

Good Shepherd



Good Shepherd Catholic Church

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September 2011

Dear Good Shepherd Family,

I am pleased to share with you our Annual Report 2011. It tells a story of our parish life for the year ended June 30. It's a strong report with many notable accomplishments, a few challenges we face and our goal for the next few years. The highlights are below. You'll find greater detail on the inside pages.

Accomplishments:

- Debt was reduced by \$447,000, thanks to various campaign funds (\$244,600), and monthly mortgage payments (\$202,500) from General Operations.
- The school earned the Kansas Standard of Excellence rating for the eighth straight year!
- Both staff retention and program quality remained high all year.

Challenges:

- Collections are down from last year while costs have increased and continue to increase with inflation. As a result,
 - + principal payments from General Operations have been stopped for 10 months in 2011-2012. To balance the budget, we can afford "interest only" payments. Should collections increase, the issue will be revisited.
 - + church and school staff received a 2% raise, their first in 3 years and not enough to cover increases in health care costs.

Goal:

- Identify and initiate ways to invite all members to full communion, to grow in heart-felt engagement and to support our Good Shepherd community.

We definitely have accomplished much in the past year as we continue to manage our resources conservatively and plan for the future. While our budgets are tight and staff continues its frugal ways, we continue to celebrate joyful liturgies and offer strong, prayerful programs of faith. It is here that Christ lives among us and we are one. I am most grateful for you - a vibrant, self-sacrificing community. With your active participation in the life of our parish and your continuing generous financial support, Good Shepherd will meet the challenges in the years ahead. Thank you and God bless you!

Yours in Christ,

Fr. Jim Ludwikoski
Pastor

Annual Report 2011

Highlights of the Year

Accomplishments:

- Debt was reduced by over \$447,000, thanks to various capital campaign funds (\$244,600) and monthly mortgage payments (\$202,500) from General Operations. Parish debt is now \$1.13 million, thanks to generous members giving Shepherding Our Gifts capital funds. In addition, our Offertory commitments and emergency savings made it possible to sustain General Operations funds sufficient to resume principal payments in July 2010 after 17 months of paying "interest only".
- The school earned the Kansas Standard of Excellence rating for the eighth year in a row, holding this rating since inception of the program. Due to excellent management, this remarkable record has been accomplished with no increase in expenses.
- Staff retention and program quality remain high. We are gratified that our excellent church and school staff stayed through two years of salary freezes and gave 100% of themselves to our ministries and programs.

Challenges:

- Collections are down from last year while costs have increased and continue to increase with inflation. As a result,
 - Principal payments from General Operations will be stopped for 10 months in 2011-2012. With a conservative budget that has not increased for seven years and declining income from collections, all efficiencies are maxed out. To balance the budget, the only option is to defer principal payments on debt. We asked for and received archdiocesan permission to make "interest only" payments once again on our \$1.13 million debt balance beginning September 2011.
 - The church and school staff received a mere 2% raise, their first in three years. This raise didn't cover the increased cost of health care for our well-deserving church and school staff. In justice, all parish families must support our Good Shepherd staff.

Goals for 2011 and beyond:

- Identify and initiate ways to invite all members to full communion, to grow in heartfelt engagement and to support our Good Shepherd community. With a long history of being a vital, faith-filled parish grounded in prayer and community, we will seize opportunities to shape our Tomorrow. We will call on the Holy Spirit to enlighten our membership and bring forth the gifts we need to invite all to communion and an active life in the parish.

Income

Offertory Collections - including all Offertory and holyday envelopes, were flat last year and consistently short of a budget that has remained constant for eight years. Despite careful management of parish resources and a minimal 2% salary increase for church and school staff next year, income does not cover operating expenses. Collections, our principal source of income, must increase significantly. It is our mutual responsibility to support our community, ministries, programs and our staff. We ask all families to prayerfully review their current giving and consider how they might help.

School Income - includes school tuition, the hot lunch program and before- and after-school day care programs. Income decreased 7% due to lower enrollment in the 2009-10 kindergarten class, following low birth rates in 2004-05. Regular modest tuition increases, in line with other regional Catholic elementary schools, help keep pace with rising costs of education and offset declines in both matching gifts and enrollment. We are actively pursuing a preschool to open in fall of 2012, a much requested and income producing addition to the curriculum as well as a natural conduit for our kindergarten.

