



St. Paul Parish ANNUAL FINANCIAL REPORT

October 2025

My dear friends in Christ,

This past Spring I witnessed an astounding sight: 234 young people processing down the aisles of our parishes for their Confirmation. Looking out over the church, I marveled not only at our young peoples' commitment but at the community of faith that accompanied them. By their side were new and seasoned parishioners alike; grandparents and family friends stood as sponsors all while younger siblings and proud parents bore witness. A palpable joy filled the air as our faith community allowed the Holy Spirit to enliven our hearts and renew our church!

Entering into my tenth year as pastor of St. Paul Parish, I stand in awe of the gifts the Holy Spirit has bestowed on us and am excited for all that the Spirit still has in store. Joining our Youth Ministry Team this August as Interim Coordinator, Elsi Ojanen has already begun providing our teens with opportunities to encounter Christ and build community at youth group on Sunday nights. Meanwhile, our Adult Faith Enrichment programming continues to embrace the Spirit's call to "renew the face of the Earth" (Psalm 104) with its many great offerings, including our burgeoning Young Adult Ministry. On a global level, the Service Commission's 2025 Lenten Gift raised an unprecedented \$100,000 for the construction of a new church in Cameroon through the organization *Build the Faith*.

The Spirit's call to renewal has also meant embracing a new vision of children's faith formation. Expanding beyond the classroom, Children's Faith Formation has launched a Family Faith Formation program this fall with the aim of supporting parents in their role as the first teachers of the faith. This new model will facilitate lifelong formation across generations by encouraging missionary discipleship through catechesis delivered by myself and other members of our pastoral staff. I'm excited for the way the Spirit will guide this new initiative, reinvigorating the engagement of young children, teens, and families in the life of our parish, especially through the Mass.

Of course, these wonderful ministries require financial resources. St. Paul's operating budget for fiscal year 2026 will be nearly \$1.1 million, as were our 2025 costs. These expenses, which are vital to the vibrancy of St. Paul's mission, are beginning to outpace our parish giving, with a budgeted operating deficit of \$64,098 for the coming year. While St. Paul does receive income from the school building lease, these funds are earmarked for capital projects to maintain and enhance our buildings and property, such as the recent improvements to the church's sound and lighting systems and the beautiful granite steps installed last year. We watch expenses very carefully and are doing our best to control them, but our collections need to increase in order to maintain a healthy financial balance.

We need your help to maintain the financial health of our beloved St. Paul Parish. We ask all parishioners to prayerfully consider their ability to increase their giving to St. Paul Parish, so that the parish may continue to thrive.

Calling on the Holy Spirit, each Pentecost we sing "Lord, send out your Spirit, and renew the face of the earth." With this prayer in our hearts, we marvel at the work of the Holy Spirit among us. Thank you for all the ways you give life to the Spirit. It is my privilege not only to be your pastor, but to be a member of this community of faith!

With love and gratitude in Christ,

Reverend James J. Laughlin, Pastor

Notes to the Annual Financial Report for the Fiscal Year Ended June 30, 2025

STATEMENTS OF CHANGES IN NET ASSETS *(actual results for the fiscal years ended June 30, 2024 and 2025, and budgets for the fiscal years ending June 30, 2025 and 2026)*

- **For the fiscal year ended June 30, 2025**, the Parish reported an Operating Deficit of \$31,397, due to Operating Expenses growing at an 11% rate, which exceeds the Operating Revenue growth rate of 2%. The Parish received income from the St. Paul School building lease totaling \$271,674. The lease income, a component of Non-operating Revenue and Expenses which contributes to the Total Change in Net Assets of \$185,687, is utilized to pay for the capital needs of the parish.
- **Operating Revenue** grew from \$1,038,501 in fiscal 2024 to \$1,059,940 in fiscal 2025. Gifts and Donations decreased by \$92,723, which is nearly equal to two bequests received in fiscal 2024, but giving through Weekly Offertory and Annual Appeal increased by \$85,531 and offsets much of this decrease. Sacramental Offerings, Religious Education, Interest Income, and Miscellaneous Revenue all rose by more than \$5,000 each, offsetting the Catholic Appeal Rebate's decrease of \$5,728.
- **Operating Expenses** increased by \$103,700, from \$987,637 in fiscal 2024 to \$1,091,337 in fiscal 2025. The \$54,865 growth in Salary and Benefits is due to the addition of our parochial vicar plus wage and health insurance increases, and the \$34,240 growth in Property Maintenance encompassed electrical work in the church, roof repairs, rising utility costs, and significantly greater snow removal costs. Rectory & Household costs grew due to having three priests living in the rectory. The Administrative Expenses increase of \$6,932 included higher spending on telephone and cable, technology, data processing, and printing. All other line items combined for an increase of \$686.
- **Net Assets Released from Restrictions** reflects the use of donor restricted funds for their intended purpose, and is shown as an increase in Net Assets without Donor Restrictions and as a corresponding decrease in Net Assets with Donor Restrictions.
- **Capital Expenditures** are funded by the income from the leasing of the St. Paul School building. Fiscal 2025 total capital expenditures of \$93,150 included replacing the St. Paul Hall boiler, refurbishing the church's boiler, updating the rectory HVAC, and repairing the church's side stairs.
- The **FY2026 Budget** projects an Operating Deficit of \$64,098, which recognizes the increasing costs of running the parish, and its many programs and ministries. Based on recent results, the Parish projects that fiscal 2026 Operating Revenue will only total \$1,027,900. In order to balance the fiscal 2026 Operating Budget, the Parish must rely on a significantly higher level of Total Giving for Operations than it had either budgeted for or received during fiscal 2025.

