



St. John the Evangelist ANNUAL FINANCIAL REPORT

October 2023

My dear friends in Christ,

As I write to you, I am still basking in the glow of our Collaborative Outdoor Mass. Over 800 people gathered on the lawn on a picture-perfect fall morning, and music filled the air as our teens led us in song. The sounds of children's voices could be heard as we experienced the joy of gathering as a community. Having experienced the separation imposed by the pandemic followed by my own absence in the wake of a life-threatening accident, there was a palpable joy in being together. How beautiful is the Body of Christ!

On the same day, I was excited to introduce Sr. Colleen Gibson, SSJ, our new Coordinator of Pastoral Care, Deacon Rick Vatcher, a newly ordained permanent deacon, and Fr. Gabriel Afumbom Tokoh and Fr. Lesley Keman Fonye, priests from the Archdiocese of Bamenda, Cameroon, Africa. Fr. Gabriel and Fr. Lesley will be in residence at St. Paul's Rectory while pursuing graduate degrees at Boston College and will also be assisting in the sacramental life of our collaborative. We have much to celebrate. Our Religious Education and Youth Ministry programs have launched with new enthusiasm as our young pilgrims return from World Youth Day in Lisbon. 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 far near and far.

Saint John School is thriving as well. As you know, we experienced an unprecedented increase in enrollment at the onset of the pandemic. Enrollment has remained high now into a fourth year, as more and more families discover what a treasure Saint John School is and spread the word about the SJS difference: an education of unparalleled excellence rooted in the beauty and values of our Catholic faith. The combination of Saint John School's inspired leadership, superb faculty, high enrollment, and strong financial position allows us to plan and prepare for the future with confidence and excitement.

On the parish side, the gap between our budgeted requirements and our actual Weekly Offertory and Annual Appeal collections was closed once again this year by unsolicited gifts from generous parishioners. While Weekly Offertory giving is slowly increasing, support of the Annual Appeal dropped during this past year. The parish counts on these collections to fund our ministries and fulfill our mission. I am ever grateful for your ongoing generosity.

Last year as I wrote this letter, I was still in the acute phase of my recovery and had not yet returned to public ministry. I am beyond grateful to God and to all of you who have sustained me with your prayers, love and concern. I experienced God's healing love in a new way through you. It is my privilege not only to be your pastor, but to be a member of this community of faith!

With love and gratitude in Christ,

Reverend James J. Laughlin, Pastor

October 2023

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, 2023

We present the following PARISH unaudited financial statements as of June 30, 2023, along with the highlights and explanatory comments below:

STATEMENTS OF CHANGES IN NET ASSETS (actual results for the fiscal years ended June 30, 2022 and 2023, and budgets for the fiscal years ended June 30, 2023 and 2024)

- **For the fiscal year ended June 30, 2023**, the Parish reported an Operating Surplus of \$17,579. While fiscal 2023's Total Operating Revenue was lower than that of fiscal year 2022, Total Operating Expenses increased by less than 1% over fiscal year 2022. Due to Capital Expenditures of \$42,091, the parish had an overall decrease in Total Net Assets of \$24,298.
- **Operating Revenue** decreased by \$63,517 from \$1,024,287 for the year ended June 30, 2022 to \$960,770 for the year ended June 30, 2023. The primary reason for this decrease was the decline of \$60,845 in the Annual Appeal and the decline of \$14,361 in Sacramental Offerings. The receipt of \$130,591 in Gifts & Donations, the majority of which were unsolicited, plus the \$9,023 increase in Interest Income mitigated the effects of decreases in other areas. Smaller changes occurred in Religious Education, Catholic Appeal Rebate, and Miscellaneous Revenue line items.
- **Operating Expenses** increased by \$5,174 from fiscal year 2022. The two largest changes occurred in Salary and Benefits and Property Maintenance Expenses. Salary and Benefits Expense rose by \$34,978, with \$23,143 of this amount attributed to a required increase in pension costs. Property Maintenance spending decreased by \$37,838, due to reduced snow removal expense in fiscal 2023 and higher fiscal 2022 costs in the areas of tree pruning, exterior painting, and church boiler maintenance. Miscellaneous Expense grew by \$4,699 and Religious Education increased by \$2,342. The remaining line items fluctuated by less than \$1,500 each.
- **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, and the parish continues to benefit from use of amounts donated. Any remaining pledge payments received during fiscal 2023 and 2022 were recorded in the Contributions line item in the Net Assets with Donor Restrictions category. The Parish spent a total of \$42,091 on capital items during fiscal year 2023, including asbestos mitigation in the church's basement necessitated by a burst pipe, repairs of the church's elevator and boiler, and the replacement of a church and rectory sewer line. Purchases include new ovens for Powers Hall in the church, staff computers, and fencing around the parking lot dumpster. The Parish currently

