

# Financial Report 2021

Dear friends in Christ:

Once again, we are publishing an accounting of the financial operations of the diocese for the fiscal year that ended June 30, 2021. As we have done in past years, we have also included a consolidated financial report of our high schools and parishes. This is done in the spirit of accountability and transparency.

For the fiscal year that ended June 30, 2021, our total gain was \$12,610,357 (from our audited financial statements), which you see on the attached with a comparison to 2020. This is only for the central operations of the diocese. It does not include the activity of the parishes, schools or missions in the diocese. A detailed breakdown of our financial picture can be found inside.

Respectfully submitted,  
Joseph G. Ryan, Chief Financial Officer

#### DIOCESAN FINANCE COUNCIL

Most Rev. Kevin C. Rhoades

Very Rev. Mark Gurtner, JCD

Deacon James Fitzpatrick, Business Owner

Mr. Thomas Skiba, CPA

Mr. George Witwer, Business Owner

Mr. Michael Hammes, Retired Banker

Ms. Linda Teeters, CPA

Mr. Christopher Murphy, Bank Chairman/President/CEO

Mr. Timothy Dolezal, CFA

Ms. Meg Distler, Executive Director, Community Foundation

Mr. Bob Doelling, Attorney

Mr. Tom Schuerman, Parish Business Manager

Mr. James Schindler, II, Business Owner

Ms. Donna Lamberti, Controller, Religious Congregation

Mr. Joseph Ryan, CFO, Diocese of Fort Wayne-South Bend



DIOCESE OF  
FORT WAYNE-SOUTH BEND



# Diocese of Fort Wayne-South Bend Financial Report

## SUPPORT AND REVENUE

	Without Donor Restrictions	With Donor Restrictions	Total Funds 6/30/21	Total Funds 6/30/20
Parish Quotas	2,509,546		2,509,546	2,570,885
Donations and Bequests	1,856,928	109,861	1,966,789	2,734,834
Net Investment Income (Loss)	(14,411)	(301)	(14,712)	(13,060)
Unrealized Investment Gain	15,519,780	155,640	15,675,420	1,024,016
Fundraising - Bishop's Appeal	5,104,726		5,104,726	5,597,019
*Insurance Premiums	20,030,405		20,030,405	20,228,869
Interest - Loans	470,429		470,429	460,235
Collections	244,522		244,522	230,594
Advertising	128,711		128,711	113,532
Sale of Merchandise	393,028		393,028	317,141
Fees, Rentals/Workshops	793,191		793,191	1,022,226
Subscriptions	77,480		77,480	66,534
Management Fee	94,854		94,854	131,919
Change in Value - Beneficial Trust Interest		(11,904)	(11,904)	(19,025)
Gain on Sale of Assets	600		600	(11,313)
Net Assets Released from Restriction	195,616	(195,616)		
<b>TOTAL REVENUE</b>	<b>\$47,405,405</b>	<b>\$57,680</b>	<b>\$47,463,085</b>	<b>\$34,454,406</b>

## EXPENSES

	Without Donor Restrictions	With Donor Restrictions	Total Funds 6/30/21	Total Funds 6/30/20
Ministry Services	2,783,425		2,783,425	3,072,018
Educational Services	5,016,785		5,016,785	4,843,339
Communications	735,818		735,818	830,486
Fundraising	420,562		420,562	387,233
*Other Services	20,051,673		20,051,673	19,702,985
Administrative	5,844,465		5,844,465	4,683,606
<b>TOTAL EXPENSES</b>	<b>\$34,852,728</b>		<b>\$34,852,728</b>	<b>\$33,519,667</b>
Change in Net Assets	12,552,677	57,680	12,610,357	934,73
Net Assets at Beginning of Year	25,357,479	6,550,856	31,908,335	30,973,596
Net Assets at End of Year	\$37,910,156	6,608,536	44,518,692	\$31,908,335

### \*Note on insurance premiums and other services

The diocese is self-insured for medical benefits, unemployment compensation, automotive losses and property and liability losses as described below. Various religious organizations, parishes and schools participate with the diocese in the self-insurance plans. Premiums paid to the diocese by these organizations are included in the insurance revenue.

The diocese purchases an excess loss policy from an independent insurance company to provide medical benefits on all claims exceeding \$225,000 per employee and dependents per year.

The diocese administers a self-insured pool to fund medical benefits on claims up to \$225,000 per covered employee. An independent administrator pro-

cesses all claims. Claims amounted to \$15,982,018 for the years ended June 30, 2021 and 2020 respectively.

