

*St. John the Evangelist*  
ANNUAL FINANCIAL REPORT



October 2022

My dear friends in Christ,

I am stepping briefly out of my convalescence to write to all of you. Words cannot begin to express my profound gratitude for your many thoughts, prayers, and expressions of support since my accident - you have truly sustained me through this most challenging period in my life! I am also beyond grateful for all the ways that you continue to sustain our parish. Your support - from the darkest days of the pandemic, through our gradual transition to a new normal, to the current challenges brought on by my absence - has enabled St. John the Evangelist Parish to not simply survive, but to thrive.

As you know, Fr. Bryan Hehir has taken on responsibility for the administrative functions of our parish, in addition to his many other responsibilities within the Archdiocese. We have been truly blessed by his wisdom and steady hand, and our superb collaborative staff has more than risen to the challenges posed by my extended absence. We have wonderful guest priests celebrating Masses and sacraments with us, and our fully-engaged and revitalized Religious Education and Youth Ministry programs recently launched for the new academic year. We continue to offer a robust slate of Faith Enrichment opportunities for adults, and our many Service and Outreach initiatives continue to bring the comfort and compassion of Christ to those in need, both near and far.

Saint John School is thriving as well. The unprecedented enrollment increase we experienced at the outset of the pandemic was certainly a challenge, but the fact that we have maintained this higher enrollment level into a third year is a testament to what Saint John School provides - an education of unparalleled excellence rooted in the beauty and values of our Catholic faith. I am overjoyed that so many children and families are experiencing it.

During the dark days of the pandemic, like most parishes, St. John's experienced a significant decrease in the Weekly Offertory and Annual Appeal. Thankfully, substantial unrestricted giving from generous donors during the crisis bridged the gap between our Collections and our budget, enabling us to continue our vital ministry. While the Weekly Offertory continues to increase as we emerge from those dark days, it has not recovered to pre-pandemic levels. The Parish cannot continue to rely on large, unexpected gifts to fund day-to-day operations. Your generous support of both the Weekly Offertory and the Annual Appeal is critical to ensuring that St. John Parish continues to thrive in the years ahead.

As I begin my second six-year term as your pastor (under circumstances I never could have imagined!), I am grateful to God for the privilege of serving in a community of such committed disciples of Jesus Christ. I so look forward to returning to my ministry and to you, and I am filled with hope and enthusiasm for our future together. Your living faith inspires me every day.

Sincerely yours in Christ,

Reverend James J. Laughlin, Pastor

October 2022

Reverend James Laughlin, Pastor  
St. John the Evangelist Parish  
9 Glen Road  
Wellesley, MA 02481

Dear Father Laughlin,

The financial statements of St. John the Evangelist Parish (the Parish) consist of the accounts of the Central Office of the Parish, including the operation of the Rectory, the Church, and the Parish Center. Saint John the Evangelist School (the School) is a mission of the Parish. The assets and liabilities of the School are not included in the Parish financial statements, and are attached separately and discussed in greater detail on subsequent pages.

### **ST. JOHN PARISH Financial Report for the Fiscal Year Ended June 30, 2022**

We present the following PARISH unaudited financial statements as of June 30, 2022, along with the highlights and explanatory comments below:

**STATEMENTS OF CHANGES IN NET ASSETS** (actual results for the fiscal years ended June 30, 2021 and 2022, and budgets for the fiscal years ended June 30, 2022 and 2023)

