

THE CHURCH OF ST. MARY

ANNUAL REPORT FISCAL YEAR 2020



PRAY

NEIGHBOR



JESUS



FAMILY

THE CHURCH OF ST. MARY
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From the Desk of the Pastor

This Annual Report is a reflection of the goodness and generosity of the parishioners of St. Mary during the fiscal-year 2020 for period July 1, 2019—June 30, 2020. When the fiscal year started we were filled with hope, optimism and appreciation for all of God's blessings in our lives. In the third quarter of the fiscal year, the pandemic in the world required that we close the church and school buildings on March 13, 2020, while at the same time reaching out to parishioners, educating our children and trusting in God perhaps more fully and completely than we ever had.

An article was shared with parishioners at the onset of the pandemic reminding people to focus on four important deeds. These four actions or behaviors are:

- 1) **Pray.** Do not ever abandon a life of prayer, especially in trying times.
- 2) **Reach out to your neighbors.** Call your neighbors and check in on them.
- 3) **Spend time with your family.** Reconnect and focus on those relationships that are present in your life.
- 4) **Entrust all of this to Christ.** Look to Christ and know He is with you; you are not alone.

These reminders shared during a pandemic are actually words that describe the daily truth of parishioners of the Church of St. Mary. With prayer we are strengthened with God's grace. In concern for our neighbor, we share the hope Jesus shared in His ministry. Time with family deepens our relationship and bonds with one another. When we trust in God and surrender our lives to God we move from despair, doubt and uncertainty, to hope, belief and trust.

COVID-19 and the pandemic have changed our lives, our routines and our norms. What it has not changed is our belief in God, the trust we put in God to help us each day, each moment of our lives and the importance of being part of a faith community here at the Church of St. Mary. This Annual Report is shared with parishioners providing an overview and re-cap on the movement of the Holy Spirit in our parish community even during the pandemic.

The Annual Report reflects the ministry made possible by the generosity present in the parish this past year, pre and post COVID. We have passed on the faith through beautiful celebrations of the sacraments; temporarily delayed a few months this year. We have nourished the stomachs and souls of the hungry helping creatively and safely serving at the Soup Kitchen at our sharing parish during the pandemic at Most Blessed Trinity. We have spread the Good News in community and in service. We are open to the ways the Holy Spirit will lead us in prayer and service led by the Spirit as we keep social distancing for the good of our neighbor while ever being close to God in prayer and in faith.

This Annual Report is being published at a time in history when we are moved with compassion for those who are trying to rebuild their lives because of the pandemic as well as natural disasters out West, in the Gulf, and around the world. It is a unique moment in history in so many ways. May our faith in the goodness and presence of God help us in these days, these times.

I have three hopes to share with you in this annual report. I hope that in the coming year the Church of St. Mary will continue to grow as we welcome new parishioners to our parish. I hope that parishioners will share their many talents by active presence and participation at the Church of St. Mary, even in these COVID days. Lastly, I hope that our parishioners, especially our families in Religious Education and the School of St. Mary will reach out and invite others to become part of the faith formation and education of their children.

I pray that having reviewed this entire Annual Report that you would offer a prayer of thanksgiving to God for what we have been able to accomplish last year. As a believing people we will continue to grow in God's grace by committing and contributing our time, talent and treasure at our parish.

I give thanks for the gift of faith, the power of grace and the presence of the Spirit modeled by parishioners, in their lives, family, community, Church and world. May all who participate in the Church of St. Mary continue to grow in faith and compassionate care for our neighbor. We worship, coming together in thanksgiving, so that we can be sent forth into the world as the hands, feet, and heart of Christ to one another.

If you have any questions on the content of this Annual Report please contact me or a member of the Parish Finance Committee. We will do all we can to respond to and answer any questions you have.

God bless the people of the Church of St. Mary!

Peace,

Fr. Mike Nacius, Pastor

From the Parish Finance Council

Thank you 

Dear Parishioners of the Church of St Mary,

The Church of St. Mary Parish Finance Council wishes to thank all parishioners for their continued and generous support of the Church of St. Mary. Your financial stewardship helps fund the ministries of the Parish, our Religious Education programs and our school. To say the least, this has been a most unusual year that started with such promise for all of us but was interrupted by the pandemic. As Fr. Nacius informed us in his letter, the pandemic has profoundly affected all our lives and has created significant challenges for the ongoing ministry at our Parish.