Fundraisers - increased 4% this year due to increased rentals of the gymnasium and social hall by private parties and organizations. Generous patrons and excellent leadership of all-parish fundraisers (Fall Festival, Golf Tournament and Lollapalooza) kept income steady and costs contained. We are especially grateful for those who contributed \$67,325 to Lollapalooza's Fund-a-Need. It provided education of our children, technology upgrades, financial aid to families needing tuition assistance (Guardian Angels Fund) and seed money to begin a preschool in Fall 2012.

Major Gifts and Other Income - appears to have decreased 56% this year. In actuality, the level of giving remained the same. Last year monies previously held for completion of major gifts were moved into the General Fund Income account as all prior gifting obligations were met. "Other Income" also includes all other sources of income, i.e., mass stipends, wedding fees, Leaven subscriptions, etc.

Expenses

Administration - expenditures include salaries and benefits for our pastor, administrator, stewardship director, part-time accountant and support staff, and contracted services for weekend pastors, annulment advocate, payroll and general office expenses. Total costs remained constant this year despite a 7% increase in health insurance due to a conscious effort to find cost savings in internal processes and a second year with no salary increases.

Mortgage Payments - of \$22,000 monthly (principal and interest) were restarted in July 2010 after 17 months of "interest only" payments as cash reserves grew to a healthier 12 weeks of emergency funds. Total mortgage payments made this year were \$447,000 with \$202,500 from the General Operations Fund and the balance from capital campaign funds.

Shepherding Our Gifts (SOG) and other campaign funds, not a part of this General Fund report, deserve mention. Through the continuing generosity of many, over \$346,500 has been received and disbursed this year as follows: total debt payments of \$244,600. (Over \$11 million of the \$12.1 million cost of building church and school facilities has been paid since 1998, reducing total parish debt to \$1.13 million.) A maintenance savings fund of \$220,000 is held for eventual major facility upgrades (e.g. roof and siding replacements and parking lot repair). With 5% of SOG funds going to various outreaches, this year's recipients include Catholic Relief Services for Pakistan flooding and Japan tsunami, \$5,000 (\$2,500 each); Christian Foundation for Children and Aging, \$2,500; Sisters of Charity (Haitian orphanage), \$10,000; and the Kansas / Missouri Tornado Fund, \$1,500. An outreach savings account of \$16,000 is available for projects yet to be named.

School Expenses - were basically flat. Given a recessionary economy and falling collections, the Johnson County priests asked that salary freezes for teachers throughout the region continue for a second year. Strong management held other operating costs down as well. The school retained its highly capable teaching staff and earned a State Standard of Excellence designation with ratings exceeding other Johnson County parish schools for the 8th year in a row. The parish subsidy is 36% which is very modest in comparison to parish subsidies for regional schools. An active parent-teacher group raised an additional \$6,800 this year, \$5,440 for technology resources and \$1,020 for church / school operations. Another \$340 was given to an outside charity. School Expenses also include the costs of the school's hot lunch and before- and after-school care programs.

Regional / Archdiocesan Assessments - Being part of the larger Catholic community provides Good Shepherd with advantages as well as responsibilities to the Archdiocese. The various assessments support diocesan high schools, Johnson County regional programs, the Archdiocesan pastoral center, priests' retirement, our Archdiocesan assessment for Offertory collections (5%) and unreimbursed subscriptions to The Leaven. (Capital campaign funds, fundraising dollars and school receipts are not assessed.)

Programs & Ministries - are the very essence of Good Shepherd. It is there we work communally to live the Gospel daily. Worship, caring ministries, adult and youth formation, outreach and social concerns and parish social activities are all included. The impact of these ministries is much greater than the expenses suggest because of the many generous volunteers and dedicated staff.

We worship at rich and meaningful liturgies. We grow in our faith through retreats and faith-sharing groups, adult formation sessions, Liturgy of the Word, Kids Creed, RAFT and OASIS. We build community through the family-oriented Fall Festival, Spirit Café, Trivia Night, CYO-sponsored ball games, new member welcome activities, fish fries and parish celebrations. We support the sick and needy with food drives, visits and prayers, meals at Food Kitchen and Shalom House and other outreach programs. This year, our parish gift of \$8,000 to El Salvador helped complete the construction of a recreational park at El Buen Pastor, provided scholarships for middle, high school and university students and supported women in the UCRES region with seeds and fertilizers for community vegetable gardens.

Facilities - provided for a clean, inviting, safe and functional environment for the 96,000 sq. ft. facility on 22 acres. The budget includes an on-site general maintenance employee, utilities, electrical and plumbing maintenance, cleaning

services, yard maintenance, tree care, snow removal and upkeep of the rectory. Actual facility expenses were flat because this category also includes Lollapalooza's Fund-A-Need monies designated for special projects. In 2011, the special projects (\$37,400) were designated for technology upgrades, tuition assistance (Guardian Angel Fund) and seed money for the preschool starting in Fall 2012. We are grateful for parishioners who shared 1,000+ volunteer hours to limit facility expenses.