- **For the fiscal year ended June 30, 2022**, the Parish reported an Operating Surplus of \$83,971 and a Total Net Surplus of \$63,298. This positive result is due to a slight increase in Operating Revenue, coupled with a 1% decrease in Operating Expenses. Contributing to this result was both the ability to maintain consistent Total Operating Revenue year over year, as well as the ability to manage Total Operating Expenses.
- **Operating Revenue** increased slightly from \$1,020,971 for the year ended June 30, 2021 to \$1,024,287 for the year ended June 30, 2022. Weekly Offertory grew by 13% from \$369,549 to \$416,302, an encouraging sign as we transition to post-pandemic operations. Although Weekly Offertory continues to remain below the \$488,500 budgeted amount, the gap between budget and actual was made up for by both the receipt of \$136,304 in Gifts & Donations and by Annual Appeal receipts of \$378,583, which exceeded budget by \$28,583. Sacramental Offerings increased by \$11,715 over fiscal year 2021 and Religious Education Revenue increased by \$5,443. The largest decrease was in the Catholic Appeal Rebate, which contracted by 44% or \$12,458. Small decreases occurred in Interest Income and Miscellaneous Revenue categories.
- **Operating Expenses** declined by \$13,069 from \$953,385 for the year ending June 30, 2021 to \$940,316 for the year ending June 30, 2022. Several line items experienced sizeable decreases. The largest decrease was in Salary and Benefits Expense, which declined \$26,040 due to changes in both lay and clergy staffing. There was also an \$11,038 decrease in Rectory and Household costs, the result of fewer clergy living in the rectory. Also notable was that the Parish lowered its tithe to Saint John School by \$10,000 this fiscal year. Administrative and Miscellaneous Expenses had smaller changes. These decreases were partially offset by a \$31,476 increase in Property Maintenance and a \$7,825 increase in Music and Liturgical Expense. Large drivers of the Property Maintenance increase included a \$9,006 increase in Property & Liability Insurance, a \$6,701 increase in utilities as the parish began to transition back to regular programming, a \$2,771 increase in snow removal costs, \$7,250 spent on exterior painting of the church and \$4,350 spent on masonry repair to the church steps. The growth in Music and Liturgical Expenses included greater spending on altar supplies, missalettes, and charitable works. Smaller changes occurred in Religious Education and Parish Tithe Expenses.

- **Net Assets Released from Restrictions** reflects the use of donor restricted funds for their intended purpose, and is shown as an increase in Net Assets without Donor Restrictions and as a corresponding decrease in Net Assets with Donor Restrictions.
- **Capital Expenditures.** The Parish embarked on its highly successful *Faith in Our Future* Capital Campaign during fiscal year 2014. More than ninety-nine percent of donations, including gifts and pledge payments, were received in cash by the end of fiscal year 2018. Remaining payments received are recorded in the Contributions line item in the Net Assets with Donor Restrictions category. The Parish spent a total of \$20,946 on capital items during fiscal year 2022, the majority of which were funded by capital campaign proceeds. These items included rectory ceiling plaster and painting, repairs to the church's elevator, and installation of a handicap-accessible door on the Glen Road entrance to the church. The Parish currently has \$415,765 available from its campaign proceeds, which will be used exclusively to fund capital expenditures and repairs to its buildings and properties.
- **Fiscal Year 2023 Budget.** Fiscal year 2023 has been budgeted to essentially break even. In order to achieve this result, the budget assumes that the Weekly Offertory receipts will return to their pre-pandemic level and therefore continue to be budgeted at \$488,500. To be conservative, all other Operating Revenue categories are budgeted at lower levels than fiscal 2022 actual results. Operating Expenses are budgeted to be slightly higher than fiscal 2022 actual amounts, but lower than fiscal 2021 actual amounts.

#### **STATEMENTS OF FINANCIAL POSITION** (as of June 30, 2021 and 2022)

- **Cash & Cash Equivalents** grew by 8% or \$103,064 during fiscal 2021, thanks to the continuing generosity of parishioners and friends.
- **Accounts Receivable** represents transactions with the other Collaborative entities of Saint John School and St. Paul Parish. There were no amounts owed to the parish from the other entities at June 30, 2022.
- **Accounts Payable & Other Current Liabilities** at June 30, 2022 includes \$19,554 of Accrued Payroll Expense and \$20,037 due to outside parties.
- **Deposits** decreased by \$969, or 1%, from fiscal 2021. Fiscal year 2022's Deposits include \$24,423 of Religious Education tuition paid during fiscal 2022 in advance of the fiscal 2023 year. Other dollars in that line item include amounts held for others to be used for charitable purposes, such as POWIR and Christmas Wish.
- **Net Assets** are divided between those that have donor restrictions and those that do not have donor restrictions. Unspent Capital Campaign funds are included in the Net Assets with Donor Restrictions line item.

