



DIVINE MERCY PARISH
SACRED HEART CHURCH
ST. PHILIP THE APOSTLE CHURCH

STEWARDSHIP REPORT FISCAL 2018



DIVINE MERCY PARISH STEWARDSHIP REPORT

FISCAL 2018

THE BOTTOM LINE

A message from Father Steve Lanza

Divine Mercy parish did not exist in fiscal year 2018. And yet, Divine Mercy parish is reporting to you the 2018 financials from Sacred Heart and St Philip the Apostle parishes because it is the successor parish to both of them.

Divine Mercy came into existence on July 1 when, by decree of the Cardinal, the former parishes were extinguished. Given all of the operational changes, it has taken us a while to issue this report. As members of the Finance Council know, we have been working diligently to smoothly transition to the operation of the new parish entity. This work has been done in collaboration with the Archdiocesan *Renew My Church* team. We are about a month behind in our reporting to you, but as you can imagine, with all of the operational changes that we have been working on, it has taken us more time than usual to get this information into your hands.

We have the same number of staff members focusing on the business aspects of the new parish but they've had to deal with assimilating financial information from both places. In other words, it has been double the work for them to get this out to you in a timely fashion. We owe them a huge thank you for the work they've done.

I am grateful to all of you. Together we are engaged in the mission and work of Christ in the world as Divine Mercy parish serving Northfield, Winnetka and Glencoe.



A note from Michelle Wasielewski, Director of Operations

As I look back on the past months, I am continually reminded of, and energized by, the progress we have made in combining our two former parishes—Sacred Heart and St. Philip the Apostle into a new parish, Divine Mercy!

While certain aspects of the operational transition have been challenging, we are making progress. The publication of this annual report to the Divine Mercy parishioners is yet another step forward and we thank you for your patience in getting to this point.

In the coming months, we look forward to merging the online giving vehicles at both sites, as well as creating a new website, launching a parish app, and further streamlining our communications.

I thank you for your continued generosity to our parish, and for all of your efforts that go into making this parish run smoothly.

Sacred Heart Church Revenue and Expense Statement
(Excludes *Legacy of the Heart* Funds)
July 1, 2017—June 30, 2018

| | CHURCH | 2018 REL ED | SCHOOL | TOTAL | 2018 BUDGET | 2017 TOTAL |
|--|------------------|----------------|------------------|------------------|------------------|------------------|
| OPERATING REVENUE | | | | | | |
| Sunday Collections ¹ | 779,925 | - | - | 779,925 | 824,670 | 839,776 |
| Christmas Collection ¹ | 206,780 | - | - | 206,780 | 210,000 | 209,573 |
| Easter Collection ¹ | 58,068 | - | - | 58,068 | 67,000 | 67,381 |
| Tuition | - | 105,134 | 1,067,781 | 1,172,915 | 1,218,408 | 1,172,806 |
| Fees | - | 26,339 | 113,270 | 139,609 | 149,595 | 173,116 |
| Endowment Transfer | - | - | 127,917 | 127,917 | 156,300 | 121,036 |
| Fundraising | 7,022 | - | 250,000 | 257,022 | 253,200 | 222,190 |
| Rental Income | 10,000 | - | 20,950 | 30,950 | 30,500 | 31,430 |
| Miscellaneous ² | 60,335 | 2,223 | 96,179 | 158,737 | 112,991 | 69,407 |
| TOTAL REVENUE | 1,122,130 | 133,696 | 1,676,097 | 2,931,923 | 3,022,664 | 2,906,715 |
| OPERATING EXPENSE | | | | | | |
| Salaries & Benefits | 528,266 | 100,128 | 1,563,860 | 2,192,254 | 2,190,622 | 2,121,741 |
| Administrative | 62,140 | 8,024 | 39,709 | 109,873 | 117,451 | 115,257 |
| Books, Supplies & Technology | 4,841 | 10,038 | 35,364 | 50,243 | 67,626 | 49,802 |
| Utilities ³ | 70,631 | 1,980 | 67,036 | 139,647 | 163,800 | 159,209 |
| Maintenance ⁴ | 39,379 | 1,834 | 87,277 | 128,490 | 144,478 | 135,355 |
| Liturgical Supplies | 42,509 | 890 | - | 43,399 | 36,550 | 37,142 |
| Insurance | 42,008 | 5,064 | 39,708 | 86,780 | 86,780 | 84,572 |
| Archdiocesan Assessment | 160,896 | - | 5,130 | 166,026 | 165,540 | 183,443 |
| Miscellaneous | 18,751 | 5,019 | 18,013 | 41,783 | 48,835 | 42,902 |
| TOTAL EXPENSES | 969,421 | 132,977 | 1,856,097 | 2,958,495 | 3,021,682 | 2,929,423 |
| BEFORE SUPPORT OF EDUCATION | 152,709 | 719 | (180,000) | (26,572) | 982 | (22,708) |
| Parish Support of Education ⁵ | (180,000) | - | 180,000 | - | - | - |
| FINAL OPERATING RESULTS | (27,291) | 719 | 0 | (26,572) | 982 | (22,708) |

