



Combined Financial Statements as of and for the fiscal year ended June 30, 2021

(Unaudited)

EXECUTIVE SUMMARY

Brothers and Sisters in Christ,

God is faithful and has generously met our financial needs through you for the fiscal year just ended on June 30, 2021. Scripture reminds us, “If God so clothes the grass of the field, which grows today and is thrown into the oven tomorrow, will he not much more provide for you, O you of little faith? So do not worry and say, ‘What are we to eat?’ or ‘What are we to drink?’ or ‘What are we to wear?’ All these things the pagans seek. Your heavenly Father knows that you need them all. But seek first the kingdom of God and his righteousness, and all these things will be given you besides.” (Matthew 6:31-33)

At St. Gerald parish, we continue the journey toward fulfilling our vision of Encountering Jesus – Making Disciples – Transforming Lives. When God’s people cooperate and respond to the Lord’s call, we lack for nothing. In the pages that follow you will have the opportunity to see our financial numbers in detail. I want to take this opportunity to praise God, say THANK YOU, and give a high-level assessment of these financial results.

- Total Revenue exceeded Total Expenses by \$161k. This is amazing given the restrictions and uncertainties due to the covid pandemic. While school revenues declined due to lower student enrollment, the challenge was more than offset by parish giving. About 43% of parish revenue goes to subsidize school operations and this was in line with our expectations.
- We were able to accomplish a number of things, even with pandemic restrictions, to advance our mission:
 - o Continued live streaming liturgies and special events.
 - o Many came to a deeper relationship with Jesus through our Fall and Spring Alpha courses, Family Formation and sacraments preparation, Bible Study, Intro to Discipleship courses, Missionary Discipleship meetings, Oasis prayer meetings, Lenten Mission, Nazareth Groups, and more.
 - o School technology upgrades (many funded through grants)
 - o Completed a number of infrastructure projects, such as water repairs at the school and parish office, basement office space remodel at parish office, rectory landscaping, and more.
- We continued to strengthen our balance sheet. As of June 30, 2021, we had \$269k in our Building Fund, \$460k in our savings account, and continue to be debt free.
- Strong market returns resulted in \$324k in unrealized gains for our endowments.

In summary, the fiscal year just ended presented many extraordinary challenges and by God’s gracious care we weathered them and prospered. No doubt there will be challenges ahead, but when we, together as a parish family, offer our time, talent, and treasure to the Lord, He is faithful to meet all our needs. “Nothing will be impossible for God.” (Luke 1:37)

May our Lord Jesus continue to richly bless you and our work together in building His kingdom!

Fr. Mark

Saint Gerald Parish
Combined Balance Sheet
Unaudited

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Assets		
Cash (Note 1)		
Parish	\$ 502,731	\$ 447,990
Building Fund	268,603	222,321
Total Cash	<u>\$ 771,334</u>	<u>\$ 670,311</u>
Investments (Note 1)		
Endowments-Restricted	\$ 1,641,044	\$ 1,331,978
Restricted	6,084	10,342
Unrestricted	460,286	389,478
Total Investments	<u>\$ 2,107,414</u>	<u>\$ 1,731,798</u>
Other Assets		
Fixed Assets (Note 2)	\$ 18,064,000	\$ 6,035,190
HOPE Inventory	57,885	51,453
African Community Assets (Note 3)	77,064	93,544
Total Other Assets	<u>\$ 18,198,949</u>	<u>\$ 6,180,187</u>
Total Assets	<u>\$ 21,077,697</u>	<u>\$ 8,582,296</u>
Liabilities and Equity		
Liabilities		
Prepaid Tuition	\$ 33,025	\$ 34,303
Other Current Liabilities	10,160	4,668
PPP Loan Payable Reserve (Note 4)	-	17,300
Total Liabilities	<u>\$ 43,185</u>	<u>\$ 56,271</u>
Equity		
Beginning of Year Equity (Note 2)	\$ 20,549,748	\$ 8,146,679
Net Income (Loss)	484,764	379,346
Total Equity	<u>\$ 21,034,512</u>	<u>\$ 8,526,025</u>
Total Liabilities and Equity	<u>\$ 21,077,697</u>	<u>\$ 8,582,296</u>

Saint Gerald Parish
Combined Statement of Income and Expense
Unaudited
For the Period July 1, 2020 thru June 30, 2021