has \$398,560 available from its *Faith in Our Future* proceeds, which will be used exclusively to fund capital expenditures and repairs to its buildings and properties.

- **Fiscal Year 2024 Budget.** For fiscal year 2024, Operating Expenses are projected to increase by 3%. In order to achieve a break-even result, the budget requires that Weekly Offertory and Annual Appeal totals increase by 13% over fiscal year 2023 actual amounts received, and those line items continue to be budgeted at the same amounts as recent fiscal years. The increase in giving via unsolicited Gifts and Donations is also acknowledged.

STATEMENTS OF FINANCIAL POSITION (as of June 30, 2022 and 2023)

- **Cash & Cash Equivalents** decreased by \$33,355 during fiscal year 2023. This is largely a result of the capital expenditures made throughout the fiscal year which were paid for by assets held in savings accounts.
- **Accounts Receivable** represents amounts owed to St. John Parish by Saint John School and St. Paul Parish, as well as gifts initiated by donors at the end of fiscal year 2023 but not received until fiscal year 2024.
- **Accounts Payable & Other Current Liabilities** at June 30, 2023 includes \$17,369 of Accrued Payroll Expense and \$9,048 owed to outside parties.
- **Deposits** increased by \$28,449 from fiscal year 2022, and include \$29,660 of Religious Education tuition paid during fiscal 2023 in advance of the 2024 fiscal year. Other dollars in that line item include amounts to be used for charitable purposes, such as POWIR and Christmas Wish, and dollars to be remitted to outside parties from special collections at weekend masses.
- **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, 2023

We present the following SCHOOL unaudited financial statements as of June 30, 2023, along with the highlights and explanatory comments below:

STATEMENTS OF CHANGES IN NET ASSETS (actual results for the fiscal years ended June 30, 2022 and 2023, and budgets for the fiscal years ended June 30, 2023 and 2024)

- **For the fiscal year ended June 30, 2023**, the School's Total Operating Revenue grew by 3% or \$77,981, and the corresponding increase in Total Operating Expenses was 5% or \$119,810, resulting in an Operating Surplus of \$548,273. The Total Change in Net Assets, which includes the effect of Non-Operating items, was \$422,575.
- **Operating Revenue** is mostly comprised of three sources: (i) funds for a child attending the School (Tuition, Registration Fees, After School and Athletics Program fees, and net Hot Lunch Revenue), which totaled \$2,676,655 or 90% of total revenue, (ii) School fund raising, net of fundraising expenses, which totaled \$167,429 or 6% of total revenue, and (iii) the Archdiocese's and the Parish's combined subsidies of \$73,594, or 3% of total revenue.
- **Operating Expenses** rose in several categories. The combined increase of \$138,626 in Salary & Benefits and Technology and Professional Development demonstrates the school's investment in its faculty and staff, which influences the quality of Saint John School's education. While non-salary After School & Athletics Expenses increased by \$7,744, it was more than offset by the corresponding increase of \$54,249 in After School & Athletics Revenue. Increased spending in the Property Maintenance category of \$7,596 included HVAC repairs, floor waxing and carpet cleaning in preparation for the new school year, repair to the building's front stairs, and increased insurance and utility costs. Textbooks, Instructional Materials & Teaching Supplies decreased by \$6,298, as the school leveraged investments made in the prior year. Miscellaneous Expenses grew by \$9,023 and is comprised of categories such as nursing supplies, field trips, yearbook, marketing and advertising, Field Day, and First Communion expenditures.

