

# SAINT PAUL PARISH

*Harvard Square – Cambridge*



## 2011 ANNUAL FINANCIAL REPORT

Recent annual reports on the financial condition of our St. Paul Community (“SPC”) have highlighted the difficulties we face in maintaining revenues during a lengthy economic downturn. In response to rising costs, SPC has reduced expenses to accommodate stagnant revenues, because we acknowledge uncertain prospects for new sources of charitable giving. Against this background, the Finance Committee is pleased to report that SPC’s financial conditions have begun to stabilize since our previous report to you in 2010. The Finance Committee advises the Pastor on financial management of the three related entities that make up the SPC: the St. Paul Church, the Harvard Catholic Center and the Boston Archdiocesan Choir School. This report provides a summary of financial results for fiscal year 2011 that extended from July 1<sup>st</sup>, 2010 through June 30<sup>th</sup>, 2011.

The three SPC entities face particular challenges in covering basic operating costs. The St. Paul Church serves a local core community as well as a changing group of Harvard undergraduates, graduates, families and faculty. Our local community is aging and many live on fixed incomes. The student community faces tight budgets and has limited ability to increase weekly contributions. While the Harvard Catholic Center provides Sunday services, group activities and student outreach, nonetheless consistent day-to-day student fundraising support remains incomplete. The Archdiocesan Choir School faces increased annual costs to cover the expenses of faculty, books, materials and maintenance.

In the course of the present 2012 fiscal year, as we build upon the improved results reported to you above, it is necessary to consider the immediate challenges which we face ahead. Our aging church building requires significant repairs that cannot be put off and must be paid for in 2012. Similarly, the Parish Center needs modernizing and renovation. These are strategic costs which we have now.

As the accompanying financial results demonstrate, our consolidated SPC operating deficit for the past year has been reduced by more than 40% from its previous 2010 level. St. Paul Parish finished the year with a modest surplus. The Harvard Catholic Center benefitted from increased alumni support and reduced its operating shortfall. The Choir School operated on a break-even basis after receipt of its annual support contribution from St Paul Parish. Across each of these results, our SPC institutional development efforts have begun to show a meaningful impact.

Each of us bears an individual responsibility to support our common mission and maintain our Catholic presence in Harvard Square. In thanking you for your financial commitment, we ask for your continued support to our development and growth in the year ahead.

