



SACRED HEART CHURCH  
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September 2015

To the Parishioners of Sacred Heart Parish:

During Fiscal Year 2015, the parish undertook several major capital projects: installation of air conditioning in the upper church (final approval of the electrical upgrade from the City of Newton has been received and at the time this is being written, we are waiting for Eversource to make the electrical connection), substantial improvements to the heating system in the school building, and new windows in the convent. Because the scope of the school and convent building projects was not known when the 2015 Budget was created, no estimated expenses were included; these expenses have been covered by the St. Philip Neri Fund.

Normal operating expenses of the parish were funded from the recurring sources of income, primarily lease income from the Montessori School and offertory contributions. Extraordinary snow removal expenses over the winter, however, required us to dip into parish savings.

We are pleased to report that the Archdiocese and Newton Montessori have signed a 15-year lease for the school building, effective August 1, 2015. Given that the school lease revenue is the parish's major source of operating income, this is welcome news indeed. As part of the new lease, the Parish and Newton Montessori have agreed to a multiyear capital improvement plan for the school building, with the costs to be shared by both parties.

There will also be additional work in the convent building in FY 2016 to provide more appropriate space for initiatives specified in the Collaborative's Pastoral Plan. The heating system was converted to gas over the summer, and we anticipate upgrading the flooring on the first floor of the building.

The 2015 Annual Report, including the 2016 Budget, is attached. If you have any questions, please contact a member of the PFC.

Rev. John Sassani, Pastor  
Catherine Schneider, Chair  
Marie Baroni Allen, Member

Jeremiah Bresnahan, Member  
Stephanie O'Brien, Member  
Maureen Walsh, Member

**SACRED HEART PARISH**  
**Annual Report to Parishioners**  
**July 2014 to June 2015**

REVENUE	Actual	Budget	\$ Over Budget	FY16 Budget
Offertory	\$253,315	\$255,000	(\$1,685)	\$255,000
Sacramental Offerings	\$12,647	\$12,500	\$147	\$12,000
Gifts, Bequests, Donations	\$13,425	\$10,000	\$3,425	\$10,000
Other Income	\$6,533	\$5,800	\$733	\$5,800
Religious Education	\$11,285	\$10,000	\$1,285	\$10,500
Interest/Dividend	\$245,793	\$247,240	(\$1,447)	\$240,000
Rental/Lease	\$622,527	\$620,791	\$1,737	\$590,490
Catholic Appeal Rebate	\$6,457	\$4,000	\$2,457	\$0
<b>TOTAL REVENUE</b>	<b>\$1,171,982</b>	<b>\$1,165,331</b>	<b>\$6,652</b>	<b>\$1,123,790</b>
<b>EXPENSES</b>				
Compensation <sup>(1)</sup>	\$508,764	\$420,638	\$88,126	\$489,363
Employee Benefits	\$128,229	\$133,997	(\$5,768)	\$146,895
Office Expense	\$28,844	\$33,400	(\$4,556)	\$30,030
Rectory Household	\$15,047	\$17,040	(\$1,993)	\$17,500
Utilities & Maintenance <sup>(2)</sup>	\$293,285	\$246,212	\$47,073	\$257,856
Pastoral/Liturgical	\$20,503	\$23,200	(\$2,697)	\$21,700
Religious Education	\$6,887	\$4,500	\$2,387	\$6,000
Professional Development	\$1,813	\$5,750	(\$3,937)	\$4,000
Capital Improvements <sup>(3)</sup>	\$395,426	\$230,000	\$165,426	\$155,000
Central Ministry Tithe	\$45,766	\$45,768	(\$2)	\$64,764
				\$10,000
Other Expense	\$2,854	\$3,000	(\$146)	\$3,550
<b>TOTAL EXPENSE</b>	<b>\$1,447,417</b>	<b>\$1,163,505</b>	<b>\$283,912</b>	<b>\$1,206,658</b>
<b>NET ORDINARY INCOME</b>	<b>(\$275,435)</b>	<b>\$1,826</b>	<b>(\$277,260)</b>	<b>(\$82,868)</b>
<b>OTHER INCOME</b>				
Unrealized Loss On Investment <sup>(4)</sup>	(\$115,941)	\$0	(\$115,941)	\$0
<b>NET OTHER INCOME</b>	<b>(\$115,941)</b>	<b>\$0</b>	<b>(\$115,941)</b>	<b>\$0</b>
<b>NET INCOME</b>	<b>(\$391,376)</b>	<b>\$1,826</b>	<b>(\$393,201)</b>	<b>(\$82,868)</b>

(1) Budget variance due to accrued payroll, accrued vacation expense and unbudgeted non-employee compensation.

(2) Budget variance due to historic snowfall and related removal.

(3) See detailed accounting on reverse side.

(4) Market value loss on Archdiocesan Common Investment Funds.

## FY2015 Capital Acquisitions / Improvements

New Communion Vessels	\$3,797
New Kitchen Floor - Rectory	\$3,988
Deposit on New Windows - School	\$6,850
Asbestos Abatement - Convent	\$7,950
New Doors - School	\$10,800
Electrical Upgrades - School	\$14,750
Heating Project – Final Payment – Church	\$40,750
New Windows – Convent	\$68,000
Heating Improvement – School	\$92,550
Air Conditioning Installation – Church	<u>\$145,991</u>
<b>TOTAL</b>	<b>\$395,426</b>

## Account Balances as of June 30, 2015

### Pastoral Center Accounts

General Savings	\$280,530
Flanagan Estate (Restricted Fund)	\$260,399
Gleason Estate (Restricted Fund)	\$46,238
Proceeds from Sales of SPN Church & Rectory	\$3,427,624
Common Investment Fund (Morelli Estate)	\$4,320,872
Common Investment Fund (SPN Church)	\$1,036,387

### Village Bank

Village Bank Checking	\$59,097
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<b>Total Checking, Savings, CIF</b>	<b><u>\$9,431,147</u></b>
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