	<u>Parish</u>	<u>School</u>	<u>Other (Note 7)</u>	<u>Total</u>
Ordinary Income/Expense				
Income				
General Contributions (Note 5)	\$ 1,866,727	\$ 16,822	\$ 34,027	\$ 1,917,576
School Tuition & Fees	9,128	817,545	24,969	851,642
School Income	-	178,710	62,942	241,652
Activity & Entertainment (Note 6)	10,166	2,654	88,798	101,618
PPP Grant	4,325	12,975	-	17,300
Other Operating Revenue (Note 6)	65,110	74,447	101,971	241,528
Total Income	\$ 1,955,456	\$ 1,103,153	\$ 312,707	\$ 3,371,316
Expense				
Religious Personnel Costs	\$ 111,753	\$ -	\$ -	\$ 111,753
Lay Personnel Costs	334,691	1,541,357	-	1,876,048
Admin. Services & Supplies	463,155	267,694	56,402	787,251
School Expenses	-	129,934	88,150	218,084
Activity & Entertainment (Note 6)	46,571	3,331	132,743	182,645
Other Operating Expenses (Note 6)	-	-	34,499	34,499
Total Expense	\$ 956,170	\$ 1,942,316	\$ 311,794	\$ 3,210,280
Net Ordinary Income	\$ 999,286	\$ (839,163)	\$ 913	\$ 161,036
Other Income/(Expense)				
Unrealized Gain/(Loss) on Endowment	\$ 292,772	\$ 30,956	\$ -	\$ 323,728
Total Other Income/(Expense)	\$ 292,772	\$ 30,956	\$ -	\$ 323,728
Net Income	\$ 1,292,058	\$ (808,207)	\$ 913	\$ 484,764

Notes to the Combined Financial Statements
June 30, 2021

General

The fiscal year for St. Gerald Parish is July 1 through June 30. The accompanying unaudited combined Balance Sheets and Statement of Income and Expenses (“Combined Financial Statements”) includes the Parish, School and Parish Groups and activities. Parish Groups and activities primarily include the Endowment Funds, Building Fund, Home & School Association, Men’s Club, Athletics, Parish Festival and Raffle, HOPE and Guardian Angel Auction. St. Gerald Parish, School and Parish Groups and activities operate under the same tax-exempt federal identification number.

The Archdiocese of Omaha conducts a financial review of each Parish in the Archdiocese every two years. This review includes review of accounting policy and procedures. The Archdiocese conducted its most recent review of St. Gerald Parish in 2020, noting no deficiencies, however, suggested we gross up Fixed Asset values to be more in line with their respective fair market or insured values. See Note 2 for more information on this topic. Our Parish financial statements are not audited by an independent auditor.

On an annual basis, the Finance Committee develops a zero-based budget for the fiscal year for the Parish and School operations. The actual results compared to budgeted amounts are monitored throughout the year. As the budget process relies on certain assumptions and estimates, income and expense items will exceed or be less than budget resulting in net income/(loss) in any given period. The accompanying Statement of Income and Expense is presented on a cash basis with the exception of unrealized investment gain/(loss) associated with our Endowment Investment Portfolios. Additionally, interparish contributions from groups/events have not been adjusted to eliminate the corresponding gross up from revenue and expense (See Note 7), however, Net Income remains properly reflected.

Note 1. Cash and Investments

Parish cash balances include cash from operations and cash belonging to Parish Groups which are held in a local bank along with the Building Fund, while unrestricted investment balances are held on our behalf by the Archdiocese Deposit & Loan Program.

The Parish holds three endowment funds (Restricted). Father Foster Parish Endowment, Education Endowment, St. Gerald Grade School Endowment. Their balances as of June 30, 2021 were \$1,324,861 - \$159,681 - \$156,502, respectively. The purpose of the endowments – Father Foster Parish Endowment-General Parish, Education Endowment-School and Religious Education, St. Gerald Grade School Endowment-School. Generally, contributions to the endowments are made by individuals or estates and will vary from period to period. The investments in each endowment are part of the Catholic Values Screening Portfolio. Investment gains/(losses) represent the unrealized gains/(losses) from changes in fair market values. Investments will fluctuate from period to period based on market conditions. The 2020/2021 unrealized gains in the endowments totaled \$323,728 and is reflected on the Income Statement as Other Income.

The Parish holds an account with the Archdiocese Deposit & Loan. The balance of this account as of June 30, 2021 and June 30, 2020 was \$460,286 and \$389,478, respectively. These funds are unrestricted and can be utilized for Parish purposes.

Notes to the Combined Financial Statements
June 30, 2021

Note 2. Fixed Assets

During fiscal year end June 30, 2020 Archdiocese biennial review it was suggested that the Parish gross up our Fixed Assets to reflect a more current fair market or insured value. This entry was made during fiscal year end June 30, 2021 and resulted in an increase to Beginning of Year Equity of approximately \$12,023,000. The Balances reflected on the June 30, 2021 Balance Sheet are insured values.

Note 3. African Community Assets

The African Community Assets reflected belong to the African Community that utilizes St. Gerald's Lakeview chapel. This amount does not belong to St. Gerald Parish. Net African Community activity for fiscal year end June 30, 2021 was \$(16,480).

