

## Commentary

The presentation on the front includes 2009 actual results followed by 2010 actual results and the 2011 budget, which shows the trend of rising income and expenses with the goal of achieving at least a break-even position or show some operating profit. For 2011 the goal is to break-even with gross income and total expenses balanced.

2009 was a difficult year for expenses versus the level of income forthcoming and the Church experienced a net operating loss of -\$31,010. However, for 2010 with significant emphasis placed on the weekly, monthly and holy day offertories; this component of income, in aggregate, rose from \$598,846 to \$670,070, for an increase of \$71,224 or 11.9% higher than the 2009 results. In addition, a one-time non-budgeted income item of \$32,687 from the sale of about 6/10's of an acre of land to Stoneham Milford LLC to fulfill its legal requirement of having 400 feet (only had 360 feet prior to the sale) on the north boundary line of the Church to open a package store on their site near the location of Shop Rite.

The gross income for 2010, at \$750,073, was more than sufficient to cover the operating expenses of \$710,543 and resulted in a net operating profit of \$39,530. Expenses were tightly controlled in 2010 and were helped by the lower than budgeted school subsidy, at \$60,000 vs. \$84,000 in the budget.

For the 2011 budget, the offertory income (weekly, monthly and holy days) has been increased to \$754,000 and the other income (principally from donations for Mass intentions and religious education tuition) of \$47,100 bringing the total 2011 budgeted income to \$801,100, up \$51,027 or 6.8% from the 2010 total income. It should be noted for 2011 that the offertory income budget now represents 94.1% of total income vs. 89.3% for 2010 as a result of the one-time benefit realized from the sale of property, as noted above.

In last week's Bulletin Insert, it was noted that St. Mary Church needs each week \$12,500, on average, for the 50 week year (Easter Sunday and Christmas Day this year is on a Sunday) or \$625,000; \$6,000 each month for the monthly collections or \$72,000 and \$57,000 for holy days. We know if all church goers will consider an increase of \$1.00 for each collection throughout the year; the \$754,000 aggregate budget offertory number can be achieved.

We will continue to tightly control operating expenses in 2011 and we have provided some contingency in the budget for unforeseen expenses that could arise in the amount of \$5,347 and the goal is to reach at least a break-even position for the year.

*Although not a part of the 2011 operating budget, St. Mary will have its second Annual Fund Collection and the amount has been increased to \$65,000, up from the 2010 target of \$60,000 and the actual received of \$48,920. For the 2010 annual Collection 518 people made a donation with a weighted average of \$94/donor and the goal is to have 650 donors in 2011 and achieve a weighted average of \$100/donor. The annual fund is to continue to grow a reserve on the balance sheet to build a capital replacement reserve to be used for capital expenditures as the need arises going forward.*

If any parishioner should have questions or comments regarding the results achieved for 2010 and the budget for 2011, please let Meghean Hayes, the accounting manager at the Rectory know in writing or by calling her at the Rectory at 203-878-3571.