#### **SAINT JOHN SCHOOL Financial Report for the Fiscal Year Ended June 30, 2022**

We present the following SCHOOL unaudited financial statements as of June 30, 2022, along with the highlights and explanatory comments below:

#### **STATEMENTS OF CHANGES IN NET ASSETS** (actual results for the fiscal years ended June 30, 2021 and 2022, and budgets for the fiscal years ended June 30, 2022 and 2023)

- **For the fiscal year ended June 30, 2022**, the School sustained the enrollment increase that had occurred during fiscal year 2021. Total Operating Revenue grew by 13% or \$327,341, and the corresponding increase in Total Operating Expenses was 14% or \$277,725, resulting in an Operating Surplus of \$590,102. The Total Change in Net Assets, which includes the effect of Non-Operating items, was \$603,869.

- **Operating Revenue** is mostly comprised of three sources: (i) funds for a child attending the School (Tuition, Registration Fees, After School and Athletics Programs, and net Hot Lunch Revenue), which totaled \$2,605,153 or 90% of total revenue, (ii) School fund raising, net of fundraising expenses, which totaled \$164,878, or 6% of total revenue, and (iii) the Archdiocese's and the Parish's combined subsidies of \$77,937, or 3% of total revenue. Fundraising for Operations included \$126,832 of net receipts from the biennial Auction. An additional \$151,979 was raised for replacement of the school's playground, and is included in the Capital Expenditures, net of fundraising line item. The new playground will be installed during the fall of 2022.
- **Operating Expenses** rose in several categories. Increases totaling \$263,372 in Salary & Benefits, Administrative Expenses, and Textbooks, Instructional Materials & Teaching Supplies are directly related to the quality of the education offered at Saint John School. While After School & Athletics Expenses increased by \$38,338, this compares favorably to the corresponding \$136,284 increase in After School & Athletics Revenue category. Increased spending in the Property Maintenance category of \$12,808 included HVAC repairs and floor waxing and carpet cleaning in preparation for the new school year. Technology & Professional Development costs decreased as technology investments are part of the Capital Expenditure line item. Items reflected in the Miscellaneous Expenses category included field trips, yearbook, Field Day, and First Communion expenditures.
- **Capital Expenditures, net of Fundraising** increased by \$38,138 from fiscal 2021 to \$133,893. Capital Expenditures consisted of the \$33,397 down payment for the new playground, \$30,404 for classroom Touchview boards, \$29,955 for iPads and laptops, \$13,370 for chimney repair, \$13,135 for air conditioning repair and upgrade, \$6,705 for soundproofing for the school's lower level, \$3,777 for additional cameras for video monitoring, and \$3,150 for classroom desks.
- **Contributions** of \$198,571 in the Net Assets with Donor Restrictions section, which include Annual Fund donations as well as "Raise the Paddle" gifts from the Auction, funded the \$33,397 new playground down payment, \$23,645 of the Touchview boards, and \$22,938 of the iPad purchases. The unspent portion of 2022 contributions will be utilized in future school years, and their use will then be reflected as Net Assets Released from Restrictions.

#### **STATEMENTS OF FINANCIAL POSITION** (as of June 30, 2021 and 2022)

- **Cash & Cash Equivalents** grew by \$644,146, which is attributable to the school's positive financial performance during fiscal year 2022.
- **Accounts Receivable & Other Current Assets** increased by \$132,568. The majority of this line item is Tuition Receivable, which will be received during the fiscal year 2023.
- **Deferred Revenue** grew by \$87,940, and will be recognized as revenue during fiscal year 2023.
- **Net Assets** are divided between those that have donor restrictions and those that do not have donor restrictions. The \$160,250 of unspent Contributions at June 30, 2022 appear as Net Assets with Donor Restrictions, while the remaining \$1,444,198 of Net Assets do not have any donor restrictions placed upon them.

