

Financial Report 2023



Dear friends in Christ:

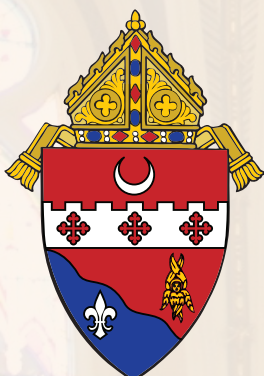
Once again, we are publishing an accounting of the financial operations of the diocese for the fiscal year that ended June 30, 2023. As we have done in past years, we have also included a consolidated financial report of our high schools and parishes. This is done in the spirit of accountability and transparency.

For the fiscal year that ended June 30, 2023, our total gain was \$4,374,525 (from our audited financial statements), which you see on the attached with a comparison to 2022. 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
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, Christian Brothers
Mr. Jacob Benedict, CFA
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 6/30/23	Total Funds 6/30/22
Parish Quotas	2,590,047		2,590,047	2,494,074
Donations and Bequests	1,884,863	743,920	2,628,783	1,582,433
Government Grants				1,000,000
Net Investment Income (Loss)	12,310	(181)	12,129	(575,508)
Unrealized Investment Gain	7,197,241	50,185	7,247,426	(12,897,281)
Fundraising - Annual Bishop's Appeal	5,133,945		5,133,945	5,105,585
Insurance Premiums	20,433,430		20,433,430	20,198,316
Interest - Loans	315,606		315,606	416,551
Collections	250,599		250,599	215,496
Advertising	111,765		111,765	138,478
Sale of Merchandise	408,715		408,715	414,958
Fees, Rentals/Workshops	1,057,447		1,057,447	895,744
Subscriptions	75,573		75,573	70,045
Miscellaneous	210,684		210,684	126,971
Change in Value - Beneficial Trust Interest		864	864	35
Gain (loss) on Sale of Assets	18,837		18,837	(1,186)
Net Assets Released from Restriction	284,414	(284,414)		
TOTAL REVENUE	\$39,985,476	\$510,374	\$40,495,850	\$19,184,711

EXPENSES

	Without Donor Restrictions	With Donor Restrictions	Total Funds 6/30/23	Total Funds 6/30/22
Ministry Services	3,492,211		3,492,211	3,186,603
Educational Services	4,797,313		4,797,313	4,850,725
Communications	654,291		654,291	723,364
Fundraising	309,224		309,224	422,007
Other Services	21,567,044		21,567,044	22,204,936
Administrative	5,301,242		5,301,242	5,592,570
TOTAL EXPENSES	\$36,121,325		\$36,121,325	\$36,980,205
Change in Net Assets	3,864,151	510,374	4,374,525	(17,795,494)
Net Assets at Beginning of Year	20,273,652	6,449,546	26,723,198	44,518,692
Net Assets at End of Year	\$24,137,803	6,959,920	31,097,723	\$26,723,198

*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 administers a self-insured pool to fund medical benefits on claims up to \$500,000 per covered employee. An independent administrator processes all claims. Claims amounted to \$16,500,718 and \$17,798,702 for the years ended on June 30, 2023 and 2022 respectively.

The diocese is self-insured with respect to unemployment compensation. Claims and benefits paid amounted to \$6,848 and \$13,288 for the years ended on June 30, 2023 and 2022.

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 automotive 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 \$750,000 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 totalled \$4,441,268 and \$3,709,405 for the years ended on June 30, 2023 and 2022 respectively.

CENTRAL DEPARTMENTS

	June 30, 2023	June 30, 2022
Salary-Religious	529,454	564,995
Salary-Lay	2,843,042	2,792,359
Commissions	16,765	20,772
FICA	206,944	203,633
Unemployment Claims	6,848	13,288
Health and Accident Insurance	841,275	923,832
Pension and Benefits	319,908	313,593
Education, Seminars and Conferences	184,322	179,511
Postage	54,417	50,259
Telephone	67,259	65,127
Office Supplies	35,742	22,591
Printing	124,119	146,568
Equipment and Furniture	2,449	6,008
Travel	145,088	119,188
Auto	61,837	52,220
Depreciation	447,262	449,820
Legal and Professional	202,135	268,056
Public Relations	13,454	8,989
Employee Ssearch	464	4,473
Donations and Ministry Support	1,050,386	970,463
Miscellaneous	60,570	74,575
Repairs, Maintenance and Utilities	620,457	600,665
Bank Charges	67,176	63,344
Property and Liability-Self Insurance	4,441,268	3,709,405
Student Insurance	370,613	348,994
Memberships and Subscriptions	126,939	123,568
Advertising and Promotion	9,592	10,937
Program Expense	1,790,026	1,545,534
Paper Distribution	172,150	163,693
Freelance and News Service	28,267	62,685
Assessments	161,982	138,917
Interest	1,247,825	1,091,346
Funding-Ministry and Education	198,481	156,224
High School Subsidy	1,132,000	1,132,000
Insurance Claims	16,500,718	17,798,702
High School Scholarships	150,000	150,000
Tuition and Allowances	799,775	996,016
Catholic Charities Subsidy	325,000	325,000
High School Endowment Fund Distribution	280,000	280,000
Rent	7,200	7,200
Provision for Uncollectible Accounts	453,116	1,025,655
Total Expenses	\$36,121,325	\$36,980,205

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
Queen of Angels, Fort Wayne
St. Adalbert, South Bend
St. Casimir
St. Dominic
St. Henry
St. John the Baptist, South Bend
St. Joseph, Fort Wayne
St. Mary of the Assumption, Avilla
St. Mary of the Presentation, Geneva



DIOCESE OF
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Learn more about the work of the Diocese of Fort Wayne-South Bend
Visit 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 16 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 37 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 \$179 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 \$271 million, which would have been paid to the diocese under the previous system, now remains in the parishes. In addition, \$7 million from the appeal has been given in grants to parishes in need throughout the 37 years of the appeal. The 36th Annual Bishop's Appeal attained \$6,467,675 for the diocesan central office, with an additional \$1,414,189 being returned to the parishes.

HIGH SCHOOLS

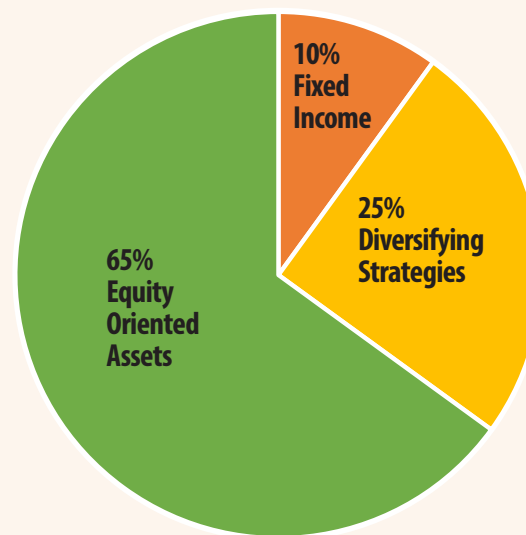
More than \$93 million has been raised for building projects in our four high schools. The four high schools continue to flourish; but not without challenges. The Annual Bishop's Appeal gives \$1.6 million to the high schools every year, which has created a sense of stability. Next year, tuition will increase by \$500-700 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 on July 1, 2024. One high school has a debt to the diocese and is paying on that debt.

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 on June 30, 2023, investments gained 11.9 percent. 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