

St. Agatha Parish — Annual Report July 1, 2020-June 30, 2021

Dear Sisters and Brothers in Christ,

This week and next we are including in our parish bulletin two Annual Reports: this week for our parish and next week for our school. Thanks be to God, to our parish and school staffs, to our Finance Council, and to you our parishioners for enabling us to make our way through the pandemic as well as we have so far. While you our parishioners have enabled us to meet our weekly targeted amount for our offertory almost every week, the annual budget figure was decreased for this fiscal year such that we anticipate having a parish deficit of more than \$75,000. Our hope is that with more people returning to Sunday Mass, additional parishioners enrolling in online giving, and a successful Grand Annual collection this year as we did last year, that deficit can be eliminated or at least significantly reduced.

As I mentioned in a previous bulletin column several months ago, the money that we hope to receive from the sale of a parcel of our land to the Town of Milton for the construction of a new fire station will be used to help pay off the loan for the repair of our Church tower and to provide a “rainy-day fund” in the event of the need for emergency repairs to the buildings of our parish and school campus here. There is a recent “twist” to all this in that the Town did some radar soundings of the land and found that there were buried underground two large units. The Monday before Thanksgiving the Town will be digging up that area to determine what those two large units are and if there has been

any leakage from them into the soil. The results of this project could have an impact on what the net benefit of this sale will be for our parish. So, we shall wait and see, and I ask for your prayers that the news will be good from this excavation project.

As you will see in next week’s bulletin with the financial report for our School, our Principal Mrs. Nancy Carr and her faculty and staff have done a wonderful job in maintaining in-person learning for our students with an increase of enrollment this year. Despite the loss of Bingo, with good fiscal management on Nancy’s part, and with an expected increase of fundraising by the parents, the School should be on solid financial ground.

In closing, I thank you for your financial and spiritual support of our parish and school, and I continue to feel extremely blessed to work with the superior staff we have here, and to serve as pastor of such a vibrant parish centered on Christ and under the protection of our Patroness St. Agatha. As I’m sure everyone is aware, 2022 will be a great year for us all as we celebrate our Parish’s Centennial. For my column in next week’s bulletin I have asked Joseph Reardon, the Chairperson of our Centennial Committee, to share with you some of the plans and hopes we have for our Centennial Year.

Have a blessed week!

Fr. Palardy

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 2021, which ended on June 30th 2021. Included as well are three years of Actuals to better present a comparative normal year (2019) to gauge where we are currently from pre-pandemic operations. Also included is the budget that started on July 1st, 2021, which ends on June 30th, 2022.

Each year has its own challenges, this past year we continued to experience the effects from the pandemic. We anticipated the restarting of many activities/ministries, with plans held in abeyance according to State and Archdiocesan guidelines. As you can see from the information provided, Youth Activity income and Other Parish expense is low, as this reflects the Summer Outreach Mission being changed to local events, along with the suspension of the basketball program. At the same time, we welcomed many back to Mass and resumed the celebration of the life-giving sacraments.

The Parish Finance Council had approved a transfer of \$102,540 to balance this year’s budget. Two unanticipated positive developments made that transfer unnecessary. First, the generous response of the parish community to the Grand Annual Appeal, which provided \$ 65, 213 more than budgeted, the unexpected receipt of Catholic Appeal Rebate of \$30,000 along with many small gifts sent to the Parish by faithful parishioners, helped us to close the year with only a small operating loss. Additionally, other good news, as expected we received formal approval of our application for full forgiveness of the Payroll Protection Loan of \$142,300. Since forgiven this year, it is shown as income. Although the Centennial capital campaign plans were delayed due to the pandemic, some capital replacements were deemed necessary to avoid additional damage to building systems. The aged roofs for the garage and the rectory were replaced, along with

the telephone system totaling \$63,200. In addition, necessary capital repairs were made to the Church organ.

As you can see from the three years of Actuals, the offertory is in a downward trend. As some of this was due to the pandemic, it was trending down before as well. This highlights the critical need for a successful Grand Annual Drive, as it supports 22% of the operating expenses of the Parish that allows us to maintain our spiritual home and keep the Parish staffed.