*As required by the Archdiocese of Boston, the unaudited financial statements of the Parish and the School have been prepared on a basis of accounting that is not in accordance with generally accepted accounting principles; the property, plant and equipment of the Parish and the School are not reported in the associated Statements of Financial Position, and all improvements and repairs are expensed when incurred. This has been done over the years to more accurately reflect the annual cash costs to maintain and upkeep the Parish and School's property and facilities.*

***Respectfully submitted by the Finance Council of St. John the Evangelist Parish***

Robert McDonnell, Chair

Bryan Belton

Joe Creonte

Lucy Kapples

**ST. JOHN THE EVANGELIST PARISH**  
**Statements of Changes in Net Assets**  
for the years ended June 30

|  | <u>2021 Actual</u> | <u>2022 Budget</u> | <u>2022 Actual</u> | <u>2023 Budget</u> |
|--|--------------------|--------------------|--------------------|--------------------|
| <b>Net Assets without Donor Restrictions:</b>                                |                    |                    |                    |                    |
| <b>Operating Revenue</b>   |                    |                    |                    |                    |
| Offertory  | \$ 369,549         | \$ 488,500         | \$ 416,302         | \$ 488,500         |
| Annual Appeal  | 380,998            | 350,000            | 378,583            | 350,000            |
| Sacramental Offerings  | 22,005             | 20,000             | 33,720             | 20,000             |
| Gifts and Donations  | 181,035            | 34,000             | 136,304            | 41,000             |
| Religious Education  | 32,535             | 30,000             | 37,978             | 32,000             |
| Catholic Appeal Rebate   | 28,527             | 7,347              | 16,069             | 7,800              |
| Interest Income  | 2,763              | 2,000              | 2,430              | 2,000              |
| Miscellaneous  | 3,559              | 2,475              | 2,901              | 2,475              |
| <b>Total Operating Revenue</b>   | <u>1,020,971</u>   | <u>934,322</u>     | <u>1,024,287</u>   | <u>943,775</u>     |
| <b>Operating Expenses</b>  |                    |                    |                    |                    |
| Salary and Benefits  | 573,334            | 561,072            | 547,294            | 566,048            |
| Administrative Expense   | 39,261             | 31,800             | 37,809             | 43,650             |
| Music and Liturgical   | 11,731             | 19,900             | 19,556             | 20,250             |
| Religious Education  | 9,747              | 12,470             | 11,259             | 13,085             |
| Rectory and Household  | 21,543             | 21,000             | 10,505             | 12,000             |
| Property Maintenance   | 196,723            | 198,624            | 228,199            | 202,281            |
| Parish Tithe   | 42,991             | 43,501             | 43,501             | 42,520             |
| School Tithe   | 50,000             | 40,000             | 40,000             | 40,000             |
| Miscellaneous Expense  | 6,960              | 4,450              | 2,193              | 3,700              |
| Net Assets Released from Restrictions  | 1,095              | -                  | -                  | -                  |
| <b>Total Operating Expenses</b>  | <u>953,385</u>     | <u>932,817</u>     | <u>940,316</u>     | <u>943,534</u>     |
| <b>Operating Surplus/(Deficit) before Non-operating Revenue and Expenses</b> | <u>67,586</u>      | <u>1,505</u>       | <u>83,971</u>      | <u>241</u>         |
| <b>Non-operating Revenue and Expenses</b>                                    |                    |                    |                    |                    |
| Capital Expenditures   | (38,567)           | -                  | (20,946)           | -                  |
| Gain on Extinguishment of Loan   | 115,100            | -                  | -                  | -                  |
| Net Assets Released from Restrictions  | 30,298             | -                  | 16,576             | -                  |
| <b>Net Surplus/(Deficit) in Net Assets without Donor Restrictions</b>        | <u>174,417</u>     | <u>1,505</u>       | <u>79,601</u>      | <u>241</u>         |
| <b>Net Assets with Donor Restrictions:</b>                                   |                    |                    |                    |                    |
| Contributions  | 1,185              | -                  | 273                | -                  |
| Net Assets Released from Restrictions  | (29,203)           | -                  | (16,576)           | -                  |
| <b>Net Surplus/(Deficit) in Assets with Donor Restrictions</b>               | <u>(28,018)</u>    | <u>-</u>           | <u>(16,303)</u>    | <u>-</u>           |
| <b>Total Change in Net Assets</b>  | <u>\$ 146,399</u>  | <u>\$ 1,505</u>    | <u>\$ 63,298</u>   | <u>\$ 241</u>      |

