

A Financial Review

By Finance Council

The 2009/2010 fiscal year for the parish closed on June 30. Much in our parish reflected the state of the economy during the past months with some positive points and some continuing troubles. This year we are happy to report Sunday giving was very close to budget and showed a very slight increase over the prior year. It is important to recall that in budgeting the Sunday giving for 2009/2010, the Finance Council actually reduced the expected income to match the actual income from the 2008/2009 year. We ended the 2009/2010 year with \$24,000 more than was budgeted. Sunday collections totaled \$1,133,713. The average contribution of the 1320 giving families is \$870, up about \$20 over last year. This increase was one factor that allowed us to end the year with a \$97,500 surplus compared to a \$29,600 loss the prior year.

Many factors contributed to this financial turnaround in the past year. All salaries and wages were frozen during the past year for all teachers and office staff. This made a significant contribution to the parish and we thank the teachers and staff for their sacrifice and loyalty to St. James. We realize that even before the freeze in salaries, our employee salaries were lower than in comparable settings. For the present year (2010/2011) we have again budgeted slight raises for all employees.

Our parish staff continues to cut expenses and perform the services as efficiently as possible. Some programs or events were scaled back or eliminated this past year to reflect the tight budget. While individually they may not have been significant, together these cuts contributed to the savings we experienced. The weather even played a part; the cost for utilities for parish and school facilities was down by \$20,000. All these factors have contributed to turning our financial situation around over the past year.

In an attempt to more accurately account for the cost of operating our school, we have made the following change to the financial statements presented below. Parish salaries and benefits in the amount of \$85,000 have been allocated to the school to cover cost of accounting, payroll processing, tuition collection and other services performed by the parish staff for the school. Also \$15,000 is allocated to the school for their use of the parish gym and church hall. This change was also made in the Budget statement presented below. The parish subsidy to the school this year was \$448,652, down approximately \$68,000 from the prior year after retroactively applying the above change. This year we saw the school remain within its budget for the first time in several years.

The Festival, Holiday Bonanza, Fish Fry and Bingo proceeds are not in the parish operating budget. 2009 Festival proceeds (\$60,000), the 2009 Holiday Bonanza (\$20,373), the 2010 Fish Fry (\$17,138) and the Bingo proceeds from July until its closing in December (\$16,000) have been allocated for the capital improvements in the parish facilities. These proceeds were used for the following capital allocations projects: New roof for the maintenance garage (\$1,700), final phase of repairing our school roof (\$34,000), a new awning on the Hubble Rd. entrance of the school (\$1,300), new awning on the rectory (\$3,400), replacement of a heating unit at the Parish Center (\$11,500), replacement of the light fixtures in the school (\$10,965), and new lights in the gym (\$7,100). Resurfacing all of the parish parking lots is scheduled for this summer. Without the support of these fundraisers these items would be in the operating budget, therefore impacting tuition rates. We are very grateful for these successful events and appreciate our volunteers.

St. James Parish has funds on deposit at the Archdiocese of Cincinnati totaling \$300,396.

The funds are composed of the St. James Restricted Fund [school] (\$100,350), Koch Memorial Fund [school] (\$38,982), Technology Savings [school] (\$118,435), Blue Ribbon Permanent Education

Endowment Fund [school] (\$33,434) and Mission Certificates (\$9,195). These funds are held for specific purposes and are **not** available for the operation of the parish.

The parish has no outstanding debt but is operating on a hand to mouth basis and has no significant savings or reserves. The income generated this year will help replace the losses in prior years and give us a small reserve for use in future years.

Finance Council is recommending an increase of \$30 per family a year, less than a dollar per week. With this small increase to an average of \$900 per family, we will be able to meet our budget for the 2010/2011 year as presented in the next section. The Archdiocese of Cincinnati has hired professional fund raisers who will assist all parishes to increase their Sunday collections. They are scheduled to start at St. James in September. Additional information will be coming soon regarding this program.

Please take the time to review the accompanying financial report. Any questions or request for additional information may be directed to Al Hudepohl at 245-0885 or Amy Klosterman at the parish office.

We want to take this opportunity to thank everyone who financially supports our parish. As the Finance Council, we work hard to use your gifts to the Lord responsibly for the good of the Church. Every dollar you give benefits the people of this parish and furthers the work of the Kingdom of God. We hope that you will continue to share your blessings in the Stewardship Commitment for the coming year. Thank you in the name of the Lord.