

# St. Teresa Parish

## Church History & Frequently Asked Questions

### Our History

Founded in the depths of the Great Depression, St. Teresa Parish and School have a long history of frugality combined with a dedication to building a Catholic culture in the heart of south Lincoln. Msgr. Kaczmarek and early parishioners made countless sacrifices to build our parish and school. Succeeding pastors and lay faithful worked to create a strong financial foundation.

But new challenges face our parish and our school. In the past decade, the number of families registered in the parish declined from around 783 in 2013 to 650 currently, while enrollment in our school also dropped from nearly 300 in 2013 to 258 currently. This decline in school numbers occurred despite the addition of children from Sacred Heart and St. Mary (closed schools) and those from Cristo Rey, Immaculate Heart of Mary, and St. Andrew Dung Lac (parishes that don't operate parochial schools).

Thankfully, during this time of declining numbers, tithing in the parish has only decreased slightly.

### Is St. Teresa Parish and School financially healthy?

We have strong reserves due to many decades of financial prudence. This makes us healthy. We have approximately \$800,000 in cash reserves. However, we are currently functioning at an operational deficit. This is akin to a family dipping into savings to pay month to month expenses. In our current fiscal year (2022-23), we are running a deficit of about \$100,000 and we anticipate a deficit of around \$150,000 for Fiscal Year 2023-24. The Finance Council has estimated that at this rate our reserves will be depleted in 5-7 years. Our operational budget needs to be stronger to prevent this depletion of reserves. This will take a concerted effort in terms of tithing, endowment income, earmarked donations, bequests, and other sources of income.

**Since tuition increases began in 2019 the church has received a large influx of cash from Good Shepherd Scholarship and Parent tuition.  
Where did all of that income go?**

For many years the teachers and staff have borne a significant portion of the cost of providing Catholic education by receiving lower wages than market. While our teachers and staff may feel called to contribute in this way to Catholic education, the finance council along with the pastor committed to getting wages more in line with the Lincoln Catholic school pay scales. In short, a little more than ½ of these additional funds have gone towards increased payroll expenses. Increases in health care have also impacted these funds. Finally, parish giving since 2019 has decreased overall by \$50,000, and income from fundraisers and other generous donors has decreased by over \$220,000.

### What is Thrive endowment and Thrive Now?

The Thrive initiative was launched in 2019 to create tuition relief for St. Teresa's school families. In fact, Thrive Now income of \$98,581 (including generous donations from our School Family Association and individual donors) contributed to our efforts to successfully hold out-of-pocket tuition costs steady for our families for the last two school years.

Within Thrive, there are two fund options, depending on donor intent: Thrive Now and the Thrive endowment.

Thrive Now, as the fund name implies, is a great option for donors who desire to see their gifts go to work immediately. All of the contributions to Thrive Now by the end of the calendar year will be used to provide parish scholarships for the next academic year.

Thrive Endowment is a principal sparing fund, such that its balance grows over the years and only the annual income is disbursed. Thus, it is a great option for donors who want their donations to work long-term, while understanding that it will take years and a concerted effort to generate meaningful annual income.

### What is the Msgr. Mitchell M. Kaczmarek School Endowment?

The Kaczmarek Endowment is one of the largest and most successful endowments in the Diocese. Growing over 28 years to \$2,855,848, it is a true blessing to St. Teresa School. The income it generates annually (currently ~\$140,000) goes directly to the operating budget of the school. In effect, it has given our parish a "head start" on meeting the school's budget for many years, and thus has been and will continue to be an important contributor to affordable education at St. Teresa School.

### What is the role of the finance council at St. Teresa Parish?

According to canon law, every parish is to have a finance council to assist the pastor in his care of the financial resources of the parish. At St. Teresa's, the finance council is composed of 11 members with a wide-range of expertise and experiences. The finance council meets monthly or bi-monthly with Fr. Kipper, to review the parish and school's financial data, routinely giving the pastor advice. They provide recommendations for building projects, investments, tuition and the overall school budget. They look at our revenue and expenses; monitor our assets and liabilities. They collectively vote and provide recommendations for the entire parish budget.

## 2021-22 FINANCIAL STATEMENT/PROJECTED BUDGET, PARISH AND SCHOOL

PARISH INCOME		2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Budget				
Collections - Sunday & Holy Day	\$	1,139,584	\$	1,062,696	\$	1,078,801	\$	1,047,381	\$	1,050,000
Charity & Steward Appeal	\$	93,947	\$	70,147	\$	60,084	\$	67,025	\$	60,000
Anonymous Donations	\$	168,810	\$	-	\$	-	\$	-	\$	-
Parish Organizations/Activities	\$	82,078	\$	25,172	\$	35,611	\$	68,811	\$	-
All Others	\$	102,075	\$	116,564	\$	65,698	\$	44,258	\$	72,000
TOTAL	\$	1,586,495	\$	1,274,579	\$	1,240,194	\$	1,227,475	\$	1,182,000
PARISH EXPENSES										
Parish Payroll & Benefits	\$	173,794	\$	149,304	\$	154,231	\$	164,592	\$	190,000
Transfer to PX High School	\$	244,020	\$	246,468	\$	186,960	\$	222,187	\$	198,144
Transfer to St. Teresa School	\$	842,500	\$	605,000	\$	653,000	\$	428,000	\$	665,229
Diocesan Assessments	\$	101,085	\$	92,207	\$	85,015	\$	93,204	\$	95,521
All Others	\$	166,335	\$	149,657	\$	165,040	\$	193,037	\$	163,000
Total	\$	1,527,734	\$	1,242,635	\$	1,244,246	\$	1,101,020	\$	1,311,894
NET OPERATING INCOME (LOSS)	\$	58,760	\$	31,944	\$	(4,052)	\$	126,455	\$	(129,894)
SCHOOL INCOME		2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2021-22 Budget				
Transfer from Parish	\$	842,500	\$	605,000	\$	653,000	\$	428,000	\$	665,229
Tuition/Fees	\$	80,189	\$	222,705	\$	260,809	\$	306,521	\$	313,590
ThriveNOW									\$	54,581
Diocesan Scholarships	\$	-	\$	130,700	\$	162,771	\$	220,000	\$	217,600
Organizations	\$	101,707	\$	110,992	\$	90,305	\$	105,480	\$	80,000
Endowment Income	\$	137,712	\$	158,528	\$	161,955	\$	164,587	\$	162,000
All Others	\$	66,048	\$	47,820	\$	43,782	\$	66,271	\$	38,000
TOTAL	\$	1,228,156	\$	1,275,745	\$	1,372,623	\$	1,290,858	\$	1,531,000
SCHOOL EXPENSES										
School Payroll & Benefits	\$	1,031,946	\$	1,096,098	\$	1,249,024	\$	1,303,915	\$	1,370,000
Instructional Exp. Activities & Technology	\$	55,409	\$	60,231	\$	46,086	\$	53,948	\$	55,000
Property & Utilities	\$	49,263	\$	43,189	\$	56,436	\$	50,466	\$	63,000
All Others	\$	72,968	\$	(224)	\$	39,355	\$	(20,537)	\$	43,000
Total	\$	1,209,586	\$	1,199,294	\$	1,390,902	\$	1,387,792	\$	1,531,000
NET OPERATING INCOME (LOSS)	\$	18,570	\$	76,451	\$	(18,279)	\$	(96,934)	\$	-