

St. Agatha Parish — Annual Report July 1, 2019-June 30, 2020

Dear Sisters and Brothers in Christ,

In this extraordinarily challenging year that 2020 has shown itself to be, I am ever more grateful to Almighty God for being now in my fifth year as pastor of this great Parish of St. Agatha. I am actually writing this letter away from the parish as I am currently in quarantine because of exposure on October 25th to someone who shortly thereafter tested positive for COVID-19. Thankfully that person had a second COVID test which was negative, and I was tested the end of last week (October 30), and my COVID test was negative also. However, I am still required to remain in quarantine through this Sunday evening the 8th of November. While I do remain in regular contact with our parish staff by phone, text, email, and ZOOM, and while I appreciate the opportunity for more time for prayer and reading than I regularly have when in our parish, two realities have become very evident to me. First is that it feels strange and even abnormal for me not to be interacting in person with parishioners, the priests with whom I live in the rectory, the St. Agatha School community, and our Parish staff. I especially miss celebrating public Mass with and for you, and praying Morning Prayer of the Divine Office with my brother priests in the rectory. That is the “downside” of being quarantined. Second, the “upside” confirms something I already knew but has become strikingly more evident during my quarantine. And that is how blessed I am to have such loving and caring parishioners, a number of whom have sent their prayers and best wishes my way, and how blessed I am to work with such an amazing group of people who form our parish and school staffs. I share with you just one, but very noteworthy, example. Right after I began my quarantine hibernation, members of our staff not only organized and correlated the names and contact information to report to the COVID-19 Community Tracing Collaborative, as we are required to do when we learn of someone in the Church testing positive for COVID, but they went above and beyond by contacting each parishioner or family themselves either by phone or email. Our staff wanted to make sure that our parishioners heard directly from representatives of the parish about this incident.

As I know you are well aware, the current pandemic has required many adjustments of us all. Livestreaming our Masses has enabled us at 432 Adams Street to remain connected with our parishioners and to bring the Sacred Liturgy right into your homes. Many thanks to Deacon Dan Sullivan for suggesting this idea right at the beginning of the pandemic, and to him and Noel Schaub for making it happen. Faith Formation has had to be adapted to the “new normal”, and Mrs. Beth Peterson, Mrs. Jenn Caputo, and Mrs. Helen Waring have provided materials for each family appropriate to the students’ grade level, working with the catechists to provide support, and being creative in keeping in contact with the students under their auspices. Mrs. Nancy

Carr, the Principal of St. Agatha School has worked with her faculty and staff throughout the summer to provide a smooth reopening this Fall, attentive to all the necessary protocols to help ensure everyone’s safety and good health, and making possible in-person learning every school day for all our students (100 more than last year, I might add!). Our Music Director Mrs. Julie Fay has worked closely with our cantors to provide music at our Masses and other liturgical events while observing the regulations prohibiting group singing. Our custodial staff has been very attentive throughout all the liturgical celebrations in our Church building to clean and sanitize the Church after every gathering for worship. Our rectory office staff has worked very hard to respond to the needs of our parishioners, to keep our parish website and Facebook Page updated, and to follow the directives that have come to us from the Archdiocese. Mr. Jack Riley our Director of Finance and Operations has worked closely with me and with our Parish Finance Council so that our financial resources and our physical plant are well managed and used appropriately.

I am also very grateful to my brother priests and deacons who devote themselves so generously to the spiritual needs of our parishioners and who have adapted well to the changes and challenges of our lives since last March. Although we certainly miss the close contact we had with you our parishioners prior to the COVID outbreak, I hope you realize that you, your loved ones, and your intentions have a permanent place in our hearts and our prayers.

As you are well aware, what we as a parish and school staff are able to do is made possible by your prayers, your putting your own skills and talents at the service of the parish, and your financial support. In these economically challenging times, I recognize the sacrifices so many of you are making in your ongoing financial support of our parish. I do hope from my remarks above, that you know how dedicated and generous our parish and school staffs are, and how they have responded so well by making the necessary adaptations to carry out their ministries in the very challenging circumstances of this past year.

I thank you for putting your time, talent, and treasure at the service of Almighty God and of St. Agatha’s, our spiritual home. I respectfully and humbly ask for your continued generosity, and that you spend some time reading this year’s 2 reports: this week the Parish Annual Report, and in next week’s bulletin the School’s Annual Report. May all of us embrace the joys and the challenges before us with trust in the Lord and in the intercession of our Patroness St. Agatha; may we work together to strengthen our beloved parish and school; and may we strive to offer one another our heartfelt prayers and our abiding charity. And through it all I thank our Lord for the immense blessing of being your pastor.