Operating Cash

"Operating cash" was \$490,500 on June 30 and represented 12 weeks of operating expenses. Maintaining and growing these emergency funds at this level continues to be the focus of Finance Council efforts in line with the Johnson County Pastoral Plan which recommends a healthy 16 week emergency fund level.

Restricted Gifts

Restricted gifts are typically monetary gifts from estates, inheritances and memorials. They are usually given for a specific purpose and held in the restricted account until all obligations are met. Last year, just over \$35,500 was transferred to the General Fund from this restricted account for this purpose. This year all obligations have not been met on current holdings; thus, no funds were transferred to the General Account.

* recalculated to be consistent with current year calculations.

GOOD SHEPHERD PARISH STATEMENT OF ACTIVITY FOR THE YEARS ENDING JUNE 30		
	2011	2010
INCOME		
Offertory Collections	1,719,276	1,731,340
School Income	1,098,879	1,182,240
Fundraisers	213,035	204,342
Major Gifts & Other Income	27,549	62,062
Total Income	3,058,739	3,179,984
EXPENSES		
Administration	322,754	321,081
Mortgage and/or Interest Payments	264,000	74,984
School Expenses	1,717,618	1,702,296
Regional/Arch Assessments	320,507	318,427
Programs & Ministries	288,187	287,902
Facilities	222,128	225,992
Total Expenses	3,135,194	2,930,682
Net Income over (under) Expenses	(76,455)	249,302
Beginning Year Operating Cash	566,953	317,651
Ending Year Operating Cash	490,498	566,953
RESTRICTED GIFTS		
	2011	2010
Beginning Balance	\$ 276,150	\$ 161,917
Building Fund Receipts	4,961	10,031
Shepherding Our Gifts Receipts	346,521	388,946
Shepherding Our Gifts Expenditures	(303,456)	(277,921)
Archdiocesan Loan Proceeds	-	-
Other Designated Gifts	46,903	37,496
Income from Restricted accounts	6,179	4,088
Net Investment Income, CFNEK	(14)	(898)
Expenditures of Restricted Receipts	(46,840)	(11,940)
"In Memoriam" Gifts Transferred to Gen'l Fd	-	(35,569) A
Ending Balance Restricted Gifts	\$ 330,404	\$ 276,150
A - \$35,569 was "In Memoriam" gifts transferred to General Fund		

“We worship together, serve others and strengthen our Spirit-filled Catholic community as we learn, teach, proclaim and live the Gospel.” - Good Shepherd Mission Statement 2012.

The above words proclaim to the world what we, the Good Shepherd community, do. With your support and God’s grace, we lived our parish mission in the following ways this past year:

WORSHIP TOGETHER

86,110 Communion hosts consumed annually
1,493 Sacraments received in addition to Eucharist
463 Masses celebrated at Good Shepherd

SERVE OTHERS

\$322,949 Dollars shared by parish families and spent in service to others outside this community (NOTE: Call to Share and Future Full of Hope dollars are included)
28,830 Pounds of food collected for people in need
5,280 Meals served to the hungry
8,017 Hours volunteered to communities outside Good Shepherd

BUILD OUR SPIRIT-FILLED COMMUNITY

117,230 Volunteer hours shared in Good Shepherd programs and ministries
43,330 Personal and prayer contacts for individuals in need
68,462 Hours spent socializing at parish activities
109 New families welcomed

LEARN, TEACH, PROCLAIM AND LIVE THE GOSPEL

368,552 Hours spent learning, proclaiming and teaching the Gospel
201 Students in pre K -12 religious education programs
378 Good Shepherd School students

As stewards of God’s creation and gifts, we recognize that every good thing comes from God. In gratefully and joyfully sharing our communal blessings with each other for God’s greater glory, we have been blessed in countless ways.

With grateful hearts, we thank you.

We agree this is an accurate statement of Good Shepherd operations.

Fr. Jim Ludwikowski
Fr. Jim Ludwikowski,
Pastor

Steve Lemons
Steve Lemons, Director
Admin. Services

Mary Losik
Mary Losik, Director,
Stewardship Development

Rebecca Slattery
Rebecca Slattery,
Parish Accountant

THE FINANCE COUNCIL
Dan Beattie, Chair
Kay Atchison
Susan Hotzel
Mark Hyde
Rita Lavery
Mike Meurer

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