The diocese is self-insured with respect to unemployment compensation. Claims and benefits paid amounted to \$91,267 and \$57,689 for the years ended June 30, 2021 and 2020.

The diocese's worker's compensation coverage is insured by Church Mutual Insurance Company with Catholic Mutual Group as the broker.

The diocese is self-insured for individual automotive losses of \$100,000 or less, and has purchased excess loss policies covering individual losses exceeding \$100,000 and aggregate losses exceeding \$400,000 per policy year. In connection with the auto-

motive self-insurance, the diocese has issued a letter of credit in the amount of \$1,000,000 to provide proof of financial responsibility in accordance with Indiana code.

The diocese is self-insured for individual property and liability losses of \$100,000 or less, and has purchased excess loss policies covering individual losses exceeding \$100,000 and aggregate losses exceeding \$500,000 per policy year. The diocese has excess liability in the amount of \$20,000,000 per occurrence and \$40,000,000 annual aggregate per location. Claims and premiums totalled \$3,292,485 and \$3,238,166 for the years ended June 30, 2021 and 2020 respectively.

CENTRAL DEPARTMENTS

	June 30, 2021	June 30, 2020
Salary-Religious	548,118	508,409
Salary-Lay	2,835,898	2,935,976
Commissions	19,307	15,337
FICA	202,139	212,181
Unemployment Claims	91,267	57,689
Health and Accident Insurance	1,001,951	962,183
Pension and Benefits	320,742	254,661
Education, Seminars and Conferences	79,787	105,291
Postage	46,298	44,028
Telephone	65,412	83,680
Office Supplies	23,344	34,130
Printing	136,803	71,099
Equipment and Furniture	7,013	4,718
Travel	77,718	105,668
Auto	44,288	45,687
Depreciation	425,466	427,241
Legal and Professional	256,441	301,338
Public Relations	2,829	6,338
Employee Ssearch	7	29
Donations and Ministry Support	648,228	776,461
Miscellaneous	94,793	64,482
Repairs, Maintenance and Utilities	511,103	470,899
Bank Charges	73,873	82,364
Property and Liability-Self Insurance	3,314,085	3,398,166
Student Insurance	364,600	379,203
Memberships and Subscriptions	111,817	102,194
Advertising and Promotion	15,573	48,432
Program Expense (Religious Ed., Catechesis, Evangelization)	990,973	1,106,277
Paper Distribution	150,751	155,007
Freelance and News Service	48,098	53,068
Assessments (USCCB, ICC, Canon 1271)	148,615	140,777
Interest	1,014,642	908,876
Funding-Ministry, Education, P.I.N.	478,885	390,460
High School Subsidy	1,132,000	1,132,000
Insurance Claims	16,204,250	15,982,018
High School Scholarships	150,000	150,000
Tuition and Allowances	1,117,517	1,141,700
Catholic Charities Subsidy	325,000	325,000
High School Endowment Fund Distribution	280,000	280,000
Rent	7,200	6,600
Provision for Uncollectible Accounts	1,485,402	250,000
Total Expenses	\$34,852,728	\$33,519,667

GROUPS RECEIVING GRANTS FROM THE ANNUAL BISHOP'S APPEAL

St. Vincent de Paul Society,  
Fort Wayne and South Bend  
Vincent Village  
Women's Care Center  
Christ Child Society,  
Fort Wayne and South Bend  
St. Augustine Soup Kitchen  
Little Flower Food Panty  
Chiara Home  
Franciscan Center  
Sister Maura Brannick Health Center  
Catholic Charities  
Center for the Homeless  
Logan Center  
St. Martin's Health Clinic  
Hannah's House  
Life Athletes  
St. Mary's Soup Kitchen  
Dismas House of South Bend  
Matthew 25

PARISHES RECEIVING GRANTS FROM THE ANNUAL BISHOP'S APPEAL

Cathedral of the Immaculate Conception  
Holy Cross, South Bend  
Holy Family, South Bend  
Queen of Angels, Fort Wayne  
St. Adalbert, South Bend  
St. Anthony de Padua, South Bend  
St. Bernard, Wabash  
St. John the Baptist, South Bend  
St. Joseph, Fort Wayne  
St. Mary of the Assumption, Avilla  
St. Mary of the Assumption, Decatur  
St. Michael, Plymouth  
St. Vincent de Paul, Elkhart



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Learn more about the work of the Diocese of Fort Wayne-South Bend  
Visit [diocesefwsb.org](http://diocesefwsb.org)



# Responsible stewardship serves Christ and His Church

## DIOCESAN AUDIT

The diocese is audited every year by Leonard J. Andorfer & Company, a certified public accounting firm, and, as in the past, no exceptions were noted. This means that the diocesan books, records and accounting policies are conducted in accordance with generally accepted accounting principles. This audit, along with the management letter, is presented not only to the Audit Committee, but to the entire Diocesan Finance Council; and the council is given time alone with the auditor, without the presence of diocesan officials, to be sure that they were given full access to all appropriate financial records.

