

Your generosity helps the church achieve its mission

Dear Friends,

This Sunday, we celebrate the Solemnity of Our Lord Jesus Christ, the King of the Universe. Interestingly, in 1925 Pope Pius XI established the Feast of Christ the King as an antidote to secularism. This feast is more pertinent today than almost 100 years ago when it was originally instituted.

Secularism has become even more pervasive in our time. When we ignore, or even worse, deny the Lordship of God, we place an impossible burden on our shoulders and we undermine our own dignity. Jesus tells his disciples to "seek first the Kingdom of God and his righteousness" (Mt 6: 33). Material wealth can actually result in spiritual impoverishment if it fosters the illusion that we are in control of our own lives and have no need for God. We can believe the lie that our worth is based on our personal achievements or our material wealth.

In a culture of unprecedented material prosperity, depression and suicide rates are at epidemic levels. The evidence surrounds us that material things are incapable of satisfying the deepest longings of our hearts. Our secular culture is adept at providing opportunities for pleasure, but is unable to give us authentic joy. As St. Augustine discovered more than 1,500 years ago, our hearts are restless until they rest in God.

Jesus counsels his disciples: "Blessed are the poor in Spirit." Why? Because they realize their need for God! The spirituality of stewardship is based on a profound gratitude that results from our understanding that everything, including life itself, is a gift from God.

When we give God the Lordship of our hearts and accept that everything has been given to us through his grace, we are relieved of the burden of attempting to prove our worth. The goal of our life is no longer to amass more possessions, but rather to enjoy and to use what has been entrusted to us in ways that glorify God.

Our Catholic faith is such a gift. It teaches us that the cosmos and the beauty of the natural world did not happen by chance. We discover in the wonder and order of creation, the divine imprint of the Creator. It takes much more faith to be an atheist than a Christian. Defying the laws of probability, an atheist believes that everything we observe in the universe, including our own existence, is the result of pure chance. It is no accident that modern science developed in a Christian culture. Without an acknowledgment of order in the natural world, science makes no sense.

However, as Christians, we believe in something much more beautiful: that there is a Creator of the cosmos. We believe this Divine Architect desires friendship with us, so much so that God took upon himself our human condition. We believe in a God who has pursued us and sought us. The God revealed in Jesus Christ is a God who desires for us to share in his life, eternal life. Our Catholic faith is the pearl of great price. It is a treasure of great worth that we must not keep to ourselves but must seek to share.

In early October, more than 1,500 delegates from every parish and ministry in the archdiocese gathered for the Enflame Our Hearts Convocation. The convocation participants left with a mission to assist their pastors to help our parishes become vibrant communities where the joy of the Gospel is celebrated and shared.

In early 2018, we embarked upon the One

Faith, One Family, One Future in Christ Campaign, inviting Catholics from throughout the archdiocese to make sacrificial gifts to strengthen our parishes, to care for our retired priests, to equip Villa St. Francis to provide quality care for the elderly, to make Savior Pastoral Center both physically accessible and able to serve better even more people, and to help fund efforts like the Enflame Our Hearts Convocation in order to create a culture of evangelization.

I am pleased to report that we have raised more than \$36 million to date from fewer than 6,000 households. From a relatively small number of donors, we have already raised 57% of our \$65 million goal. Since this time last year, we have raised more than \$20 million and \$2.5 million has already been returned to parishes to meet their local needs. Our second wave of parishes will have completed the bulk of their campaigns by the end of this calendar year.

Almost half of our parishes will participate in the third and final phase of the campaign in 2020.

I am grateful to everyone who has supported this historic initiative, especially the parish volunteers who have been inviting their fellow parishioners to participate in this important endeavor for the future of the Catholic community in northeast Kansas. I encourage each and every Catholic to make a sacrificial gift to the campaign. More information can be found at faithfamilyfuture.archkck.org

I continue to be edified and inspired by the generosity of the parishioners of the Archdiocese of Kansas City in Kansas. Your support of our parishes, our schools, Catholic Charities, the Catholic Education Foundation, Call To Share and so many of our ministries reflects the depth of your faith in Jesus Christ and your love for his church. My commitment to you is to strive to become a better shepherd, a better servant leader, for the church. I also pledge to be transparent in reporting to you how your sacrificial gifts are being used to build up God's Kingdom in northeast Kansas.

Gratefully yours in Jesus, the Lord of Life,


Joseph F. Naumann
 Archbishop of Kansas City in Kansas

From the chief financial officer

Transparency

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% are provided. This statement agrees in total to the audited annual financial report that is posted on the archdiocesan website under <https://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 the archbishop for the allocation of funds.

Assessments and collections: 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 Canon Law Section 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 are used only for the purpose the donor intends.

