

# Church of St. Wenceslaus

## *Financial Report*

For July 1, 2010-June 30, 2011

Included in this report are summaries of the financial statements for The Church of St. Wenceslaus for fiscal years 2009-10 and, 2010-11 and the budget for fiscal year 2011-12. (**No** financial information for St. John's, St. Scholastica, and St. Benedict's is included in this report.)

The report highlights 4 items:

- There was a slight deficit as of June 30, 2011.
- Upcoming maintenance needs for the parish facilities and city roads.
- The loan principal on the Parish Activity Center went down by nearly \$200,000.
- Work on Maintaining our Momentum for 2012-13 and beyond continues.

### **PARISH REVENUE:**

This report shows three main sources of parish income or revenue. First are *Adult Envelope Collections* and other parish-wide revenue, which includes the Parish Festival. The total of these revenues constitutes the *Common Parish Resources*, which are resources are spent in all areas of parish ministry. The common parish resources make up the difference in revenue generated by fees in various areas and cover the overhead for maintenance, utilities and administration. The biggest component of common parish resources is adult envelope collections. In 2010-11 the amount contributed through envelopes and automatic deposit was \$786,453 which is \$11,680 more than last fiscal year. Christmas, Easter, Holy Day, and cash plate collections were less than in 2009-10. In February 2010, the Parish Coordinating Council allowed the use of \$33,000 from the Team of 720 Funds to help balance the 2010-11 parish budget. Those funds are not available in 2011-12, which is why common parish resources are budgeted at a lower amount.

The second source of revenue is *Fees* for the programs offered at St. Wenceslaus Parish. Primarily, this consists of a family's out-of-pocket expense or "tuition" at St. Wenceslaus School and fees associated with the Faith Formation/Youth Ministry programs. St. Wenceslaus School raises significant revenue from fundraising efforts and receives support from the New Prague School District for special programs, counseling, and textbooks.

The third main source of revenue comes from the Church of St. Wenceslaus' *Endowment Fund*. As with all investments, the Endowment has regained principal and as of June 30, 2011 had a value of \$1,233,000. This is an increase of \$223,000 from June 30, 2010. The endowment board meets in January of each year to determine whether money will be available from the profits of the endowment. At the January 2011 meeting the board determined, based on the by-laws, a distribution of \$68,400 would be made for fiscal year 2011-12. These funds will be used for maintenance needs, St. Wenceslaus School Technology upgrade, and other ministry programs in Faith Formation and Pastoral Care.

### **PARISH EXPENSES:**

This report breaks parish expenses into two separate areas. The first is *Non-Ministry Expenses* for administration, maintenance and utilities. The second area of expense is

*Ministry Expenses*, which include program and staff costs associated with all parish ministries, including the school.

**Trends in Administration, Maintenance and Utilities:**

Costs in this area have increased since 2009-10 mainly due to an increase in our Archdiocesan Assessment. In 2011-12 the assessment increases by \$30,000. The assessment is based on our overall revenue and goes to fund archdiocesan offices and ministries. Clergy, maintenance and administrative staff are included in this area of the budget.

Maintenance expenses in 2010-11 were less than 2009-10. The facility needed fewer minor repairs. In last year's financial report, we disclosed some major repairs were needed to the mortar, stone, and metal molding around the church towers. In 2011-12 we will use endowment funds to pay for the repairs to mortar and stone. As we pursued this repair, we ascertained that there was also mortar damage around exterior bricks that enclose the stained glass windows of the church. Moisture was getting past the bricks causing the interior paint to crack and peel at the top of each window. The exterior work is being done now. In about six months, the interior paint that was damaged from the moisture will be repaired; the interior work will be covered by our insurance. All other exterior mortar and stone repair will be completed in the spring of 2012.

The City of New Prague has been working to improve the streets and roads in town. In 2012 work will begin on 2<sup>nd</sup> Avenue and in 2013 work will begin on Church Street. The parish will be assessed \$130,000-\$140,000 for this work. The assessment may be paid in ten annual installments.

The costs for heating and electricity continue to fluctuate. In 2010-11 there was good news, and these expenses were less than budgeted. However, with the unpredictability of fuel costs, an increase is expected in 2011-12.

**Trends in Ministry Expenses:**

Parish ministry expense areas include: Liturgy & Music, Faith Formation/Youth Ministry, St. Wenceslaus School, Pastoral Care, and Adult Faith Formation.

