



# Saints Joseph and Francis Xavier Parish

Interim Financial Report  
March 2024

# Letter from Our Pastor

Dear Friends,

December 31 capped the end of calendar year 2023 and marked the midway point of fiscal year 2024. As the calendar pages turned to January and February, Joe D'Arco and the Finance Committee began preparing a midyear financial report for distribution in March. This enhanced effort at communication and transparency, begun a few years ago, ensures that all of our stakeholders have an opportunity to see where we are in relation to where we expected to be at this time in the fiscal year.

The increased numbers of worshippers at our Sunday Masses continue to edify me. Our rich liturgies welcome all - and people are responding to the invitation. I am so grateful to all who work to make our Masses joyful and welcoming. I thank God, too, for your commitment to Sunday Mass. Our Family of Faith Program has exceeded all registration expectations and the families in the program report good results. We're in admissions and enrolment season in our two-campus parish school. The school leaders are doing something right; there's a lot of talk about our excellent school and most class cohorts have waitlists. We are committed to small class size and student teacher ratio. That is why the Finance Committee and I year after year agree to substantially subsidize the school from the parish collections. In the school, the largest ministry of the parish, we strive to educate the whole child; physical, intellectual, emotional, and spiritual growth motivates all that we do. Our clubs and ministries thrive. And we commit to serving our neighbor.



We cannot rest on our laurels or on any past success. First, we must give all the credit for whatever successes we have experienced to God. God is the giver of all good gifts. We must strive to improve what we believe is already good. Surprisingly, the 25% increase in Mass attendance has not been matched with increased offertory income. We are holding our own, but there is much room for improvement. Simply said, the collections are not meeting our budgeted numbers. This surprises but does not worry me. I focus on the mission and believe that the money (to support the mission) follows the mission. Our mission soars. I encourage you to consider your support of the mission. Great things are happening here! Jump in. Get involved. Share your gifts.



Rev. Wayne F. Watts  
Pastor

# Net Operating Income Forecast June 30, 2024 versus Budget

Functional Statement of Activities - Fiscal Year		2024 Budget			2024 Forecast			2024F vs. Budget Favorable (Unfavorable) Variance		
		Church	School	Total	Church	School	Total	Church	School	Total
<b>Revenue</b>										
All Collections	(1)	2,658,000	-	2,658,000	2,558,228	-	2,558,228	(99,772)	-	(99,772)
Tuition and Fees	(2)	73,750	6,056,552	6,130,302	87,594	6,311,071	6,398,664	13,844	254,519	268,362
Tax Credit Scholarships/Fundraising	(3)	-	561,000	561,000	-	362,746	362,746	-	(198,254)	(198,254)
All Other Income	(4)	80,000	67,500	147,500	93,525	68,851	162,375	13,525	1,351	14,875
<b>TOTAL REVENUE</b>		<b>2,811,750</b>	<b>6,685,052</b>	<b>9,496,802</b>	<b>2,739,346</b>	<b>6,742,667</b>	<b>9,482,013</b>	<b>(72,404)</b>	<b>57,615</b>	<b>(14,789)</b>
<b>Expense</b>										
Salaries & Benefits	(5)	1,406,173	5,910,915	7,317,088	1,312,065	5,911,221	7,223,286	94,108	(306)	93,802
Utilities		131,250	130,000	261,250	117,286	124,460	241,747	13,964	5,540	19,503
Maintenance & Building Repairs	(6)	160,000	200,000	360,000	158,470	254,227	412,697	1,530	(54,227)	(52,697)
Furnishings & Equipment	(7)	19,000	125,000	144,000	19,063	85,846	104,910	(63)	39,154	39,090
Administrative Expenses	(8)	230,000	387,100	617,100	248,111	409,570	657,681	(18,111)	(22,470)	(40,581)
Insurance		115,771	191,590	307,361	112,521	191,590	304,111	3,250	(0)	3,250
Archdiocesan Assessments	(9)	340,276	27,500	367,776	340,284	37,736	378,020	(8)	(10,236)	(10,244)
Miscellaneous	(10)	8,000	29,500	37,500	52,628	30,962	83,590	(44,628)	(1,462)	(46,090)
<b>TOTAL EXPENSE</b>		<b>2,410,470</b>	<b>7,001,605</b>	<b>9,412,075</b>	<b>2,360,428</b>	<b>7,045,614</b>	<b>9,406,042</b>	<b>50,042</b>	<b>(44,009)</b>	<b>6,033</b>
<b>ORDINARY SURPLUS (DEFICIT)</b>		<b>401,280</b>	<b>(316,553)</b>	<b>84,727</b>	<b>378,918</b>	<b>(302,947)</b>	<b>75,972</b>	<b>(22,362)</b>	<b>13,606</b>	<b>(8,755)</b>
Parish Subsidy to School		(\$400,000)	\$400,000	-	(\$400,000)	\$400,000	-	-	-	-
Net Interest & Unrealized Investment Income	(11)	\$0	\$0	\$0	\$145,500	47,500	\$193,000	145,500	47,500	193,000
Net Non-Ordinary	(12)	(\$100,000)	(\$429,500)	(\$529,500)	(\$150,000)	(\$525,933)	(\$675,933)	50,000	96,433	146,433
<b>CHANGE IN NET ASSETS</b>		<b>(98,720)</b>	<b>(346,053)</b>	<b>(444,773)</b>	<b>(25,582)</b>	<b>(381,379)</b>	<b>(406,961)</b>	<b>(73,138)</b>	<b>35,326</b>	<b>(37,812)</b>