- **Capital Expenditures, net of Fundraising** of \$99,973 included \$79,155 to complete the new school playground, which has appropriate play spaces for all ages represented in the student body. Other expenditures were \$11,354 for additional soundproofing of the school's lower level, and \$9,464 in HVAC and chimney repairs, as well as the initial work begun for the first grade classrooms.
- **Contributions** of \$27,555 in the Net Assets with Donor Restrictions section are for the restricted purposes of scholarships and teacher professional development. The unspent portion of 2023 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, 2022 and 2023)

- **Cash & Cash Equivalents** increased by \$498,624, due to the school's fiscal 2023 positive financial performance and increase in Total Net Assets of \$422,575.
- **Accounts Receivable & Other Current Assets** increased by \$186,741. The majority of this increase is due to the rise in Tuition Receivable, which will be received during the fiscal year 2024.
- **Deferred Revenue** rose by \$307,435, and will be recognized as revenue during fiscal year 2024. The increase in this line item is due to the growth in enrollment for the 2023-2024 academic year.
- **Net Assets** are divided between those that have donor restrictions and those that do not have donor restrictions. The \$46,922 of unspent Contributions at June 30, 2023 appear as Net Assets with Donor Restrictions, while the remaining \$1,980,101 of Net Assets do not have any donor restrictions placed upon them. The school's net surpluses over the past few years have contributed to the growth in Net Assets.

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>2022 Actual</u>	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2024 Budget</u>
Net Assets without Donor Restrictions:				
Operating Revenue				
Offertory	\$ 416,302	\$ 488,500	\$ 426,195	\$ 488,500
Annual Appeal	378,583	350,000	317,738	350,000
Sacramental Offerings	33,720	20,000	19,359	20,000
Gifts and Donations	136,304	41,000	130,591	50,414
Religious Education	37,978	32,000	34,494	39,000
Catholic Appeal Rebate	16,069	7,800	17,073	17,073
Interest Income	2,430	2,000	11,453	7,000
Miscellaneous	2,901	2,475	3,867	3,500
Total Operating Revenue	<u>1,024,287</u>	<u>943,775</u>	<u>960,770</u>	<u>975,487</u>
Operating Expenses				
Salary and Benefits	547,294	566,048	582,272	591,066
Administrative Expense	37,809	43,650	37,581	39,700
Music and Liturgical	19,556	20,250	18,106	18,600
Religious Education	11,259	13,085	13,601	15,380
Rectory and Household	10,505	12,000	11,644	12,550
Property Maintenance	228,199	202,281	190,361	212,270
Parish Tithe	43,501	42,520	42,520	41,671
School Tithe	40,000	40,000	40,000	40,000
Miscellaneous Expense	2,193	3,700	6,892	4,250
Net Assets Released from Restrictions	(2,299)	-	214	-
Total Operating Expenses	<u>938,017</u>	<u>943,534</u>	<u>943,191</u>	<u>975,487</u>
Operating Surplus/(Deficit) before Non-operating Revenue and Expenses	<u>86,270</u>	<u>241</u>	<u>17,579</u>	<u>-</u>
Non-operating Revenue and Expenses				
Capital Expenditures	(20,946)	-	(42,091)	-
Gain on Extinguishment of Loan	-	-	-	-
Net Assets Released from Restrictions	14,277	-	17,206	-
Net Surplus/(Deficit) in Net Assets without Donor Restrictions	<u>79,601</u>	<u>241</u>	<u>(7,306)</u>	<u>-</u>
Net Assets with Donor Restrictions:				
Contributions	273	-	-	-
Net Assets Released from Restrictions	(16,576)	-	(16,992)	-
Net Surplus/(Deficit) in Assets with Donor Restrictions	<u>(16,303)</u>	<u>-</u>	<u>(16,992)</u>	<u>-</u>
Total Change in Net Assets	<u>\$ 63,298</u>	<u>\$ 241</u>	<u>\$ (24,298)</u>	<u>\$ -</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

