

October 16, 2016

Dear Parishioners -

Enclosed are the Our Lady of Peace parish financial statements for the fiscal years ended June 30, 2016 and June 30, 2015, as well as the budget for the year ending June 30, 2017.

During the past fiscal year (ending June 30, 2016), our parish's Sunday collections declined roughly \$76,000, or almost 7%, from the prior fiscal year. Despite this decrease, the parish's operating cash account declined by less than \$9,000. This was primarily due to our ability to reduce the parish's investment/subsidy for the school program. A reduction in school salaries and wages and related benefits, coupled with ongoing strong fund raising efforts by the Home and School Association, mainly accounted for the \$130,000 decrease in parish subsidy.

Last year we conducted a capital campaign to raise funds to completely rebuild the parking lot. As a result of your generosity, we received pledges of over \$1.7 million; as of June 30, 2016, we have collected roughly \$1.0 million of the pledged amount, and currently appear to be on track to collect the remaining balance over the next few years. All cash activity related to the capital campaign is included in the Diocesan Deposit account, as shown in the enclosed financial statements.

The major work related to the parking lot has now been completed, including final landscaping and the drainage improvement project on the parish grounds. Once the total costs of this project have been paid, we will update you on the status of both the project costs as well as related pledge collections.

Our budget for the 2016-2017 fiscal year projects a slight increase in church revenue. Sometime in the near future we plan to introduce and conduct a "stewardship" program, which we believe will assist in the reversal of the decline in parish revenue over the past few years. Details regarding this program will be forthcoming as soon as they are available.

Due to declining enrollment at our school, we have budgeted for a reduction in school tuition and fees, which was more than offset by a reduction in teacher salaries and wages and related benefits, as we correlated the size of the faculty with the number of enrolled students per the Diocese of Joliet's recommendations. The net impact of these changes has resulted in the budgeted reduction of the parish subsidy of the school by over \$41,000. The Religious Education Office enrollment has held steady for the past two years at 215 students; both the Religious Education and Youth Ministry results are better than budgeted.

Your ongoing support is the key to ensuring that we have the required resources to finance both the continuation and expansion of our valuable parish ministries, as well as to fund the repair and maintenance projects required in the coming years. In addition to the ever-increasing normal daily costs associated with running a parish of our size, we have also identified some relatively major and costly deficiencies in the building shell (walls and visible structure), as well as in the mechanical, plumbing and electrical systems, through a campus facility assessment generated by an outside firm. We are hopeful that, through the emerging stewardship program, we will be able to increase our weekly offertory collections to help offset the increased costs of maintaining our parish infrastructure (similar to how you would spend money to keep your own home updated and within an acceptable range of repair).

Communication is a key to an active and successful parish. We encourage you to frequently visit our website at www.olopdarien.org to keep up to date on what is going on in the parish and school, and to also look for opportunities to volunteer for one of our ministries to help us (and you) grow spiritually.

If you have any questions or comments regarding these statements please contact Kellie Moore, our parish business manager/administrator, either by phone (630-323-4392) or email at kmoore@olopdarien.org.

Thank you for your continued support of our parish.

Our Lady of Peace Parish
Finance Committee

By Permission
Rev. Walter Dziordz, Pastor

OUR LADY OF PEACE PARISH

Church - Financial Report

Actual results for the fiscal years ended June 30, 2016 & 2015, & budget for the year ending June 30, 2017

SUMMARY OF REVENUE AND EXPENSES	<u>14-15 Actual</u>	<u>15-16 Actual</u>	<u>16-17 Budget</u>
REVENUE:			
Sunday Collections	\$ 1,133,667	\$ 1,058,140	\$ 1,092,000
Christmas, Easter and Holy Day Collections	159,618	153,049	153,500
Unrestricted Donations ¹	56,044	55,741	48,000
Interest Income - Diocesan Deposit Account	22,399	9,343	7,000
Fundraising ²	20,719	9,571	12,000
Restricted Donations	6,354	6,117	6,000
Other ³	43,937	42,448	36,000
Total Revenues	<u>1,442,738</u>	<u>1,334,409</u>	<u>1,354,500</u>
EXPENSES: ⁴			
Salaries and Wages ⁵	371,306	360,725	377,150
Contracted Services ⁶	139,932	126,228	121,750
Employee Benefits and Payroll Taxes	118,781	133,636	130,120
Diocesan Assessment and Other	74,265	69,605	69,600
Church, Office and Maintenance Supplies	68,070	72,764	73,300
Utilities	57,949	59,249	60,500
Ministry and Outreach ⁷	52,790	57,517	63,000
Insurance - Property, Liability & Auto	17,959	18,438	19,000
Capital Purchases	11,708	20,160	38,620
Repairs and Maintenance	8,715	9,714	20,600
Rental of Office Equipment	8,694	8,997	8,820
Automobile	5,945	5,143	7,000
	<u>936,114</u>	<u>942,176</u>	<u>989,460</u>
Investment in Education - School and REO	<u>530,722</u>	<u>387,855</u>	<u>365,040</u>
Total Expenses	<u>1,466,837</u>	<u>1,330,030</u>	<u>1,354,500</u>
TOTAL REVENUE LESS EXPENSES	<u>\$ (24,098)</u>	<u>\$ 4,379</u>	<u>\$ -</u>

