

Parish Financial Report – 2009/2010

Fiscal year July 1, 2009 – June 30, 2010

St. Francis Xavier Church had a net operating loss of \$83,000 for fiscal year 2009/2010. Fortunately, the operating loss was fully offset by extraordinary items that included a special \$50,000 donation and the Cubs Night fundraising event. This operating loss continues to reflect the difficult revenue environment due to the economic crisis. The following tables highlight the key financials for the church, the school, and the religious education programs, as we continue to build upon our mission and the strength of our community.

Church Financial Report

CHURCH REVENUE	09–10 ACTUAL		08–09 ACTUAL		VARIANCE
Sundays and Holy Days	1,145,099	77.0%	1,131,780	75.7%	13,319
Christmas	179,279	12.1%	187,118	12.6%	(7,839)
Easter	96,739	6.5%	103,208	6.9%	(6,469)
School Appeal	39,741	2.7%	39,212	2.6%	529
Interest and Other Income	26,352	1.8%	32,026	2.2%	(5,674)
TOTAL REVENUE	1,487,210	100.0%	1,493,344	100.0%	(6,134)
CHURCH EXPENDITURES					
Priest Salaries	68,468	4.3%	68,099	4.3%	(369)
Lay Salaries	292,825	18.7%	295,231	18.8%	(2,406)
Lay Benefits	115,444	7.4%	112,042	7.1%	3,402
School Subsidy / School Appeal	1. 398,741	25.4%	399,212	25.4%	(471)
Religious Ed Subsidy	131,999	8.4%	127,468	8.1%	4,531
Archdiocese	192,927	12.3%	194,968	12.4%	(2,041)
Utilities/Insurance/Maintenance	175,066	11.2%	180,962	11.5%	(5,896)
Church Supplies and Liturgy	46,702	3.0%	51,140	3.2%	(4,438)
Communication / Office Expenses	70,537	4.5%	67,620	4.3%	2,917
Administrative	77,761	5.0%	75,335	4.8%	2,426
TOTAL EXPENSES	1,507,086	100.0%	1,572,077	100.0%	(1,991)
OPERATING RESULTS	2. (82,876)		(78,733)		(4,143)
EXTRAORDINARY ITEMS					
Special Donation	3. 50,000		50,000		0
Fund Raising – Cubs Night	28,000		0		28,000
Catholic Church Appeal Rebate	3,000		19,000		(16,000)
NET RESULTS	4. (1,876)		(9,733)		7,857

1. The Parish provides approximately 25% of its offertory revenue as a subsidy for the school. This line item is made up of a \$359,000 school subsidy and the \$39,741 School Appeal.

2. The net operating results for the past three years have progressively become more negative due to flat revenues and increasing costs. The operating deficit for FY 2011 is projected to decrease from (\$83,000) to (\$75,000)

3. The Parish is grateful for two \$50,000 contributions that helped close the operating shortfalls. Additionally, the Cubs outing provided the funding needed to close the remaining gap in 2010.

4. Despite rising costs and a difficult revenue environment, the Parish has avoided using valuable reserves to cover operating shortfalls.

5. The Vivienne Morin Funds was bequeathed for the purpose of enriching the pastoral ministry of the Parish. The funds are to be used for adult education, liturgical needs, programs of Church music and charitable needs of the community.

6. The School Endowment Fund was established to stabilize tuition increases, to subsidize scholarship funds, to support school resources, to develop education initiatives, and to provide professional development for teachers

7. The Louise Murphy Endowment Fund was established to provide scholarship assistance for families in need.

Parish and School Reserves and Endowment Funds

Both the Parish and School Operating Reserves and Capital Project Reserves were established to stabilize current finances and to provide for future financial flexibility and security. The current reserves and endowments are as follows:

PARISH FUNDS

Operating Funds	466,355
Capital Project Funds	16,645
5. Morin Endowment Funds	1,600,562

SCHOOL FUNDS

Operating Funds	250,335
Capital Project Funds	38,482
6. Unrestricted Endowment Funds	246,709
7. Louise Murphy Endowment Funds	79,550

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School Financial Report

<u>SCHOOL REVENUE</u>	09–10 ACTUAL		08–09 ACTUAL		VARIANCE
Tuition	1. 1,120,578	58.4%	936,211	54.1%	184,367
Books and Supplies	131,439	6.8%	99,535	5.8%	31,904
Technology	75,669	3.9%	28,712	1.7%	46,987
HSO	145,000	7.6%	100,000	5.8%	45,000
Annual School Appeal	39,741	2.1%	39,211	2.3%	530
Parish Subsidy	2. 359,000	18.7%	360,000	20.8%	(1,000)
Operating Reserve	3. 15,837	0.8%	146,490	8.5%	(130,653)
Other	32,166	1.7%	20,358	1.2%	11,808
TOTAL REVENUE	1,919,460	100.0%	1,730,517	100.0%	188,943
<u>SCHOOL EXPENDITURES</u>					
Lay Salaries	1,212,969	63.2%	1,151,187	66.5%	61,782
Lay Benefits	349,604	18.2%	309,735	17.9%	39,869
Instructional Materials	79,766	4.2%	63,108	3.6%	16,658
Utilities/Insurance/Maint.	138,074	7.2%	141,794	8.2%	(3,720)
Technology	75,699	3.9%	28,712	1.7%	46,987
Other School Expense	63,348	3.3%	35,981	2.1%	27,367
TOTAL EXPENSES	1,919,460	100.0%	1,730,517	100.0%	188,943

