

# ARCHDIOCESAN ANNUAL REPORT 2018

## Archbishop pledges transparency and fiscal responsibility

Dear Friends,

### Scripture reflection

Thomas Fuller, an English theologian and historian, is credited with the first print attribution of the saying: "It is always darkest before the dawn."

The meaning of this phrase is that there is hope, even in the worst of circumstances. This Sunday's first reading from the Book of Daniel describes dark times and distress, and then escape where the wise shall shine brightly and lead many to justice.

The Gospel of Mark tells of the tribulation and the coming of the Son of Man in the clouds. It also cautions us that we do not know the day or the hour that this will happen. Every year during Advent, we hear of the end times and our need to be prepared. Jesus tells us we do not know the day or the hour and neither does he. Only the Father knows.

Preparation is a continuous process, not a goal that can be achieved. There is no real point in time where we can declare that we are fully prepared, but we must continually strive to prepare ourselves to weather storms without despair and to embrace joy without hubris. We must be alert to the signs in our lives that our preparation is lacking and strive to become more generous, understanding, forgiving and Christ-like.

### The mission of the church

As members of the body of Christ, we all have a moral obligation to treat others with dignity and respect. This is true whether they agree with us or not. This is true regardless of our differences in political affiliations or even sports team allegiances. We are more alike than we are different. We were all created out of the love of God. God is boundless, unceasing, unconditional love, and his mercy arises out of this superabundance.

God loves us as much as he has loved anyone in the history of time and he will forgive us anything. We have only to be sorry, ask for forgiveness and try to do better. We are called to help each other, not seek to win at any cost. If our fellow human beings have basic needs, we should help them meet those needs. These are a few of the beautiful messages and examples of the life of Jesus Christ. He has shown us the way to a glorious and eternal life.

The message is simple. The will to resist the current culture is hard. The reward is fantastic! Sharing this message with friends, families and temporary strangers is the Great Commission Jesus gave us in the Gospel: "Go, therefore, and make disciples of all nations, baptizing them in the name of the Father, and of the Son, and of the Holy Spirit, teaching them to observe all that I have commanded you" (Mt 28:19-20).

This is the mission of the Catholic Church. This church, which over its history has made life-altering changes to the world in which we live, continues to embrace the simple and basic tenants of Christianity taught to us by Jesus, "who, though he was in the form of God, did not regard equality with God something to be grasped. Rather, he emptied himself, taking the form of a slave, coming in human likeness; and found human in appearance, he humbled himself, becoming obedient to death, even death on a cross" (Phil 2:6-8).

This absolute humility brought to life a church responsible for institutionalizing the care of widows,

orphans, the sick and the poor. People who had been cast away and left to die were now cared for by Christians as beloved children of God. This spirit of Catholic charity created hospital systems, the legal system and the university system, and made extraordinary contributions to art, architecture and music, modern economic theory, seismology and countless other scientific advances from astronomy (including the Big Bang theory) to philosophy.

### Transparency

As a church, we invest in church life at the parochial, archdiocesan, national and international levels. We contribute to our local parishes to provide for our sacramental life and perhaps a child's education. We contribute at an archdiocesan level to provide help for the elderly poor, the refugee and the ability to march for life in Washington, D.C. We contribute nationally to help mission dioceses with few resources, and we contribute internationally to alleviate suffering from hurricanes, tsunamis and famines.



The financial information you see on these pages shows you the sources (income) and uses (expense) of the funds at the archdiocese for the most recent fiscal year and the year prior. A comparison of the two years and explanations of differences over \$100,000 and 10 percent are provided. This statement agrees in total to the audited annual financial report which is posted on the archdiocese website at [www.archkck.org/Finance](http://www.archkck.org/Finance). Some category amounts may differ due to updates in presentation.

There are essentially four classifications of sources of funds: Fees and Other Income, ACTS (Archbishop's Call to Share annual appeal), Assessments and Collections, and Cathedralricum. Following is a brief description of each.

**Fees and other income:** Some offices charge fees for services, such as school fees to cover administration, youth camp registration fees, rental fees at Savior Pastoral Center, The Leaven. Additionally, investment earnings, contributions and campaign donations are recorded here. By far, the largest source is health and dental premiums for all covered employees of the archdiocese.