Footnote 1 Includes Mass stipends, donations from weddings, funerals & baptisms, & capital appreciation collections.

Footnote 2 Mainly represents revenue from the Parish grand raffle.

Footnote 3 Mainly represents the Diocese of Joliet Annual Appeal Refund.

Footnote 4 Certain costs incurred by the church are assigned to the school & those amounts are not included in this church financial report.

Footnote 5 Includes parish & rectory staff, priests, deacons, liturgy staff & guest priests.

Footnote 6 Includes Darien Police/traffic control, cleaning & lawn care services, snow removal, HVAC services, & professional fees.

Footnote 7 Mainly represents funds to support our retired Marian Fathers priests.

OUR LADY OF PEACE PARISH
Consolidated School - Financial Report

Actual results for the fiscal years ended June 30, 2016 and 2015, and budget for the year ending June 30, 2017

SUMMARY OF REVENUE AND EXPENSES	<u>14-15 Actual</u>	<u>15-16 Actual</u>	<u>16-17 Budget</u>
REVENUE:			
Tuition and Fees ¹	\$ 1,339,481	\$ 1,336,621	\$ 1,237,795
Organizational Transfers ²	148,614	129,366	148,000
Cafeteria/Lunch Program	52,364	66,934	60,500
Athletics ³	47,690	43,515	38,430
Fundraising ⁴	18,480	17,515	21,800
Restricted Revenue ⁵	4,950	20,350	12,000
Unrestricted Revenue	<u>2,691</u>	<u>5,170</u>	<u>-</u>
Total Revenues	<u>1,614,270</u>	<u>1,619,472</u>	<u>1,518,525</u>
EXPENSES: ⁶			
Salaries and Wages	1,103,416	1,041,542	952,400
Employee Benefits and Payroll Taxes	434,313	414,597	348,815
Contracted Services ⁷	158,289	143,010	135,300
Capital Purchases ⁸	85,184	60,349	74,040
Utilities	69,837	65,992	71,800
Curriculum/Textbooks	52,859	44,737	40,300
Athletics	39,796	35,952	34,390
Cafeteria/Lunch Program	38,762	49,217	41,405
Maintenance and Operating Supplies	30,794	28,582	31,375
Insurance - Property, Liability & Auto	23,939	24,658	25,500
Rental of Office Equipment	19,165	19,471	19,200
Repairs and Maintenance	<u>7,677</u>	<u>10,645</u>	<u>22,000</u>
Total Expenses	<u>2,064,032</u>	<u>1,938,752</u>	<u>1,796,525</u>
REVENUE LESS EXPENSES	<u>(449,762)</u>	<u>(319,281)</u>	<u>(278,000)</u>
INVESTMENT IN EDUCATION	449,762	319,281	278,000
TOTAL REVENUE LESS EXPENSES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET REVENUE LESS EXPENSES - BY COST CENTER			
Kindergarten - 8th Grade	\$ (498,620)	\$ (366,145)	\$ (319,550)
Preschool	17,216	(2,072)	6,815
Extended Day	10,146	23,657	11,600
Athletics	7,894	7,563	4,040
Cafeteria/Lunch Program	<u>13,602</u>	<u>17,717</u>	<u>19,095</u>
	<u>(449,762)</u>	<u>(319,281)</u>	<u>(278,000)</u>
Parish Contribution	<u>449,762</u>	<u>319,281</u>	<u>278,000</u>
	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ -</u>

Footnote 1 Includes Kindergarten through 8th grade, preschool and extended day.

Footnote 2 Includes Home & School Association and TRIP contributions.

Footnote 3 Includes Athletics fundraising.

Footnote 4 Includes Sloppy Joe day, Halloween raffle, Target, General Mills and Lifetouch Photo commissions.

Footnote 5 Represents donations related to technology-driven initiatives.

