

# St. Mary Magdalene Catholic Church

## Letter from the Chair of the Finance Council

*My brothers and sisters in Christ, please find as follows, the parish's annual financial report for the fiscal year July 1, 2019 to June 30, 2020. Thank you for your patience as we were delayed in publishing this report due to the pandemic.*

*In summary, I am pleased to report, that despite the effects of COVID-19 in the last quarter of the fiscal year, our parish exceeded our budget by approximately \$300,000. This surplus was made possible by your continued generosity as well as the prudent management of expenses by the parish staff. Surplus funds will be used to (1) add to the parish's general savings in the case of future emergencies and continued financial strain brought on by the pandemic and (2) to address several deferred maintenance items including HVAC replacement, improving the parking lot asphalt, and technology upgrades in the church and the Conner Ministry Building.*

*The SMMCC Finance Council, our pastor and his parochial vicars, and the parish staff continue to monitor the parish's finances to ensure we continue to be faithful stewards of the resources you have entrusted to St. Mary Magdalene. I encourage you to review the entire financial report for the church and preschool. Should you have any questions on the annual report, please feel free to contact Deacon Bert Chavez, Director of Business Administration, at [dcnbert@smmcc.org](mailto:dcnbert@smmcc.org) or at extension 4230. Wishing you God's richest blessings during the seasons of Advent and Christmas,*