The Church relies on revenue from the faithful generosity of parishioner donations in the offertory collection at Mass and electronically. The School and Religious Education program receives three sources of revenue; tuition and fees, fundraising and donations and our Parish subsidy. The following is a summary of our financial results for the fiscal year ending June 30, 2020.

Revenue from Operations, which includes offertory collections, tuition and fees, was \$4.673 million, and ended unfavorably from budget. Expenses of \$4.823 million ended favorably versus budget. Lower expenses were a result of shelter-in-place mandates and fiscally responsible management or elimination of expenses during church and school building closures. An unfavorable decrease in donations and a favorable decrease in expenses resulted in a Net Operating Loss of the Parish of (\$150,800) for fiscal-year ending June 30, 2020.

The Fiscal 2020 Budget included a projected School subsidy of \$690,000. This subsidy is funded from three sources: \$280,000 from Church operations, \$200,000 from the Parish Education Endowment Fund and \$210,000 from School Parents' Association. Lower school enrollment and efforts to keep school tuition as low as possible necessitate these additional sources of funding for the School. The Budget also included \$78,354 Religious Education subsidy funded from Church operations.

In the fourth quarter of FY20, the Parish applied for and received a loan from the Paycheck Protection Program (PPP) in the amount of \$765,870. As a result of receiving the PPP Loan, the Parish was able to defer the Religious Education and School subsidies as well as the School Parents' Association donation for use in Fiscal Year 2021. The Parish has applied for, and expects to receive, forgiveness for the PPP loan from the Small Business Administration.

Other Income includes donations which are earmarked for our sharing parish, Most Blessed Trinity, and Archdiocese Second Collections. These funds are remitted in the current year to Most Blessed Trinity and the Archdiocese. Additional donations with restrictions include donations for the Fr. Barry Capital Fund, the To Teach Who Christ Is Campaign, and School Staff Bonuses.

Restricted donations from current and prior years were used in FY20 including capital expenditures from the Fr. Barry Capital Fund, the St. George Financial Need-Based charitable fund, the Fr. Madden scholarship fund, and School Staff Bonuses.

Fiscal Year 2020 was a significant year for capital expenditures. The Parish invested over \$1 Million dollars in a variety of projects to repair, improve, address safety concerns, and beautify various parts of our aging facilities. These include the Church East Stairs Improvement project, restoration of the Church organ, new Church vestibule cabinetry, replacement and upgrade of the Church Fire Detection system, upgrade of the Church Sound System, Rectory kitchen remodel, and various School building and grounds repairs and upgrades. Net Other Income (Expense) ended at a loss of (\$691,858) for fiscal-year ending June 30, 2020. All projects were planned, approved and funded by current and prior year donations. Capital planning in previous fiscal years placed donations in certificates of deposit for future capital projects. The above mentioned projects were fully funded by the generosity of the parishioners of the Church of St. Mary.

The Parish Finance Council anticipates, due to the continued support of current and future parishioners, the ability to maintain and expand our outreach and ministry to the larger world. The COVID realities in the fall of 2020 require all of us to relook at our resources and charitable contributions. Thank you for making the Church of St. Mary one of yours and your family's priorities last year as well as going forward.

2020 has been an extraordinary and historic year. We are blessed to have been able to support the staff, administration, and faculty through the PPP program, but this has only deferred the short-term issues and long-term challenges that face St. Mary's. Ultimately, our parish's path to a sustainable budget relies on the generosity of all parishioners. Weekly giving through the pandemic is down over 25%. Our Blue Ribbon School and Religious Education program has the capacity for many more students. We need not just your financial support, but your engagement and participation in our parish community. This will ensure not only our successful navigation of these current times, but that St. Mary will thrive for generations to come.

Know that you can reach out to any of the members of the Parish Finance Council if you have questions. May your celebrations with family of Thanksgiving and Christmas be healthy and joyous for all.

Respectfully submitted.

St. Mary's Parish Finance Council



Pray: Do not abandon a life of prayer, especially in trying times.

