenue: A slight increase in the weekly collection is expected, mainly through the addition of another Mass on Sunday (6:00 PM). While the grand annual was quite successful last year, it was felt a budget number of \$120,000 was more realistic until last year's level of giving is maintained over a number of years. "Wills and Bequests" are set at \$0 and "Special Donations" at \$30,000 since they are a matter of happenstance and not a reliable source of income. Finally, the increase in revenue under "Other Revenue" is a result of money paid to the parish by the archdiocese for room and board for the senior retired priest in residence.

Projected Expenses: The increase in lay salaries and benefits is a result of staffing changes; however, this is offset by a decrease in the expenses under "Pastoral/Liturgical/Tithing."

Capital Expenditures for Fiscal Years 2006-07, 2007-08: During the fiscal year 2006-07, the parish completed a number of capital expenditures that were outside of the normal operating budget. Much of the work that was done has greatly enhanced the beauty and functionality of our worship space. A total of \$118,177 was spent in building renovations and \$40,957 in new equipment and furnishings. Here is a summary of the major components of these expenditures. First, we were able to refurbish and then move the organ down from the choir loft at a cost of \$22,700. We installed a new lighting system for \$16,153 and a new sound system for \$27,225. The rug was removed from the sanctuary and the floors restored in both the front vestibule and the sanctuary at a cost of \$9,457. New rugs were installed in the stairwells and part of the main church for \$7,527.

In addition, the unfinished second floor of the parish office building was completed at a cost of \$30,300 and now serves as the religious education center. Finally, the roof of the parish office building had to be replaced, costing \$8,550.

Thankfully, both an increase in Sunday collections and significant gifts from various donors who paid for the new sound system and the carpeting in the church meant that we did not have to dip into our savings accounts.

For this year, 2007-08, we have budgeted \$110,000 in building improvements and \$15,000 in equipment and furnishings. We believe these projected amounts reflect the history of what the Parish can expect to expend for the upkeep of the property and make some known necessary improvements. For example, we need to repair the front steps of the church where some of the stone blocks have sagged. At this point, it is unclear how much this will cost as we first have to remove the stone and see what is underneath by

way of foundation. In addition, our parking lot needs attention and high on the wish list is painting the interior of the church.

Summary: At the end of this fiscal year, we are projecting a net decrease in cash and savings of approximately \$113,500 due to the potential capital expenditures. A planning committee will be set up to devise an overall plan to prioritize the long and short term goals of maintaining and improving the physical plant of the church property. The Finance Committee intends to work with this planning board to monitor the actual income and expenses throughout the year and will make decisions about the feasibility of funding these projects as available funds permit.

Our desire, however, is to move forward with necessary improvements even if cash is diminished this year. A major portion of the anticipated improvements are of a non-recurring nature. Furthermore, due to a decent amount of cash reserves and because we have been conservative in our revenue forecasting, we are comfortable that any outlays for capital expenditures, overseen by the Planning and Finance Committees, can be absorbed from cash reserves or possibly offset by an increase in actual revenue.