For the past several years, the U.S. Conference of Catholic Bishops has required that the Diocesan Finance Council sign a report indicating the following: 1) that the council has met quarterly; 2) that the audit and the management letter have been reviewed; 3) that the budget has been reviewed. This report and certification must then be sent to the Metropolitan Archbishop of the Province, which, in this case, is the Archbishop of Indianapolis. We require similar reporting from our parishes to the diocese.

## PARISHES

It is also important that there be accountability and transparency in parishes. According to canon law, every parish must have a Parish Finance Council. We have an internal auditor who does a financial review of every parish every two years; in addition, every parish is audited at the time of a pastoral change. During the past 14 years, we have sent this financial report, done by our auditor, to each member of the Parish Finance Council. This enables the review to be discussed at a regular meeting. As indicated above, controls have now been established similar to the accountability of each diocese.



It is important to understand how the Annual Bishop's Appeal has sustained the parishes. It was the hope of our lay leadership prior to the institution of the appeal that the parishes would benefit. This has become a reality. The appeal has increased the incentive of parishes to seek funds. During the 35 years since the appeal began, our parishes have engaged in major capital fund drives. Since the appeal began, fund drives for parishes have brought in more than \$178 million for new buildings and renovations approved by the Diocesan Finance Council. This includes parish initiatives linked to the Legacy of Faith. Also, more than \$255 million, which would have been paid to the diocese under the previous system, now remains in the parishes. In addition, \$6.6 million from the appeal has been given in grants to parishes in need throughout the 34 years of the appeal. The 34th Annual Bishop's Appeal attained \$6,149,292 for the diocesan central office, with an additional \$527,890 being returned to the parishes.

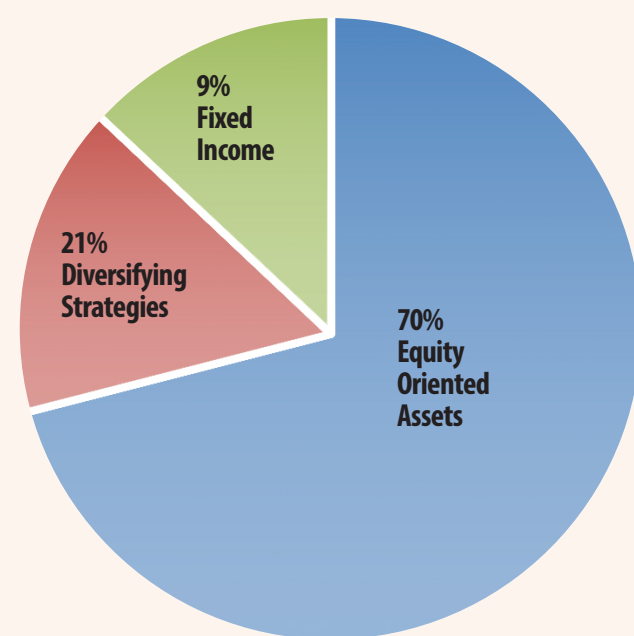
## HIGH SCHOOLS

Over \$89 million has been raised for building projects in our four high schools. The four high schools continue to flourish; but not without challenges. The Annual Bishop's Appeal gives \$1.7 million to the high schools every year, which has created a sense of stability. Next year, tuition will increase by \$300-\$600 in our high schools. Our high schools are audited every year by an independent CPA firm. Each high school has presented a balanced budget for the fiscal year beginning July 1, 2021. Two high schools have debts to the diocese and are paying on those debts. One high school has done pledge financing with an external source in connection with a capital campaign.

## INVESTMENTS

Our investments are overseen by Catholic Investment Services. Investments are placed carefully so as to avoid excessive risk. We have a very diversified portfolio, fully in keeping with Catholic moral teaching. CIS meets with our Investment Committee on a quarterly basis. In the fiscal year ending 6/30/21, investments gained 33%. The current asset allocation is detailed in the pie chart below. We expect continued volatility through the coming year.

Current asset allocation



Learn more about the work of the Diocese of Fort Wayne-South Bend at [diocesefwsb.org](https://diocesefwsb.org)