

Reflecting on a YEAR OF FAITH



REPORT TO THE COMMUNITY 2013

ESTABLISHED | April 23, 1847

CATHEDRAL | Cathedral of St. John the Evangelist
Established in 1948

**CATHOLIC
POPULATION** | 701,219
(25% of population in the 8 counties)*

**NUMBER OF
PARISHES** | 185

SIZE | 20th largest Diocese in the United States

AREA | 3,414 square miles. Includes eight counties:
Cuyahoga (Cleveland), Summit (Akron),
Lorain (Lorain-Elyria), Lake (Painesville),
Geauga (Chardon), Medina (Medina),
Wayne (Wooster), and Ashland (Ashland)

*Estimate provided by U.S. Census Bureau (2010) from <http://pubdb.census.gov/pnl/data>

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CATHOLIC SCHOOLS

Total schools	124
Elementary schools	103
Secondary schools	21
Preschool sites	57

ENROLLMENT IN CATHOLIC SCHOOLS

Total enrollment	46,458
Pre-K students	2,967
K-8 students	30,618
High school students	12,873

PARISH SCHOOLS OF RELIGION PROGRAMS

Students	33,690
Volunteer catechists	2,782



St. Andrew Catholic, Oberlin

MINISTRY PERSONNEL

Active Diocesan priests	274
Special ministry priests	39
Retired priests	105
Religious order priests	87
Religious Brothers	51
Women religious	949
Permanent deacons	210
Certified lay ecclesial ministers	275

* Information provided by 1 July 2013. All June 2013 News Announcements, and Parish Ministry Office.



From Left to Right: Paragon Year of Faith Pilgrimage, Bishop greeting involved children - during Round in Faith - Ground in Hope - Catechists, Recording of 11:30 AM

My Dear Sisters and Brothers in Christ,

Blessings upon all of you, the faithful of the Diocese of Cleveland.



This marks the tenth year for the publication of the Annual Diocesan "Report to the Community". 2013 has been a very eventful year.

All of our parishes participated in the "Year of Faith" while observing the 50th anniversary of the Second Vatican Council and the 20th anniversary of the Catechism of the Catholic Church. Special activities included presentations focusing on the Catechism of the Catholic Church, the documents of Vatican II, and on the saints, as well as celebrating parish missions and special devotions.

Also of note, a Diocesan-wide celebration of the Sacrament of Reconciliation was held in February in every parish across the Diocese and hundreds of people participated in the celebration of this wonderful sacrament bringing reconciliation and peace to the hearts of people. In this coming March, the Diocesan-wide celebration of Reconciliation will be held again. During the summer there were pilgrimage opportunities within our diocese where hundreds of people took advantage by visiting and spending time in each of the five parishes. I truly believe the Year of Faith has brought many people in our parishes closer to Jesus Christ, thus, better able to live their relationship with Him.

This year also saw the realization of the Diocesan-wide parish based, "Rooted in Faith, Forward in Hope" capital campaign. I am very pleased to report that this initiative went beyond all expectations, as it totaled more than \$170 million in pledges. You will find a general review of the campaign and its beneficiaries in this report.

Please take this opportunity to review the financial statements of our Diocese and familiarize yourself with all that has been accomplished and what is being done so graciously and generously by the Catholic Faithful. Working together for the glory of God and for the good of all people, thousands of committed laity, consecrated religious women and men, and ordained deacons and priests; make this story the great story it is of God's love in our midst.

I am most grateful for all you do so well. May we ever continue living together our Catholic faith through our eight county diocese.

Please know that I am most grateful for your love, care, and support as we continue to rediscover what our Catholic faith means and how we are called to live it.

With my blessings and love to you all, I am

Sincerely yours in Christ,

Richard Lennon
Bishop of Cleveland



Catholic Catechists, New Conversion Class, Rite of Marriage, Youth of Another Society

SACRAMENTAL SERVICES

Number of Infant/Child Baptisms	6,349
Number of Rite of Christian Initiation of Adults	870
Number of First Communions	7,980
Number of Confirmations	7,230
Number of Marriages	2,191
Number of Deaths	7,488

* Information provided by 1 July 2013. All June 2013 News Announcements.

Rooted in Faith - Forward in Hope Campaign shows Diocesan commitment

More than \$170 million in funds were raised in support of the historic Rooted in Faith - Forward in Hope campaign. With a goal of \$125 million, the success of the Campaign demonstrates the Catholic commitment to the Northeast Ohio community.

Launched in the fall of 2010, the Campaign inspired pastors, parochial vicars and parish volunteers to raise funds from thousands of Northeast Ohio Catholics. The funds will support five specific long-term initiatives through the Catholic Community Foundation:

- **Strengthening Our Parishes:** Recognize the importance of the funds donated from each parish and that a vibrant parish life is central to connecting parishioners to the Catholic Church.
- **Strengthening Our Faith:** Build faith through evangelization and connecting people to the Catholic Church with multi-media outreach to the community; support sacramental preparation, religious education and faith formation for youth and adults; invest in parishes with limited financial resources and urgent needs to ensure the continuation of a Catholic presence in the community.
- **Catholic Education:** Increase tuition endowment to assist families and children with the costs of Catholic education, potentially helping an additional 2,000 children annually; allocate funds to support innovative programs designed to enhance curriculum, facilities and technology.
- **Those Who Serve:** Increase the current Priestly Formation Endowment to support seminarian education; provide funding for the training of priests for diocesan service and for the formation and education of diaconate candidates; allocate funds to the current Retirement Plan for

those who have spent a lifetime in service to the Diocesan community.

