

SAINT PAUL PARISH

Harvard Square - Cambridge



2016 ANNUAL FINANCIAL REPORT

Dear St. Paul Parishioners:

This 2016 annual report on the financial condition of the St. Paul Community (“SPC”) presents a summary of operating results for the entities that make up the SPC: the St. Paul Parish, the Harvard Catholic Center and the St. Paul Choir School. The report covers the fiscal year period from July 1st, 2015 through June 30th, 2016. As was the case in prior fiscal years, throughout FY2016, these entities managed the challenges of necessary property maintenance, clergy and staff compensation and fundraising development efforts, each of which involves a non-discretionary financial obligation of the SPC. At the end of FY2016, continued progress was observable: the SPC restrained a stubborn deficit, covering day-to-day expenses as development costs and restoration expenditures were partially offset by stable revenues. An expanding Harvard Catholic Center achieved break-even results through donations and bequests, with a minimal shortfall funded from savings. The Center provides essential evangelical services to Harvard undergraduate and graduate communities. The Choir School, which has strengthened enrollment and media outreach, sustained a slight operating deficit.

Bequests and gifts grew 10% throughout this period, while an improved U.S. economy maintained SPC investment returns and dividend income. Combining the results of daily operations and charitable giving, the Parish Administrator and Finance Committee can report that 2016 SPC operating revenues were unchanged from the previous 2015 fiscal period. Current repair and maintenance costs declined 8% and have helped to limit a combined SPC operating deficit of \$260K, up from \$199K last year. As we begin the fourth quarter of FY2016 fiscal year, preparations for Church restoration have advanced. Thanks to the Restoration Fund, the church received a new boiler and significant lighting improvements. This fund is crucial to our efforts for ensuring that the SPC is able to support the significant costs of long-deferred Church and Parish Center restorations and systems upgrades. The Fund carries a balance of \$105K into the next fiscal year.

Our historic restoration objectives are expected to commence in the 2018 fiscal period. Urgent repairs are needed to maintain and modernize the Church building. In this regard, the priests, Finance Committee, past and current parishioners, choir school parents and the Harvard Catholic community ask for your increased giving and fundraising participation.

The SPC signifies a constant Catholic presence in your lives as well as those of the Harvard University community. It faces financial challenges that call for your spiritual commitment and active financial support. This annual Report emphasizes the costs of maintaining our physical presence in Harvard Square and spiritual presence in your lives. Thanks to each of you for your active financial support to the mission of the SPC in 2017.

Sincerely yours,

The St. Paul's Parish Finance Committee:

Reverend William Kelly – Pastor

Jim Perrine, Chairman

David Dankens Ted Monahan Kevin Mohan

Ex Officio Members:

Tom Hogan Doug Zack Rev. George Salzmann Rev. Mark Murphy

	<u>St Paul Parish</u>	<u>HCSC</u>	<u>SPCS</u>	<u>Combined Totals FY 2016</u>	<u>Combined Totals FY 2015 (3) (restated)</u>
Revenue					
Offertory	\$ 360,525	\$ 12,703	\$ -	\$ 373,228	\$ 469,559
Donations, Gifts & Bequests	129,460	536,250	352,253	1,017,963	931,253
Student Fees	-	-	261,665	261,665	245,473
Parent Fundraising	-	-	113,582	113,582	151,002
Religious Ed	4,478	-	-	4,478	3,072
Concerts & Recordings	-	-	78,705	78,705	70,160
Investment Income	58,757	25,046	7,215	91,018	89,374
Other	38,386	-	29,194	67,580	53,182
Total Operating Revenue	591,606	573,999	842,614	2,008,219	2,013,075
Expense					
Clergy & Religious Stipend and Benefits	69,869	111,102	-	180,971	191,091
Salaries	296,318	170,222	570,570	1,037,110	882,771
Benefits	51,734	13,917	63,063	128,714	191,340
Academic Program	-	-	23,581	23,581	20,187
Music Program	-	-	22,226	22,226	14,087
Development	-	76,292	53,115	129,407	162,525
General & Administration	82,400	130,608	75,936	288,944	278,809
Facilities Expense	254,960	27,731	27,427	310,118	336,694
Meetings & Conference	2,304	41,795	6,370	50,469	25,548
Pastoral & Liturgical	37,877	-	-	37,877	48,261
Archdiocesan Assessments (1)	25,257	-	-	25,257	27,072
Other	12,628	13,729	7,031	33,388	33,946
Total Operating Expense	833,347	585,396	849,319	2,268,062	2,212,331
Sub-total	(241,741)	(11,397)	(6,705)	(259,843)	(199,256)
Parish Annual Support of the Choir School	(101,302)		101,302		
Results from Operations	\$ (343,043)	\$ (11,397)	\$ 94,597	\$ (259,843)	\$ (199,256)
Non-Operating Items					
Non-operating income includes:					
Bequests & Endowment Gifts	\$ 214,786	\$ -	\$ 355,736	\$ 570,522	\$ 49,000
Restricted Grants & Gifts (2)	58,662	167,860	-	226,522	217,424
Endowment Investment income and appreciation	(74,070)	(29,227)	2,135	(101,162)	(28,143)
Deposits	-	-	-	-	-
	199,378	138,633	357,871	695,882	238,281
Non-operating expenses includes:					
Capital Improvements & Repairs (2)	14,000	214,000		228,000	186,492
Restricted gifts expended			67,084	67,084	11,275
Construction Loan Interest					4,413
RCAB Prior Period Adjustment					2,480
	14,000	214,000	67,084	295,084	204,660
Net increase / (decrease) in net assets from non-operating items	185,378	(75,367)	290,787	400,798	33,621
Total Increase / (Decrease) in Net Assets	\$ (157,665)	\$ (86,764)	\$ 385,384	\$ 140,955	\$ (165,635)

- (1) Archdiocesan Assessments support the Central Services provided to the Parishes.
(2) For completion of HCC Student Lounge (there was also an in-kind gift of \$4,353
(3) Summary 2015 amounts presented for comparison purposes include an adjustment made by RCAB after the 2015 report was released

St Paul Community: FY 2016 Summary Balance Sheets

	<u>St Paul Parish</u>	<u>HCSC</u>	<u>SPCS</u>	<u>Eliminations</u>	<u>Combined Totals FY 2016</u>	<u>Combined Totals FY 2015 (3) (restated)</u>
Assets						
Checking Accounts	\$ 290,469	\$ 120,637	\$ 434,181		\$ 845,287	\$ 331,312
Savings Accounts	243,010	35,502	145,357		423,869	497,094
Investments	619,009	629,151	349,325		1,597,485	1,919,066
	<u>1,152,488</u>	<u>785,290</u>	<u>928,863</u>		<u>2,866,641</u>	<u>2,747,472</u>
Due from Other Funds	500,987	-	-	(500,987)	-	-
Receivables & Prepaids	30,415	30,858	170		61,443	47,225
	<u>30,415</u>	<u>30,858</u>	<u>170</u>		<u>61,443</u>	<u>47,225</u>
Total Assets	<u>\$ 1,683,890</u>	<u>\$ 816,148</u>	<u>\$ 929,033</u>	<u>\$ (500,987)</u>	<u>\$ 2,928,084</u>	<u>\$ 2,794,697</u>
Liabilities						
Payables & Accruals	\$ (2,526)	\$ 830	\$ 86,306		\$ 84,610	\$ 91,784
Renovation Project Loan	211,715	-	-		211,715	212,109
Due to Other Funds	-	500,987	-	(500,987)	-	-
	<u>209,189</u>	<u>501,817</u>	<u>86,306</u>	<u>(500,987)</u>	<u>296,325</u>	<u>303,893</u>
Total Liabilities	<u>209,189</u>	<u>501,817</u>	<u>86,306</u>	<u>(500,987)</u>	<u>296,325</u>	<u>303,893</u>
Net Assets	<u>1,474,701</u>	<u>314,331</u>	<u>842,727</u>	<u>-</u>	<u>2,631,759</u>	<u>2,490,804</u>
Total Liabilities & Net Assets	<u>\$ 1,683,890</u>	<u>\$ 816,148</u>	<u>\$ 929,033</u>	<u>\$ (500,987)</u>	<u>\$ 2,928,084</u>	<u>\$ 2,794,697</u>

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