Footnote 6 Certain costs incurred by the church are assigned to the school, and those amounts are included in this financial report. Certain costs paid by the school are assigned to religious education.

Footnote 7 Includes cleaning, computer support, HVAC services, snow removal and lawn care services, training and professional fees.

Footnote 8 Includes purchases of technology-related items.

OUR LADY OF PEACE PARISH
Religious Education - Financial Report

Actual results for the fiscal years ended June 30, 2016 and 2015, and budget for the year ending June 30, 2017

SUMMARY OF REVENUE AND EXPENSES	<u>14-15 Actual</u>	<u>15-16 Actual</u>	<u>16-17 Budget</u>
REVENUE:			
Tuition and Fees	\$ 38,754	\$ 40,718	\$ 41,800
Fundraising	3,210	(985)	3,000
Unrestricted Revenue	1,640	378	500
Total Revenues	<u>43,604</u>	<u>40,111</u>	<u>45,300</u>
EXPENSES: 1			
Salaries and Wages	67,171	58,580	73,000
Employee Benefits and Payroll Taxes	19,153	18,066	20,035
Materials and Supplies	13,549	11,075	14,600
Contracted Services 2	11,143	7,240	11,945
Utilities	8,181	7,795	8,260
Rental of Office Equipment	4,473	5,929	4,500
Capital Purchases	893	-	-
Total Expenses	<u>124,564</u>	<u>108,685</u>	<u>132,340</u>
REVENUE LESS EXPENSES:	<u>(80,960)</u>	<u>(68,574)</u>	<u>(87,040)</u>
INVESTMENT IN RELIGIOUS EDUCATION	80,960	68,574	87,040
TOTAL REVENUE LESS EXPENSES	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Footnote 1 Certain costs paid by the school are assigned to religious education and those amounts are included in this financial report.

Footnote 2 Includes cleaning services and computer support.

Our Lady of Peace Parish
Asset Statement

Current Assets	June 30, 2015	June 30, 2016
Operating Cash	\$ 353,018	\$ 344,443
Payroll Account	-	-
Other	(44)	(79)
Petty Cash	600	600
Diocesan Deposit Account 1	1,232,993	280,212
Total Assets	\$ 1,586,567	\$ 625,176

Current Organization Assets		
School Endowment Fund 2	\$ 265,725	\$ 257,956
Home & School Operating Account 3	4,921	19,476
Home & School Raffle 3	7,892	5,480
Food Pantry 4	19,570	29,107
Grand Raffle Account	20	2
T.R.I.P. Program 3	15,298	14,462
Younger Than Ever Seniors 3	5,055	2,109
Younger Than Ever Seniors - Tour 3	7,370	9,614
Total Organization Assets	\$ 325,851	\$ 338,206

Special Diocesan Collections
For the fiscal years ended June 30, 2016 and 2015

	June 30, 2015	June 30, 2016
Christ is Our Hope Magazine	\$ 3,413	\$ 2,684
Peter's Pence	5,335	4,663
Diocesan Priests Care & Support	4,977	7,180
Holy Land	3,565	3,707
Catholic Relief Services	8,842	4,769
Eastern Europe	3,740	4,522
Home Missions	3,249	4,266
Latin America	3,944	3,593
Religious Retirement	7,198	7,255
World Missions 5	13,445	4,638
Campaign for Human Development	5,747	5,243
Disaster Relief 5	10,415	3,972
Marian Missions	3,752	-
Respect Life	10,623	12,570
Total Diocesan Collections	\$ 88,245	\$ 69,061

Footnote 1 Our Diocesan savings account earned 2.5% interest.

Footnote 2 The School Endowment Fund is held at the Diocese of Joliet.

Footnote 3 Organizations hold their own checking account and have a treasurer who is responsible for reporting the financial activity to the organization, the Pastor and finance committee.

Footnote 4 Parishioners donated \$83,599 to Food Pantry to assist needy families.

Footnote 5 2015 included two collections.

***Our Lady of Peace Parish
Diocesan Deposit Account
July 1, 2015 - June 30, 2016***

Beginning Balance - July 1, 2015	\$1,232,993
<u>Revenue</u>	
Interest on Diocesan Deposit Account	9,343
Capital Campaign Receipts	349,039
<u>Expenses-Capital Campaign</u>	
Professional Services - Architect/Engineer	(39,830)
Construction Expense	(1,250,981)
Church Drainage Improvement	(15,082)
Other (printing & materials/postage/merchant & bank fees)	(5,269)
Ending Balance - June 30, 2016	<u><u>\$ 280,212</u></u>

Interest on the Diocesan Deposit Account is reflected on the church financial report