

Financial Statement

Report of Parish Finances for the Period July 1, 2005, to June 30, 2006

Dear Parishioners of St. Martin of Tours Church:

In July, 2006, our Parish Finance Commission reviewed last year's records and the annual report that was forwarded to the Diocese of San Jose. [Click here for a pdf copy of our [Annual Report.](#)]

This annual review by the Finance Commission included an internal review of the accounting controls in place to protect the assets of the parish using a document provided by the Diocese of San Jose Office of Finance. The internal review found that the necessary controls are in place to safeguard parish assets.

Parish Operations.

Thanks to your generosity and ongoing cost management, we closed last financial year in a positive position [see page 2 of Annual Report]. This financial year we are again facing increased costs, like health benefits and retirement costs, utilities, and general insurances. We continue to rely on your generosity to cover the day-to-day operations of the parish and to maintain the facility. We ask that you consider joining the 127 families who are making their church contributions using electronic bank transfers set up through the parish office. This is a convenient way for you to give without the hassle of checks and ensures that the church receives a steady flow of revenue even on those weekends when you are away from home. Please use the enclosed form if you would like to sign up to make your parish contribution in this manner.

Parish Reserves. During 2005/2006, we were able to add \$67,000 in reserves for future maintenance needs. The parish also paid down the loan on Ciro House with proceeds from the rental income earned from the Diocese Vocations Office. The parish reserves increased as a result of last year's operations

Parish School Operations. Please note that 82% of parish school revenue came from tuition and fees. Fundraising and development revenue accounts for 18% of all revenue. More than 80% of expenses were for personnel. Expenses continue to closely match revenue, and fundraising activities generate essential additional revenue to help cover costs and add to reserves. For the 2006-07 academic year, tuition rates increased 7.5% to \$6,262 for parishioner children, with sibling discounts for additional children. (Some families graciously choose to return the sibling discount to further support our school.)

On behalf of all parishioners, thank you for your continuing support that gives life to our parish vision of ***People Ministering to People.***

Financial Report Questions and Answers...

- 1 What is happening with Ciro House and what is the financial impact on our budget?** The Vocations Office is paying sufficient rent to the parish to offset all costs associated with Ciro House, including the interest and principal payments for the outstanding loan which was paid down to \$85K using net rental income earned in the 2005/06 financial year.
- 2 How does the automatic debit program work for making regular contributions?** 127 parish families have signed automatic debit authorizations to have their regular weekly contributions automatically withdrawn from their bank account each month. This program ensures that the parish receives a predictable revenue stream while providing a convenient way for parishioners to donate. Simply complete and return the enclosed sign up form if you wish to take advantage of this great program.