- Adult & Teen Bible Study
- All Souls Day Mass
- Altar Servers
- Anointing of the Sick Mass
- Arts & Environment Committee
- Bereavement Ministers
- Children's Liturgy of the Word
- Extraordinary Ministers of Holy Communion
- Eucharistic Adoration
- Feast of St. Francis Blessing of Animals
- Handbell Choir, Choir, Cantors, Instrumentalists
- Liturgy Committee
- Lectors
- Lenten Stations of the Cross
- Ministers of Care
- Religious Education & School Reconciliation & Rosary
- Rosary for Life
- Ushers
- Wedding Ministry
- Weekly School Mass



Sacraments

Baptisms	62
First Communions	72
Confirmations	90
Marriages	16
Funerals	38

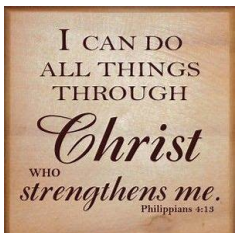


*Reach out to your neighbors:
Call your neighbors and check in on them.*



- Aid for Women Baby Bottle Fundraiser
- All Souls Day Reception
- Café St. Mary
- Camp Hope Carnival
- Catholic Charities
- Church Reopening Committee
- Cub Scouts
- Diaper Drive
- Feed My Starving Children
- Greeters Ministry

- Guild of St. Mary Christmas Sharing Tree
- Guild of St. Mary Easter Baskets
- Hospitality
- Knights of Columbus
- Men's Club
- Operation Rice Bowl
- Pack the Pantry Food Drive
- PADS of Lake County
- Parishioner Well-Being Calling Campaign
- Respect Life Refugee Ministry
- Respect Life Ministry
- Soup Kitchen
- SPRED (Special Religious Education)
- School Outreach Fundraisers:
 - Amazon Rainforest
 - Fill-A-Heart for Kids
 - Orphans of the Storm
 - PAWS Chicago
 - Plant a Billion Trees
 - Roberti House
 - Water For Life Fundraiser

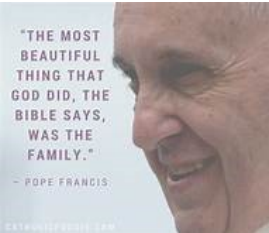


*Entrust all of this to Christ:
Look to Christ and know He is with you; you are not alone.*

- Bible Study for Adults and Teens
- Confirmation Retreat
- Guild of St. Mary Morning with Mary Mass
- Guild of St. Mary Morning of Reflection
- Guild of St. Mary Retreat
- Memorial Masses & Receptions
- Religious Education Program
- Rite of Christian Initiation
- School of St. Mary
- Second Grade Candle Prayer Service
- Vacation Bible School
- Youth Ministry Freshman Sophomore Retreat
- Youth Ministry Kairos Retreat



Spend time with your family: Reconnect and focus on those relationships that are present in your life.



- Advent Wreath Making
- Baby Jesus Birthday Party
- Café St. Mary
- CruSader 1 Mile Walk; 5k Run
- Donut Sunday
- Funeral Luncheons
- Guild of St. Mary Christmas Tea
- Guild of St. Mary Fall Mass & Brunch
- Lake Forest Day Parade
- Nativity Prayer Service
- Parent & Tot
- Parish Picnic
- School Fall Family Festival
- School Father/Daughter Dance
- School Gala
- School Halloween Movie Night
- School Mother's Club
- School Sports
- School Trunk or Treat
- Valentine's Day Dinner



Statements of Financial Position

Church of St. Mary Statements of Financial Position - Modified Cash Basis Fiscal Year Ending June 30th