Religious Education

REVENUE

PREP (Elementary) – Fees	73,704	33.9%	74,730	34.9%	(1,026)
Sacramental Program – Fees	7,800	3.6%	7,965	3.7%	(165)
Action Youth (HS) – Fees	4,165	1.9%	3,805	1.8%	360
Parish Subsidy	131,999	60.6%	127,468	59.6%	4,531
TOTAL REVENUE	217,668	100.0%	213,968	100.0%	3,700

EXPENDITURES

PREP (Elementary)	4. 139,134	63.9%	136,459	63.8%	2,675
Sacramental Program	8,708	4.0%	9,781	4.6%	(1,073)
Action Youth Ministry	5. 47,955	22.0%	45,548	21.3%	2,407
Other Ed (RCIA)	6. 3,871	1.8%	3,929	1.8%	(58)
Maintenance	18,000	8.3%	18,252	8.5%	(252)
TOTAL EXPENSES	217,668	100.0%	213,969	100.0%	3,699

1. Tuition revenues have risen by almost 20% due to the large increase in the number of enrolled students, particularly those in the pre-school program. The current one-child tuition rate is \$4,795

2. The Parish makes a yearly contribution to the school that is limited to the lower of 25% of the church's offertory income or 25% of the school's operating expenses.

3. Due to the large improvement in enrollment, the school significantly decreased its use of school reserves in the past fiscal year.

4. The Parish Religious Education Program (PREP) provides religious education to 400 children of the Parish in grades K through 8.

5. Action provides a ministry to, with, and for youths attending high school.

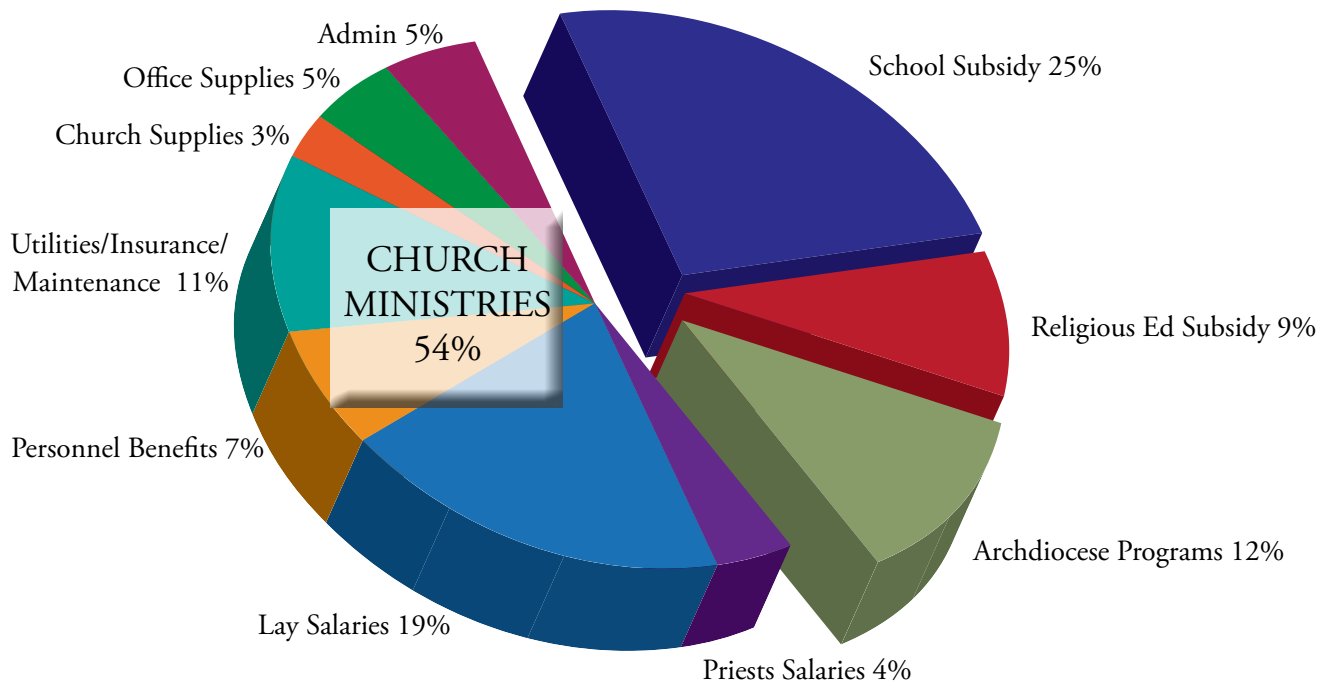
6. The Rite of Christian Initiation for Adults (RCIA) provides information for people interested in learning more about the Catholic faith. Other adult education programs are funded by the Morin Endowment.