We continue to monitor the budget closely, and make adjustments as necessary. The Parish Finance Council approved the FY 2022 budget with an anticipated transfer from Reserves of \$75,641 to balance the budget. We are hoping that with increased participation in online giving, the basketball program restarting, and a successful Grand Annual, we will close the year without needing a transfer. Many thanks to all the faithful parishioners who made this possible this year!

Staff Changes

As the end of the fiscal year neared, we bid farewell to three long-time staff members. In May, after 6 years, Father Makos was reassigned as Pastor of the Collaborative of The Blessed Sacrament Parish and St. Margaret Parish in Saugus and we welcomed Fr. Tom Stanton as his replacement. In June we also said good bye to Jack Riley as the Director of Operations for 19 years, and welcomed his replacement, Adam Leskow. In August, we said goodbye to Kathy Monahan, Parish Secretary after 14 faithful years and welcomed Jean Curley as her replacement. All will be greatly missed and we thank them for their service and leadership over the years, especially during this past year navigating the Parish through the challenging times of the pandemic. May God bless them in their new endeavors!

ST AGATHA PARISH

**Income Statement for the twelve months ending June 30th, 2019, 2020, 2021
Budget for fiscal year ending June 30th, 2021, 2022**

	Actual FY 06/30/2019	Actual FY 06/30/2020	Actual FY 06/30/2021	Budget FY 2021	Variance FY 2021	Budget FY 2022
Income						
Offertory	\$ 652,010	\$ 636,477	\$ 550,338	\$ 561,000	\$ (10,662)	\$ 542,000
Grand Annual Collection	175,203	202,845	\$ 235,213	170,000	65,213	\$ 200,000
Bequests	55,832	46,961	\$ -	-	-	\$ -
Other Income ¹	129,576	104,250	\$ 100,153	54,500	45,653	\$ 86,000
Sacramental Offerings	103,261	77,370	\$ 90,648	91,000	(352)	\$ 82,000
Youth Activities ⁴	105,126	97,323	\$ 7,137	80,000	(72,863)	\$ 80,000
Faith Formation Income	68,845	21,990	\$ 60,889	30,000	30,889	\$ 53,000
Transfer From Capital Reserve ²	-	-	-	102,540	(102,540)	\$ -
Total Income	\$ 1,289,853	\$ 1,187,216	\$ 1,044,378	\$1,089,040	\$ (44,662)	\$1,043,000
Expenses						
Compensation, Taxes and Benefits ³	\$ 769,741	760,706	\$ 700,128	663,640	36,488	\$ 703,541
Maintenance, & Building Improvements	\$ 153,208	134,886	\$ 143,798	137,700	6,098	\$ 131,400
Liturgical & Other Parish Exp ⁴	\$ 121,900	102,917	\$ 16,380	100,000	(83,620)	\$ 92,000
Office Expenses & Professional Fees	\$ 81,254	84,691	\$ 78,268	65,008	13,260	\$ 77,250
Heat, Lights, Utilities & Telephone	\$ 57,503	54,775	\$ 56,681	55,700	981	\$ 51,700
Ministry Tithe--Assessment to RCAB	\$ 45,650	44,018	\$ 43,738	43,738	-	\$ 44,165
Miscellaneous	\$ 61,821	\$ 43,222	\$ 8,903	23,254	(14,351)	\$ 18,585
Total Expenses⁷	\$ 1,291,078	\$ 1,225,216	\$ 1,047,896	\$1,089,040	\$ (41,144)	\$1,118,641
Net Operating Income/(Loss)	\$ (1,225)	\$ (38,000)	\$ (3,518)	\$ -		\$ (75,641)
Non-Operating Income: Restricted⁵	\$ -		\$ 50,000			
Forgiveness of PPP Loan--Income⁶	\$ -	\$ -	\$ 142,300			
Capital Income:						
Capital Bequest Income to Reserves	\$ -	\$ 314,520	\$ -			
Capital Income - Tower	\$ 19,293	\$ -	\$ 1,000			
Capital Expenses:						
Capital Expenses : Roofs/Building/Telephone	\$ -	\$ -	\$ (79,003)			
Capital Expenses : Tower Repair & Interest	\$ (125,401)	\$ (523,276)	\$ (10,988)			
Net Capital Income/ (Loss)	\$ (106,108)	\$ (208,756)	\$ (88,991)			
Net Income/ (Loss):	\$ (107,333)	\$ (246,756)	\$ 99,791			
Operating/Capital/Non-Operating⁷						