	June 30, 20		June 30, 19
ASSETS			
Current Assets			
Checking & Savings Local			
Savings Accounts Local	479,520		511,265
Operating Accounts Local	2,146,034		2,108,990
Cash held on behalf of Parish Organizations	361,964		104,460
Total Checking & Savings Local	<u>2,987,518</u>		<u>2,724,715</u>
Savings & Investments at Archdiocesan Bank			
Savings & Investments	1,527,934	{1}	1,438,520
Total Savings & Investments at Archdiocesan Bank	<u>1,527,934</u>		<u>1,438,520</u>
Total Current Assets	<u>\$ 4,515,452</u>		<u>\$ 4,163,235</u>
Noncurrent Assets			
Other Assets			
Parish Education Endowment Fund	1,653,291		1,653,103
Parish Endowment Scholarship Fund	152,244		152,450
Total Other Assets	1,805,535	{2}	1,805,553
Parish Properties			
Primary Grade Center Land	872,938		872,938
Oakwood Rental Property	0	{3}	357,500
Illinois Rental Property	436,000		436,000
Total Parish Properties	<u>1,308,938</u>		<u>1,666,438</u>
Total Noncurrent Assets	<u>3,114,473</u>		<u>3,471,991</u>
TOTAL ASSETS	<u>\$ 7,629,925</u>		<u>\$ 7,635,226</u>
LIABILITIES and NET ASSETS			
Liabilities			
Held on behalf of Parish Organizations	361,964		104,460
Small Business Administration PPP Loan	765,870	{4}	0
Prepaid Tuition & Fees & Other	300,393		486,410
Total Liabilities	<u>\$ 1,428,227</u>		<u>\$ 590,870</u>
Net Assets			
Without Donor Restrictions			
Parish Education Endowment Fund	1,653,291	{2}	1,653,103
Parish Scholarship Endowment Fund	152,244	{2}	152,451
Restricted Donations and Fundraising	455,705		979,584
Total With Donor Restrictions	<u>2,261,240</u>		<u>2,785,138</u>
Total Net Assets	<u>6,201,698</u>		<u>7,044,356</u>
TOTAL LIABILITIES and NET ASSETS	<u>\$ 7,629,925</u>		<u>\$ 7,635,226</u>

Statement of Activity

Church of St. Mary
Statement of Activity - Modified Cash Basis
2020 Fiscal Year Ending June 30th

	2020		
	Church	School	Total
Operations			
Revenue			
Sunday & Holy Day Collections	\$ 1,630,379	\$ -	\$ 1,630,379
Tuition, Registration & Comprehensive Fees	102,843	2,648,633 {7}	2,751,476
Educational & Program Fees	62,323	5,167	67,490
Interest & Net Investment Income	40,990 {1,2}	-	40,990
Donations	126,582	2,900	129,482
Miscellaneous Revenue	51,472	1,874	53,346
Total Revenue	2,014,589	2,658,574	4,673,163
Expense			
Salaries	806,071	1,910,274	2,716,345
Employee Benefits	181,948	600,192	782,140
Educational, Liturgical Books & Supplies	21,503	147,747	169,250
Administrative & Other Expenses	69,446	102,357	171,803
Utilities	62,654	134,876	197,530
Maintenance & Building Repairs	75,302	83,629	158,931
Liturgical & Ministries	30,622	-	30,622
Archdiocesan Assessments	319,103 {8}	10,353 {8}	329,456
Insurance	44,164	107,263	151,427
Miscellaneous Expense	84,607	31,852	116,459
Total Expense	1,695,420	3,128,543	4,823,963
Net Operating Income	319,169	(469,969)	(150,800)
Other Income/Expense			
Other Income			
Annual Appeal Rebate Donations	154,272 {10}	-	154,272
Estates & Bequests Donations	25,000	-	25,000
School Donations with Restrictions	-	89,056 {6}	89,056
Capital Improvement Donations	308,960 {6}	-	308,960
Most Blessed Trinity Sharing Parish Donations	117,759	-	117,759
Archdiocese Second Collections Donations	67,435	-	67,435
To Teach Who Christ Is Donations	30,638 {9}	-	30,638
Other Income	2,379	-	2,379
Total Other Income	706,443	89,056	795,499
Other Expense			
Capital Improvement Expenses	758,300 {6}	-	758,300
Most Blessed Trinity Sharing Parish Expense	117,569	-	117,569
Archdiocese Second Collections Expenses	67,435	-	67,435
School Expenses Paid With Restricted Donations	-	92,522 {6}	92,522
To Teach Who Christ Is Capital Expenses	392,396 {9}	-	392,396
Other Expense	59,135 {5}	-	59,135
Total Other Expense	1,394,835	92,522	1,487,357
Net Other Income (Expense)	(688,392)	(3,466)	(691,858)
Net Loss	\$ (369,223)	\$ (473,435)	\$ (842,658)

Financial Statements Footnotes

THE ARCHDIOCESE OF CHICAGO & PARISH OF ST. MARY ACCOUNTING POLICIES

The Church of St. Mary's financial statements are prepared on the modified cash basis, which is a comprehensive basis other than generally accepted accounting principles in the United States of America (US GAAP). Under the modified cash basis of accounting, adjustments to the cash basis accounts are made to conform to certain Archdiocesan provisions. Revenues and expenses are recognized only as cash received or paid, except as for certain modifications specified by the Archdiocese. Prepaid tuition is recognized as a liability in the statements of financial position - modified cash basis, and the Parish endowment funds are recorded at fair value as provided by the Archdiocese. In addition, the Archdiocesan provisions require real property of the Parish to be held in trust by the Archdiocese of Chicago. Other land and buildings, such as rental properties and the Primary Grade Center land, are carried at cost by the Parish and are not depreciated.

