

State of the Parish Report – 2020

Dear Parishioners,

It's time again to share with you the annual State of the Parish report. I always look forward to this opportunity each year as it allows me to share with you good news but also areas of challenge and opportunity for our parish.

Let me begin with our parish finances.

Overall, Gesu remains in a good overall financial position. We continue to have no net debt and have adequate cash on hand at this time to meet any significant expenses that we may encounter. During the COVID crisis, it was very comforting to know that the parish was in a good position and could weather the storm.

However, as you can imagine, Gesu's finances were impacted by the COVID pandemic. For our fiscal year, which ended June 30, 2020, our parish generated an operating loss of approximately \$72,000. This amount reflects the net results of the normal operations of the parish and school before we consider other items, such as changes in the market value of our endowments, bequests and memorials.

As it relates to the church's offertory collections, they ended up coming in about 2% below our budget and 4% below the prior year. We had been right on track, or even a little ahead of our budget, until we saw a big drop-off at the outset of the pandemic in March and April. We gained some ground in May and June as many of you helped "make-up" for your contributions when the church was closed and ended up down about 2% from our budgeted amount for the entire fiscal year. As I've previously mentioned, please consider converting your weekly giving to electronic on-line giving. It assures a steady source of income to the parish and may be more convenient for you. There is a form in this week's bulletin for you to consider signing up as an electronic contributor. I'll also have some forms on the tables at the back of church after Mass that you're welcome to take with you today.

I am pleased to report that the school's enrollment remained strong again last fiscal year and the parish did not have to subsidize the school – something that's now been accomplished for the last three years. That's an amazing accomplishment and there probably aren't too many other parishes in the

diocese, if any, that are in a similar favorable position as we are at this time. Despite the continued uncertainty that COVID continues to bring to our lives, our enrollment is again strong for the current school year.

With school enrollment now stabilizing at higher levels for the past three years, we also took on some larger maintenance projects throughout the campus last year. We completed our parking lot paving projects, which included a significant upgrade to the south parking lot behind the school last summer. Now we will just keep up on normal parking lot sealing and repairs so we won't have to spend as much for a while – at least we hope! We also completed some brick work and replaced some sagging lintels above some of the doorways on several of our buildings – remember that some of these buildings are now 100 years old! We also rebuilt some of the old limestone steps on the north side of the front entrance of the church. We don't have as ambitious of a repair plan for this current fiscal year, but I'm sure we'll have a few surprises.

So, in total, once you add together our ordinary loss, a decrease in the market value of our endowments and some other one-time items, Gesu parish and school had a total net loss of approximately \$82,000 last year.

There is one more COVID-related financial topic that I wanted to bring to your attention. Like many other parishes in the diocese, and over 9,000 Catholic parishes across the U.S., Gesu applied for and received PPP funds that the federal government made available during the depths of the pandemic. For Gesu, we received almost \$332,000 from this program. These funds are reflected in our cash balance and as a loan on our June 30, 2020 balance sheet. Please note that these funds are not reflected in last fiscal year's P&L since we have not yet finalized the amount of this loan that will be forgiven. These funds allowed us to keep our faculty and staff employed during the pandemic and will help offset the net loss we incurred in our fiscal year that just ended. We are currently in the process of working with the diocese and our bank to complete the necessary paperwork to have most, and hopefully all, of these funds forgiven so they won't have to be repaid back. I will keep you posted later this year when we get the final word on where we stand with the PPP monies.

I share with you now some COVID related matters:

COVID had an impact on many parts of parish life. Closing the churches and suspending Masses for 10 weeks was something I never dreamed would or even could happen. However, our staff rallied and we were able to record and present Mass via YouTube to keep people connected electronically. Our parish office staff worked from home keeping parish business moving forward. Our maintenance crew worked long hours sanitizing and re-sanitizing nearly every surface on the property and once the OK was given for schools to re-open got the building ready and safe for both teachers and students.

Our teachers, school staff and Principal, Mr. Gonzales were amazing in the work they all put forth to reach out to our school parents and recruit new students resulting in an enrollment at Gesu school this year of 365 children, our best enrollment in 10 years.

The down side of COVID of course was the isolation, the stay at home orders, celebrating Mass in an empty church as it was recorded and the fact that some people still do not feel totally comfortable returning – but that is totally understandable. I look forward to the day when we can all return to some normalcy as in the past.

One disappointment of the past year was that the plans for our new sign, which we had hoped to install at the corner of Bancroft and Parkside will not happen. The strip of land where the current sign is, and where we wanted to put the new sign is City of Toledo property. The city would not approve the request for a waiver to allow for the encroachment on city property. They want to control and limit electronic signs like the one we had wanted, so it's back to the drawing board with that issue. Last year I mentioned that the parish had received a \$50,000 donation that was to be used for the sign. We didn't lose that money and will put it to a good purpose down the road.

COVID also forced us to cancel most of what we had planned for the 100th anniversary of the parish. A lot of planning had gone into those celebrations. After the COVID restrictions subside, we intend to do some of the celebratory events that had been planned for this year. I think we'll all be looking for more reasons to celebrate.

Gesu certainly had much success and some challenges this past year, but the real challenges lie before us in 2021 as we twin Gesu with St. Pius X Parish, as Fr.

Loughran, our Provincial shared with you last weekend. I believe it will be a challenge but also an exciting opportunity. As I'm sure he stressed, our community, the Oblates of St. Francis de Sales is eager to continue to share our Salesian Spirituality with the people of both parishes and maintain a strong Oblate presence in west-Toledo. We have a good team of parishioners from both parishes working on this and look for a smooth twinning process to formally take place on July 1 next year.

As a parish we have a wonderful opportunity to make history this year as we move Gesu into a whole new phase of our parish life. Twinning will create some challenges for sure, but a lot of new opportunities too. We will all need to be open, especially to the guidance of the Holy Spirit, as we cover new ground and explore, even brain-storm new possibilities.

St. Paul says so often that "We are the Body of Christ" and when we act together we build up the Body of Christ wherever we are. Our twinning of Gesu and St. Pius is meant to strengthen Christ's Body in our neighborhoods of west-Toledo and twinned together that BODY will be stronger than never.

Please pray for a smooth transition and twinning of our two great Oblate parishes – to be even greater together.

Thank you for all you do for Gesu.

God bless you and God bless Gesu.

Fr. Marty Lukas, OSFS

Pastor

Gesu Catholic Church

October 24/25, 2020