*Certain prior year amounts have been reclassified to conform to current year presentation.*

**ST. JOHN THE EVANGELIST PARISH**  
**Statements of Financial Position**  
as of June 30

|  | <b>Jun 30, 2021</b> | <b>Jun 30, 2022</b> |
|--|---------------------|---------------------|
| <b>ASSETS</b>                                |                     |                     |
| Cash & Cash Equivalents                      | \$ 1,245,283        | \$ 1,348,347        |
| Accounts Receivable                          | 21,631              | 0                   |
| <b>TOTAL ASSETS</b>                          | <b>\$ 1,266,914</b> | <b>\$ 1,348,347</b> |
| <br><b>LIABILITIES &amp; NET ASSETS</b>      |                     |                     |
| Liabilities                                  |                     |                     |
| Accounts Payable & Other Current Liabilities | \$20,487            | \$39,591            |
| Deposits                                     | 72,542              | 71,573              |
| Total Liabilities                            | 93,029              | 111,164             |
| <br>Net Assets                               |                     |                     |
| Net Assets without Donor Restrictions        | 562,159             | 641,760             |
| Net Assets with Donor Restrictions           | 611,726             | 595,423             |
| Total Net Assets                             | 1,173,885           | 1,237,183           |
| <b>TOTAL LIABILITIES &amp; NET ASSETS</b>    | <b>\$1,266,914</b>  | <b>\$1,348,347</b>  |

*Certain prior year amounts have been reclassified to conform to current year presentation.*