Fr. Palardy

ST AGATHA PARISH

Income Statement for fiscal year ending June 30, 2020

Budget for fiscal year ending June 30, 2021

	Actual <u>FY 2020</u>	Budget <u>FY 2020</u>	Variance <u>FY 2020</u>	Budget <u>FY 2021</u>
Operating Income				
Offerory ¹	\$ 636,477	\$ 650,000	\$ (13,523)	\$ 561,000
Grand Annual Collection	\$ 202,845	170,000	32,845	170,000
Bequests	\$ 46,961	-	46,961	30,000
Other Income ²	\$ 104,250	149,625	(45,375)	24,500
Sacramental Offerings ³	\$ 77,371	108,500	(31,129)	91,000
Youth Activities	\$ 97,323	95,000	2,323	80,000
Faith Formation Income ³	\$ 21,990	55,000	(33,010)	30,000
Transfer From Capital Reserve ⁴				102,540
Total Operating Income	<u>1,187,216</u>	<u>1,228,125</u>	<u>(40,909)</u>	<u>1,089,040</u>
Operating Expenses				
Compensation, Taxes and Benefits	\$ 760,706	781,576	(20,870)	663,640
Maintenance & Building Improvements	\$ 134,886	151,600	(16,714)	137,708
Liturgical & Parish Community Exp	\$ 102,917	112,000	(9,083)	100,000
Office Expenses & Professional Fees	\$ 84,691	72,200	12,491	65,000
Heat, Lights, Utilities & Telephone	\$ 54,775	55,700	(925)	55,700
Ministry Tithe ⁵	\$ 44,018	44,000	18	44,000
Miscellaneous	\$ 43,222	29,710	13,512	22,992
Total Operating Expenses	<u>\$ 1,225,216</u>	<u>\$ 1,246,786</u>	<u>\$ (21,570)</u>	<u>\$ 1,089,040</u>
Net Operating Income / (Loss)	<u>\$ (38,000)</u>	<u>\$ (18,661)</u>	<u>\$ (19,339)</u>	<u>\$ -</u>

Capital Income and Expense:

Capital Bequest Income To Reserves	\$ 314,520
Capital Expenses - Tower Repair	\$ 523,276
Net Capital Income / (Loss)	<u>\$ (208,756)</u>

**Parish Bank Account Status as of
June 30, 2020**

Operating Checking Account / Petty cash	\$ 267,984
Capital Reserve/Savings Account ⁶	\$ 374,952
Pension - Insurance Clearing Account	\$ 44,515
Trust Accounts RCAB - Bequests	\$ 5,157
Bingo Checking Account	\$ 1,401
Total	<u>\$ 694,008</u>

Recap of Other Financial Information (as of 6/30/20)

Accounts Payable	\$ 7,447
Other Current Liabilities	\$ 51,949
PPP Note Payable ⁷	\$ 142,300
Tower Capital Loan Balance	\$ 337,291

Notes

¹ Increased online giving revenue from March-June mitigated the expected shortfall due to COVID-19.

² Includes gifts, interest and donation income, excludes bequests and restricted gift.

³ Sacramental Offerings & Faith Formation revenues down due to COVID-19 shut down.

⁴ Approved transfer from reserves to balance the FY 21 Budget.

⁵ Ministry Tithe to the Archdiocese of Boston.

⁶ Includes large bequest of 273k set aside for Tower Loan pay down.

⁷ Payroll Protection Program loan. Forgiveness of loan will be applied for in 20-21, and full loan forgiveness is anticipated.

*Thank you to the Parish
Finance Council Members for
their assistance in preparing
and approving this report.*

Mortimer McGrath, *Chair*
Mary Courtney O'Sullivan,
Vice Chair
Eugene Boylan
Francis Byrne
Deacon Kevin Martin
Jacqueline Miller
Shaun Pandit
Charles Stravin
Deacon Daniel Sullivan

Operations Note—FY 2020 Parish Annual Report

We're pleased to present to you in this week's Bulletin the Annual Report for St. Agatha Parish for Fiscal Year 2020 which ended on June 30, 2020. Also included is the proposed budget for Fiscal Year 2021 which began on July 1, 2020 and continues until June 30, 2021. Next week we will present the same information for St. Agatha School.

This was certainly a year like no other. We began the fiscal year blissfully unaware that the final quarter of the year would wreak havoc on our financial structure. The major initiative for the year was the completion of the exterior masonry on the Church which went smoothly, finished early and came in on budget. Although a costly endeavor, it was critical to the integrity of the physical structure of the Church by preventing water penetration that damages walls and ceilings. The work was begun just before the beginning of the fiscal year and continued into the early Fall of 2019. In order to pay the \$523,671 projected cost, the parish received a ten year loan from the Archdiocese for \$350,000 and committed the remainder of the funding from the parish's Capital Reserve Account. The plan to repay the loan was two-fold. The parish had a large bequest, the bulk of which was to be committed to repaying the loan. The second part of the plan was a Centennial Capital Campaign connected to the parish's upcoming 100th anniversary. A Planning Study was completed, but before additional steps could be taken, the COVID-19 pandemic hit and stopped all such activity.

