



St. Paul Parish 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 of St. Paul's on a picture-perfect fall morning. 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.

This year has been a busy and fruitful one for St. Paul! Despite supply chain challenges, the Bell Tower renovation is nearly complete, and the replacement of the bell's electronic ringing mechanism is scheduled to start soon. I look forward to celebrating the completion of this project with you in the upcoming months. Thoughtful giving, along with the income from the leasing of the Saint Paul School building, have allowed us to pay for all of the work without having to borrow any money. With the Bell Tower repairs nearly complete, we are turning our attention to other facility needs at the parish. First on this list are upgrading the speakers in the church and replacing the carpet on the altar.

There is so much at St. Paul for which to be thankful. Total gifts to the parish, both for operations and for the Bell Tower, totaled nearly one million dollars! I am deeply grateful for your generosity. I appreciate your continuing support of the parish through both Weekly Offertory and the Annual Appeal, both necessary to meet our operational budget.

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. Paul Parish
502 Washington Street
Wellesley, MA 02482

Financial Report for the Fiscal Year Ended June 30, 2023

Dear Father Laughlin,

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

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

- **For the fiscal year ended June 30, 2023**, the Parish reported an Operating Deficit of \$44,903, mainly due to a decline in giving for Operations. Lowered giving for operations is more than offset by generous capital giving for the Bell Tower renovation project. The Parish received income from the St. Paul School building lease totaling \$291,886, which is a component of Non-operating Revenue and Expenses, and contributes to the Total Change in Net Assets of \$241.
- **Operating Revenue** decreased from \$944,253 in fiscal 2022 to \$882,036 in fiscal 2023, primarily due to a \$68,791 decrease in combined Weekly Offertory and Annual Appeal giving and Unsolicited Gifts and Donations. The Parish's Catholic Appeal Rebate exceeded fiscal 2022's rebate by \$9,477.
- **Operating Expenses** grew by \$38,635, from \$888,304 in fiscal 2022 to \$926,939 in fiscal 2023. Salary and Benefits costs increased by \$55,330, which included a required \$20,426 increase in Pension Expense. The decline in Property Maintenance spending of \$12,813 was mostly due to fiscal 2023's lower snow removal costs. Decreases in Rectory and Household and Administrative spending helped to offset other increases in other areas.
- **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** of \$423,716 is comprised mostly of Bell Tower renovation costs of \$350,341, with the remaining dollars spent on the church sound system, a new oil tank and pipe repairs to the Parish Hall, and computer hardware. The Parish received **Restricted Gifts for Capital Use** of \$181,540 towards the Bell Tower renovation in fiscal 2023.
- The **FY2024 Budget** projects a Total Change in Net Assets of \$32,853. Fiscal 2024 Operating Revenue is projected to grow by \$24,400 and Operating Expenses budgeted to increase by \$19,846. Capital Expenditures of \$129,494 are planned for completion of the Bell Tower and church sound system projects plus new carpeting for the church's altar.

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

- **Cash & Cash Equivalents** grew by \$13,957, which is in line with the Parish's lowered Accounts Receivable and increase in Accounts Payable and other Current Liabilities.
- **Long-term Security Deposit** of \$55,365 in the Assets grouping represents the security deposit paid by Star Academy, plus related interest, in accordance with the terms of the St. Paul School lease. The corresponding **Deposit** of \$54,611 in the Liabilities grouping is the amount, less any damage charges, that must be repaid to Star Academy in 18 years upon lease termination.

As required by the Archdiocese of Boston, the unaudited financial statements have been prepared by Parish staff using a basis of accounting that is not in accordance with generally accepted accounting principles; the property, plant and equipment of the Parish are not reported in the Parish's Statements of Financial Position, and 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 property and facilities in the Parish.

Respectfully submitted by the Finance Council of St. Paul Parish

James Drury, Chair John Cullinane David Foley Harold Foley Susan Looney

ST. PAUL 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				
Weekly Offertory	\$ 431,797	\$ 470,000	\$ 424,298	\$ 470,000
Annual Appeal	302,596	275,000	253,302	275,000
Sacramental Offerings	18,976	12,400	15,435	12,400
Gifts and Donations	114,346	42,000	102,348	60,000
Religious Education	25,184	25,000	24,650	30,000
Catholic Appeal Rebate	47,005	34,140	56,482	34,140
Interest Income	2,384	1,100	4,134	2,500
Miscellaneous Revenue	1,965	5,250	1,387	5,250
Total Operating Revenue	944,253	864,890	882,036	889,290
Operating Expenses				
Salary and Benefits Expense	565,408	655,728	620,738	663,798
Administrative Expenses	42,334	51,420	39,932	51,050
Music and Liturgical	14,036	19,500	15,142	19,050
Religious Education	9,361	11,290	10,927	14,610
Rectory and Household	12,026	14,000	4,612	17,000
Property Maintenance	172,102	160,432	159,289	166,836
Parish & School Tithes	74,661	74,142	74,141	74,014
Miscellaneous Expense	2,661	2,500	6,724	2,500
Net assets released from restrictions	(4,285)	-	(4,566)	-
Total Operating Expenses	888,304	989,012	926,939	1,008,858
Operating Surplus/(Deficit) before Non-operating Items	55,949	(124,122)	(44,903)	(119,568)
Non-operating Revenue and Expenses				
Lease Income, net	107,890	279,825	291,886	281,915
Capital Expenditures	(35,053)	(512,000)	(423,716)	(129,494)
Net assets released from restrictions	-	-	206,850	-
Net Surplus/(Deficit) in Assets without Donor Restrictions	128,786	(356,297)	30,117	32,853
Net Assets with Donor Restrictions:				
Restricted Gifts for Capital Use	25,310	460,890	181,540	-
Net assets released from restrictions	(4,285)	-	(211,416)	-
Net Surplus/(Deficit) in Assets with Donor Restrictions	21,025	460,890	(29,876)	-
Total Change in Net Assets	\$ 149,811	\$ 104,593	\$ 241	\$ 32,853

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

ST. PAUL PARISH
Statements of Financial Position
as of June 30

	Jun 30, 2022	Jun 30, 2023
ASSETS		
Cash & Cash Equivalents	\$ 868,875	\$ 882,832
Accounts Receivable	9,226	2,264
Long-term Security Deposit	54,884	55,365
TOTAL ASSETS	\$932,985	\$940,461
 LIABILITIES & NET ASSETS		
Liabilities		
Accounts Payable & Other Current Liabilities	\$52,854	\$60,089
Deposits	54,611	54,611
Total Liabilities	107,465	114,700
Net Assets		
Net Assets without Donor Restrictions	774,178	804,295
Net Assets with Donor Restrictions	51,342	21,466
Total Net Assets	825,520	825,761
TOTAL LIABILITIES & NET ASSETS	\$932,985	\$940,461