The results

What to take away? Overall, both fiscal years 2018 and 2019 yielded positive bottom lines. These results were due to the influx of capital campaign pledges. Capital campaigns usually have at least two years of raising pledges, three years of receiving pledges and then another few years of spending the campaign funds to execute the campaign cases. Because accounting rules require that we record the pledges when received, we have a mismatch of results because in the years when the pledges are made, we record the income, but we have not spent the money (and may not have even received the money yet). Then once all of the funds have been received, we start to spend the money. In those years, we have no capital campaign income, but we will be recording the capital campaign distributions as expenses, yielding bottom line losses. This can make the reading of the financial statements in the years of capital campaigns very confusing!

- Of the \$69,694,035 in income in 2019, \$20,664,193 was campaign income, and
- Of the \$58,145,785 in expenses in 2019, \$4,888,047 was campaign expense.

- Therefore, of the \$11,548,250 in net income, \$15,776,146 is from the capital campaign.

The difference in net income is a net loss of just over \$4 million. About half of this loss is due to health and dental care claims in excess of premiums collected and most of the remainder is due to a gift of property to the parish of St. Paul in Olathe as a result of the relocation of the parish facilities.

Additional information

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.

The sidebar on transparency is included to shed light on the funds used in our efforts to protect children and vulnerable adults through background checks and training all employees and volunteers in the archdiocese who have interactions with children in the scope of their duties. When an allegation of abuse is made, the costs associated with victim assistance and canonically required assistance for the priest. In 2019, we began tracking legal expenses related to sexual abuse claims separately from legal costs that arise in the normal course of business. A substantial amount of these costs went to the independent law firm we engaged to review all priest personnel files so that a list could be published of priests within the archdiocese who had a credible allegation of abuse any time since the 1940s.

