

ANNUAL REPORT

For the Fiscal Year Ending June 30, 2006

St. Francis by the Sea Catholic Church

Vision Statement: In Christ – united in faith, love and service.

Mission Statement: To build a Catholic Community that makes present the Gospel of Christ through Worship, Discipleship and Evangelization. [Pastoral Council 2005]

Pastor's Remarks

Dear parishioners, each year we take time to look at our past year's financial stewardship to report how we used God's gifts. As disciples of Christ, our parish is dedicated to ministries that foster Christian Formation; Prayer & Worship; Stewardship; Evangelization; Building Community; and Social Outreach. The parish mission and special mission programs and other expenditures stated in this report represent these vital ministry commitments. Our ability to maintain and increase our ministries is directly related to individual parishioners giving of their time, talent and treasure. From the first pages of the Bible, stewardship is revealed as a key to our relationship with God and each other. Two of the many passages found in scripture on this topic have remained with me for nearly 30 years. They have transformed the way I personally looked at giving to the Church. I was in my late teens or early twenties when I first read in the last book of the Old Testament, this question asked of God's people: "Will a man rob God? Yet you are robbing Me! But you say, 'How have we robbed Thee?' In tithes and offerings. (Malachi 3:8)" That passage was a very humbling and eye opening experience. At that time I was not giving much or anything to the Church even though I could have! To think that I was robbing God stunned me. Jesus teaches us a lot more about tithing when he praised the widow for putting a few pennies in the temple treasury even when she had nothing else. Jesus always recognizes the faithful servant. Hopefully Jesus one day greets each of us with words similar to these: "Well done, good and faithful servant; you have been faithful over a little, I will set you over much; enter into the joy of your master. (Matthew 5:23)" Financial stewardship is part of God's divine plan for everyone. May God guide you, encourage you, and bless you this year.

In Christ - United in faith, love and service. Fr. Mike

Finance Council Chairman's Remarks

The Finance Council works in concert with the Vision and Mission of the Parish as established by the Parish Council and ensures the "prudent management of Parish Assets" — Our overarching mission. As you can see from the accompanying statements of the Church, the School and the Thrift Shop, we are in excellent financial condition through your generosity. We continue to make progress from the setback of a million dollar loss due to the EIFS problem with the Family Center. Our debt is totally paid off. As noted in last year's report, the lawsuit settlement of \$495,000 was applied to our \$650,000 loan. The balance has been paid this year, our Reserve Fund is growing again, a start of a School Endowment Fund has been funded, a joint purchase of a Convent for the Sisters was made and significant contributions were made for the programs that support our Ministries and serve the Community. The Finance Council also works specifically through the year on our 20 official duties to insure the financial integrity of the receipt and use of Parish Funds. Take a moment to review the statements and the explanatory notes on the following pages. If you are interested in more details, we welcome you to check out our website or visit the church office.

Mike Flint

Church Statistics

Balance Sheet

Assets:

Current Assets:		
Cash and Checking Accounts	\$155,167	1.5%
Investments & Savings Accounts	572,087	5.7%
Total Current Assets	727,254	7.2%
Fixed Assets:		
Land, Buildings & Equipment	9,362,397	92.8%
Total Assets	10,089,651	100%

Liabilities:

Current Liabilities:		
Accounts Payable	1,520	0.0%
Total Current Liabilities	1,520	0.0%
Equity:		
Restricted Endowments (BSA)	44,450	0.4%
Prior Year Fund Balance	9,750,702	96.6%
Net Income	292,980	2.9%
Total Equity	10,088,132	100.0%
Total Liabilities & Equity	10,089,651	100%

Income Statement

Receipts:

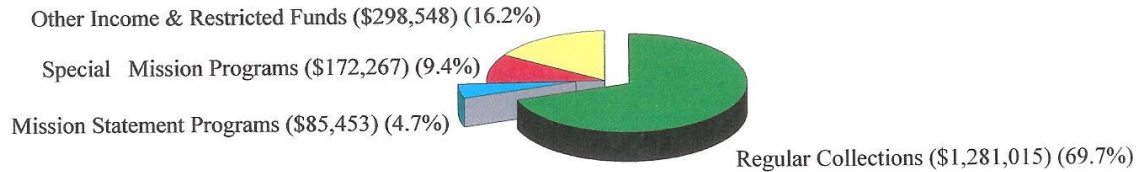
Regular Collections	1,281,015	69.7%
Other Income & Restricted Funds:		
Other Ordinary Income	106,273	5.8%
Repair/Replacemt & Building Fund	41,690	2.3%
Columbarium Sales	56,396	3.1%
Grant Funds & Fees Received	94,190	5.1%
Sub-total	298,548	
Mission Statement Programs:		
Christian Service & Justice	32,633	1.8%
Religious Education Fees	17,637	1.0%
Diocesan Collections	35,183	1.9%
Sub-total	85,453	
Total per Financial Statement	1,665,016	
Special Mission Programs		
Second Collections:		
Katrina Disaster Fund	43,327	2.4%
Mustard Seed	20,655	1.1%
Indian Mission	11,835	0.6%
Miscellaneous (< \$5,000 each)	16,450	0.9%
Thrift Shop Community Grants *	80,000	4.4%
*These funds were handled by the Thrift Shop and were not a part of Church receipts.		
Sub-total	172,267	
Grand Total	\$1,837,283	100%