*Gregory W. Haselden  
Finance Council, Chair*

# St. Mary Magdalene Catholic Church

## Financial Results

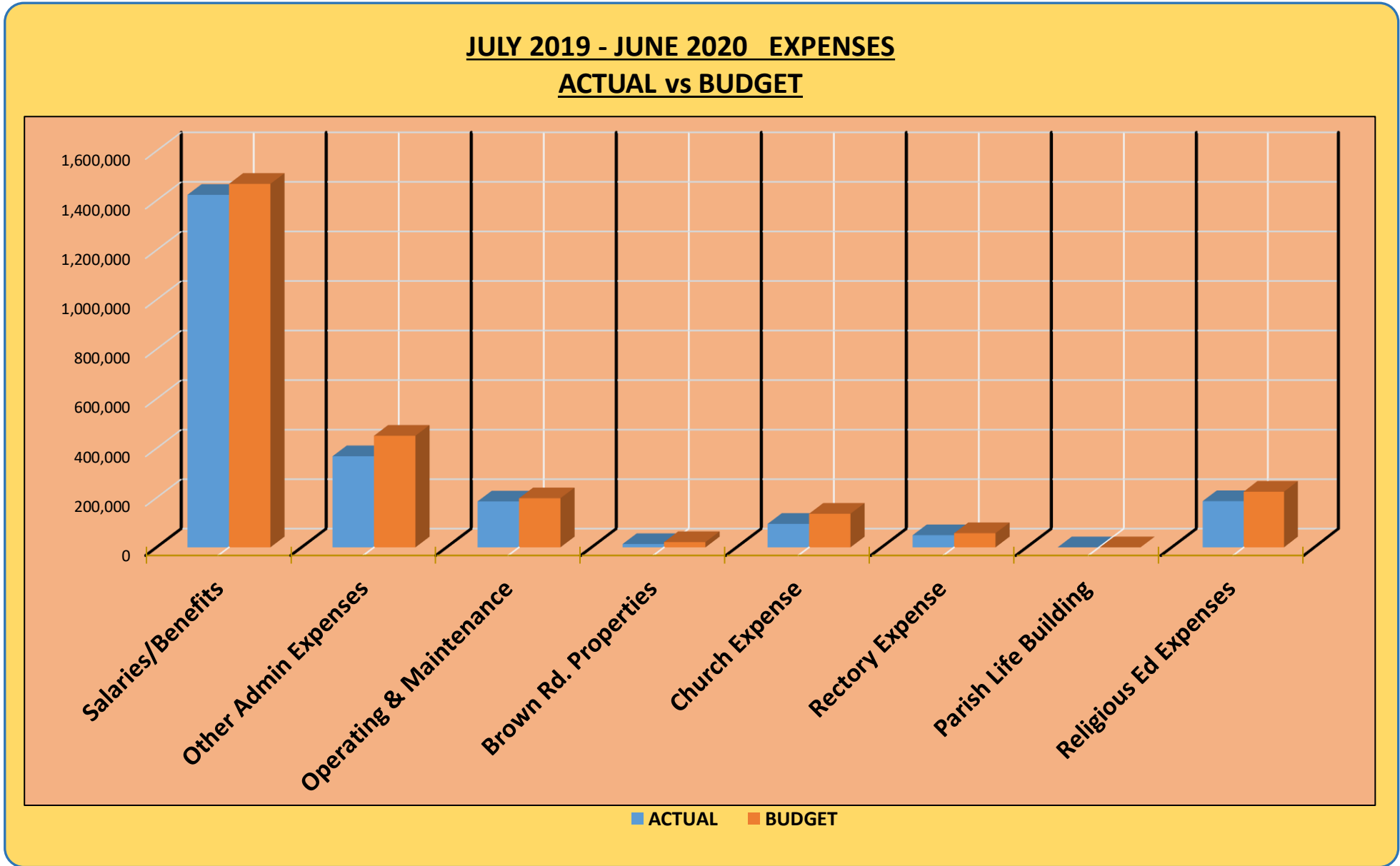
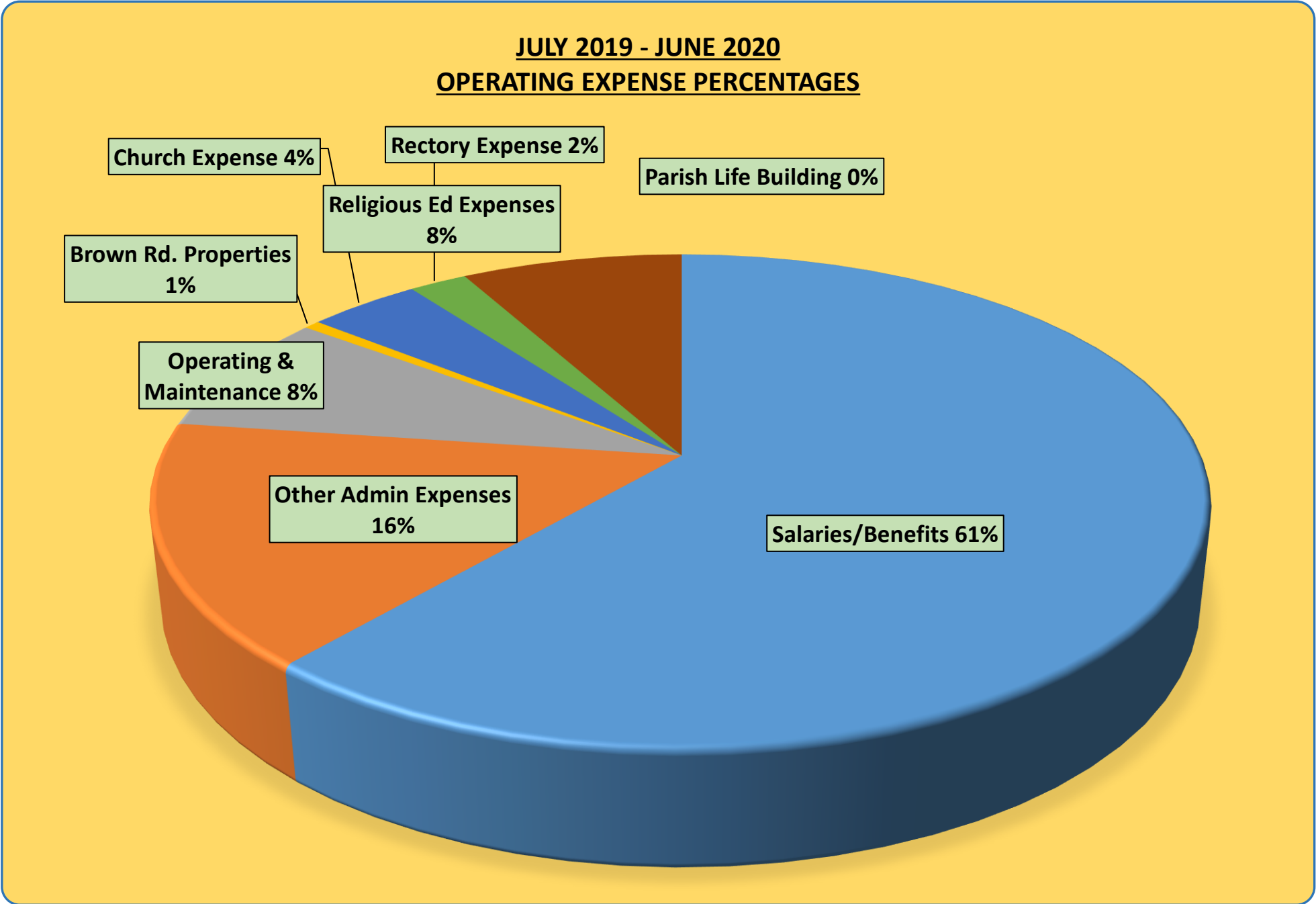
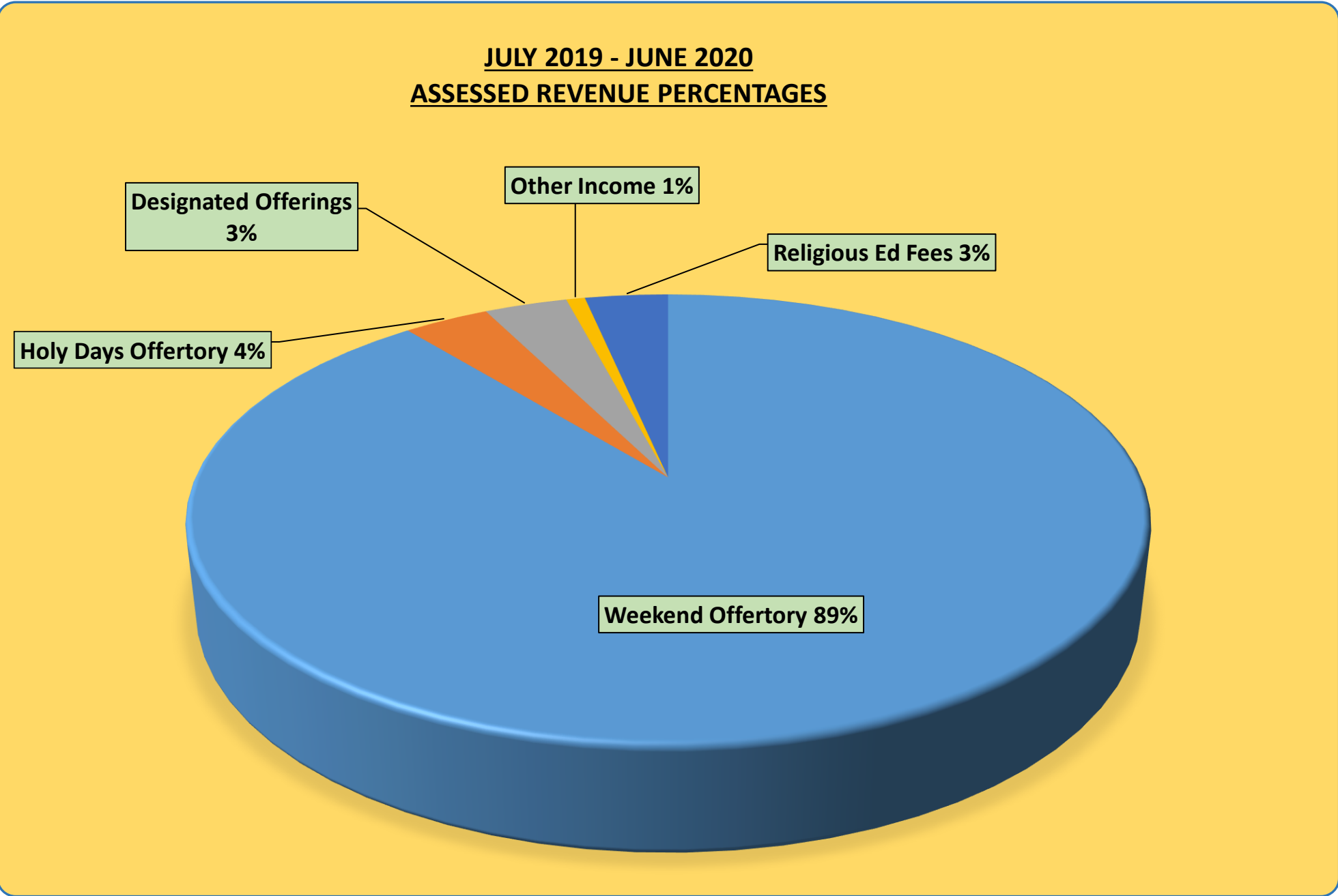
2019 -2020

