



SACRED HEART CHURCH
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September 30, 2017

To the Parishioners of Sacred Heart Parish,

The 2017 Annual Financial Report, including the 2018 Budget, is attached.

We are pleased to report positive income this year and a strong balance sheet. While overall income was above plan by approximately \$100,000 (9%), much of this was due to the unexpected generosity of specific one-time gifts and bequests. When combined with slightly lower offertory contributions and lower rental income than planned, our overall net income was positive only due to these bequests and the fact that several staff positions were unfilled for larger time periods than planned this year. We expect expenses to return to a standard level this year, with traditional inflationary pressures pushing them slightly upward.

We are deeply grateful for the large gifts and bequests made by very generous parishioners, both this year and others in recent years. We should stress many of these gifts are currently intended for specific purposes, such as building improvements or capital needs, not the general operating needs of the parish. As these investments are made, we expect to draw down our balance sheet over the course of several years, so we have to ensure the Parish does not rely on these gifts (or the investment income currently associated with them) to fund operating costs.

Your continued generosity in offertory donations remain critical for the vitality of our parish programming and operations. The financial council urges all parishioners to consider their offertory donation levels and determine if an increase might be appropriate, either through regular contributions or with an extra donation at some point during the year. The Sacred Heart online giving website (www.osvonlinegiving.com/1009) is an easy and secure way to support parish life via regular or one-time offertory gifts.

Aside from any financial contribution, your personal participation in our events and spiritual initiatives is most important. We encourage all members of our community to seek out ways to contribute their time and talents in parish programming. With a strong commitment to parish life, we are confident of our community's ability to manage any financial challenge.

If you have any questions or concerns, please contact any member of the Parish Financial Council (PFC). Thanks.

Rev. John Sassani, Pastor
Tom Morrison, Chair
Stephanie O'Brien, Member
Maureen Walsh, Member

Rev. Dan Riley, Parochial Vicar for Administration
Marie Baroni Allen, Member
Paul Schreier, Member

SACRED HEART PARISH
ANNUAL REPORT TO PARISHIONERS
July, 2016 to June, 2017

REVENUE	Actual	Budget	\$ Over Budget	% of Budget	FY18 Budget
Offertory ⁽¹⁾	\$248,174	\$255,000	(\$6,826)	-3%	\$255,000
Sacramental Offerings	\$13,319	\$12,000	\$1,319	11%	\$12,500
Gifts, Bequests, Donations ⁽²⁾	\$113,740	\$10,000	\$103,740	1037%	\$12,000
Other Income	\$5,807	\$5,800	\$7	0%	\$5,800
Religious Education	\$9,120	\$8,500	\$620	7%	\$9,000
Interest/Dividend	\$234,545	\$220,000	\$14,545	7%	\$273,350
Rental/Lease	\$588,910	\$601,158	(\$12,248)	-2%	\$602,660
Catholic Appeal Rebate	\$1,055	\$0	\$1,055		\$0
TOTAL REVENUE	\$1,214,671	\$1,112,458	\$102,213	9%	\$1,170,310
EXPENSES					
Compensation ⁽³⁾	\$460,344	\$490,269	(\$29,925)	-6%	\$454,837
Employee Benefits ⁽⁴⁾	\$121,264	\$132,000	(\$10,736)	-8%	\$127,157
Office Expense	\$26,878	\$29,720	(\$2,842)	-10%	\$26,230
Rectory Household	\$20,806	\$17,500	\$3,306	19%	\$17,500
Utilities & Maintenance ⁽⁵⁾	\$206,049	\$228,000	(\$21,951)	-10%	\$247,800
Pastoral/Liturgical	\$28,659	\$24,000	\$4,659	19%	\$35,700
Religious Education	\$4,763	\$6,500	(\$1,737)	-27%	\$6,500
Professional Development	\$2,848	\$4,250	(\$1,402)	-33%	\$3,750
Capital Acq/Improve	\$127,260	\$135,000	(\$7,740)	-6%	\$130,000
Central Ministry Tithe	\$62,885	\$62,885	\$0		\$63,472
Catholic Appeal Assessment	\$0	\$2,000	(\$2,000)		\$0
Other Expense	\$5,710	\$3,550	\$2,160	61%	\$4,050
TOTAL EXPENSE	\$1,067,467	\$1,135,675	(\$68,208)	-6%	\$1,116,996
NET INCOME	\$147,204	(\$23,217)	\$170,421		\$53,314

(1) Christmas collection designated entirely for Clergy Retirement Trust fell on a Sunday

(2) A significant, unbudgeted bequest was received

(3) Budgeted staff positions were not filled

(4) Positions not filled resulted in decreased benefit expenses

(5) Budgeted repairs were not required

Sacred Heart Parish
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FY2017 Capital Acquisitions / Improvements

Excavate and install new drywell - parking lot	\$5,200
Renovations to 2 nd floor suite - rectory	\$9,500
Fire alarm system, power upgrade - school	<u>\$112,559</u>
TOTAL	\$127,259

Account Balances as of June 30, 2017

Pastoral Center Accounts

General Savings	\$323,559
Flanagan Estate (Restricted Fund)	\$258,660
Gleason Estate (Restricted Fund)	\$46,819
Net Proceeds from Sales of SPN Church & Rectory	\$2,967,162
Common Investment Fund (Morelli Estate)	\$4,676,268
Common Investment Fund (SPN Church)	\$1,125,810

Village Bank

Village Bank Checking	\$99,774
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Accounts Receivable

CIF Dividend Receivable	\$56,855
Due from Newton Montessori School	\$18,847