Disbursements:

Operating Expense:		
Salaries & Benefits	344,607	18.8%
Church & Rectory	89,390	4.9%
Other Administrative Expense	59,250	3.2%
Operation & Maintenance	172,220	9.4%
Diocesan Assessment	131,455	7.2%
Sub-total	796,922	
Mission Statement Programs:		
School Subsidy & Tuition Assist.	116,850	6.4%
Ministries	202,332	11.0%
Religious Education	141,246	7.7%
Charitable Disbursements	58,908	3.2%
Diocesan Collections	35,183	1.9%
Catholic Miscellany	20,596	1.1%
Sub-total	575,115	
Total	1,372,037	
Net Surplus	292,980	15.9%
Total per Financial Statement	1,665,016	
Special Mission Programs	172,267	9.4%
Grand Total	\$1,837,283	100%

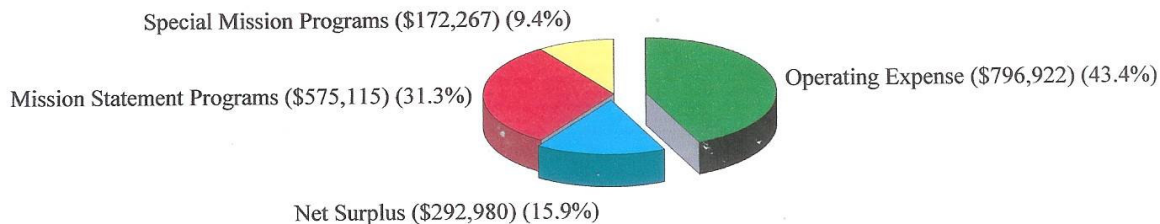
Church & Thrift Shop Receipts

Total \$1,837,283



Church Disbursements and Surplus

Total \$1,837,283



School Statistics

Balance Sheet

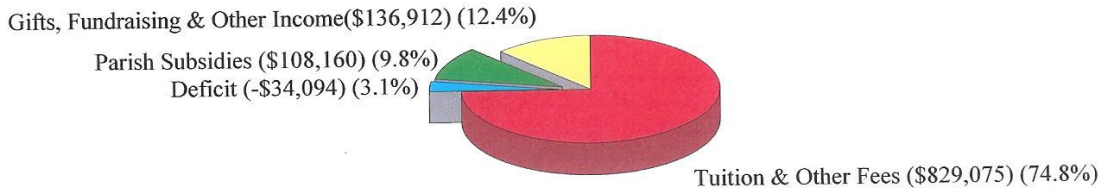
Assets:			
Current Assets:			
Cash and Checking Accounts	\$92,371	26.3%	
Investments & Savings Accounts	72	0.0%	
Tuition Fees Receivable	16,034	4.6%	
Total Current Assets	108,477	30.9%	
Fixed Assets:			
Furnishings & Equipment	242,738	69.1%	
Total Assets	\$351,215	100%	
Liabilities:			
Current Liabilities:			
Advanced Tuition & Regis. Fees	155,725	44.3%	
Equity:			
Prior Year Fund Balance	229,584	65.4%	
Net Income	(34,094)	-9.7%	
Total Equity	195,491	55.7%	
Total Liabilities & Equity	\$351,215	100%	

Income Statement

Receipts:			
Tuition & Other Fees	829,075	74.8%	
Parish Subsidies	108,160	9.8%	
Gifts, Fundraising & Other Income	136,912	12.4%	
Total Receipts	1,074,147	96.9%	
Deficit	34,094	3.1%	
Total Receipts and Deficit	1,108,241	100%	
Disbursements:			
Salaries & Benefits	813,204	73.4%	
Other Admin. & Instruct. Exp.	103,844	9.4%	
Maintenance Expense	143,663	13.0%	
Miscellaneous Expense			
Student Activity	17,336		
Extended Day Care	15,453		
Library & Media	14,741		
Miscellaneous Expense	47,531	4.3%	
Total Disbursements	1,108,241	100%	