STATEMENTS OF FINANCIAL POSITION *(as of June 30, 2024 and 2025)*

- **Cash & Cash Equivalents** grew by \$128,715. This increase is consistent with the parish's Total Change in Net Assets of \$185,687, offset by the \$68,135 use of cash reflected in the decrease in Accounts Payable & Other Current Liabilities.
- **Long-term Security Deposit** of \$57,387 in the Assets grouping represents the security deposit paid by Star Academy, plus related interest, in accordance with the terms of the St. Paul School lease. The corresponding **Deposits** of \$54,611 in the Liabilities grouping is the amount, less any damage charges, that must be repaid to Star Academy in 16 years upon lease termination.

As required by the Archdiocese of Boston, the unaudited financial statements have been prepared using a basis of accounting that is not in accordance with generally accepted accounting principles; the property, plant and equipment of the Parish are not reported in the Parish's Statements of Financial Position, and improvements and repairs are expensed when incurred. This has been done over the years to more accurately reflect the annual cash costs to maintain and upkeep the property and facilities in the Parish.

Parish financial staff maintains the books and records of St. Paul Parish and prepared the accompanying Financial Statements and Notes. The St. Paul Parish Finance Council met quarterly during the fiscal year to provide advice and counsel to the Pastor, including review of financial results, development of the budget, monitoring the progress of capital projects, and cash management.

ST. PAUL PARISH
Statements of Changes in Net Assets
for the years ended June 30

	<u>2024 Actual</u>	<u>2025 Budget</u>	<u>2025 Actual</u>	<u>2026 Budget</u>
Net Assets without Donor Restrictions:				
Operating Revenue				
Giving for Operations				
Weekly Offertory	\$ 430,212	\$ 440,000	\$ 495,600	\$ 485,000
Annual Appeal	286,765	275,000	306,908	295,000
Gifts and Donations	<u>221,601</u>	<u>106,579</u>	<u>128,878</u>	<u>146,000</u>
Total Giving for Operations	938,578	821,579	931,386	926,000
 Sacramental Offerings	13,592	12,400	19,870	14,800
Religious Education	27,945	34,500	37,348	20,000
Catholic Appeal Rebate	43,767	37,600	38,039	37,600
Interest Income	13,107	22,000	26,436	27,000
Miscellaneous Revenue	<u>1,512</u>	<u>3,250</u>	<u>6,861</u>	<u>2,500</u>
Total Operating Revenue	1,038,501	931,329	1,059,940	1,027,900
Operating Expenses				
Salary and Benefits Expense	644,589	710,039	699,454	728,995
Administrative Expenses	36,889	49,350	43,821	46,750
Pastoral, Liturgical, and Music	20,232	21,285	23,285	22,550
Religious Education	17,753	20,550	18,290	12,950
Rectory and Household	10,402	17,000	17,379	17,500
Property Maintenance	176,867	172,729	211,107	188,872
Parish & School Tithes	74,014	70,894	70,894	70,966
Miscellaneous Expense	12,777	3,550	10,727	3,415
Net assets released from restrictions	<u>(5,886)</u>	<u>-</u>	<u>(3,620)</u>	<u>-</u>
Total Operating Expenses	987,637	1,065,397	1,091,337	1,091,998
Operating Surplus/(Deficit) before Non-operating Items	50,864	(134,068)	(31,397)	(64,098)
Non-operating Revenue and Expenses				
Lease Income, net	281,915	271,673	271,674	262,004
Capital Expenditures	(229,879)	(115,000)	(93,150)	(20,000)
Net assets released from restrictions	<u>42,777</u>	<u>-</u>	<u>42,180</u>	<u>-</u>
Net Surplus/(Deficit) in Assets without Donor Restrictions	145,677	22,605	189,307	177,906
Net Assets with Donor Restrictions:				
Restricted Gifts for Capital Use	42,777	-	42,180	-
Net assets released from restrictions	<u>(48,663)</u>	<u>-</u>	<u>(45,800)</u>	<u>-</u>
Net Surplus/(Deficit) in Assets with Donor Restrictions	(5,886)	-	(3,620)	-
 Total Change in Net Assets	<u>\$ 139,791</u>	<u>\$ 22,605</u>	<u>\$ 185,687</u>	<u>\$ 177,906</u>

Certain prior year amounts have been reclassified to conform to current year presentation.

ST. PAUL PARISH
Statements of Financial Position
as of June 30

	<u>Jun 30, 2024</u>	<u>Jun 30, 2025</u>
ASSETS		
Cash & Cash Equivalents	\$ 1,008,979	\$ 1,137,694
Accounts Receivable & Prepaid Expenses	40,983	28,356
Long-term Security Deposit	55,923	57,387
TOTAL ASSETS	<u><u>\$1,105,885</u></u>	<u><u>\$1,223,437</u></u>
 LIABILITIES & NET ASSETS		
Liabilities		
Accounts Payable & Other Current Liabilities	\$85,722	\$17,587
Deposits	<u>54,611</u>	<u>54,611</u>
Total Liabilities	140,333	72,198
Net Assets		
Net Assets without Donor Restrictions	949,972	1,139,279
Net Assets with Donor Restrictions	<u>15,580</u>	<u>11,960</u>
Total Net Assets	965,552	1,151,239
TOTAL LIABILITIES & NET ASSETS	<u><u>\$1,105,885</u></u>	<u><u>\$1,223,437</u></u>