Notes:

- ¹ Includes gifts, donations, Catholic Appeal Rebate, and interest income
- ² Budgeted transfer from reserves was not needed by year-end
- ³ Variance due to new policy for year-end payroll accrual, increase in musician expense, and vacation payouts
- ⁴ Under budget due to no athletic program and restricted travel for youth ministry missions
- ⁵ Restricted gift for tuition assistance
- ⁶ Payroll Protection Loan forgiven in 2021
- ⁷ Excludes depository transfer to School for Tuition Assistance of 80k

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
 Nicole Bordeleau
 Susan Broderick
 Nancy Carr
 Shaun Pandit
 Jeannine Reardon
 Charles Stravin
 Deacon Kevin P. Martin, Jr.
 Deacon Daniel Sullivan

Parish Bank Account Status as of June 30, 2021

Operating Checking Account/Petty Cash	\$ 215,122
Capital Reserve/Savings Account	\$ 340,000
Pension - Insurance Clearing Account	\$ 12,320
Trust Accounts RCAB - Bequests	\$ 5,183
Bingo Checking Account	\$ 1,351
Total	\$ 573,976

Recap of Other Financial Information as of June 30, 2021

Accounts Payable	\$ 11,439
Other Current Liabilities	\$ 17,780
PPP Note Payable	\$ -
Tower Capital Loan Balance	\$ 304,946

St. Agatha School — FY 2021 Annual Report July 1, 2020-June 30, 2021

We are pleased to present the Annual Report for St. Agatha School for Fiscal Year 2021 which ended on June 30, 2021. Also included is the proposed budget for Fiscal Year 2022 which began on July 1, 2021 and continues until June 30, 2022.

Over the past year, a few favorable, significant events helped to stabilize the finances of the School. In the Spring of 2021 we received formal full forgiveness of the Payroll Protection Loan of \$329.1k. In addition, student enrollment increased significantly, allowing us, after year end, to transfer \$100k to the capital reserve fund.

FY21 Results

Saint Agatha School was blessed by another successful year thanks to the tremendous support of our families, staff (100% fully immunized) and school community. Despite the impact of COVID-19, the school remained open for in-house learning for the full 2020/2021 academic year. As with many Catholic Schools, St. Agatha witnessed an increase in enrollment, up 91 students from FY20, most of whom reenrolled in 2021/2022. Overall, the school retention rate year-to-year was 79% reflecting a 6% loss in the K1-4yr old program primarily to attend public kindergarten and 4%

in 7th grade primarily to attend exam schools. Worthy of note is the addition of a third K1 class which will help to boost next year's kindergarten enrollment.

FY22 Budget

As we move forward we are encouraged by the many positive trends despite the continued effects of COVID-19. Enrollment continues to grow, up 28 students from 2020/2021. Every effort has been made to keep tuition increases minimal and enrollment and reenrollment applications are now fully online. We continue to evaluate our curriculum needs and were pleased to implement a new science program thanks to the support of a generous alumnus. Efforts to increase fundraising are well underway as we look to make up the loss of revenue from Bingo which has been permanently cancelled. School sanitization remains a top priority to ensure the school remains open for in-school learning. It is exciting to see the school buzzing after school as extended day, high school preparation classes, chorus, drama and band resume following strict COVID-19 safety protocols. Again, we are grateful for the support of our families, teachers and staff who are working together to ensure the safety and well-being of our students. Saint Agatha School is off to a great start!