- (1) Collections: Collections are comprised of Sunday, Christmas and Easter collections. We currently project our collections to be approximately 3.75% under budget.
- (2) Tuition & Fees: Due to a fee collection timing issue, approximately \$175,000 in fee revenue from FY23 is being recognized in FY24. The remaining increase to revenue is due to a positive enrollment mix in early childhood and lower financial aid expenses. The school is currently running near full capacity.
- (3) Includes funds from the Illinois Invest in Kids Tax Credit Scholarship (TCS) Program, outside ad-hoc fundraising and funds raised by parish auxiliary groups including the school HSO. The budget variance is due to lower financial aid utilization and lower TCS needs; no funds are being utilized from the balance sheet, and additional tuition revenue is being collected (1).
- (4) All Other Income: Funds collected from Mass intentions, Weddings, Baptism, Funerals, Candles, and other donations. On the School side this is non fundraising donations to the school.
- (5) Salary and Benefits: The Church salary and benefits variance is due to budgeted positions that are currently open or that will not be filled.
- (6) Maintenance & Building Repairs: Due to the age of our buildings the cost to repair and maintain equipment on a year to year basis can be highly variable. When determining the budget, we use a multiyear average of actual expenses.
- (7) Due to remaining state level "Covid" funds, we were able to offset a significant portion of this year's technology spend. We do not expect to receive any additional funds.
- (8) Administrative Expenses: Costs are primarily cleaning services but also comprise general office supplies, postage, bank fees, and outside printing services for fundraising efforts
- (9) Archdiocesan Assessments: These are assessed at 18% of ordinary revenue. These funds support the operation of Archdiocesan offices and employees.
- (10) Miscellaneous Expense: Comprised of Formation/Education, Hospitality, Professional Dues/Subscriptions, and Speakers. The budget variance is due to increased parish activities.
- (11) Net Interest & Unrealized Investment Income: 2024 predominately relates to unrealized investments gains on the Parish and School endowments. The value of these investments can go up and down in line with market conditions. Due to the market variability of these investments, the Parish does not budget unrealized investment gains or losses. The 2024 Forecast represents the actual position from July 1st to December 31, 2023.
- (12) Net Non-Ordinary: Parish Income consists of Annual Catholic Appeal Rebate and Capital Collections. Expenses include the OnePlan, boiler replacement, church light and sound upgrades. School expenses include safety and security upgrades.

\* Loans that existed on our balance sheet prior to our merger on July 1, 2019 have been forgiven by the Archdiocese. A detailed accounting will be provided in our year end Annual Report.

# Operating Financials

We are pleased to report that the overall financial performance of the Parish continues to remain stable. This financial stability is a product of several factors, which are noted below and on the prior financial page. Our financial performance is a testament to the devoted, involved, and united community that makes up the Saints JFX Parish. We are currently forecasting an operating surplus of approximately \$76,000 for 2024, which is in line with the budget.

## Highlights of the Report

- Mass attendance is up over 25% but collections are projected to be down almost 4% compared to the budget (or flat as compared to the prior fiscal year).
- Ongoing, prudent expense management continues to positively impact the Parish's financial results as overall costs continue to remain high.
- Successful, pro-active school campaign has driven meaningfully higher enrollment, and the school continues to operate close to maximum capacity.
- Results for the year have been positively impacted by: (1) the final year of state Covid funds which provided for investment in technology; (2) positions within the Parish that remain unfilled; and (3) the final year of the Tax Credit Scholarship offsetting financial aid costs to the school. All three of these cash flow positive adjustments will reverse permanently after this fiscal year.
- There have been noteworthy investments in the Parish this year, including but not limited to, safety and security improvements at the school, church lighting and sound upgrades at the church, and boiler replacement costs.
- We have invested in the OnePlan which will deliver a comprehensive campus improvement plan recommending a mix of improvements to the Parish that are desired by the community.

It is the goal of the Parish to invest in our community in a meaningful way which will allow us to build on the successes of increased parish engagement and continued high quality education in the school. To achieve these goals on an ongoing basis will require the commitment and investment of all members of the Parish.

The detailed financial page provides more information for our Net Operating Income Forecast for Fiscal 2024 against our Budget. We have begun work on the 2025 Budget and look forward to providing additional reporting later in the year.

## Conclusion

Our parish community continues to grow and thrive. While the first half of the year allowed us to meet our baseline financial obligations to support our parish ministries and school, there is further work to be done. Looking forward to the remainder of the fiscal year, increased financial support from all parishioners will be needed to keep up with budgeted operations, support ongoing activities, plan for emergency needs, and fulfill our mission.

Giving of one's time to hear God's word is critical to building the foundation of Catholic beliefs in our families and community. With expanded mass schedules and parish ministries, it is wonderful to see the growth in worshipers at weekly mass. We are confident that the increase in attendance will soon bring enhanced financial support and generosity.

Please reach out to the parish office with any questions you have on this report. In addition, if you would like to get involved with any of the parish committees, please contact Joe D'Arco at (847) 251-0771 or [jdarco@ssjfx.org](mailto:jdarco@ssjfx.org). Finally, please consider contributing via electronic giving by going to [ssjfx.org](http://ssjfx.org) and clicking the donations link.

The current members of our Finance Council are:

Fr. Wayne F. Watts, Pastor  
Joseph D'Arco, Operations Director  
Christine Elliott, Interim School Principal  
Robert Kerls (Co-Chair)  
Conor LeFevour (Co-Chair)  
Michael Ericson  
Jill Hayes

Andrew Housley  
Javi Santacruz  
Marianne Shahid  
Scott Soracoe  
Joe Tippins  
Steve Whishdosh  
Will Gano