Sacred Heart Church Revenue and Expense Statement Financial Statement Footnotes

- 1) Sacred Heart's FY collection income fell short of budget and the prior year. We were told by our capital campaign consultants, CCS Fundraising, that this phenomenon is not uncommon following a capital campaign.
- 2) Miscellaneous Income includes Mass stipends, stole fees (donations for the sacraments of baptism and marriage, bulletin and ad income, Annual Catholic Appeal (ACA) rebate, donations for scholarships, and estates/bequests. Note that any parish conducting a capital campaign is exempt from the ACA requirements and thus, Sacred Heart did not realize income from the appeal in 2018. Appeals and bequests account for \$22,700. Scholarship donation income totaled nearly \$40,000.
- 3) Utility costs were lower than expected.
- 4) Maintenance expense was below budget due to spending constraints dictated by the collection shortfall. A portion of the shortfall was also attributable to snow removal costs being lower than anticipated.
- 5) Parish support of education is the agreed-upon amount by which the parish subsidizes the school. Church operating results prior to that subsidy were favorable. The Religious Education program operated without the need for a subsidy for the first time in a number of years.



St. Philip the Apostle Church Revenue and Expense Statement
(Excludes *To Teach Who Christ Is Funds*)
July 1, 2017—June 30, 2018

| | | 2018 | | 2018 | 2017 |
|--------------------------------|----------------|-----------------|-----------------|----------------|----------------|
| | CHURCH | REL ED | TOTAL | BUDGET | TOTAL |
| OPERATING REVENUE | | | | | |
| Sunday Collections | 302,500 | | 302,500 | 338,363 | 338,363 |
| Christmas Collection | 45,158 | | 45,158 | 41,351 | 41,351 |
| Easter Collection | 19,847 | | 19,847 | 48,365 | 48,365 |
| Tuition | | 25,878 | 25,878 | 21,876 | 21,876 |
| Fees | | 3,442 | 3,442 | 2,215 | 865 |
| Interest Income | 13,810 | | 13,810 | 12,102 | 12,102 |
| Fundraising | 64,458 | | 64,458 | 77,557 | 77,557 |
| Rental Income | 235,662 | | 235,662 | 240,847 | 240,847 |
| Miscellaneous ¹ | 94,243 | | 94,243 | (3,267) | (3,267) |
| TOTAL REVENUE | 775,678 | 29,320 | 804,998 | 855,305 | 853,955 |
| OPERATING EXPENSE | | | | | |
| Salaries & Benefits | 414,166 | 72,741 | 486,908 | 444,200 | 532,112 |
| Administrative | 18,038 | 1,875 | 19,913 | 32,694 | 32,694 |
| Books, Supplies & Technology | 3,840 | 2,403 | 6,242 | 7,573 | 7,573 |
| Utilities | 69,037 | 202 | 69,239 | 62,336 | 62,336 |
| Maintenance ² | 77,669 | - | 77,669 | 43,899 | 43,899 |
| Liturgical Supplies | 12,527 | 313 | 12,840 | 12,659 | 12,659 |
| Insurance | 41,133 | - | 41,133 | 40,162 | 40,162 |
| Archdiocesan Assessment | 92,700 | - | 92,700 | 97,474 | 97,474 |
| Miscellaneous | 14,830 | 2,600 | 17,430 | 19,466 | 25,546 |
| TOTAL EXPENSES | 743,940 | 80,134 | 824,074 | 760,462 | 854,455 |
| FINAL OPERATING RESULTS | 31,738 | (50,814) | (19,076) | 94,843 | (501) |

