

January 4, 2006

Dear Parish Family Member,

The following is a summary of St. Andrew's financial history, its current financial position and the projections for next year. Our financial year ends on June 30th each year.

For our financial year ending June 30, 2005:

YOU GAVE (Sunday collections & other donations)	\$2,111,381
WE NEEDED (cost to operate our Church)	\$2,443,456
WE'RE SHORT	\$ 332,075

As you can see, last year collections did not cover our expenses, therefore we were left with no choice but to deplete our reserves to pay for necessary repairs and capital improvements. This year, without an increase in giving, we will have no choice but to deplete our savings even further or go further in debt by borrowing money or reduce programs and services to pay for the repairs that can no longer be delayed.

We reap the benefits of those who have gone before us and sacrificed to build Saint Andrew Parish. It is now, our time in history to give generously to continue the mission of Saint Andrew parish and ensure that it is here for future generations. This is the community for which we are responsible. All things are possible when we work together as people of faith.

In an effort to better communicate the needs of the Parish, we are presenting this information to you. We are committed to improving our communication; any thoughts or suggestions are welcome

Sincerely yours in Christ,

Rev. Warren Murphy, TOR
Pastor

Rev. Carl Szura, TOR
Associate Pastor

Rev. Tom Stabile
Associate Pastor

Jim Leito
Finance Council Chair

Terry Howard
Finance Council

Dave Johnson
Finance Council

Dan Mocio
Finance Council

Carol Peninger
Business Mgr.

Elaine Petrus
Finance Council

Abel Sanchez
Finance Council

Ann White
Finance Council

St. Andrew Parish
Annual Financial Report for Fiscal Year Ended June 30, 2005

The two greatest financial challenges that we face as a community of faith at St. Andrews are: (1) the deferred building maintenance (capital improvement) issues of our over 50 year old parish and (2) the need to develop our operating reserves (savings), so that we do not need to go further in debt by borrowing money and paying interest when we have unexpected repairs. In fiscal year 2005, for the first time, these two items were included in St. Andrew's operating budget.

In 2005, Church fixed assets increased \$50,000, the Parish Hall note payable decreased \$100,000 and total cash decreased \$15,000. The decrease in cash is due to using savings to pay for budgeted building maintenance items. The 2005 plan was to increase our operating reserves (savings) by \$150,000.

In 2005, our parish completed about \$100,000 of necessary capital improvements to our buildings and grounds. The church and school worked together to accomplish these projects and shared the financial responsibility for them. The school was able to pay for their agreed to portion of the improvements from their operating budget. The church, on the other hand, paid for some of the improvements utilizing operating reserves held in savings because the weekly offertory lagged behind our budgeted capital improvement needs.

The capital improvements included replacing two air conditioners and a compressor, church sound system, retrofitting lighting systems, repairing the wood floor in the gym, installing pavestone and fence replacement. The total cost for these improvements was minimized by gifts of time and talent from parishioners who have expertise in these areas.

For fiscal year 2006, building maintenance (capital improvements) and developing operating reserves (savings) were again budgeted. The parish staff recognized that this added financial responsibility should not be born solely by St. Andrew parishioners. Each department at St. Andrew considered two things during the fiscal year 2006 budgeting process. First of all, what opportunities are there in my department to enhance revenue? Secondly, how can the services in my ministry be provided utilizing fewer financial resources?

One of the most obvious answers for each ministry was stewardship of time and talent. In every department, work previously done by paid staff was reorganized to create additional opportunities for stewardship of time and talent. In addition, St. Andrew's School reduced the investment that they receive from the church by 10% or \$17,500. These changes netted (after allowing for salary and benefits increases) about \$7,000 of savings per month, \$85,000 of savings annually. Also, St. Andrew's School Home & School Association volunteered to help organize and promote the Casino Night for the fall of 2006. Casino Night is an annual fundraiser that typically raises about \$20,000 to benefit St. Andrew's Social Ministry.

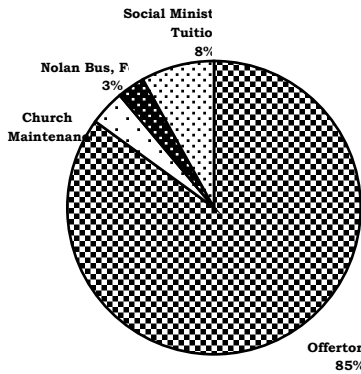
For fiscal year 2006, St. Andrew's Building and Maintenance Committee is recommending a building repair and improvement budget of \$132,000. This budget includes improvements to our central plant, reengineering and replacing the window above the church altar, repairing the altar's wood floor, painting the exterior of all buildings, repairing parking lots, replacing air conditioning units, completing the church sound system as well as improvements to the electrical infrastructure of our campus. Some of these items were budgeted for fiscal year 2005, but will be completed and paid for in 2006 if the resources are available.

Meeting our financial challenges in the present will require all of us to reflect and act upon the blessings the Lord has entrusted to us and respond generously. This is our faith. This is the community for which we are responsible. All things are possible when we work together as people of faith. God promises to multiply our efforts. Let us believe. Let us each do our part.

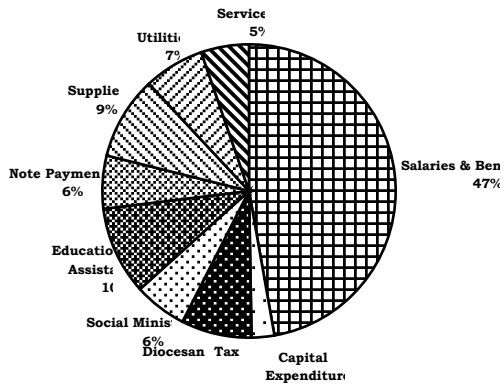
St. Andrew Catholic Church

Registered families 3464
 Number of parishioners 9220
 Average Sunday Mass Attendance 2500
 Average Sunday Offertory Collection \$33,260

Church Revenue by Type \$2,111,000



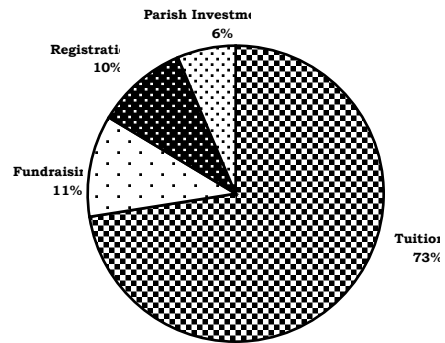
Church Expenses by Type \$2,145,000



St. Andrew's Catholic School

Teachers 38
 Students 700
 Families 447
 Parish Families 353

School Revenue by Type \$2,968,000



School Expenses by Type \$2,928,000