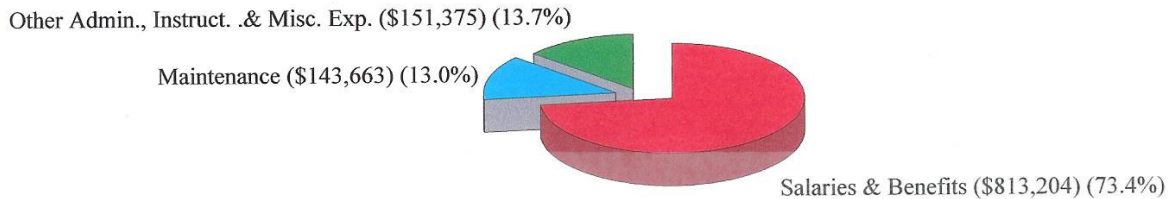
School Receipts and Deficit

Total \$1,108,241



School Disbursements

Total \$1,108,241



Thrift Shop

Receipts

Sales	\$457,612	98.8%	
Other Income	5,147	1.1%	
Interest	238	0.1%	
Total Revenue	462,996	100%	

Disbursements

Rent, Utilities, Insurance, etc.	148,146	33.0%	
Salaries & Benefits	100,734	22.4%	
Grants per Mission Statement	200,000	44.6%	
Total Expenses	448,880	100%	
Net Surplus	\$14,117		

Church

The Balance Sheet summary shows assets of \$10,089,651. Last year the assets were \$9,911,238. We have grown by the addition of our investment in the convent for our Dominican Sisters now teaching in our school. In liabilities, we have accounts payable of only \$1,520 compared to last year when we had \$112,210 showing the effect of paying off the debt we owed on the Family Center EIFS repair.

The Income Statement summary shows our Receipts and Disbursements for the past year. Collections were up 4% and expenses were also up 4%. The Net Surplus was \$292,980. We were able to pay off the loan at \$112,000, add \$97,000 to the Repair & Replacement Fund, apply \$38,000 to our investment in the convent, make \$26,000 in necessary capital improvements, and establish a restricted account of \$20,000 to hold donated funds for a Daufuskie Island project.

The Repair & Replacement Fund now stands at \$332,474 compared to \$253,439 last year. Our goal is to continue to fund it to support the maintenance and upkeep needs described in the 10-year study made in 2004. Our buildings and property are in good condition and we intend to keep them that way.

From the pie charts, note that the sum of our total disbursements to Mission Programs (40.7%) is almost as much as our operating expenses (43.4%), with the balance being the surplus (15.9%), The Mission Programs are for the benefit of our parishioners, for the benefit of our local community and for the benefit of the wider community at-large.

School

Total Assets are shown at \$351,215. Last year, the assets totaled \$375,067. The only school liability is due to advanced Tuition & Registration fees. The school classroom capacity will accommodate 250 students, and because we enrolled only 230, a deficit of \$34,094 for the year resulted. Early estimates for the deficit were even higher, but diligent expense control and additional fundraising enhanced the results. The Principal and the School Board are reviewing the situation and are developing strategies to raise enrollment. The present enrollment for the new school year is 232 students. Donations and other funds totaling \$29,894 were received this year for the purpose of establishing an endowment or trust for our school.

Thrift Shop

Once again, the Thrift Shop had a successful year. Sales averaged \$38,134 per month. Because the Shop was closed Holy Week, Christmas week and four days following the heavy rainstorm in June that caused serious damage to the building, they did not average the \$40,000 per month that was forecast. Nevertheless, the Thrift Shop made grants totaling \$200,000. Of that amount, \$120,000 went to the parish to support the mission of our parish and \$80,000 went to other local charities. An additional estimated \$50,000 of gifts in-kind was made to the community. The Reserve Fund stands at \$169,575. We have a strong management team and the support of over 100 volunteers, all of whom are involved in the success of this ministry.

General

St. Francis by the Sea is blessed with a wealth of parishioners that share their time, talent and treasure. It is only through this personal involvement that our parish is able to support its ministries and serve our community. Our parish also offers significant financial support to our School, and this past year provided financial assistance to over 40 different charitable groups. In addition, we continue to provide aid to families and individuals in need. All this is made possible through the stewardship of our parishioners.

We have over fifty different ministries that support our community. These ministries need your time, talent and treasure. Our parish promotes a planned, prayerful approach to Stewardship: a call that asks each of us to give back to Christ based on the gifts we have been given.

October is our Stewardship month. Please pray for our efforts to increase stewardship in our parish.