ST AGATHA SCHOOL

Income Statement for the twelve months ending June 30th, 2019, 2020, 2021 Budget for fiscal year ending June 30th, 2021, 2022

	Actual <u>FY 06/30/2019</u>	Actual <u>FY 06/30/2020</u>	Actual <u>FY 06/30/2021</u>	Budget <u>FY 2021</u>	Variance <u>FY 2021</u>	Budget <u>FY 2022</u>
Income						
Net Tuition & Fees ¹	\$ 1,756,145	\$ 1,726,368	\$ 2,258,772	\$ 2,434,096	\$ (175,324)	\$ 2,402,488
Gifts & Bequests ²	\$ 108,884	\$ 109,946	\$ 119,913	\$ 10,000	\$ 109,913	\$ 100,000
Fundraising Activities ³	\$ 233,207	\$ 162,651	\$ 94,671	\$ 175,000	\$ (80,329)	\$ 125,000
Net Bingo Proceeds	\$ 172,222	\$ 94,002	\$ -	\$ -	\$ -	\$ -
Other Income ⁴	\$ 86,490	\$ 29,589	\$ 101,970	\$ 50,600	\$ 51,370	\$ 61,400
School Tax Support	\$ 25,175	\$ 27,166	\$ 33,886	\$ 20,458	\$ 13,428	\$ 20,000
Total Income	\$ 2,382,122	\$ 2,149,722	\$ 2,609,212	\$ 2,690,154	\$ (80,942)	\$ 2,708,888
Expenses						
Compensation, Taxes & Benefits ⁵	\$ 1,866,147	\$ 1,817,899	\$ 1,953,587	\$ 2,094,298	\$ (140,711)	\$ 2,140,650
Maintenance & Building Improvements ⁶	\$ 182,262	\$ 179,093	\$ 191,812	\$ 234,397	\$ (42,585)	\$ 223,588
Books, Materials, & Technology	\$ 93,949	\$ 45,909	\$ 137,468	\$ 123,771	\$ 13,697	\$ 127,000
Miscellaneous	\$ 34,335	\$ 32,312	\$ 22,255	\$ 29,978	\$ (7,723)	\$ 30,450
Fundraising ⁷	\$ 112,832	\$ 40,816	\$ 56,433	\$ 90,000	\$ (33,567)	\$ 80,000
Heat, Lights, Utilities & Telephone	\$ 110,245	\$ 71,110	\$ 85,479	\$ 89,216	\$ (3,737)	\$ 89,000
Office & Related Expenses	\$ 6,500	\$ 10,176	\$ 16,428	\$ 14,300	\$ 2,128	\$ 18,200
Total Expenses	\$ 2,406,271	\$ 2,197,315	\$ 2,463,462	\$ 2,675,960	\$ (212,498)	\$ 2,708,888
Net Income/(Loss)	\$ (24,148)	\$ (47,594)	\$ 145,750	\$ 14,194	\$ 131,556	\$ -
Non-Operating Income:						
Forgiveness of PPP Loan-Income⁸			\$ 329,100			
Net Income/(Loss):						
Operating/Non-Operating			\$ 474,850			

Notes:

- ¹ Includes tuition assistance of 80k from tuition reserve account for aid, less a reserve for doubtful accounts of 42.6k, due to covid-19
- ² Includes a donor gift of 100k to assist with loss of bingo revenue
- ³ Decrease due to reduced general fundraising and no school auction, due to covid-19
- ⁴ Increase due to full participation of summer enrichment program, family school association income
- ⁵ Under budget due to less than expected participation in health plan, 68k, net change in year end payroll accrual 24k, and lower payroll costs than budgeted
- ⁶ Heating repairs down 40k year over year, partly due to working with a new heating contractor
- ⁷ Fundraising expense favorable, no school auction, less fundraising in general due to restrictions of covid-19
- ⁸ Payroll Protection Loan forgiven in 2021, therefore it is reported as income

School Bank Account Status as of June 30, 2021

School Operating Checking Account	\$ 169,577
Capital Reserve/Savings Account	\$ 364,249
Century Payroll Account	\$ 8,006
Tuition Assistance Fund	\$ 95,970
Total	\$ 637,802

Recap of Other Financial Information June 30, 2021

Accounts Receivable	\$ 2,356,276
Other Current Assets	\$ 19,134
Accounts Payable	\$ 11,484
Deferred Tuition	\$ 2,536,379
Accrued Payroll	\$ 205,034
PPP Note Payable ⁸	\$ -