Respectfully Submitted,

*The St. Paul Parish Finance Committee*

Reverend Michael E. Drea, *Pastor*

James Perrine, *Chairman*

Joe Barrell

David Hannon

Bob Muldoon

David Dankens

Sharon Gallagher

Ted Monahan

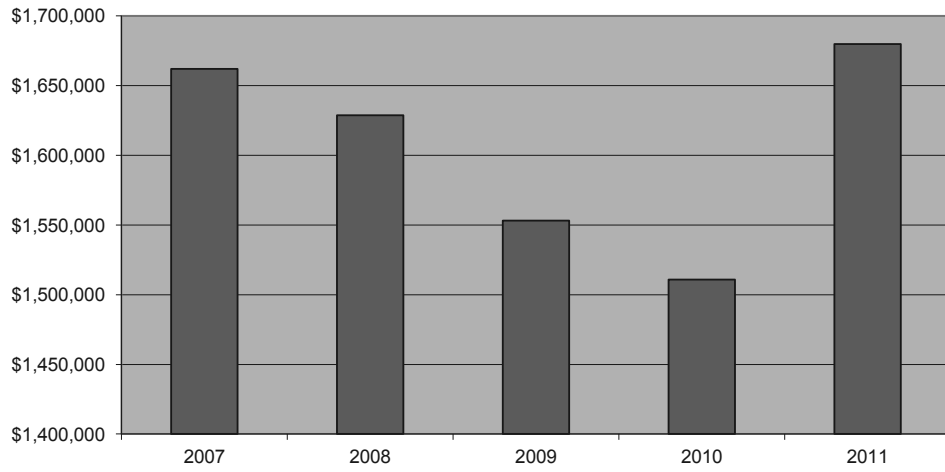
*Ex Officio Members:*

Andy Griswold

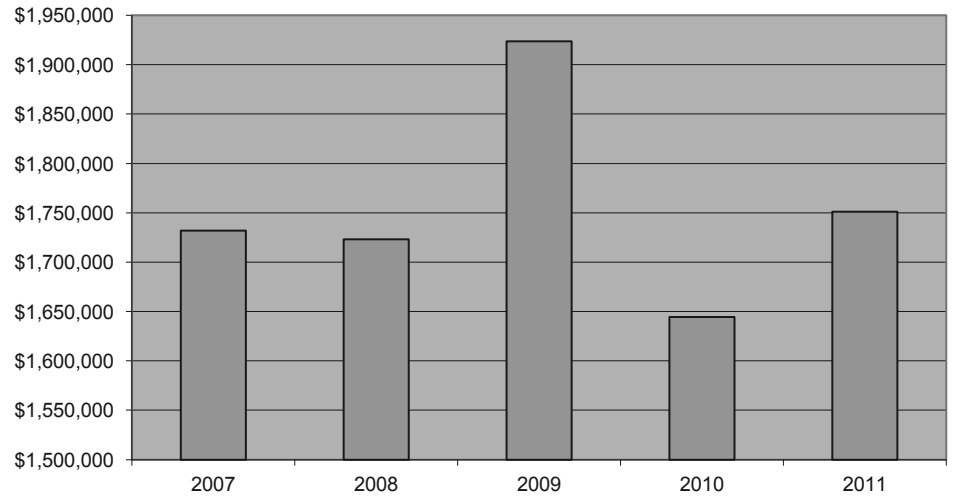
John Irwin

Rev. George Salzmman, OSFS

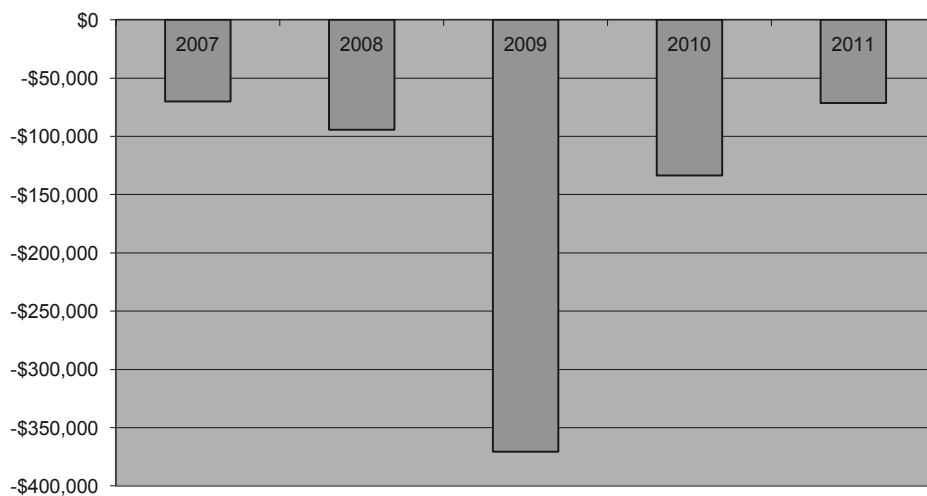
### Five Year Revenue History



### Five Year Expense History



### Five Year Deficit History



# St Paul Parish: FY 2011 Year End Financial Results

Rev 10-26-2011

	<u>St Paul Parish</u>	<u>HCC</u>	<u>BACS</u>	<u>Combined</u>	<u>Combined Totals June 30, 2010</u>
<b>Revenue</b>					
Offertory	\$ 566,952	\$ 19,900	\$ -	\$ 586,852	\$ 622,042
Donations		382,795	136,190	518,985	418,315
Student Fees			233,963	233,963	191,382
Parent Fundraising			62,219	62,219	77,192
Gifts, Bequests	45,127	725		45,852	19,456
Religious Ed	3,888			3,888	9,950
Concerts & Recordings			37,510	37,510	34,153
Investment Income	41,306	3,951	16,334	61,591	47,235
Other	43,380	3,364	82,240	128,984	91,122
<b>Revenue</b>	<b>\$ 700,653</b>	<b>\$ 410,735</b>	<b>\$ 568,456</b>	<b>\$ 1,679,844</b>	<b>1,510,847</b>
<b>Expense</b>					
Clergy & Religious Stipend and Benefits	86,592	120,260	-	206,852	187,859
Salaries	216,831	115,124	85,294	417,248	466,507
Benefits	48,056	23,249	59,185	130,490	103,917
Academic Program			181,671	181,671	196,736
Music Program			176,033	176,033	157,163
Development		75,965	33,406	109,371	120,349
General & Administration	61,726	33,725	38,375	133,826	90,493
Facilities Expense	93,329	65,965	50,938	210,232	231,473
Meetings & Conference		88,394	-	88,394	26,345
Pastoral & Liturgical	49,978	1,232	-	51,210	61,244
Other			45,887	45,887	2,443
<b>Expense</b>	<b>556,511</b>	<b>523,914</b>	<b>670,789</b>	<b>1,751,214</b>	<b>1,644,529</b>
<b>Excess / (Deficit) of Revenues over Expenses</b>	<b>144,142</b>	<b>(113,179)</b>	<b>(102,333)</b>	<b>(71,370)</b>	<b>(133,682)</b>
SPP Contribution	(100,000)		100,000	-	-
<b>2011 Year-end results from Operations</b>	<b>\$ 44,142</b>	<b>\$ (113,179)</b>	<b>\$ (2,333)</b>	<b>\$ (71,370)</b>	<b>\$ (133,682)</b>
<b>2011 Non-Operating Items</b>					
Non-operating income includes:					
Bequests & Endowment Gifts	\$ 941,978	\$ 182,613	\$ 27,339	\$ 1,151,930	
Restricted Grants			17,500	17,500	
Endowment investment income and appreciation	91,420	5,895	44,169	141,484	
Insurance proceeds	21,265			21,265	
	<u>1,054,663</u>	<u>188,508</u>	<u>89,008</u>	<u>1,332,179</u>	
Non-operating expenses includes:					
Repairs covered by insurance	21,265			21,265	
Equipment Purchase	7,022			7,022	
Investment Management Fees			3,807	3,807	
Transfer to Operations			14,000	14,000	
Restricted gifts expended			10,938	10,938	
	<u>28,287</u>	<u>-</u>	<u>28,745</u>	<u>57,032</u>	
Net increase to net assets from non-operating items	<u>1,026,376</u>	<u>188,508</u>	<u>60,263</u>	<u>1,275,147</u>	
<b>Total Increase / (Decrease) in Net Assets</b>	<b>\$ 1,070,518</b>	<b>\$ 75,329</b>	<b>\$ 57,930</b>	<b>\$ 1,203,777</b>	