St. Philip the Apostle Church Revenue and Expense Statement Financial Statement Footnotes

- 1) Miscellaneous income is comprised of several activities including auxiliary group activity, ACA, and bequest/estate donations. The parish received \$35,050 in estate/bequest donations in FY 2018. The ACA rebate was \$41,525. The net impact of our auxiliary groups was (\$15,478). This impact from the auxiliary groups had no impact on parish cash since these groups maintain their own bank accounts and had excess funds from prior years that were used for items to support their ministries this year.
- 2) Higher-than-expected maintenance costs are attributable to the recent identification of a number of necessary repairs across the campus, smaller projects that did not meet the Archdiocesan definition of capital work.



SACRED HEART CHURCH BALANCE SHEET

JUNE 30, 2018

ASSETS

Current Assets

Checking/Savings

| | |
|------|------------|
| Cash | \$ 959,872 |
|------|------------|

| | |
|------------------------------------|------------|
| Operating Savings at the Arch Bank | \$ 924,246 |
|------------------------------------|------------|

| | |
|-----------|---------------------|
| Endowment | <u>\$ 3,349,961</u> |
|-----------|---------------------|

| | |
|------------------------|--------------|
| Total Checking/Savings | \$ 5,234,079 |
|------------------------|--------------|

| | |
|----------------------|--------------|
| Total current Assets | \$ 5,234,079 |
|----------------------|--------------|

| | |
|---------------------|---------------------|
| TOTAL ASSETS | \$ 5,234,079 |
|---------------------|---------------------|

LIABILITIES & EQUITY

Liabilities

Current Liabilities

| | |
|--------------|----------|
| Credit Cards | \$ (399) |
|--------------|----------|

Other Current Liabilities

| | |
|----------------------|-----------|
| Prepaid Tuition/Fees | \$ 93,195 |
|----------------------|-----------|

| | |
|---------------------------|--------------|
| Other Current Liabilities | \$ 1,629,017 |
|---------------------------|--------------|

| | |
|-------------------------------|------------|
| Unspent Auxiliary Group Funds | \$ 511,200 |
|-------------------------------|------------|

| | |
|---------------------------------|--------------|
| Total Other Current Liabilities | \$ 2,233,412 |
|---------------------------------|--------------|

| | |
|-------------------|--------------|
| Total Liabilities | \$ 2,233,013 |
|-------------------|--------------|

Equity

| | |
|--------|--------------|
| Equity | \$ 2,618,475 |
|--------|--------------|

| | |
|-------------------|------------|
| Retained Earnings | \$ 583,983 |
|-------------------|------------|

| | |
|------------|--------------|
| Net Income | \$ (201,392) |
|------------|--------------|

| | |
|--------------|--------------|
| Total Equity | \$ 3,001,066 |
|--------------|--------------|

| | |
|---------------------------------------|---------------------|
| TOTAL LIABILITIES & EQUITY | \$ 5,234,079 |
|---------------------------------------|---------------------|

ST. PHILIP THE APOSTLE CHURCH BALANCE SHEET

JUNE 30, 2018

ASSETS

Current Assets

Checking/Savings

Cash \$ 98,427

Operating Savings at the Arch Bank \$ 905,441

Long-Term/Restricted Savings \$ 378,651

Total Checking/Savings \$ 1,382,519

Accounts Receivable

Receivables \$ 200

Total Accounts Receivable \$ 200

Total current Assets \$ 1,382,719

TOTAL ASSETS \$ 1,382,719

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable \$ (10,587)

Total Account Payable \$ (10,587)

Other Current Liabilities

Other Payroll Withholdings \$ 15

Prepaid Tuition & Fees \$ 2,385

Total Other Current Liabilities \$ 2,400

Total Current Liabilities \$ (8,187)

Total Liabilities \$ (8,187)