Personnel costs continue to be the parish's largest expense. There were 29 full time 28 part-time employees in school and non-school positions in 2010-11. The staff works hard to provide high quality ministerial services to parishioners. Along with direct services to parishioners, they train and support the volunteers who multiply the ministries the parish provides. Health insurance costs will rise by 5.5% in fiscal year 2011-12 for all staff who apply and qualify for this benefit. And for the fourth year in row, no salary increase was given to staff.

**Conclusion:**

The end result for the 2010-11 fiscal year is that the parish had a slight deficit of \$8,365. This is a manageable deficit, but a result the parish will not want to repeat in the next fiscal year.

## Parish Revenue

<b>Envelope Income:</b>	<b>Actual 2009-10</b>	<b>Actual 2010-11</b>	<b>Budget 2011-12</b>
Adult Envelopes	\$774,773	\$786,453	\$781,896
Children's Envelopes	\$153	\$59	\$58
Christmas Envelopes	\$31,044	\$29,167	\$29,102
Easter Envelopes	\$22,745	\$16,203	\$16,000
Holy Day Collections	\$5,727	\$3,659	\$3,640
Cash Plate Collections	\$20,533	\$18,855	\$19,548
Team of 720 Funds		\$33,000	
<b>Total Envelope Income</b>	<b>\$854,975</b>	<b>\$887,396</b>	<b>\$850,244</b>

### Other Parish Revenue Sources:

Mass Offerings, Baptisms, Weddings & Funerals	\$11,473	\$11,138	\$11,138
Investment Income	\$1,974	\$144	\$136
Bequests & Memorials	\$250	\$736	\$250
Annual Catholic Appeal Rebate	\$7,116	\$6,773	\$6,600
Rental Income	\$9,975	\$11,302	\$9,650
Net Parish Festival	\$58,672	\$59,748	\$59,750
Winter Calendar Raffle Profit	\$20,854	\$19,372	\$19,500

<b>Total Common Parish Resources</b>	<b>\$965,289</b>	<b>\$996,609</b>	<b>\$957,268</b>
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### Parish Ministry Revenues:

Faith Formation/Youth Ministry	\$51,688	\$42,157	\$45,000
Adult Faith Formation & Pastoral Care	\$2,054	\$2,626	\$2,600
Votive Candle/Ornament Fundraiser	\$2,922	\$2,926	\$2,500
<b>Total Non-School Ministry Income</b>	<b>\$56,664</b>	<b>\$47,709</b>	<b>\$50,100</b>

### St. Wenceslaus School

Tuition - Little Spirits Preschool	\$28,191	\$45,982	\$39,000
St. Wenceslaus School Tuition Income	\$898,748	\$858,327	\$887,046
School's Misc. Income - Use of Savings	\$35,341	\$271	\$0
Net School Fundraising Efforts	\$141,739	\$157,113	\$142,250
Subsidy from Archdiocese for School	\$5,083	\$0	\$0
Aid from New Prague School District	\$31,804	\$30,100	\$30,000
Foreign Exchange Student Program	\$15,000	\$15,000	\$15,000
Clubhouse After School Program	\$20,509	\$22,118	\$26,624
<b>Total School Revenue</b>	<b>\$1,176,415</b>	<b>\$1,128,911</b>	<b>\$1,139,920</b>

<b>Total Parish Ministry Revenue</b>	<b>\$1,233,079</b>	<b>\$1,176,620</b>	<b>\$1,190,020</b>
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<b>Endowment Fund Disbursements to Ministries &amp; Maintenance:</b>	<b>Actual 2009-10</b>	<b>Actual 2010-11</b>	<b>Budget 2011-12</b>
Maintenance			\$40,772
Faith Formation/Youth Ministry			\$5,050
Adult Faith Formation & Pastoral Care			\$90
St. Wenceslaus School			\$22,531
<b>Endowment Fund Disbursements</b>	<b>No Funding</b>	<b>No Funding</b>	<b>\$68,443</b>
<b>Total Parish Revenue From All Sources</b>	<b>\$2,198,368</b>	<b>\$2,173,229</b>	<b>\$2,215,731</b>

## PARISH EXPENSES:

<b>Administration:</b>	<b>Actual 2009-10</b>	<b>Actual 2010-11</b>	<b>Budget 2011-12</b>
Salaries & Benefits: Maintenance, Administration & Clergy	\$341,412	\$348,994	\$337,348
General Administration: Supplies, Insurance, Equipment	\$100,296	\$108,325	\$106,200
Archdiocesan Assessment	\$93,516	\$88,997	\$118,000
Replenishment of Cash Reserves	\$16,236	\$16,236	\$16,239
<b>Total Administration</b>	<b>\$551,460</b>	<b>\$562,552</b>	<b>\$577,787</b>