### Profit & Loss Statement

	<u>July'18 - June'19</u>	<u>July'19 - June'20</u>	<u>July'19 - June'20</u>	<u>Fav(Unfav)</u>	<u>2020 - 2021</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Annual Budget</u>
<b><u>Assessed Revenues</u></b>					
Weekend Offertory	\$3,189,688	\$3,153,364	\$3,177,190	(\$23,826)	\$2,976,757
Holy Days Offertory	\$109,926	\$121,904	\$104,782	\$17,122	\$115,809
Designated Offerings	\$50,526	\$118,083	\$110,050	\$8,033	\$109,250
Other Income	\$26,215	\$26,648	\$23,300	\$3,348	\$27,400
Religious Ed Fees	\$155,913	\$118,276	\$86,900	\$31,376	\$167,790
<b>Total Assessed Revenue</b>	<b>\$3,532,268</b>	<b>\$3,538,275</b>	<b>\$3,502,222</b>	<b>\$36,053</b>	<b>\$3,397,006</b>
<b><u>Non-Assessed Revenues</u></b>					
Diocesan Interest	\$10,759	\$11,686	\$9,300	\$2,386	\$12,200
Diocesan Collections	\$58,311	\$53,063	\$59,500	(\$6,437)	\$61,500
Other Funding Sources	\$124,173	\$119,855	\$116,625	\$3,230	\$84,925
<b>Total Non-Assessed Revenue</b>	<b>\$193,243</b>	<b>\$184,604</b>	<b>\$185,425</b>	<b>(\$821)</b>	<b>\$158,625</b>
<b>Total Revenues</b>	<b>\$3,725,511</b>	<b>\$3,722,879</b>	<b>\$3,687,647</b>	<b>\$35,232</b>	<b>\$3,555,631</b>
<b><u>Operating Expenses</u></b>					
Salaries/Benefits	\$1,348,064	\$1,423,390	\$1,467,567	\$44,177	\$1,612,150
Other Admin Expenses	\$418,077	\$368,244	\$451,038	\$82,794	\$357,028
Operating & Maintenance	\$226,150	\$185,554	\$198,412	\$12,858	\$238,360
Brown Rd. Properties	\$20,173	\$13,319	\$21,173	\$7,854	\$12,350
Church Expense	\$122,864	\$94,824	\$135,819	\$40,995	\$128,136
Rectory Expense	\$48,974	\$49,017	\$57,115	\$8,098	\$57,825
Parish Life Building	\$0	\$0	\$0	\$0	\$42,225
Religious Ed Expenses	\$208,979	\$186,851	\$224,925	\$38,074	\$288,219
<b>Total Operating Expenses</b>	<b>\$2,393,281</b>	<b>\$2,321,199</b>	<b>\$2,556,049</b>	<b>\$234,850</b>	<b>\$2,736,293</b>
<b><u>Non-Operating Expenses</u></b>					
Diocesan Assessment	\$336,138	\$353,157	\$350,561	(\$2,596)	\$352,990
Charitable Donations	\$148,047	\$116,132	\$141,212	\$25,080	\$140,500
Other Non-Operating Expenses	\$154,075	\$149,925	\$142,700	(\$7,225)	\$323,000
<b>Total Non-Operating Expenses</b>	<b>\$638,260</b>	<b>\$619,214</b>	<b>\$634,473</b>	<b>\$15,259</b>	<b>\$816,490</b>
<b>Total Expenses</b>	<b>\$3,031,541</b>	<b>\$2,940,413</b>	<b>\$3,190,522</b>	<b>\$250,109</b>	<b>\$3,552,783</b>
<b>Net Income</b>	<b>\$693,970</b>	<b>\$782,466</b>	<b>\$497,125</b>	<b>\$285,341</b>	<b>\$2,848</b>
Allocations - Capital Reserve	\$108,000	\$168,000	\$168,000		\$0
Allocation to Capital Campaign	\$300,000	\$0	\$0		\$0
<b>Adjusted Net Income</b>	<b>\$285,970</b>	<b>\$614,466</b>	<b>\$329,125</b>		<b>\$2,848</b>

