

Financial Status of St. Mary Magdalene Catholic Parish

July 1, 2017 – June 30, 2018

We are pleased to make this financial report to you for the fiscal year ending June 30, 2018. The attached financial statement covers the revenue, expenses, progress toward paying off the debt on the existing church building, capital raised for our new building, and end of year cash balance. When you review these results, please remember that Fr. Terry and the Finance Council are required to develop a budget each year that balances the income from your generous donations against the many fixed costs of operating the parish and our ministries.

- **Total Operating Revenue** was budgeted at **\$982,650**, with actual revenue at **\$1,044,105** from offertory, Annual Appeal refund, faith formation and preschool fees, and other, minor income.
- **Total Operating Expenses** were budgeted at **\$1,017,626**. Through careful spending, the parish ended the year at **\$996,680**. The budgeted expenses include our **Loan interest payments** which were **\$61,850**, but do not include the targeted principal payment.
- Between income and expenses, the parish saved **\$82,401**, most of which went toward paying down our current loan. **Loan principal payments** were budgeted at **\$205,100**. We actually paid **\$78,742** toward the loan and ended the fiscal year **owing \$1,760,360** in loan principal.
- Since FY 2013/14 our combined offertory and debt reduction revenue has climbed from \$832,780 to \$977,983 in FY 2017/18, an increase of about **17%** over 4 years, with roughly the same Mass attendance.

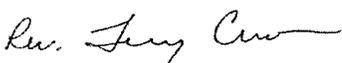
Overall, the parish continues to remain on a firm financial foundation. We are able to meet our day-to-day expenses and pay down some debt on the existing building. We are not, as seen in weekly reports, bringing in enough in contributions to reduce the principal payments in order to eliminate the current building loan by the desired payoff date in 2026. Thankfully, even though many parishioners are contributing to the new Capital Campaign, we also continue to have outstanding support for reducing our existing debt. Furthermore, while approving the new Campaign, Archbishop Gregory retroactively marked the past three years of Debt Reduction collections as assessment free, refunding to the parish **\$42,097** of the assessments paid in those years.

We have received only \$1.3 million in pledges of the goal of \$1.8 million for the new Education Wing and Parish Life Center. As the Building Committee has communicated, it will not be possible to undertake the full scope of the proposed project without reaching this financial target. Our Parish Leadership is firmly committed to this addition; however, in the name of good stewardship, we cannot take on more debt and the shortfall in pledges will cause the Building Committee to limit the scope of the overall project as we proposed from the very beginning this Spring.

The new Education Wing and Parish Life Center are critical to the growth of our Parish Community. Both aspects of the building project will enable us to expand the programs and services we can offer to parishioners and the wider community. This outreach, and the influx of new parishioners who are moving into the area, will sustain and increase our offertory so that we will be able to more easily cover day to day expenses that rise with inflation, and more quickly reduce our existing debt.

Thank you to everyone who has supported our parish spiritually, financially, and creatively. If you have any questions, or if we can be of any assistance whatsoever, please do not hesitate to contact either of us.

Yours in Christ,



Fr. Terry Crone
Pastor



David Keller
Finance Chairperson

Statement of Parish Revenue and Expenses
July 1, 2017 – June 30, 2018

Operating Revenue:	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Offertory	\$730,000	\$733,205	\$3,205
Online Giving	\$150,000	\$163,023	\$13,023
Children/Youth Offertory	\$4,000	\$3,594	(\$406)
Interest Income	\$4,600	\$5,524	\$924
Georgia Bulletin	\$800	\$899	\$99
Annual Appeal Refund	\$6,000	\$11,998	\$5,998
School of Religion	\$27,500	\$25,818	(\$1,682)
Preschool	\$45,650	\$35,314	(\$10,336)
Assessment Refund	\$0	\$42,098	\$42,098
Other Income	\$14,100	\$22,632	\$8,532
Total Operating Revenue	\$982,650	\$1,044,105	\$61,455
Operating Expenses:			
Liturgy	\$19,300	\$15,562	\$3,738
Evangelization	\$4,300	\$3,506	\$794
Religious Education	\$171,061	\$160,422	\$10,639
Special Ministries	\$22,375	\$11,102	\$11,273
Preschool	\$77,790	\$67,787	\$10,003
Admin/General	\$234,650	\$236,160	(\$1,510)
Facilities	\$164,450	\$145,415	\$19,035
Rectory	\$8,500	\$8,207	\$293
Archdiocese Support	\$217,250	\$215,670	\$1,580
Mortgage Interest Expense	\$61,850	\$62,358	(\$508)
Capital Campaign	\$0	\$35,729	(\$35,729)
Stewardship	\$1,000	\$91	\$909
Music	\$35,100	\$34,672	\$428
Total Operating Expenses	\$1,017,626	\$996,680	\$20,946
Net Income (Deficit)	(\$34,976)	\$47,425	\$82,401
Loan on Current Building			
Debt Reduction Income	\$85,000	\$77,941	(\$7,059)
Principal Payments on Mortgages	\$205,100	\$78,742	(\$126,358)
Principal Balance on Mortgages		\$1,760,360	
Funds Raised through Capital Campaign		\$334,175	
Other Cash Expenditures:			
Purchase of Furniture and Equipment*	\$0	\$14,069	(\$14,069)
*iPad (Preschool), Pre-K4 Curriculum, Communion Cups, Dehumidifiers (Rectory), storage shelving units , middle school desk, icemaker in kitchen, refrigerator, freezer			
Operating Cash in Checking Account		\$106,566	