How your Parish contributions are spent

Building and sustaining a strong and relevant SFX Parish community requires a strong General Offertory. The General Offertory fuels the wonderful works of our Parish. The good deeds of our Church, ministries, and religious education depend greatly on steady financing to help them thrive. Without your generosity, our efforts to reach those in need would be greatly reduced. The reality is that our buildings must be maintained, staff salaries paid, and ministries funded.

St. Francis Xavier has a great history of generosity, not just in support of the Parish, but also in support of the greater Chicago area and around the globe. As disciples of Jesus, we are called to share our gifts – our time and talent – as well as our financial resources.

Church Expenditures of \$1.57 million for 2009/2010
Percentage Distribution



Outreach Support

Each year, we as a Parish provide financial support to organizations outside the Parish. Through Special Collections, you provided \$243,346 in support of these organizations.

St. Thomas of Canterbury	\$72,740	Annual Catholic Appeal	\$87,968
Peter's Pence	\$3,019	Archdiocesan Seminaries	\$4,983
Missions of the Universal Church	\$4,771	Holy Land	\$1,418
Campaign for Human Development	\$10,199	Nigeria Missions	\$4,659
Retirement Fund for Religious	\$13,769	Priest's Retirement Fund	\$7,755
Catholic Charities	\$11,371	Capuchin Missions	\$689
Eastern Europe Church	\$2,719	Haiti Emergency Appeal	\$15,487
Latin American Church	\$1,799	Total Special Collections	\$243,346

Frequently Asked Questions to the Finance Committee

How much of what I contribute on Sundays goes to the Archdiocese?

Our Parish, like all Archdiocesan Parishes, is assessed 10% of offertory collections by the Archdiocese. The Archdiocese uses these monies to fund its staff and operating costs, including support services given to our Parish. It is important to note that there is no assessment on bequests, Sharing Parish donations, school tuition, interest on savings with the Archdiocese, gifts to the school Annual Fund, or the Endowment Fund.

Does any of my offertory contribution go to pay off the Archdiocesan problem relating to the sexual abuse of minors?

Absolutely not. The 10% assessment that our Parish pays to the Archdiocese is for staffing and operating costs. Direct expenses related to the misconduct are covered by income received from the sale or lease of various non-parish related properties owned by the Archdiocese, as well as proceeds from insurance coverage.

How much of my Parish contributions go to fund the activities of St. Francis Xavier School?

In the 2009-2010 school year, a subsidy to the school of approximately \$359,000 equaled 25% of the Parish's offertory income and about 22% of the school's operating costs. This subsidy is a function of a formula that has been in use for the past six years, under which the Parish contributes an amount equal to the lower of 25% of its offertory income or 25% of the school's total operating costs.

What is the right amount to give the Church?

Most religious groups ask their members to give 5-10% in support of the church. We suggest that everyone choose a comfortable level to commit for the year. The chart on the following page suggests guidelines for monthly donations based on monthly income.

What is the Parish's preferred way to receive donations?

There are many alternative ways of giving to the Parish. The majority of our families contribute through the weekly envelope program, the monthly automatic credit card program, and the monthly electronic check program. We encourage participation in the automatic giving programs. Automatic contributions greatly enhance the budgeting process and income projections of the Parish. (Note, the most efficient method is through the monthly recurring electronic check, which has the lowest processing costs.)

How does the Parish staff and support the approximately 40 Parish ministries and programs?

The Parish is very fortunate to have the time and talent of many volunteers from our community. As a result, the many groups dedicated to serving our community are able to highly leverage the Parish religious and lay staff. The Church has 19 lay employees that are the equivalent of 9 full time staff (9 FTEs), dedicated to supporting the programs and ministries that serve our 1,300 families and our Parish community.

What has the Parish done to control costs during these difficult economic times?

The Parish has faced a challenging operating environment since 2006. Revenues have remained flat, while utilities, insurance premiums, and personnel benefits have risen. Great care has been taken to preserve our programs and support for our services. In response, the Parish has frozen all salary pay for the past two years and has reduced non-essential operating costs. Additionally, the Finance Committee has prepared contingency plans that outline steps that can be taken should the economic environment worsen significantly.