

St. Michael's Catholic Church 2010 Mid-year Financial Report

Dear Fellow Parishioner,

As you know, the parish fiscal year runs from 7/1/09-6/30/10. We recently closed the first 6 months of the year and are pleased to provide the following update on parish finances:

Income:

- Total income was \$420,246. This amount was \$15,779 or 3.6% under our plan, and \$22,332 less than the same period last year, net of Capital Campaign revenues.
- Collections of \$330,628 are down \$12,000 from last year, and are \$6,577 or 2% under our budgeted projection. This was despite a very generous Christmas collection which was \$3,500 over our projection.
- Program income of \$36,970 is \$6,100 less than last year and is \$5,230 under our budget projection.
- Other income sources including fundraising and other operations revenue are close to plan and last year.
- Summary: Operating income for the parish is nearly 4% less than we planned for, and less than last year. This is a troubling trend, and the result of the overall economic conditions we assume.

Expenses:

- Expenses were \$386,902 for the period. This amount is \$3,492 or 1% under our budget, and \$27,617 less than the same period last year.
- Salary and benefits expenses together were less than planned, and our utility expenses were over \$10,000 under plan as we have a credit from a prior budget period that is helping.
- Tempering the areas of cost savings are expenditures for maintenance items and other operational expenses which are running approximately \$10,000 higher than planned.
- Summary: Expenses are being carefully managed and are currently less than both our current revenues and planned amounts. The support the parish has received from many generous volunteers offering their time and talent continues to be an important part of the success of our cost reduction efforts.

Summary:

Overall reductions in revenues are starting to create concern, as we have actively managed our expenses down to a point where we have little additional flexibility. Our debt reduction activities through Uniting in Faith continue to be a success, and we have now reduced our total debt to less than \$2.2 million. The debt continues to draw significant revenue away from other ministries and we are also beginning to face potentially costly maintenance projects. Father Dennis, the Trustees and Finance Council are studying options and establishing priorities for our limited resources. We ask for your prayers as we complete this work, and ask that the Holy Spirit guide us in this effort. You can expect to see regular updates over the next few months.

Thank you and may God Bless you for your continued and generous support of St. Michael's Catholic Church.