When the pandemic struck in March, Mass attendance was halted and consequently Offertory contributions dropped precipitously. Fortunately the parish had over 200 people giving electronically and a number of other parishioners generously made extra donations to help mitigate the drastic Offertory decline. Several other revenue sources were dramatically affected as well. Although some staff were able to work from home, all staff—including assigned clergy—had their compensation reduced. The Cares Act was passed in April and shortly thereafter the parish applied for and was approved for a fully forgivable Payroll Protection Plan loan of \$142,000 which enabled the parish to keep staff on the payroll for an 8 week period. The pandemic affected primarily the 4th Quarter, but because the Grand Annual had done so well, and because of the PPP loan, the parish finished the year with a \$38,000 deficit. Without the generosity of the parish community and the support of the government loan it would have been much larger.

Fiscal Year 2021 has proven to be a monumental challenge. In order to balance the budget at the beginning of the year, the Parish Finance Council recommended committing \$102,540 from the Capital Reserve Account. We are working diligently to carefully manage expenses and are hopeful that the Grand Annual will replicate last year's performance and that our online contributions will continue to increase.



St. Agatha School — Annual Report July 1, 2019-June 30, 2020

Well, I'm back from my quarantine and still feeling fit as a fiddle, thank God. I missed seeing you all, and especially missed celebrating Sunday Masses with you the past 2 weekends, including the Mass of Remembrance last weekend for our parishioners who passed to the Lord since last November. I am especially grateful to our two senior priests Fr. Pat McLaughlin and Fr. Tom Powers for "carrying the ball" while I was away.

As a follow-up to last week's bulletin, this week we present the Annual Financial Report for St. Agatha School.

Every household registered in our parish should have received by email a very brief questionnaire regarding the celebration of Christmas here at St. Agatha's this year. We ask that folks reply by this Tuesday November 17th. Please do take the time to read and respond to this questionnaire, because it will be of enormous assistance in our preparations for the Masses on Christmas Eve and Christmas Day, given the unique circumstances that the requirement of social distancing places upon us this year. If, for some reason, you have not yet received this questionnaire by email, it is available on our parish website.

A Mass of the Anointing of the Sick will take place next Saturday November 21st at 11am here in the Upper Church. For those who would like to receive the Sacrament but are not yet comfortable in coming into the Church, we'll be offering the Sacrament of the Sick to people in their cars in our parking lot after the Mass inside concludes. We were hoping to be able to provide box lunches as people leave the Mass of Anointing, but there is not enough time now for placing the lunch order. So,

we'll have to be content with the Sacrament of the Sick and the Eucharistic Bread of Life for this year!

Next Sunday November 22 at 4pm will be the annual Milton Interfaith Clergy Association (MICA) Thanks For Giving service. This year our parish honorees are Ann Louise Sullivan, Deacon Dan Sullivan, and Noel Schaub for the manifold ways they have served and continue to serve St. Agatha Parish. The Milton Times will have their picture and a description of their service and that of the members of other houses of worship in Milton being honored this year. To be able to be present for this event which will be in virtual format this year, the following is the link to register for this event:

https://us02web.zoom.us/webinar/register/WN_1c-ZPRKtQ2uRFuk12XNSCQ. After registering, you will receive a confirmation email containing information about joining the webinar. This link can also be found on our parish website.

At our 2 Thanksgiving Masses this year (Wednesday Nov. 25 at 7pm, and Thursday Nov. 26 at 9am) instead of collecting **food** for St. Matthew's Food Pantry in Dorchester, we ask our parishioners to donate **supermarket gift cards**. The gift cards can be donated at the Thanksgiving Masses or at any time before Thanksgiving by being dropped into the small green collection baskets in the Church or dropped off or mailed to the rectory. Gift cards in \$10 denominations are preferred.

Have a blessed, safe, and healthy week!

Fr. Palardy

Operations Note—FY 2020 School Annual Report

We're pleased to present to you in this week's Bulletin the Annual Report for St. Agatha School for Fiscal Year 2020 which ended on June 30, 2020. Also included is the proposed budget for Fiscal Year 2021 which began on July 1, 2020 and continues until June 30, 2021.

As was true of the Parish this was certainly a year like no other for St. Agatha School. The students and faculty were enjoying a tranquil and productive school year until the Covid-19 pandemic struck in March. From that point on the school year was an endurance test for all. Through the often heroic efforts of our staff, the support, patience and loyalty of families, and the hard work of the students, we were able to complete the last part of the academic year fully remotely. It was truly a community effort. The disruption experienced by the students was mirrored by the disruption to our finances. Most notably, as you can see from the attached Annual Report financials, was the drastic reduction in fundraising. It was necessary to immediately and indefinitely suspend the weekly Bingo games that resulted in a significant shortfall in that line item of almost \$86,000. Likewise there was a huge drop in family fundraising. Although the Auction Committee valiantly conducted a virtual event in the Spring which did very well under the circumstances, there was a fundraising shortfall of \$97,349.

