

State of the Parish Report - 2017

Dear Parishioners,

I am happy to be able to share with you my 6th annual State of the Parish Report. This is the opportunity that I use yearly since I became pastor to share with you the good news of our parish as well and the continual challenges and concerns we have as a parish family. I'm sure that your own families often have good news, challenges and concerns to be addressed and have your periodic "family meetings" to address these matters. Please consider this our annual parish "family meeting".

I'll address:

- 1) Parish Finances
- 2) Gesu Elementary School
- 3) Parish Spiritual and Pastoral Matters
- 4) make a special request for parish volunteers

Naturally, the first area to be addressed our financial situation. Overall, Gesu remains in a good overall financial position. We continue to have no debt and have adequate cash on hand at this time.

For our fiscal year, which ended on June 30, 2017, our parish generated a net gain of approximately \$83,000. It's been awhile since we've had a net gain for the year, so that's very good news. True, all of this gain, and more, was due to the favorable increase we saw on the market valuation of our endowment investments this year, but a gain is a gain and something with which to be pleased.

Since we all know that markets go up and down, the Finance Council believes it's more prudent to focus on our ordinary net results for the year, which showed that we lost approximately \$20,000. This is far better than the \$67,000 of ordinary losses that we experienced a year ago, but it's still a loss that reduces our cash balances.

Looking at the main drivers of the parish income statement for the past year, you'll see that our collections were actually up about \$13,000 from the previous year, another factor to be happy about. (GOOD JOB PARISHIONERS), and thank you for responding to increase your weekly

contribution if you were able to do so! This is indeed good and an improvement because we had seen declines in our collection levels for several years in a row. But please keep in mind that the costs for our ongoing operations continue to creep up each year. If you are able to consider boosting your weekly contribution levels this year, including electronic giving, that would certainly be greatly appreciated. I thank you for your prayerful consideration of this request.

As you may notice in the bulletin, we are currently about \$16,000 below our budget through the first three months of this fiscal year. This often happens due to parishioners on vacations - sometime for extended periods of time. If you find that you perhaps missed a few envelopes this summer, please help to catch-up by turning a few of those envelopes in. This is another reason that electronic giving really helps as it assures a steady source of income to the parish, especially during the summer months. Please consider being an electronic contributor to the parish.

Unfortunately, our tuition revenues from the school came in much less than we were planning for last year. As I reported at last year's state of the parish address, our school enrollment numbers declined quite a bit. To counter this, we reduced some parish expenses, but that can create other issues when we defer needed maintenance down the road.

Now let's look at our parish school:

For 96 years Gesu has continued to provide a quality education for all children who have come to our doors. Realities of our city and church demographics have resulted in a continued decrease in our school population. I am thankful that the parish has always seen our school as a part of our parish ministry outreach and has always contributed funds to assist the school meet its budget. Last year, however, it became obvious that we could no longer continue down the same path with declining school enrollment accounting for increased assistance from the parish.

Beginning in October of last year a School Task Force met several times to address this concern and to suggest ways to address declining enrollment and decreased tuition receipts. As a result the decision was made to begin a rigorous recruitment campaign for new students. If not successful, major restructuring would be needed to our school personnel.

At the end of the 2016/17 school year the school enrollment was 253. The School Task Force set a goal of 274 students for this year, 20 more students than last school year. There were postcards sent to houses in the area and many yard signs placed throughout the city - perhaps you saw them. As a result of these efforts, and the hard work of the school administration during the summer, Gesu's enrollment grew not by 20 students but by nearly 40!, 39 more students than last year and 18 over the goal. As of today we have 292 students enrolled in K - 8 and an additional 18 students in pre-school. The campaign was a great success and will greatly ease the burden of the parish subsidizing the school this year. Truthfully, we don't see most of these students with us as we worship on the weekend, but they are very proud to be a part of the Gesu family nonetheless.

Thankfully, this boost in enrollment for this school year is a "shot in the arm" but this still bears watching since many other schools in our diocese continue to see declining enrollment trends. We can't and won't rest on our laurels.

Third, our parish life and spiritual life and Gesu:

Our Pastoral Council continues to meet monthly and provide direction for the overview of the pastoral and spiritual dimension of our parish. This past year Adult Faith Groups met for the first time and we are planning groups to form again during Lent this year. We've added the 6:00 PM Mass to meet the needs of parishioners and area youth that appreciate a lively celebration of Mass on Sunday evening. I communicate regularly with our Gesu Young Adult Group to keep them informed of happenings in our parish. We have an active RCIA, several book and discussion groups meet regularly, St. Vincent de Paul Society, Bible Study, 50+ Club, choir, servers, lectors, communion distributors, sacristans, committees and many other groups who continue to volunteer generously for the good of our parish. I offer a sincere THANK YOU to all.

Having our financial, school and church life pretty well in order, I do have one request to make of you. Occasionally we will receive a call at the rectory that someone needs a ride to church on a various Sunday and asks if we have anyone who could take him or her. Sometimes it is a request to stop at the store for some groceries, at times someone will

want communion brought to them at their home...these or similar requests. I would like to have a list of people who would be available - not regularly, but when the need arrives, to respond to the request with, "Sure, we can bring communion to you". Or "Sure, I have someone who can bring you to church" or "shovel your walk"...responses to meet the real needs of our parishioners. And we are still looking for some strong able-bodied "older" men and women or those who might work from their homes and can control your time during the day, who can serve at St. Louis Helping Hands Food Pantry to prepare and serve a meal to nearly 300 people the 1st Friday of each month.