{1} Savings & Investments at Archdiocesan Bank

The Parish holds cash reserves in the Archdiocesan Bank in Certificates of Deposit earning interest for short-term and long-term capital maintenance and improvements.

{2} Investments & Endowment Funds

The Church of St. Mary holds two endowment funds both held in charter with the Archdiocesan Bank. The Parish Educational Endowment Fund is restricted for educational use only by the Parish. The Parish can draw on the accumulated earnings of the fund at any time to support the further education of children and adults alike through the Religious Education program, Evangelization, or the School. Changes in the balances are from pooled Investment gains or losses and donations received by the Church and deposited into the fund.

The Parish Scholarship Endowment Fund corpus was donated from an anonymous donor in 2007 for the purpose of supporting families with financial need in attending the School of St. Mary. Per the charter, only 5% of accumulated earnings can be withdrawn from the fund annually.

{3} Oakwood Rental Property

The property located at 494 Oakwood was purchased by the parish in 1992 and sold in 2019. Proceeds from the rental property are held in reserve for capital maintenance.

{4} SBA PPP Loan (Small Business Administration Paycheck Protection Program)

The parish applied and received the SBA PPP loan as a result of the SBA COVID-19 pandemic stimulus package, of which is expected to be forgiven.

{5} Other Expenses

- Real Estate Taxes (Rental Properties & St. Mary's Green)
- St. George Financial Assistance Fund
- Fr. Madden Financial Aid Fund

{6} Restricted Donations and Related Expenses

Restricted donations received in the current year and prior years were received and released for the following:

- Fr. Barry Preservation Capital Fund Phase Four & More Improvement Projects:
 - Church East Stairs & Plaza
 - Church Pipe Organ Restoration
 - Church Sound System Upgrade
 - Church Vestibule Cabinetry
 - Rectory Kitchen Remodel
- Church Fire Alarm & Detection System
- School Sidewalks and Updated Electrical Infrastructure
- School Math Scholarship
- School Student-Led Fundraisers
- Parents' Association School Staff Financial Bonus

{7} School of St. Mary Tuition & Financial Aid

- \$49,625 was received as tuition subsidy from St. Patrick's Church for 24 students that were parishioners of St. Patrick's who attended the School of St. Mary in FY2020.
- \$4,050 was received as tuition subsidy from Holy Cross Church for 2 students that were parishioners of Holy Cross who attended the School of St. Mary in FY2020.
- The Parish awarded \$47,324 in need-based financial aid in FY2020 to 15 students.
- \$29,454 was received from the Illinois Tax Credit Scholarship Program awarding financial aid to 5 students.

{8} Archdiocesan Assessments

The Church of St. Mary pays four assessments to the Chicago Archdiocese annually:

Archdiocese Assessment

The Archdiocese Assessment is billed at 10% of the Church's revenue from operations (less interest) from FY2018 reported closed financials. This assessment positively impacts the Parish of St. Mary with supporting functions such as: financial, operational, legal, insurance, risk management, human resources, payroll, employee benefits, religious education as well as pastoral and liturgical functions.

Office of Catholic Schools Assessment (OCS)

The Office of Catholic Schools Assessment (OCS) is billed at a rate per student. The cost per student in FY2020 was \$25.00. The Office of Catholic Schools helps to support the School of St. Mary with services concerning human resources, legal, curriculum, instructional and educational needs.

Lease & License Assessment

The Archdiocese Lease & License Assessment is billed at 10% of lease revenue received by the Parish from residential home rental leases and room leases.

Priest Retirement Mutual Aid Association Assessment (PRMAA)

The PRMAA Assessment supports the retirement fund for our priests within the Chicago Archdiocese. The amount billed by PRMAA is 3.5% of the total church operating revenue (less interest) of FY2019 reported closed financials.