Although the school building itself was closed from March through much of the summer which saved on expenses for

things such as utilities, maintenance and custodial service, teachers faithfully continued their work with their students. Compensating staff for their work would not have been possible without the Payroll Protection Program created by the federal CARES Act. The school applied for and received a loan of \$329,100 which is eligible for 100% loan forgiveness. Since we have met the applicable criteria, full loan forgiveness is expected in the current fiscal year.

Planning for Fiscal Year 2021 was a monumental challenge since there was much uncertainty about the enrollment level. The initial budget approved by the Finance Council was based on an enrollment of 240 students. Once the decision was made that the School would provide full-time on-site learning the enrollment dramatically increased throughout the late summer and into September. Although there was a slight increase in this year's tuition rate in order to balance the budget at the beginning of the year, this increase in enrollment by almost 100 students increased the school's anticipated tuition revenue by over \$700,000. Although additional staff needed to be hired and there were increased expenses for technology enhancements and for cleaning and sanitizing the school, this enrollment jump was welcome news and bodes well for the future of the School.

Jack Riley

ST AGATHA SCHOOL
Income Statement for fiscal year ending June 30, 2020
Budget for fiscal year ending June 30, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Budget</u>
	<u>FY 2020</u>	<u>FY 2020</u>	<u>FY 2020</u>	<u>FY 2021</u>
Income				
Net Tuition & Fees ¹	\$ 1,726,368	\$ 1,722,696	\$ 3,672	\$ 2,434,096
Gifts & Bequests ²	\$ 109,946	\$ 99,000	\$ 10,946	\$ 10,000
Fundraising Activities ³	\$ 162,651	\$ 260,000	(97,349)	\$ 175,000
Net Bingo Proceeds ⁴	\$ 94,002	\$ 180,000	(85,998)	\$ -
Other Income ⁵	\$ 29,589	\$ 52,500	(22,911)	\$ 50,600
School Tax Support	\$ 27,166	\$ 20,458	6,708	\$ 20,458
Total Income	2,149,722	2,334,654	(184,933)	2,690,154
Expenses				
Compensation, Taxes & Benefits ⁶	1,817,899	1,894,620	(76,721)	2,094,298
Maintenance & Building Improvements	179,093	161,397	17,696	234,397
Books, Materials, & Technology	45,909	50,189	(4,280)	123,771
Miscellaneous	32,312	31,600	712	34,078
Fundraising ³	40,816	100,000	(59,184)	90,000
Heat, Lights, Utilities & Telephone ⁷	71,110	89,216	(18,106)	89,216
Office & Related Expenses	10,176	7,200	2,976	10,200
Total Expenses	2,197,315	2,334,222	(136,907)	2,675,960
Net Income/(Loss)	\$ (47,594)	\$ 432	\$ (48,026)	\$ 14,194

Notes

- ¹ Includes tuition assistance income of 41.5k from the tuition reserve account for aid, less a reserve for doubtful accounts of 15.7k.
² Includes grant of 20k from Lynch Foundation for program expense, and 20k grant from Catholic Health Foundation for guidance counselor.
³ Decrease in revenues due to COVID-19, for auction and other fundraisers.
⁴ Shortfall of revenue due to indefinite cancellation of Bingo, beginning in March 2020 due to COVID-19.
⁵ Shortfall due to decreased revenue for summer enrichment program due to COVID-19.
⁶ Reduced payroll expenses of hourly personnel due to COVID-19, decrease in health plan cost due to one month premium waiver by Archdiocese.
⁷ Decreased expense due to lower heat costs and other utilities savings from building closure, due to COVID-19.
⁸ Payroll Protection Program loan. Forgiveness of loan will be applied for in 20-21, and full loan forgiveness is anticipated.
⁹ Gift for 20-21 school year to assist with reduced revenues due to COVID-19.

Recap of Other Financial Information (as of 6/30/20)

Operating Checking Account	\$ 244,545
Payroll Checking Account	\$ 95,717
Depository Tuition Assistance Fund	\$ 216,659
Depository Reserve Operating Account	\$ 802
Depository Capital Reserve/Savings Account	\$ 111,512
Total	\$ 669,235
Accounts Receivable	\$ 304,578
Accounts Payable, Accrued Expenses	\$ 54,434
PPP Note Payable ⁸	\$ 329,100
Deferred Revenue ⁹	\$ 100,000
Deferred Tuition	\$ 349,754
Accrued Payroll	\$ 228,822