Equity

Equity \$ 1,206,831

Retained Earnings \$ 97,805

Net Income \$ 86,270

Total Equity \$ 1,390,906

TOTAL LIABILITIES & EQUITY \$ 1,382,719

DIVINE MERCY STEWARDSHIP REPORT FISCAL 2018

Outreach and sharing are greatly valued by both Sacred Heart and St. Philip:

| | Sacred Heart | St. Philip | Total |
|---|----------------|---------------|----------------|
| ARCHDIOCESAN COLLECTIONS | | | |
| Archdiocesan Priests' Retirement | 2,082 | 9,979 | 12,061 |
| Campaign for Human Development | 2,170 | 1,883 | 4,053 |
| Catholic Charities | 20,192 | 6,094 | 26,286 |
| Peter's Pence | 355 | 743 | 1,098 |
| Proagation of the Faith | 877 | 2,555 | 3,432 |
| Retired Religious | 4,116 | 9,072 | 13,188 |
| Seminary Collection | 940 | 3,059 | 3,999 |
| Summer Mission Appeal | 5,439 | 2,630 | 8,069 |
| Churches in Central Europe | - | 682 | 682 |
| Annual Catholic Appeal | 64,059 | 43,345 | 107,404 |
| Operation Rice Bowl-CRS | - | 326 | 326 |
| Total Archiocesean Required Collections | 100,230 | 80,368 | 180,598 |
| OTHER CHARITABLE COLLECTIONS | | | |
| Catholic Relief Services | - | 3,032 | 3,032 |
| COCE-Tanzania | 20 | | 20 |
| Latin America | - | 3,232 | 3,232 |
| Holy Land | 1,394 | 2,472 | 3,866 |
| Basilica of the National Shrine | 150 | 977 | 1,127 |
| St. Columbanus Parish / St Benedict the African | 24,613 | 24,178 | 48,791 |
| Kenwood Soup Kitchen | 1,050 | | 1,050 |
| Jordan Backpack | 450 | | 450 |
| Fr. Paul Foundation | 11,895 | | 11,895 |
| Total Other Charitable Collections | 39,572 | 33,891 | 73,463 |

SACRED HEART CHURCH STEWARDSHIP REPORT FISCAL 2018

Sacraments

| | St. Philip | | Sacred Heart | |
|-------------------------|------------|--------|--------------|--------|
| | Children | Adults | Children | Adults |
| Baptisms | 4 | 1 | 41 | 4 |
| Received into the Faith | 0 | 2 | 2 | 0 |
| First Communions | 14 | 1 | 51 | 1 |
| Confirmations | 16 | 1 | 66 | 1 |
| Marriages | N/A | 1 | N/A | 7 |
| Funerals | 0 | 18 | 0 | 15 |
| School Enrollment | 0 | | 191 | |
| Religious Ed Enrollment | ask Sr. M | | 240 | |





Thank you to the parishioners of both Sacred Heart and St. Philip the Apostle who served on the Parish Stewardship Council, the Parish Council and the Finance Councils of the former parishes. These same individuals continue to serve in these capacities as members of the new Divine Mercy Councils.

**Sacred Heart Parish Stewardship Council Members
2017-2018**

Fr. Steve Lanza
Kathleen Clarke, Chairperson
JD Byrnes
Lisa Centner
Greg Grodecki
Kathy Janega
Kevin Lynch
Patty Sanfilippo
Brian Norton
Judy Pyke
Fr. Dean Semmer

**Sacred Heart Parish Finance Council Members
2017-2018**

Fr. Steve Lanza
Christopher Lolli, Chairperson
Tom Borders
Michael Kane
Rob O'Keef
Felicia O'Malley
Jon Skelly

**St. Philip the Apostle Parish Council Members
2017-2018**

Fr. Mike Solazzo
Denise Wasserman, Chairperson
Orazio Buzza
Jim Dietz
Margery Fejes
Richard Portis
Cathy Stegich
Andrea Steinert
Peggy Thordarson
Mark Umlaf

**St. Philip the Apostle Finance Council Members
2017-2018**

Fr. Mike Solazzo
Jim Dietz, Chair
Raymond Berry
Gerry Daleiden
Robert Dineen
Christine Kaiser
Robert Ribordy
Joe Salazar
Robert Snedicker
Andrea Steinert
Peggy Thordarsen

We will soon publish a report outlining the use of *Legacy of the Heart* and *To Teach Who Christ Is* funds at both campuses. We are eager to share our progress with you! Again, thanks to the generosity of parishioners, we have been, and will continue to be, able to address much-needed repairs, improvements and deferred maintenance.