In your pews and in the bulletin is a form that asks if you could respond to any of these needs - as an occasional or regular volunteer. Please take a look at them and get them back to us - either putting them in the collection basket or getting them to the rectory at your convenience. Please think about it. It would be part of the glue that bids us together as a parish family. And I'm asking this of young people too - teens and college age as well - you are all part of our parish family. Thank you for considering this very real way to serve your parish.

And THANK YOU to everyone who has been so supportive of our parish, and of me, these past 5 years as your pastor - supportive with your time, talent and treasure. The past 5 years have certainly have gone by fast, and gone well. I never doubt your willingness to support the parish when there are needs and you never disappoint me. It is a blessing for me to be your pastor and the Oblates of St. Francis de Sales, my religious community, is proud that Gesu is under our pastoral care.

A complete copy of the parish's financial report for the past two fiscal years, and my remarks today, can be found in this week's bulletin and on our parish website.

God Bless You and God Bless Gesu.

Fr. Marty Lukas, OSFS
Pastor
Gesu Catholic Church

October 7/8, 2017

Gesu, Toledo
Statement of Activities vs Prior Year

	7/1/2016 - 6/30/2017	7/1/2015 - 6/30/2016	Variance vs Prior (\$)	Variance vs Prior (%)
Ordinary Income/Expense				
Income				
	\$1,148,064	\$1,143,474	\$ 4,590	0%
	472,849	459,610	13,238	3%
	161,207	164,485	(3,278)	-2%
(A) Subsidy from Parish	123,037	209,858	(86,822)	-41%
Mandated Services Reimbursement	109,639	112,119	(2,480)	-2%
GIFTS & DONATIONS-OPERATING	46,409	41,472	4,937	12%
STUDENT SERVICES REVENUE	44,958	49,785	(4,827)	-10%
PARISH ACTIVITIES GROSS RECEIPT	38,649	47,107	(8,458)	-18%
Extended Day/LatchKey & Daycare	32,730	40,316	(7,586)	-19%
Stipends & Stole Fees	11,140	8,040	3,100	39%
Subsidy from Diocese	174	-	174	0%
Total Income	2,188,855	2,276,267	(87,412)	-4%
Expense				
SALARY EXPENSE	1,177,662	1,222,894	(45,232)	-4%
PAYROLL TAXES & FRINGE BENEFITS	343,499	346,587	(3,088)	-1%
BUILDING EXPENSE	284,310	254,040	30,271	12%
OTHER OPERATING EXPENSES	173,504	257,580	(84,076)	-33%
PARISH OPERATIONS	73,709	89,375	(15,666)	-18%
STUDENT SERVICES EXPENSE	49,536	57,060	(7,524)	-13%
ADMINISTRATIVE/OFFICE EXPENSES	47,385	50,497	(3,111)	-6%
Extended Day/LatchKey Expense	20,779	26,051	(5,272)	-20%
INSTRUCTIONAL EXPENSE	19,976	30,024	(10,048)	-33%
MARKETING & FUNDRAISING EXPENSE	18,167	8,975	9,192	102%
Total Expense	2,208,529	2,343,083	(134,554)	-6%
Total Ordinary Income/Expense	(19,673)	(66,816)	47,143	71%
Other Income/Expense				
Other Income				
GIFTS & DONATIONS-NONOPERATING	6,570	15,000	(8,430)	-56%
(B) OTHER INCOME-NONOPERATING	134,575	62,856	71,719	114%
Total Other Income	141,145	77,856	63,289	81%
Other Expense				
CAPITAL EXPENSES	-	1,887	(1,887)	-100%
CAPITAL CAMPAIGN RENOVATIONS	35,447	127,499	(92,053)	-72%
OTHER EXPENSE - NONOPERATING	2,609	-	2,609	0%
Total Other Expense	38,056	129,386	(91,331)	-71%
Total Other Income/Expense	103,089	(51,531)	154,620	300%
Total Changes in Net Assets - Income / (Loss)	\$ 83,416	\$ (118,347)	\$ 201,762	170%

NOTES:

(A) - Reflects the amount that the parish subsidizes the school's operations to make them break-even.

(B) - Includes non-operating items, such as the market value adjustments of the parish and school endowment investment accounts, insurance recoveries, etc.

Gesu, Toledo
Statement of Financial Position vs Prior Year
As of 6/30/2017

	6/30/2017	6/30/2016	Variance (\$)	Variance (%)
Cash	\$ 1,050,960	\$ 1,122,432	\$ (71,472)	-6%
Endowments	1,742,998	1,567,197	175,801	11%
Receivables	6,540	4,770	1,770	37%
Total Assets	\$ 2,800,498	\$ 2,694,400	\$ 106,099	4%
Liabilities				
Prepaid Tuition & Registration	\$ 38,485	\$ 60,001	\$ (21,516)	
Other Liabilities	2,926	(48)	2,974	
Total Liabilities	41,410	59,954	(18,543)	-31%
Net Assets				
Changes in Net Assets	83,416	(118,347)	201,762	
Net Assets	2,675,672	2,752,792	(77,120)	
Total Net Assets	2,759,088	2,634,446	124,642	5%
Total Liabilities and Net Assets	\$ 2,800,498	\$ 2,694,400	\$ 106,099	4%