	June 30, 2022	June 30, 2023
ASSETS		
Cash & Cash Equivalents	\$ 1,348,347	\$ 1,314,992
Accounts Receivable	0	24,332
TOTAL ASSETS	\$ 1,348,347	\$ 1,339,324
LIABILITIES & NET ASSETS		
Liabilities		
Accounts Payable & Other Current Liabilities	\$39,591	\$26,417
Deposits	71,573	100,022
Total Liabilities	111,164	126,439
Net Assets		
Net Assets without Donor Restrictions	641,760	634,454
Net Assets with Donor Restrictions	595,423	578,431
Total Net Assets	1,237,183	1,212,885
TOTAL LIABILITIES & NET ASSETS	\$1,348,347	\$1,339,324

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>2022 Actual</u>	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2024 Budget</u>
Net Assets without Donor Restrictions:				
Operating Revenue				
Tuition, net of Financial Aid	\$ 2,149,460	\$ 2,150,825	\$ 2,179,880	\$ 2,421,275
Registration Fees	130,350	120,450	123,200	127,050
After School & Athletics Programs	297,743	175,000	351,992	195,000
Fundraising & Other Donations	164,878	90,000	167,429	90,000
Hot Lunch, net	27,600	15,000	21,583	15,000
Parish Transfer	40,000	40,000	40,000	40,000
Archdiocese Support	37,937	37,937	33,594	33,594
Other Income and Fees	34,440	24,200	42,711	33,900
Total Operating Revenue	2,882,408	2,653,412	2,960,389	2,955,819
Operating Expenses				
Salary and Benefits	1,992,080	2,085,525	2,121,233	2,400,600
Administrative Expense	36,312	32,000	39,859	35,000
Textbooks, Instructional Materials & Teaching Supplies	75,668	63,000	69,370	65,000
After School & Athletics Programs	50,975	45,000	58,719	45,000
Property Maintenance	113,698	118,471	121,294	131,322
Technology & Professional Development	6,784	10,000	16,257	12,000
Miscellaneous Expense	38,089	24,200	47,112	30,000
Net Assets Released from Restrictions	(21,300)	-	(61,728)	-
Total Operating Expenses	2,292,306	2,378,196	2,412,116	2,718,922
Operating Surplus/(Deficit) before Non-operating Revenue and Expenses	590,102	275,216	548,273	236,897
Non-operating Revenue and Expenses				
Gain/(loss) on Market Value of Investments	(29,611)	-	8,448	-
Capital Expenditures, net of fundraising	(133,893)	(105,178)	(99,973)	(78,800)
Net Assets Released from Restrictions	83,766	-	79,155	-
Gain on Extinguishment of Loan	-	-	-	-
Net Surplus/(Deficit) in Assets without Donor Restrictions	510,364	170,038	535,903	158,097
Net Assets with Donor Restrictions:				
Contributions	198,571	-	27,555	-
Net Assets Released from Restrictions	(105,066)	-	(140,883)	-
Net Surplus/(Deficit) in Assets with Donor Restrictions	93,505	-	(113,328)	-
Total Change in Net Assets	\$ 603,869	\$ 170,038	\$ 422,575	\$ 158,097

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>June 30, 2022</u>	<u>June 30, 2023</u>
ASSETS		
Cash & Cash Equivalents	\$2,625,874	\$3,124,498
Accounts Receivable & Other Current Assets	1,431,659	1,618,400
TOTAL ASSETS	<u>\$4,057,533</u>	<u>\$4,742,898</u>
 LIABILITIES & NET ASSETS		
Liabilities		
Accounts Payable	41,156	45,325
Accrued Payroll	173,974	125,160
Deferred Revenue	<u>2,237,955</u>	<u>2,545,390</u>
Total Liabilities	2,453,085	2,715,875
Net Assets		
Net Assets without Donor Restrictions	1,444,198	1,980,101
Net Assets with Donor Restrictions	<u>160,250</u>	<u>46,922</u>
Total Net Assets	1,604,448	2,027,023
TOTAL LIABILITIES & NET ASSETS	<u>\$4,057,533</u>	<u>\$4,742,898</u>

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