### Balance Sheet

	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>\$ Change</u>
<b><u>Current Assets</u></b>			
Cash & Checking	\$285,230	\$129,180	(\$156,050)
Capital Reserve Fund	\$94,086	\$265,414	\$171,328
General Parish Savings	\$393,096	\$1,002,130	\$609,034
Other Savings	\$16,332	\$16,656	\$324
Capital Campaign Restricted	\$4,113,568	\$582,885	(\$3,530,683)
Endowment Account	\$89,935	\$89,442	(\$493)
<b>Total Current Assets</b>	<b>\$4,992,247</b>	<b>\$2,085,707</b>	<b>(\$2,906,540)</b>
<b><u>Fixed Assets</u></b>			
Land, Buildings & Equipment	\$10,855,125	\$11,030,854	\$175,729
Construction in Progress	\$391,948	\$5,576,395	\$5,184,447
<b>Total Fixed Assets</b>	<b>\$11,247,073</b>	<b>\$16,607,249</b>	<b>\$5,360,176</b>
<b>Total Assets</b>	<b>\$16,239,320</b>	<b>\$18,692,956</b>	<b>\$2,453,636</b>
<b><u>Liabilities &amp; Equity</u></b>			
Accounts Payable	\$164,132	\$51,257	(\$112,875)
Construction Payable	\$0	\$273,109	\$273,109
Other Liabilities	\$25,834	\$43,540	\$17,706
Paycheck Protection Program Loan*	\$0	\$231,208	\$231,208
Equity	\$16,049,354	\$18,093,842	\$2,044,488
<b>Total Liabilities &amp; Equity</b>	<b>\$16,239,320</b>	<b>\$18,692,956</b>	<b>\$2,453,636</b>



**St. Mary Magdalene Catholic Church**  
**Financial Notes**  
**July 2019 - June 2020**

**Assessed Revenues vs. Non-assessed Revenues:**

Assessed revenues are regular weekend Mass collections and any extraordinary offerings/donations. These revenues may also include any net proceeds from socials, festivals, and fund raising activities.

- Assessed Revenues were favorable by \$36,053 due in large part to Religious Education fees being \$31,376 over budget.
- Offertory was \$6,704 short of budget due to the impact of Covid-19.
  
- Non-assessed revenues include the following came in slightly below budget by \$821.
  - Interest income comes from savings accounts such as the Capital Reserve Fund and the General Parish Savings accounts. Interest came in higher with the balances in the Parish Savings and Capital Repair Fund. This has been a result of replenishing them since last fiscal year.
  - "Other Funding Sources" variance of \$3,230 is a timing issue for funds not yet paid for Diocese Collections.
  - Note: There is no Diocesan assessment imposed on non-assessable revenues.
  
- Overall, Total Revenue exceeded budget by \$35,232 primarily as a result of Religious Education fees.

**Expense Major Variances:**

- Salaries & benefits were favorable to budget by \$44,177 due to staff reorganization and one staff position not yet hired during the year.
  
- All other operating expenses were better than budget by \$190,673 as the church offices and operations were shut down since mid-March 2020 because of Covid-19.
  
- Religious Ed expenses were over by approximately \$14,000 due to expenses incurred last fiscal year but paid in the current year.

**Explanations for noted accounts:**

- Allocation to Capital Reserve: The amount budgeted to go into the Capital Reserve account to address deferred maintenance was \$14,000 per month which totals \$168,000 reported for the fiscal year.
  
- \*Paycheck Protection Program Loan: This is a loan to grant program given by the government due to the financial strain from the Covid-19 situation. The entire amount granted was \$231,208 and it was used up entirely for payroll. This allowed the parish to have a substantial positive cash inflow to cover payroll expenses for a period of 8 weeks.

Overall, despite the impact of Covid-19, the church experienced healthy financial operations during Fiscal Year '19-'20 with the implementation of a financial discipline in order to meet the financial short-term and long-term future needs of the parish.

The financial stability during the current pandemic of Covid-19 has been accomplished thanks to the efforts of the Finance Council and especially the assistance from Fr. Williams. Our commitment is to continue this financial discipline and remain vigilant during these challenging times. Each month the staff, with the collaboration of the Finance Council, will be monitoring very closely the church's finances and will make immediate adjustments as needed to maintain a financially healthy status and to be good stewards of our resources!