Note 4. PPP Loan Payable

In April 2020, under the Coronavirus Aid, Relief and Economic Security Act (CARES Act) and upon guidance and approval from the Archdiocese of Omaha, St. Gerald applied for and received a loan for \$382,300 through the Payroll Protection Program (PPP). Under this program, the loan amount is forgiven if the proceeds from the loan are used primarily for payroll expense. St. Gerald utilized the entire proceeds from the loan for payroll expense. The amount utilized was \$17,300 and \$365,000 during fiscal year June 30, 2021 and June 30, 2020, respectively. The entire PPP loan \$382,300 was 100% forgiven upon application in October 2020. The final Grant allocation of \$17,300 is reflected as PPP Grant in the Statement of Income and Expenses and allocated pro-rata to the Parish and School based upon Payroll.

Note 5. General Contributions

General Contributions consists of collections (include all cash, coin, electronic donations for weekend masses, Christmas and Easter) along with donations (including donations, restricted gifts, memorials, votive lights and church bookstore). Collections for 2020/2021 totaled \$1,866,727.

The Finance Committee, along with Father Mark, continue to monitor actual results compared to the fiscal year budget. In addition, information regarding actual collections compared to budgeted collections continues to be made available in the bulletin on a monthly basis, including breakouts related to ACH and online giving.

Note 6. Activity & Entertainment/Other Operating – Net

Parish: \$28,705. Includes net amounts from Endowment distributions, Stole Fees, Funeral Luncheons, Rentals and Parish programs.

School: \$73,770. Includes net amounts from Home & School Contribution, Grants (Non PPP), HOPE Contributions, Gym Rentals, Endowment distributions, Men's Club.

Notes to the Combined Financial Statements
June 30, 2021

Note 7. Other Income/Expense

	Building Fund	Athletics	Guardian Angel Auction	Home & School	HOPE	Men's Club	General Ledger	Other	African Community	Total
Revenue	\$34,526	\$31,698	\$62,945	\$54,174	\$37,127	\$10,737	\$45,809	\$14,303	\$21,388	\$312,707
Expenses	\$38,245	\$25,852	\$4,943	\$18,618	\$16,389	\$8,965	\$52,656	\$11,283	\$37,869	\$214,820
School Contributions			53,000	30,000	10,974	3,000				96,974
	\$38,245	\$25,852	\$57,943	\$48,618	\$27,363	\$11,965	\$52,656	\$11,283	\$37,869	\$311,794
Net Income (Loss)	(\$3,719)	\$5,846	\$5,002	\$5,556	\$9,764	(\$1,228)	(\$6,847)	\$3,020	(\$16,481)	\$913

Building Fund: Revenue is the result of Contributions received plus interest. Significant expenses are for Parish Office Basement Remodel and Rectory Landscaping.

Athletics: Revenue is the result of program registration fees and concessions. Expenses are the cost of sponsoring the teams.

Guardian Angel Auction: Revenue is generated by the annual Guardian Angel Auction through corporate sponsorships and auction proceeds. This resulted in a \$53,000 contribution to the School, this amount is included in School Revenue.

Home & School: Major fund raiser for Home & School is the annual Walk of Pride. This resulted in a \$30,000 contribution to the School, this amount is included in School Revenue. Additionally, \$1,200 in High School Scholarships were funded by Home & School.

HOPE: HOPE revenue is generated by the sale of Scrip Cards. HOPE made direct contributions of \$10,974 to the School, these amounts are included in School Revenue.

Men's Club: Revenue is generated from the annual golf tournament. \$3,000 for Athletic Director Stipend was provided by the Men's Club, this amount is included in School Revenue. Additionally, \$4,000 in High School Scholarships were funded by Men's Club.

General Ledger: Revenue - These amounts represent the parishioner contributions to endowment, deposit & loan interest and endowment cash dividends. The expense is the quarterly distributions to both Parish and School. During the fiscal year end June 30, 2021 only three quarterly distributions were made.

Other: These amounts are reflective of various Parish activities.

African Community: See Note 3.

**Notes to the Combined Financial Statements
June 30, 2021**

Note 8. Other

Below are tables containing selected meaningful data.

<u>Fiscal Year</u>	<u>Registered Households</u>	<u>Donors*</u>	<u>Collections</u>
2016/2017	2,406	1,256	\$1,578,263
2017/2018	2,388	1,105	\$1,720,598
2018/2019	2,404	1,086	\$1,716,523
2019/2020	2,427	1,266	\$1,753,539
2020/2021	2,357	1,174	\$1,866,727

*Defined as individuals giving more than \$1 registered at St. Gerald

<u>Fiscal Year</u>	<u>Annual Pew Count for 1 Weekend All Masses</u>
October 2017	1,746
October 2018	1,616
October 2019	1,482
October 2020	Covid Restrictions 656

Tuition: School Tuition Rates for the 2020/2021 and 2021/2022 years are summarized below. Tuition rates are carefully considered each year and are compared to Catholic Schools in the Omaha Archdiocese to remain competitive. Total Tuition collected in 2020/2021 was \$878,560.