### Maintenance:

Total Contracted Services	\$19,322	\$19,246	\$18,867
Total Supplies	\$12,456	\$12,976	\$12,100
Building and Grounds Repairs	\$37,741	\$31,654	\$16,300
Repairs funded from Parish Endowment Disbursement			\$40,772
<b>Total Maintenance</b>	<b>\$69,519</b>	<b>\$63,876</b>	<b>\$88,039</b>

### Utilities:

Electric/Gas	\$61,379	\$61,135	\$65,000
Water/Sewer	\$6,679	\$7,840	\$8,100
Garbage	\$6,121	\$6,166	\$6,300
Telephone	\$15,877	\$16,306	\$16,300
<b>Total Utilities</b>	<b>\$90,056</b>	<b>\$91,447</b>	<b>\$95,700</b>

<b>Total Administration, Maintenance and Utilities</b>	<b>\$711,035</b>	<b>\$717,875</b>	<b>\$761,526</b>
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<b>Parish Ministry Expenses</b>	<b>Actual 2009-10</b>	<b>Actual 2010-11</b>	<b>Budget 2011-12</b>
School Staff: Salaries and Benefits	\$1,146,229	\$1,111,050	\$1,066,135
School Program Expenses	\$57,172	\$63,628	\$53,500
School Endowment Funds Expensed - Technology Upgrade	\$0	\$0	\$22,531
Uses of Aid Funds from New Prague Public Schools	\$21,503	\$17,321	\$20,000
Ministry Staff Salaries and Benefits for: Faith Formation/ Youth Ministry, Pastoral Care & Music	\$223,128	\$222,188	\$227,347
Liturgy and Music	\$16,765	\$24,077	\$24,050
Faith Formation/Youth Ministry Expenses/Sacramental Prep	\$18,674	\$21,852	\$27,100
Adult Faith Formation and Pastoral Care	\$3,862	\$3,603	\$4,315
Parish Ministry Endowment Funds Expensed			\$5,140
<b>Total Ministry Expenses</b>	<b>\$1,487,333</b>	<b>\$1,463,719</b>	<b>\$1,450,118</b>
<b>Total Expenses</b>	<b>\$2,198,368</b>	<b>\$2,181,594</b>	<b>\$2,211,644</b>
<b>Year End Surplus or (Deficit)</b>	<b>\$0</b>	<b>(\$8,365)</b>	<b>\$4,087</b>

As in prior years, parishioners wishing to review the parish balance sheet are asked to contact the Peter Guzulaitis at the parish office.

#### **Capital Campaign-Loan on Parish Activities Center Report:**

In January 2010 the parish began a capital campaign to retire the debt incurred to build the Parish Activities Center and make other necessary repairs and improvements to our facilities.

There was a total of \$1.36 million pledged to the campaign. Since it began:

- 1, 655 families have made pledges to the Capital Campaign.
2. In fiscal year 2010-11 the Capital Campaign received \$329,000. Since the Capital Campaign began in January of 2010, \$660,000 has been collected.
3. In 2003 the parish took out a tax exempt loan to finance the construction of the Parish Activities Center for \$2.9 million. On June 30, 2011 the amount remaining to be paid back was \$1.65 million.
4. From July 1, 2010 to June 30, 2011 the parish reduced the principal on the loan by \$196,000 and paid \$77,000 in interest.

**Maintaining our Momentum for 2012-13 and Beyond:**

Looking to the future is an important function of parish leadership and we do that to anticipate issues that could harm the ability of our parish to provide ministry. For the last 5 months the Parish Coordinating Council, the Property and Finance Board, and other parish boards have been studying ways to deal with an increase in expenses while dealing with no increase in Common Parish Resources. We are committed to living within the income you provide us and offer the best possible programs and ministries to our community. In the last few months of 2011, a report on this work will be given to our parish in which we will ask for your advice and input. Please watch for more information on this important report.

Please contact members of the Property and Finance Board if you have any questions on this report.

**2011-12 Property & Finance Board:**

Joe Meyer, Chair  
Al Beatrez  
Ben King  
Mary Jo Haeg  
Dan Bible  
Pat Sullivan  
Elizabeth Bartusek  
Bill Kessler