**ACTS:** This annual appeal is conducted each January-March to raise funds for the following fiscal year. Based on analysis and information produced by a committee of laity and priests, the Presbyteral Council makes a recommendation to me for the allocation of funds.

**Assessments and collections:** This includes amounts assessed to parishes or regions for Savior Pastoral Center and youth formation, as well as the Catholic Charities Christmas collection and Priesthood Present and Future collection.

**Cathedralricum:** Annual tax as provided under the Code of Canon Law, Canon 1263, for the bishop to fund the administrative costs of the diocese. The amount and method varies by diocese.

The uses of the above funds are listed down the page and are divided by categories which correspond to the five pastoral priorities of the archbishop. A short explanation of each priority is provided under each heading. Additionally, use of funds for each line item is broken down between columns based on the origin of the funds received to pay for the spending.

For example: Under the pastoral priority of education is Communications. Communications received funding from restricted funds (Fees/Other Income), ACTS and Cathedralricum. The total spending for the office of communications is found in the Total Column.

The bottom line is the net of the income sources and uses. In cases where the net is negative, balances saved from previous years are used. It is also important to know that all funds received with donor restrictions are accounted for to ensure that those funds

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are used only for the purpose the donor intends.

What to take away? Fifty percent of the expense dollars are health and dental claims and administration for all covered employees of the archdiocese. This is certainly a worthwhile program that is administered centrally in the archdiocese to take advantage of economies of scale, and it does take a fair bit of effort to administer.

However, because the plans are self-insured, the claims show as expense and the premiums as income on the chancesy books and this does skew the picture a bit. The pie charts restate the same data but move the health and dental programs out of the totals to show the same picture in a different way.

Overall, the archdiocese had a positive operating income for the year ended June 30, 2018, which was a nice turnaround from the loss in 2017. That loss was caused by some one-time events including: the gift of land made to start a new parish; the use of reserves to fund the implementation of new systems; the distribution of private appeal funds received; and the support of Immaculata High School in its final days. The positive result in 2018 is due to the recording of campaign pledges received for the One Faith, One Family, One Future in Christ capital campaign.

In addition to the operating statement presented, there are funds, including national collections and special emergency collections, we call "pass-through funds" that are collected at each parish, sent to the archdiocese and then forwarded on to their final destination. This schedule shows the reach of our collective generosity beyond the boundaries of our parishes and our archdiocese.

### One Faith, One Family, One Future in Christ

In early 2018, we embarked upon the One Faith, One Family, One Future in Christ campaign by reaching out to Catholic families across the archdiocese and sharing our vision for the future of the church in northeast Kansas. We continue to receive many generous gifts, and I am pleased to report that midway through the first of three phases, we have secured more than 30 percent of our \$65 million goal. I remain grateful to all who support this historic initiative, especially the volunteers who are helping to invite their fellow parishioners to participate in this important undertaking for the Catholic community in northeast Kansas.

We will all share in this wonderful outpouring of generosity: retired priests through funding for the priests' pension and a creation of a priests' retirement residence; parishes and parish schools through funding for local needs, addressing of excess buildings and property, and building on our culture of evangelization; the elderly through the purchase of and capital investments in Villa St. Francis Catholic Care Center; and those who attain spiritual growth at Savior Pastoral Center through many improvements to those buildings.

### Conclusion

I am continually blessed and humbled by the generosity I witness every day in the church of northeast Kansas. Your generosity is a testament to the deepness of your faith in Jesus Christ and your commitment to follow him through this life and into the next. My commitment to you is to continue to speak his truth in love and to provide to you the transparency required to ensure that the blessings you have received and shared are used well in the building up of God's kingdom.

