



SACRED HEART CHURCH
1321 CENTRE STREET
NEWTON CENTRE, MASSACHUSETTS 02459-2496
(617) 969-2248
FAX (617) 965-7515
www.sholnewton.org

September 21, 2019

To the Parishioners of Sacred Heart Parish,

The 2019 Annual Financial Report, including the 2019 Budget, is attached.

We are pleased to report a strong balance sheet and positive net income for the year of \$17,751. We had actually planned for a loss in FY19 due to some capital investments, but due to scheduling issues and further analysis, many of those planned expenses will fall in the current fiscal year. The major item we want to highlight is our very slight positive variance on the offertory collection – and express our deep gratitude for your generosity to the parish. The offertory collection is the major driver that support parish life, and we rely on your continued donations.

A brief explanation on the capital expenses: These previously planned capital expenses, along with others in the same category, will drive our net income substantially negative in fiscal year 2020, as you'll see in the estimated budget for FY2020 on the opposite page. We expect a loss of about \$573,825. As with last year, these capital costs are necessary and, in some cases, will result in even better non-offertory income sources in the future. These include improvements to the exterior of the MacKenzie Center, vital improvements to the life safety systems of the Convent and improvements we are obligated to make to the School as a part of our long term lease agreement with our tenant in that building, among other items. These investments will total approximately \$727,000 in fiscal year 2020.

We are fortunate that we have the resources to undertake these investments due to large gifts and bequests. Many of these gifts are currently intended for specific purposes, such as these building improvements or capital needs, which are separate from our lease income and directly support the vitality of our parish with safe, modern, comfortable facilities.

As these investments are made, we expect to draw down our balance sheet over the course of several years, so it is imperative the Parish operational budget does not rely on these accounts. The predicted loss in FY2020 is an example of these investments.

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. Dan Riley, Pastor
Justin Klosek, Member
Maureen Walsh, Member

Tom Morrison, Chair
Stephanie O'Brien, Member
Paul Schreier, Member

SACRED HEART PARISH
Annual Report to Parishioners
July 2018 to June 2019

REVENUE	Actual	Budget	\$ Over Budget	FY20 Budget
Offertory	\$256,351	\$255,000	\$1,351	\$265,000
Sacramental Offerings	\$32,220	\$11,500	\$20,720	\$13,500
Gifts, Bequests, Donations	\$36,487	\$12,000	\$24,487	\$12,000
Other Income	\$5,790	\$5,800	(\$10)	\$5,800
Religious Education	\$7,475	\$6,200	\$1,275	\$7,500
Interest/Dividend	\$302,488	\$270,000	\$32,488	\$300,000
Rental/Lease	\$618,563	\$600,250	\$18,313	\$609,566
Catholic Appeal Rebate	\$18,340	\$18,000	\$340	\$8,500
TOTAL REVENUE	\$1,277,714	\$1,178,750	\$98,964	\$1,221,866

EXPENSES

Compensation	\$475,424	\$466,190	\$9,234	\$485,460
Employee Benefits	\$131,986	\$143,160	(\$11,174)	\$129,821
Office Expense	\$34,396	\$30,200	\$4,196	\$38,900
Rectory Household	\$11,253	\$12,500	(\$1,247)	\$12,650
Utilities & Maintenance	\$251,389	\$351,200	(\$99,811)	\$263,870
Pastoral/Liturgical	\$23,476	\$30,000	(\$6,524)	\$27,500
Religious Education	\$3,722	\$4,000	(\$278)	\$4,000
Professional Development	\$8,699	\$5,900	\$2,799	\$7,250
Capital Acq/Improve	\$228,525	\$267,200	(\$38,675)	\$727,484 **
Central Ministry Tithe	\$86,282	\$86,300	(\$18)	\$86,256
Other Expense	\$4,809	\$14,050	(\$9,241)	\$12,500
TOTAL EXPENSE	\$1,259,962	\$1,410,700	(\$150,738)	\$1,795,691

NET INCOME	\$17,751	(\$231,950)	\$249,701	(\$573,825)
-------------------	-----------------	--------------------	------------------	--------------------

Assets as of June 30, 2019

Checking Account	\$176,863
(4) Savings Accounts	\$259,723
(4) Certificates of Deposit	\$2,837,362
(2) Common Investment Funds	\$6,461,478
TOTAL	\$9,735,426

FY19 Capital Expenses

repair steps of rectory & gym	church doors
new choir mixer	rectory & convent studies
wireless network expansion	choir loft railings
school sprinkler project	automatic elevator door
windows of church & rectory	

** includes repointing of MacKenzie Center, accessibility upgrades to rectory, and life safety upgrades to convent