**SAINT JOHN SCHOOL**  
**Statements of Changes in Net Assets**  
for the years ended June 30

|  | <u>2021 Actual</u>       | <u>2022 Budget</u>       | <u>2022 Actual</u>       | <u>2023 Budget</u>       |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Net Assets without Donor Restrictions:</b>                                |                          |                          |                          |                          |
| <b>Operating Revenue</b>   |                          |                          |                          |                          |
| Tuition, net of Financial Aid  | \$ 1,976,675             | \$ 2,025,964             | \$ 2,149,460             | \$ 2,150,825             |
| Registration Fees  | 122,650                  | 122,650                  | 130,350                  | 120,450                  |
| After School & Athletics Programs  | 161,459                  | 125,000                  | 297,743                  | 175,000                  |
| Fundraising & Other Donations  | 152,160                  | 90,000                   | 164,878                  | 90,000                   |
| Hot Lunch, net   | 26,550                   | 17,000                   | 27,600                   | 15,000                   |
| Parish Transfer  | 50,000                   | 40,000                   | 40,000                   | 40,000                   |
| Archdiocese Support  | 36,423                   | 36,423                   | 37,937                   | 37,937                   |
| Other Income and Fees  | 29,150                   | 26,200                   | 34,440                   | 24,200                   |
| <b>Total Operating Revenue</b>   | <b><u>2,555,067</u></b>  | <b><u>2,483,237</u></b>  | <b><u>2,882,408</u></b>  | <b><u>2,653,412</u></b>  |
| <b>Operating Expenses</b>  |                          |                          |                          |                          |
| Salary and Benefits  | 1,763,983                | 1,957,100                | 1,992,080                | 2,085,525                |
| Administrative Expense   | 28,104                   | 32,000                   | 36,312                   | 32,000                   |
| Texts, Instructional & Teaching Supplies                                     | 48,601                   | 56,000                   | 75,668                   | 63,000                   |
| After School & Athletics Programs  | 12,637                   | 30,000                   | 50,975                   | 45,000                   |
| Property Maintenance   | 100,890                  | 107,200                  | 113,698                  | 118,471                  |
| Technology & Professional Development  | 16,261                   | 10,000                   | 6,784                    | 10,000                   |
| Miscellaneous Expense  | 44,105                   | 29,200                   | 38,089                   | 24,200                   |
| Net Assets Released from Restrictions  | -                        | -                        | (21,300)                 | -                        |
| <b>Total Operating Expenses</b>  | <b><u>2,014,581</u></b>  | <b><u>2,221,500</u></b>  | <b><u>2,292,306</u></b>  | <b><u>2,378,196</u></b>  |
| <b>Operating Surplus/(Deficit) before Non-operating Revenue and Expenses</b> | <b><u>540,486</u></b>    | <b><u>261,737</u></b>    | <b><u>590,102</u></b>    | <b><u>275,216</u></b>    |
| <b>Non-operating Revenue and Expenses</b>                                    |                          |                          |                          |                          |
| Gain/(loss) on Market Value of Investments                                   | 37,311                   | -                        | (29,611)                 | -                        |
| Capital Expenditures, net of fundraising                                     | (95,755)                 | (58,000)                 | (133,893)                | (105,178)                |
| Net Assets Released from Restrictions  | -                        | -                        | 83,766                   | -                        |
| Gain on Extinguishment of Loan   | 287,200                  | -                        | -                        | -                        |
| <b>Net Surplus/(Deficit) in Assets without Donor Restrictions</b>            | <b><u>769,242</u></b>    | <b><u>203,737</u></b>    | <b><u>510,364</u></b>    | <b><u>170,038</u></b>    |
| <b>Net Assets with Donor Restrictions:</b>                                   |                          |                          |                          |                          |
| Contributions  | 66,745                   | -                        | 198,571                  | -                        |
| Net Assets Released from Restrictions  | -                        | -                        | (105,066)                | -                        |
| <b>Net Surplus/(Deficit) in Assets with Donor Restrictions</b>               | <b><u>66,745</u></b>     | <b><u>-</u></b>          | <b><u>93,505</u></b>     | <b><u>-</u></b>          |
| <b>Total Change in Net Assets</b>  | <b><u>\$ 835,987</u></b> | <b><u>\$ 203,737</u></b> | <b><u>\$ 603,869</u></b> | <b><u>\$ 170,038</u></b> |

*Certain prior year amounts have been reclassified to conform to current year presentation.*

**SAINT JOHN SCHOOL**  
**Statements of Financial Position**  
as of June 30

|  | <u>Jun 30, 2021</u>       | <u>Jun 30, 2022</u>       |
|--|---------------------------|---------------------------|
| <b>ASSETS</b>                              |                           |                           |
| Cash & Cash Equivalents                    | \$1,981,728               | \$2,625,874               |
| Accounts Receivable & Other Current Assets | 1,299,091                 | 1,431,659                 |
| <b>TOTAL ASSETS</b>                        | <u><b>\$3,280,819</b></u> | <u><b>\$4,057,533</b></u> |
| <br><b>LIABILITIES &amp; NET ASSETS</b>    |                           |                           |
| Liabilities                                |                           |                           |
| Accounts Payable                           | \$26,320                  | 41,156                    |
| Accrued Payroll                            | 103,905                   | 173,974                   |
| Deferred Revenue                           | 2,150,015                 | 2,237,955                 |
| Total Liabilities                          | <u>2,280,240</u>          | <u>2,453,085</u>          |
| Net Assets                                 |                           |                           |
| Net Assets without Donor Restrictions      | 933,834                   | 1,444,198                 |
| Net Assets with Donor Restrictions         | 66,745                    | 160,250                   |
| Total Net Assets                           | <u>1,000,579</u>          | <u>1,604,448</u>          |
| <b>TOTAL LIABILITIES &amp; NET ASSETS</b>  | <u><b>\$3,280,819</b></u> | <u><b>\$4,057,533</b></u> |

*Certain prior year amounts have been reclassified to conform to current year presentation.*