Gratefully yours in Jesus, the Lord of Life,

Archbishop Joseph F. Naumann

## Archdiocese of Kansas City in Kansas OPERATING STATEMENT FOR 2017 AND 2018

Funded by: ----->	Fees/Other Income	Archbishop's Call to Share	Assessments and Collections	Cathedralricum	Total	Year over Year Change
Income	\$35,462,191 2017	\$6,381,447 2017	\$3,931,833 2017	\$3,185,945 2017	\$46,961,416 2017	\$5,691,965 \$ %
Expenses	\$38,863,616 2018	\$6,548,898 2018	\$3,849,877 2018	\$3,390,990 2018	\$52,653,381 2018	12% %
<b>CONVERSION</b>						
Vicar for Clergy and Clergy Support Programs	820,308	856,943	113,772	97,812	\$1,748,835	13%
Savior Pastoral Center			60,000	60,105	120,105	0%
Christ Peace House of Prayer	9,000	44,325	8,661	7,208	69,204	26%
Tatus Tatus	870	207	166,448	156,410	333,935	192%
Liturgy and Sacramental Life	10,900	11,875	379,214	329,406	740,495	6%
Office of Hispanic Ministry			25,000	25,000	50,000	0%
Emporia-Hispanic Ministry			45,000	45,000	90,000	0%
Campus Ministry			130,000	132,500	262,500	2%
Donnelly College KCK			84,000	84,000	168,000	0%
Lawrence Center-KU Lawrence			76,000	76,000	152,000	0%
Didde Center-Emporia			61,000	72,000	133,000	1%
Catholic Center-Washburn Topeka			10,000	40,000	50,000	1%
Catholic Center-Haskell Lawrence	40,178	15,824	30,650	2,978	89,630	-13%
<b>Total Conversion</b>	<b>891,256</b>	<b>929,173</b>	<b>1,179,745</b>	<b>1,088,419</b>	<b>\$3,104,746</b>	<b>\$337,018 -11%</b>
<b>EVANGELIZATION</b>						
Evangelization	1,481,224	1,425,016	401,247	482,054	\$2,389,537	1%
Rural Youth Outreach Programs	25864	31962	149,892	125,659	515,377	-10%
Urban Youth Outreach Programs	9,819	14,000	121,863	139,418	285,100	1%
Urban Youth Outreach Capital Needs			50,000	50,000	100,000	0%
Evangelization	3,405	3,360	225,540	305,213	534,618	35%
Digital Resource Center	49,827	4,893	44,887	112,828	212,435	24%
Propagation of the Faith	6,906	7,240			14,146	5%
Native American Evangelization Fund			3,600	3,600	7,200	0%
Other	31,587		40,000	3,600	75,187	-98%
<b>Total Evangelization</b>	<b>1,608,632</b>	<b>1,486,471</b>	<b>715,273</b>	<b>903,675</b>	<b>\$2,652,679</b>	<b>\$2,692,423 1%</b>
<b>EDUCATION</b>						
Safe Environment		114			114	9%
Leaven Newspaper	1,078,713	1,111,097			2,189,810	3%
Archdiocesan Education Office	367,850	375,057	209,201	248,583	1,200,691	3%
Perfect Wings Program	12,640	5,696	80,771	88,078	187,585	0%
Children's Catechesis		1,500	59,331	89,171	149,902	53%
Vocations	45,034	36,879	143,854	145,845	371,512	-3%
Seminarians	647,483	483,748			1,131,231	0%
Permanent Diaconate Office and Program		4,471	287,675	213,451	501,126	-26%
Continuing Education for Priests			48,107	55,565	103,672	69%
Marriage and Family Life			13,000	43,240	56,240	7%
Communications					75,000	0%
School of Faith - Grant					327,000	0%
High School Tuition Assistance					225,000	0%
Catholic Education Foundation					300,000	10%
Bishop Ward Operations Assistance					125,000	0%
Ward H.S. Capital Improvements					100,000	0%
Donnelly College Scholarships					200,000	0%
Donnelly College Capital Needs					200,000	0%
Elizabeth Ann Seton Tuition Assistance	247,205	105,000			352,205	22%
Other		19,316	30,000		49,316	-12%
<b>Total Education</b>	<b>2,468,194</b>	<b>2,241,569</b>	<b>2,110,585</b>	<b>2,176,998</b>	<b>\$6,493,319</b>	<b>\$6,720,467 3%</b>