{9} To Teach Who Christ Is

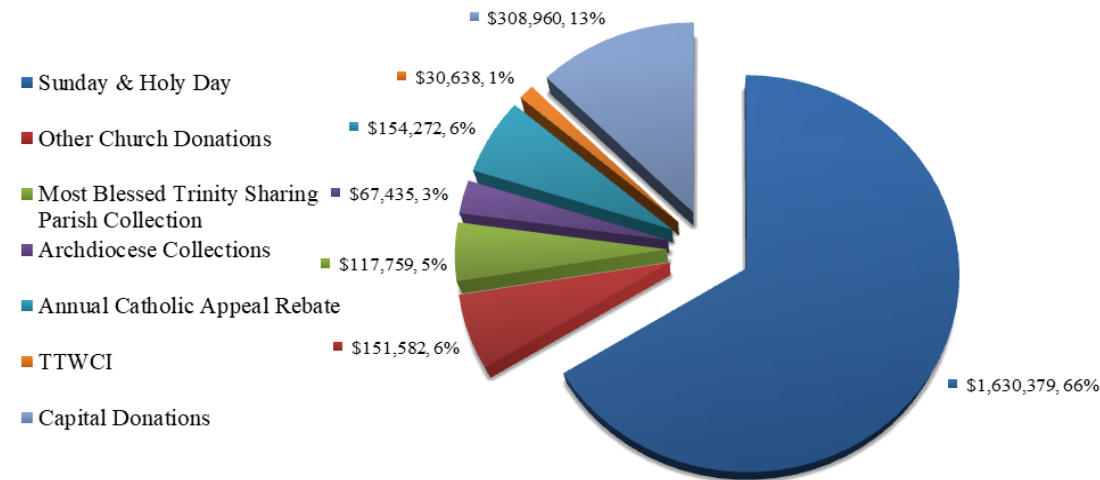
\$30,638 of TTWCI donations were received in FY2020 and \$392,396 from current and prior year donations was expensed on the Church East Stairs & Plaza Improvement project.

{10} Annual Catholic Appeal

The Church of St. Mary parishioners donated \$262,044 to the 2019 Annual Catholic Appeal of which St. Mary's received \$154,272 as a rebate.

Thank You For Your Generosity

Generosity of Our Parish \$2,461,025 Donated Within our Parish and Universal Church



Church Organ Restoration

We received an anonymous donation from a family as part of "Phase Four and More" program at St. Mary which fully supported the 1981 Moller pipe organ restoration. Among the work that was completed, the organ console was upgraded to a modern processor based control system (replacing a pneumatic system which was wearing out), that enabled the addition of a record-playback function, multiple banks of piston memory, transposer and MIDI capability.



Fr. Barry Preservation Capital Fund Phase Four & More Improvement Projects

- Church East Stairs & Plaza
- Church Pipe Organ Restoration
- Church Sound System Upgrade
- Church Vestibule Cabinetry
- Rectory Kitchen Remodel



Thank You to the Women's Guild of St. Mary

Through the generosity of the Church of St. Mary's Women's Guild, new chandeliers were installed in the north vestibule of the Church along with weather tolerant rugs. The Women's Guild kindly also contributed to the Church Vestibule Cabinetry project.



Church of St. Mary

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CHURCH OF ST. MARY — NOVEMBER 2020

Parish Finance Council

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Matt Davis
Bryant Jessen
Jennifer Lucas
Andrew Sannes
Colette Woidat
Fr. Mike Nacius, *Pastor*
Rebecca Quackenbush,
Business Manager

Parish Council

Jeanne Burke, *Chair*
Aileen Ellis
David Hughes
Michael Lucas
Camille Prindle
Cal Stroh
Cathy Williams
Fr. Mike Nacius, *Pastor*
Fr. Radley Alcantara,
Associate Pastor
Lore Nugent, *Pastoral Associate*

Parish Staff

Fr. Mike Nacius, *Pastor*
Fr. Radley Alcantara,
Associate Pastor
Jack Herrmann, *Deacon*
Bob Thomas, *Deacon*
Jeannie Brunk,
Director of Religious Education
John Chapman, *Director of Music*
Lore Nugent, *Pastoral Associate*
Rebecca Quackenbush,
Business Manager
Dave Wieters, *Principal*