The Parish subsidized approximately 43% of the School's operating budget for the 2020/2021 fiscal year compared to 42% in 2019/2020 (omitting impact of PPP Grant), 43% in 2018/2019, 40% in 2017/2018, and 44% in 2016/2017. The Finance Committee continues to give careful consideration to the appropriate Parish subsidy while keeping tuition rates affordable for all families and in line with area Catholic grade schools. Additionally, Parish and School fundraisers sponsored by various groups assist greatly in maintaining this ratio.

	<u>2020/2021</u>	<u>2021/2022</u>
Pre-K	\$ 2,000	\$ 2,100
1 Child	\$ 3,100	\$ 3,200
2 Children	\$ 5,400	\$ 5,600
3 Children	\$ 7,150	\$ 7,450
4 Children	\$ 7,600	\$ 8,000

Notes to the Combined Financial Statements
June 30, 2021

<u>Fiscal Year</u>	<u>Family Formation Enrollment</u>	<u>St. Gerald School Enrollment K-8</u>	<u>St. Gerald School Enrollment Pre-K</u>
2016/2017	188	351	19
2017/2018	180	341	22
2018/2019	177	347	22
2019/2020	169	347	21
2020/2021	133	301	13
2021/2022	118	291	20

Lay Personnel Costs:

Employee salaries and benefits represent approximately 65% of the total expenses of our combined Parish operations for the 2020/2021 fiscal year. The following is a summary of lay employee data.

<u>Fiscal Year</u>	<u>School Staff Based on Full Time Equivalent</u>	<u>School Staff Payroll</u>	<u>Parish Staff Based on Full Time Equivalent</u>	<u>Parish Staff Payroll Expense</u>
Sept. 1, 2018	36	\$ 1,583,989	6	\$ 422,669
Sept. 1, 2019	36	\$ 1,509,291	11	\$ 362,623
Sept. 1, 2020	35	\$ 1,541,357	9	\$ 334,691
Sept. 1, 2021- Budget	35	\$ 1,618,700	9	\$ 391,254

Excludes clergy.

Facilities Maintenance:

The Building Fund is used to address major maintenance and capital projects as funding allows. The Building Fund is increased by any donations received via the "Building Fund" monthly envelopes, donations restricted to that fund and transfers from the operating fund. The Building Fund balance as of June 30, 2021 was \$268,603.

During the year ended June 30, 2021, funds spent from the Building Fund included Parish Office Remodel and Rectory Landscaping. See Note 7.

As our facilities continue to age we anticipate higher than normal maintenance and repair expenses. Projects are evaluated upon the necessity and funding required to complete. Each potential project is assigned a timetable for possible start and completion. The Facility Committee reviews the project list and recommends a course of action.

Notes to the Combined Financial Statements
June 30, 2021

Fiscal Year 2021/2022 Budget:

Below is the view of the 2021/2022 Parish/School Budget. This budget includes that of the Parish and School operations only and does not include parish groups and activities except as noted for operating contributions as applicable. The budget is prepared based on essentially a zero-based budget using assumptions and estimates. Actual income and expenses will vary. The budget includes the following amounts from parish groups and activities: Endowment Distributions \$70,212, Guardian Angel Auction \$60,000, Home & School \$5,000, Men's Club \$3,000, and HOPE \$14,000. The budget presumes a 43% Parish supplement of School operations.

	<u>School</u>	<u>Parish</u>	<u>TOTAL</u>
	<u>Jul '21 - Jun 22</u>	<u>Jul '21 - Jun 22</u>	<u>Jul '21 - Jun 22</u>
Ordinary Income/Expense			
Income			
General Contributions	\$0	\$1,892,912	\$1,892,912
School Tuition and Fees	884,104	8,650	892,754
School Income	183,000	-	183,000
Activity & Entertainment	-	7,195	7,195
Other Operating Revenue	28,730	78,627	107,357
Total Income	<u>\$1,095,834</u>	<u>\$1,987,384</u>	<u>\$3,083,218</u>
Expense			
Religious Personnel	\$0	\$113,348	\$113,348
Lay Personnel	1,618,700	446,699	2,065,399
Admin. Services/Supplies	259,917	459,839	719,756
School Expenses	127,200		127,200
Activity & Entertainment	600	50,062	50,662
Other Operating Expenses	-	-	-
Total Expense	<u>\$2,006,417</u>	<u>\$1,069,948</u>	<u>\$3,076,365</u>
Net Ordinary Income	<u>(\$910,583)</u>	<u>\$917,436</u>	<u>\$6,853</u>
Net Income	<u>(\$910,583)</u>	<u>\$917,436</u>	<u>\$6,853</u>