The 2019-2020 surplus will be used to add to the parish's savings account and will be used to address several deferred maintenance items to include HVAC, parking lot paving, and technology enhancements.

# St. Mary Magdalene Preschool

## Financial Results

July 2019 - June 2020

	<u>July'18 - June'19</u> <u>Actual</u>	<u>July'19 - June'20</u> <u>Actual</u>	<u>July'19 - June'20</u> <u>Budget</u>	<u>Fav(Unfav)</u> <u>Variance</u>	<u>2020 - 2021</u> <u>Annual Budget</u>
<b><u>Income</u></b>					
Interest Income	\$1,000	\$938	\$1,000	(\$62)	\$1,000
Tuition	\$262,033	\$203,656	\$260,280	(\$56,624)	\$216,630
Registration Fees*	\$14,375	\$13,075	\$11,150	\$1,925	\$11,800
Gifts/Donations/Unrestricted	\$500	\$0	\$0	\$0	\$0
Fund Raising Events	\$7,792	\$5,144	\$5,000	\$144	\$1,200
Total Income	<u>\$285,700</u>	<u>\$222,813</u>	<u>\$277,430</u>	<u>(\$54,617)</u>	<u>\$230,630</u>
<b><u>Expenses</u></b>					
Salaries/Benefits	\$190,061	\$193,150	\$204,218	\$11,068	\$208,582
Professional Services	\$24,550	\$21,371	\$22,900	\$1,529	\$20,832
Other Admin Exp	\$36,767	\$11,945	\$13,900	\$1,955	\$12,500
Other Instructional Expenses	\$5,334	\$7,227	\$17,775	\$10,548	\$11,775
Utilities	\$4,200	\$4,200	\$4,200	\$0	\$4,200
Workman's Comp	\$925	\$884	\$0	(\$884)	\$1,000
Total Expenses	<u>\$261,837</u>	<u>\$238,777</u>	<u>\$262,993</u>	<u>\$24,216</u>	<u>\$258,889</u>
<b>Net Income / (Loss)</b>	<u><u>\$23,863</u></u>	<u><u>(\$15,964)</u></u>	<u><u>\$14,437</u></u>	<u><u>(\$30,401)</u></u>	<u><u>(\$28,259)</u></u>
Cash transfer from savings					<u>\$28,500</u>
					<u><u>\$241</u></u>
<b>Balance Sheet</b>					
	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>\$ Change</u>		
<b><u>Current Assets</u></b>					
Cash & Checking	\$135,401	\$166,296	(\$30,895)		
Savings	\$35,443	\$136,145	(\$100,702)		
Tuition Receivable	\$364	(\$660)	\$1,024		
Other Current Assets	\$150	\$150	\$0		
Total Current Assets	<u>\$171,358</u>	<u>\$301,931</u>	<u>(\$130,573)</u>		
<b><u>Fixed Assets</u></b>					
Land, Buildings, Equipment	\$27,725	\$27,725	\$0		
Equipment	\$61,000	\$61,000	\$0		
Furnishings and Contents	\$70,251	\$70,251	\$0		
Total Fixed Assets	<u>\$158,976</u>	<u>\$158,976</u>	<u>\$0</u>		
Total Assets	<u><u>\$330,334</u></u>	<u><u>\$460,907</u></u>	<u><u>(\$130,573)</u></u>		
<b><u>Liabilities &amp; Equity</u></b>					
Liabilities	\$11,500	\$20,867	(\$9,367)		
Accounts Payable	\$0	\$0	\$0		
Paycheck Protection Program Loan**	\$0	\$37,170	(\$37,170)		
Equity	\$318,834	\$402,870	(\$84,036)		
Total Liabilities & Equity	<u><u>\$330,334</u></u>	<u><u>\$460,907</u></u>	<u><u>(\$130,573)</u></u>		

**\*Registration Fees:** Are budgeted at \$11,000 every year based on full enrollment if all students stay for the entire year. Those fees are non-refundable and anything above \$11,000 is because of students withdrawing and new students enrolling and paying their registration fee. Registration fees were lower in 19-20 because there was less student turnover in 18-19.

**\*\*Paycheck Protection Program Loan:** This is a loan to grant program given by the government due to the financial strain from the Covid-19 situation. The entire amount granted was \$37,170 and it was used up entirely for payroll. This allowed the Preschool to have a substantial positive cash inflow to cover payroll expenses for a period of 8 weeks.