

# St Teresa of Avila Parish

October 13, 2007

Dear Members of St. Teresa's Family,

Presented below is our report on the receipts and disbursements for St. Teresa of Avila Parish for the year ending June 30, 2007 and the prior year ending June 30, 2006. Those wishing a more detailed explanation of any item should contact Hank Matecki our business manager. Thank you for your marvelous generosity and commitment to St. Teresa Parish!

Fr. Ron Galt  
Parish Administrator

Michael Zost  
Chairman, Finance Committee

## Receipts and Disbursements for the Fiscal Years Ending June 30, 2006 and 2007

	FY 2007	FY 2006
<b><u>Receipts</u></b>		
Sunday and Holy Day Collections	\$369,435	\$346,366
Christmas Collection	36,477	24,024
Easter Collection	36,085	16,097
Thanksgiving Appeal	0	8,749
Other Collections (Parish Sharing, Archdiocesan, Maintenance, Flowers)	<u>26,551</u>	<u>40,381</u>
Total Collections	\$468,548	\$435,617
Fundraising Activities – Net (Summer in the City, Greenery Sales, Santa's Breakfast)	68,528	58,457
Other Income	<u>55,942</u>	<u>36,554</u>
Total Ordinary Receipts – Collections, Fundraising, & Other Income	<u>\$593,018</u>	<u>\$530,628</u>
<b><u>Expenditures</u></b>		
Salaries and Benefits	\$380,153	\$320,327
Utilities	39,998	43,648
Facilities Maintenance	53,581	38,986
Office Expenses	16,183	9,787
Liturgies and Programs	18,027	15,204
Furniture, Fixtures, Rehabbing	8,668	30,726
Distribution of Archdiocesan Collections/Parish Sharing Funds	23,138	35,365
Interest Expense	9,276	12,859
Other Expenses	<u>112,225</u>	<u>95,060</u>
Total Ordinary Expenses	<u>\$661,249</u>	<u>\$601,962</u>
<b>Ordinary Expenses in Excess of Income (Deficit)</b>	<b><u>(\$ 68,231)</u></b>	<b><u>(\$ 71,334)</u></b>
Extraordinary Income	<u>\$97,078</u>	<u>\$ 55,424</u>
<b>Receipts Over (Under) Disbursements – Non-Capital</b>	<b><u>\$ 28,847</u></b>	<b><u>(\$ 15,910)</u></b>
<b>Capital Transactions</b>		
Collections Against Hand-in-Hand Pledges	\$ 21,179	\$ 83,747
Payments against Archdiocesan Loan	<u>50,349</u>	<u>83,070</u>
<b>Net Capital Transactions</b>	<b><u>(\$ 29,170)</u></b>	<b><u>\$ 677</u></b>
<b>Net Disbursements Over Receipts</b>	<b><u>(\$ 323)</u></b>	<b><u>(\$15,233)</u></b>

**Assets and Liabilities  
as of June 30, 2007**

Cash in Banks and on Hand	(\$ 5,586)	Loan Payable to Archdiocese	\$146,434
Cash on Deposit with the Archdiocese	<u>28,405</u>	Accounts Payable	<u>8,180</u>
Total Liquid Assets	<u>\$ 22,819</u>	Total Liabilities	<u>\$154,614</u>

**Discussion of Financial Position**

As you can see from the schedule of receipts and disbursements, our overall receipts again did not cover our expenditures. While the shortfall appears very small -- \$323 -- there are a number of factors that are of concern and of which members should take note.

First, on the positive side, we experienced a \$23,000 increase in our Sunday Collections. The number of registered families increased by 40 and the number of families using our automated contribution program increased from 75 to 85. Your gifts at Christmas and Easter increased by \$32,000 over the prior year and our fund raising efforts (Summer in the City and several more modest fund raisers) raised \$10,000 more than in the prior year. With the vigilance of staff and parishioners, and a thankfully mild winter, we were able to reduce our utility costs by more than \$4,000. And, because we paid down our parish center loan to the Archdiocese by a bit more than \$50,000, our interest cost also decreased by \$3,600.

On the less positive side of the ledger, our loan payable to the Archdiocese stands at \$146,000, but collections against pledges have virtually dried up – contributions designated for repayment of the loan totaled only \$21,000 last year. Our salaries and benefits were \$60,000 more than in the prior year. The aging buildings resulted in increased maintenance costs of almost \$15,000.

Without the extraordinary income of \$97,000, we would not have been able to manage the ordinary operating deficit. Extraordinary income includes

Matching Gifts	\$20,250
Designated Gifts	\$11,500
Memorials	\$ 2,500
Rebate from Archdiocese	\$ 8,600
Foundation Grant	\$50,000

The foundation grant of \$50,000 was a most generous gift from a member shortly before he passed on to eternal life, as was the bulk of the matching gifts. These gifts will obviously not be available to the parish in the future.

One major step to reduce salary and benefits expenses has been to reduce the position of pastoral associate from full time to part time status. We are also reducing the number of masses where paid visiting or helper priests are needed. We will also be looking at other areas of parish life where we can cut expenses. We are also starting to participate in several group purchasing programs offered by the Archdiocese to reduce utility and office expenses.

While costs can be controlled to a certain degree, we also need to face the issue that ordinary contributions to cover operating expenses are not adequate. Ordinary operating expenses exceeded ordinary revenue by more than \$68,000. A parish the size of St. Teresa cannot continue to operate at that level for very long. **Members must be willing to step forward and commit their financial resources to ensure the continuing operation of the parish. Without that commitment, the parish cannot survive.**

We are initiating a planned offering program in which we are asking members to first seriously pray over and consider whether they want this parish to continue serving the needs of its members and the wider community. If the answer is yes, then we are asking that you make a serious financial commitment to its financial viability by committing to donate during this next year a certain percentage or dollar amount of members' resources to support the parish and ensure its continuing existence.