ARCHDIOCESE OF KANSAS CITY IN KANSAS OPERATING STATEMENT FOR 2018 AND 2019

Funded by: ----->	Income	Expenses	Archbishop's Call to Share	Assessments and Collections	Cathedralricum	Total	Year over Year Change	
	\$38,863,616	\$38,863,616	\$6,548,898	\$3,849,877	\$3,390,996	\$6,694,654	\$17,040,654	
	2018	2019	2018	2018	2018	2018	2019	
CONVERSION								
<i>All in the heart of the church's ministry is facilitating for its members an encounter with the person of Jesus Christ. Central to what it means to be Catholic is the development of a friendship with Jesus through prayer and reflection.</i>								
	207	14,330	156,410	158,592	402,636	409,040	\$20,734	5%
Liturgy and Sacramental Life	11,875	56	329,406	290,017	156,616	158,648	(26,633)	-8%
Office of Hispanic Ministry		16,611	25,000	25,500	34,281	314,628	(2,653)	-1%
Emporia-Hispanic Ministry					25,000	25,500		2%
Totus Tuus	44,325	13,550	7,208	28,884	51,533	42,434	(9,099)	-18%
Savior Pastoral Center	856,943	827,838	97,812	87,293	1,254,755	1,240,130	(14,625)	-1%
Christ Peace House of Prayer			60,105	60,000	60,105	60,000	(105)	0%
Campus Ministry:								
Donnelly College KCK			45,000	45,000	45,000	45,000	-	0%
St. Lawrence Center-KU Lawrence			132,500	130,000	132,500	130,000	(2,500)	-2%
DiDe Center-Emporia			84,000	86,500	84,000	86,500	2,500	3%
Catholic Center-Washburn Topeka			76,000	78,000	76,000	78,000	2,000	3%
Catholic Center-Haskell Lawrence			72,000	54,000	72,000	72,000	-	0%
Other	15,824	48,520	2,978	50,000	66,302	109,520	43,218	65%
Total Conversion	929,173	938,905	1,088,419	1,101,785	450,156	420,040	\$2,767,728	\$2,785,729
EVANGELIZATION								
<i>The commission that Jesus gave to the church was to go and make disciples of all nations. The church can never be content with itself as it is currently constituted. We must always be guided by a missionary impulse to share the gift of our faith with others.</i>								
	3,360	12,051	305,213	486,104	\$308,573	\$498,155	189,582	61%
Evangelization	1,425,016	1,079,001	482,034	319,728	1,907,050	1,398,728	(\$508,322)	-27%
Evng. & Catholic Formation-Youth, Ranch & Camps	31,962	62,503			157,621	214,790	57,168	36%
Rural Youth Outreach Programs	14,000	17,829			93,773	108,011	14,238	15%
Urban Youth Outreach Programs					50,000	50,000		0%
Urban Youth Outreach Capital Needs					117,721	124,673	6,952	6%
Digital Resource Center	4,893	4,829	112,828	119,844	7,240	5,043	(2,196)	-30%
Propagation of the Faith					3,600	3,600		0%
Native American Evangelization Fund			3,600	3,600	1,200	1,250	167,258	139,583%
Other		163,644			1,200	1,250		
Total Evangelization	1,486,471	1,344,900	903,675	932,840	1,200	1,250	\$2,692,423	\$2,616,382
EDUCATION								
<i>An essential component of the church's ministry is the education of the next generation of disciples, as well as the continuing formation of all its members.</i>								
	4,471	7,089	213,451	221,078	\$217,922	\$228,167	10,244	5%
Permanent Diaconate Office and Program	36,879	38,673	145,845	147,563	182,723	186,236	3,513	2%
Vocations	375,057	366,786	248,583	242,236	623,640	609,022	(14,618)	-2%
Archdiocesan Education Office	5,696	17,049	88,078	90,962	93,773	108,011	14,238	15%
Perfect Wings Program	1,500	5,210	89,171	104,254	90,607	109,464	18,794	21%
Children's Catechesis	55,565	47,041	279,871	291,713	335,436	338,753	3,317	1%
Marriage and Family Life					313,307	335,331	\$22,024	7%
Child and Youth Protection					1,111,097	1,115,480	2,382	0%
Leaven Newspaper	43,240	13,000	75,000	75,000	140,280	130,863	(9,418)	-7%
Communications			327,000	327,000	327,000	327,000		0%
School of Faith - Grant			225,000	225,000	225,000	225,000		0%
High School Tuition Assistance			330,000	340,000	330,000	340,000	10,000	3%
Catholic Education Foundation			125,000	125,000	125,000	125,000		0%
Bishop Ward Operations Assistance			125,000	125,000	125,000	125,000		0%
Seminarians	483,748	496,253			1,171,443	1,236,748	65,305	6%
Continuing Education for Priests			172,855	165,199	172,855	165,199	(7,656)	-4%
Ward H.S. Capital Improvements			100,000	100,000	100,000	100,000		0%
Donnelly College Scholarships			200,000	200,000	200,000	200,000		0%
Donnelly College Capital Needs			200,000	200,000	200,000	200,000		0%
Elizabeth Ann Seton Tuition Assistance	105,000	9,500	403,703	446,602	508,703	446,602	(62,101)	-12%
Other	19,316		156,000	150,919	251,617	150,919	(120,698)	-48%
Total Education	2,241,569	2,114,080	2,176,998	2,189,066	1,920,253	1,891,464	\$81,647	\$6,464,443
OUTREACH: Serving Those in Need								
<i>The church is called to make the love of Jesus real and tangible in the world today, especially to the poor, the vulnerable and those on the peripheries.</i>								
	6,645	2,517			329,711	337,259	\$336,356	\$339,776
Archdiocesan Tribunal	21,611	13,605	184,700	185,697	206,310	199,302	(7,008)	-3%
Special Needs	850		98,058	107,661	98,908	107,661	8,753	9%
Social Justice	20,249	25,477	92,192	95,693	112,441	121,170	8,729	8%
My House Initiative	23,885	12,650	203,841	195,259	227,726	207,909	(19,818)	-9%
Pro Life			450,000	450,000	938,288	960,845	22,556	3%
Catholic Charities of Northeast Kansas	100,000	340,000	170,000	170,000	270,000	210,000	(60,000)	-22%
Villa St. Francis-Geriatric Assistance			41,000	41,750	41,000	41,750	750	2%
El Centro - Kansas City			40,000	40,000	40,000	40,000		0%
El Centro-Topeka			40,000	40,000	40,000	40,000		0%
Other	70,245	145,907			126,965	189,293	62,428	49%
Total Outreach	243,485	540,157	1,279,791	1,286,060	488,288	517,845	\$86,331	\$80,645
STEWARDSHIP								
<i>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?</i>								
	1,564,139	5,498,671	106,710	114,330	47,102	145,000	\$1,717,951	\$5,758,001
Campaign Distributions and Bad Debt	42,344	40,000	325,988	316,997	75,620	125,060	752,231	729,423
Stewardship/Development			241,167	271,245	241,167	271,245		
Catholic Parish Emergency Fund			100,000	100,000	100,000	100,000		
Urban Core Operations Support			100,000	100,000	100,000	100,000		
Urban Core Capital Support			100,000	100,000	100,000	100,000		
Priest Retirement Fund			195,000	195,000	195,000	195,000		
Finance		30,000			790,000	930,000	140,000	18%
Human Resources	120,227	137,533			278,435	281,695	3,260	1%
Other Property Expenses	35,722	41,396			417,710	406,447	(11,264)	-3%
Accounting	65,184	217,295			33,722	41,396	5,674	16%
Financial and Controls Auditor					584,556	649,740	65,184	11%
Archives					105,602	106,927	1,325	1%
Real Estate/Construction					18,777	17,140	(1,637)	-9%
Mission Strategy					156,657	140,089	(16,568)	-11%
Cor Christi Grants and fees	480,203	562,899			113,809	108,250	(5,559)	-5%
Depreciation of physical assets					480,203	562,899		17%
Other	54,133	53,911			639,574	643,426	3,852	1%
					84,133	1,587,918	1,503,785	1787%
Total Stewardship	2,307,821	8,061,800	1,074,485					