



November, 2014

Dear Parishioner,

We continued to be blessed by your continued financial support to St. John Neumann. Without your generous support of the Parish, we would not be able to present the following financials that show we continue to be financially viable and are continuing to reduce the debt associated with the church addition and to pay for the capital expenditures to the original church and education building. Those expenditures include items such as a new roof and replacement of the original church heating, air conditioning and ventilation equipment as well as fascia repairs and staining around the entire exterior of our church and education buildings.

In Fiscal 2014, we began The Church Alive Capital Campaign to support the various needs of the Diocese of Pittsburgh, as well as aid St. John Neumann's debt reduction effort and capital needs.. Please continue to support Church Alive and mark your envelopes as such..

In the Fiscal Year ending June 30, 2014, we were able to achieve the following:


- A Revenue increase of approximately \$80K over the prior year to \$1.257 million. However, the collections were basically flat after adjusting for individuals who substantially paid their five year Church Alive pledge in Fiscal 2014
- Operating and Non-operating cash expenses decreased 3.3% over the prior year
- To pay over \$75K of Capital Expenditures. There are no planned major capital items in Fiscal 2015 and it is our intention to address the church carpet and pews in Fiscal 2016.
- A Reduction of Debt from \$510K to \$470K from Fiscal 2013. We received our share of Church Alive back from the Diocese in June 2014 of \$97K and in September 2014 of \$30K. We used this \$97K and cash on hand of \$28K to reduce our debt by \$125K as of September 30, 2014 and used the \$30K after September 30 bringing our debt down to \$315K.
- We also paid over \$200K of our Church Alive five year guarantee of \$462K to the Diocese. After the Diocese receives their guaranteed amount, 100% of all Church Alive contribution belong to SJN free of Diocesan assessment.

Whether looking at the Parish's income, expenses or debt, one can conclude that we are in good shape again thanks to all of you. If we are to continue to serve our Parish and community well, we need to remain diligent in managing our resources. We all remain committed to doing so. If you have not increased your Fiscal 2015 financial contributions, please consider your individual situation.

Any questions you might have, please direct them to Joan in the parish office by phone or email and she will forward them on to the Finance Council to get you an explanation. If you want to dive into the details in a greater manner, please go to our website and you can review our 3 year financial trend.

Thank you for your continued support to St. John Neumann and The Church Alive - Capital Campaign.  
Thank you and God Bless You All.

Sincerely Yours in Christ,

  
Fr. Albin C. McGinnis  
Pastor, St. John Neumann Parish

FINAL 11/2014

	FY 2012	FY 2013	FY 2014
Operating Income	\$413,353	\$410,193	\$513,912
Parish Share Collections	<u>\$288,868</u>	<u>\$312,288</u>	<u>\$380,506</u>
Parish Income	\$702,221	\$722,481	\$894,418
Building Fund Revenue / Debt Reduction	\$432,645	\$456,079	
Campaign Alive Receipts			\$362,614

<b>Total Revenue - All Sources</b>	<b>\$1,134,866</b>	<b>\$1,178,560</b>	<b>\$1,257,032</b>
<b>Percentage Change</b>		<b>3.85%</b>	<b>6.66%</b>

(1)

Operating Expense:

Liturgical	\$69,637	\$62,177	\$73,253
Administration	\$125,566	\$132,951	\$131,604
Operation and Maintenance	\$248,392	\$236,393	\$242,927
Rectory	\$33,481	\$25,516	\$23,815
Insurance	\$6,364	\$6,874	\$7,257
Religious Education Net Expense	\$145,808	\$119,766	\$140,394
Youth Ministry Net Expense	\$86,234	\$69,418	\$61,306
Adult Education Net Expense	\$4,488	\$249	\$3,742
Social Services Net Expense	\$31,526	\$34,072	\$32,401
Community Programs Net Expense	\$9,495	\$6,369	\$4,167
Social Activities Net Expense	\$1,580	(\$640)	\$3,049
Diocese School Subsidy Expense	\$43,351	\$40,878	\$40,620
Parish Share Payments	\$92,908	\$63,611	\$68,714
Other	<u>\$984</u>	<u>(\$990)</u>	<u>(\$141)</u>
<b>Total Operation Expenses</b>	<b>\$899,814</b>	<b>\$796,644</b>	<b>\$833,108</b>
<b>Percentage Change</b>		<b>-11.47%</b>	<b>4.58%</b>

Non Operating Expenses:

Capital Improvements	\$18,000	\$143,345	\$77,537
Interest Expense on Debt	<u>\$30,612</u>	<u>\$19,261</u>	<u>\$16,823</u>
<b>Total Non Operating Expenses</b>	<b>\$48,612</b>	<b>\$162,606</b>	<b>\$94,360</b>
<b>Percentage Change</b>		<b>234.50%</b>	<b>-41.97%</b>

Operating and Non Operating Expenses

	\$948,426	\$959,250	\$927,468
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Percentage Change 1.14% -3.31%

Campaign Alive Diocesan Payments

N/A N/A (\$340,674)

Campaign Alive Diocesan 2014 Rebate(nine months)

\$96,843

<b>Net Income before Debt Payments</b>	<b>\$186,440</b>	<b>\$219,310</b>	<b>\$85,733</b>
		<b>17.63%</b>	<b>-60.91%</b>

<b>Ending Debt</b>	<b>\$603,481</b>	<b>\$510,199</b>	<b>\$469,996</b>
		<b>-15.46%</b>	<b>-7.88%</b>

(2)

**CASH COMPARISON**

Cash On Hand - Diocese	\$54,413	\$95,410	\$172,078
Cash On Hand - Checkbook	<u>\$42,643</u>	<u>\$98,230</u>	<u>\$110,863</u>
<b>Total</b>	<b>\$97,056</b>	<b>\$193,640</b>	<b>\$282,941</b>
		<b>99.51%</b>	<b>46.12%</b>

(3)

(1) Collections were basically flat after adjusting for individuals who substantially paid their five year Church Alive pledge in FY 2014 of approximately \$100K

(2) Debt was paid down \$125K as of 9/30/2014 from Cash on Hand at 6/30/2014

An additional \$30K of debt was paid down after 9/30/14 from Q4 2014 Church Alive rebate received on 9/30/14.

(3) SJN Checkbook Cash was \$111K but \$71K was owed to others for Insurance, Parish Share Assessment, Church Alive and Second Collections