<b>OUTREACH/Service Those in Need</b>						
Archdiocesan Tribunal	18,530	6,645			25,175	23%
My House Initiative	16,327	20,249	94,004	92,192	223,772	2%
Social Justice		850	95,697	98,058	194,745	3%
Social Needs	13,976	21,611	172,129	186,105	373,821	11%
Pro Life	28,112	23,885	182,882	205,841	440,620	8%
Catholic Charities of Northeast Kansas	80,000		450,000	450,000	900,000	9%
Villa St. Francis-Geriatric Assistance	100,000	100,000	170,000	170,000	540,000	0%
El Centro - Kansas City			40,000	41,000	81,000	3%
El Centro-Topeka			40,000	40,000	80,000	0%
Other	72,073	70,245	1,750		144,068	-28%
<b>Total Outreach</b>	<b>329,018</b>	<b>243,485</b>	<b>1,246,462</b>	<b>1,279,791</b>	<b>\$2,433,768</b>	<b>\$2,397,896 -1%</b>
<b>STEWARDSHIP</b>						
Catholic spirituality begins with profound gratitude resulting from the realization that everything, including life itself, is God's gift. Thus, the question for every Christian is: What is God calling me to do with all that he has entrusted to me?						
Stewardship/Development	78,118	42,344	311,499	325,988	758,949	-4%
Campaign Distributions and Bad Debt	1,625,965	1,564,139	108,326	106,710	3,405,140	3%
Cor Christi Grants and fees	757,382	480,203			1,237,585	-37%
School/Parish Emergency Fund		81,564	75,620	75,620	157,184	-7%
Urban Core Operations Support		241,498	241,167	241,167	482,665	0%
Urban Core Capital Support		100,000	100,000	100,000	200,000	0%
Priest Retirement Fund		195,000	195,000	195,000	390,000	0%
Mission Strategy		42	2		44	0%
Finance	198,577	120,227			318,804	2%
Human Resources	59,552	65,184			124,736	1%
Accounting					107,514	2%
Financial and Controls Auditor	330				330	6%
Real Estate/Construction	44,211	35,722			79,933	-19%
Other Property Expenses					14,194	2%
Depreciation of physical assets			16,996	30,000	47,000	-87%
Other					630,157	
<b>Total Stewardship</b>	<b>2,764,177</b>	<b>2,307,819</b>	<b>1,054,884</b>	<b>1,074,485</b>	<b>\$4,141,363</b>	<b>\$4,141,363 -10%</b>
<b>Total Pastoral Priorities</b>	<b>8,061,276</b>	<b>7,208,518</b>	<b>6,306,949</b>	<b>6,523,368</b>	<b>\$20,285,820</b>	<b>\$18,849,974 -4%</b>
<b>ARCHDIOCESAN ADMINISTRATION &amp; INSURANCE</b>						
Archbishop Office and Home	8,171	1,456			9,627	1%
Archbishop Emeritus Office and Home					91,907	1%
Administrative Services (Chancellor/VG IT etc)	15,126	23,697			38,823	4%
Chancery	335,247	324,531			659,778	0%
General Expenses of the Archdiocese	21,938	10,012			31,950	20%
USCCB KS Catholic Conference & Legal					158,206	21%
Deposit and Loan	882,271	519,429			1,401,700	-41%
Property and Liability Insurance Claims	1,275,595	1,047,409			2,323,004	-18%
Health and Dental Claims and Bad Debt	23,666,875	24,602,182			48,269,057	4%
Other					4,405	-2%
<b>Total Administration and Insurance</b>	<b>\$26,205,222</b>	<b>\$26,528,715</b>	<b>\$-</b>	<b>\$-</b>	<b>\$52,733,937</b>	<b>\$506,937 2%</b>
<b>Total Expenses</b>	<b>\$34,266,498</b>	<b>\$33,737,233</b>	<b>\$6,306,949</b>	<b>\$6,523,368</b>	<b>\$40,596,815</b>	<b>\$43,503,712 -1%</b>
<b>Net</b>	<b>\$804,301</b>	<b>\$5,126,383</b>	<b>\$74,498</b>	<b>\$25,530</b>	<b>\$6,530,722</b>	<b>\$6,035,002 226%</b>

## Archdiocese of Kansas City in Kansas REVENUE Actual 2017 vs 2018