- **Charitable Works:** Achieve initiatives above and beyond the capabilities of the Annual Appeal, which supports Catholic Charities' operating needs; fund expansion programs, acquisition of new sites and the renovation of existing facilities to more effectively assist Northeast Ohioans.

As of September 30, 2013, nearly \$46 million had been distributed to support parish needs, faith formation programs, tuition assistance, academic innovation and technology programs, priestly formation and retirement funds and Catholic Charities' expansions and renovations. In the spring of 2013, over \$1.8 million was distributed to 68 schools to provide funding for facilities renovations, technology enhancements and curriculum enrichment.



Rooted in Faith Forward in Hope

Strengthening the Catholic Church in Northeast Ohio

TOTAL CAMPAIGN GOAL: \$125 MILLION
TOTAL AMOUNT RAISED: \$170 MILLION



CATHOLIC CHARITIES

Head Start Sites: 9

Early Learning Centers: 4

Individuals served by Catholic Charities Health & Human Services: 399,275

Nights of shelter provided: 63,640

Meals served through Catholic Hunger & Shelter Network: 3,608,425

People treated for chemical dependency: 7,505

Children participating in CYO athletics: 27,929

Unemployed persons trained: 558

Number of children placed in adoption: 25

Children with disabilities attending day camp: 470



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FINANCIAL MISCONDUCT HOTLINE

The Catholic Diocese of Cleveland sponsors a Diocesan Financial Misconduct Hotline. During the fiscal year ended June 30, 2013 nine reports were received and investigated. This reporting mechanism allows Catholic Diocese of Cleveland employees, parish employees, volunteers, vendors, parishioners, or any interested party to report concerns about suspected financial irregularities. Reporting is done anonymously by calling 1-888-235-1721 or clicking the Financial Misconduct Hotline link on the Diocese of Cleveland website at www.dioceseofcleveland.org.



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Diocese of Cleveland Offertory Collection

Over the past few years we have experienced very challenging economic times in our geographical region and in the economic markets. Nonetheless, parish offertory has remained relatively stable over that time frame. In 2013, despite the economic challenges, parish offertory was stable versus 2012. Catholics remain generous in supporting their parishes and the many parish ministries.

Fiscal Years Ended June 30,

2013 - \$107,000,000

2012 - \$105,900,000

2011 - \$106,200,000

2010 - \$105,800,000

2009 - \$109,600,000

Report of Chief Financial Officer

In a continuing spirit of accountability and transparency, I am pleased to share this financial information with the people of the Diocese of Cleveland. The financial results in the accompanying table are summarized from the audited financial statements of the Central Administration Office of the Diocese of Cleveland (CAO), which received an unqualified opinion from our outside auditors and are available on our website (www.dioceseofcleveland.org/finance).



The CAO serves parishes and other Diocesan organizations by providing program, financial and administrative support. The CAO does not include the separate operating entities in the Diocese: the seminaries, cemeteries, Catholic Charities, Diocesan-owned schools,

Facilities Services, and the Catholic Community Foundation, nor the operations of any parishes. Further information regarding the separate operating entities is available on the Diocesan website and the individual parish financial information is presented locally to its parishioners.

During the past few years, the Diocese underwent a reconfiguration that resulted in the closure or merging of selected parishes. In total, the Diocese has sold 39 closed parish facilities, and \$10.3 million in net proceeds has now been distributed to parishes in the Diocese. Further \$2.7 million has been contributed to the Parish Assistance Fund, which will be used solely for the benefit of Diocesan parishes suffering from financial hardship or unexpected needs that are beyond their financial means. Further information regarding parish sales activities is available on the Diocesan website.

As noted in the table on page 3, offertory collections continue to be stable despite the economic challenges that exist in Northeast Ohio. Assessment collections by the CAO totaling \$14.6 million, which are determined by the level of parish offertory, were also stable as parishes continue to be timely with their remittances in support of Diocesan ministries and activities. Contributions primarily reflect the receipts from the Rooted-in-Faith campaign that are specifically related to activities that are managed through the CAO, mainly training and education of priests, parish support, and evangelization programs. Investment market results were strong in FY 2013. The net assets transferred to unrestricted status support seminary operations, priest education, infirmed priests, communications programs, and other CAO activities.

Expenses in the CAO include personnel and other direct costs incurred to deliver its services and subsidies to other Diocesan entities. Operating expenses also include the net impact of consolidation and closure costs and gains on the disposal of facilities owned by the Diocese. The CAO expects these latter net costs to decline significantly now that a substantial number of the closed parish properties have been sold.

I want to publicly thank the members of the Diocesan Finance Council for the support they provide to the Bishop and the CAO and extend that appreciation to Catholics throughout the Diocese. The continuing generosity of the Catholic community and the sharing of time, talent, and treasure make possible the good works of our Church in the Diocese of Cleveland.

Should you have any questions regarding this financial report, please contact me at the Catholic Diocese of Cleveland, 1401 East Ninth Street, 8th Floor, Cleveland, Ohio 44114, 1-800-869-6025, ext. 5960, or at FinanceOffice@dioceseofcleveland.org.

Thank you for your continuing support of our Church.

Sincerely,
James P. Galick
Chief Financial Officer

Copies of the complete audited financial statements are available at the Catholic Diocese of Cleveland website at www.dioceseofcleveland.org/finance.

Central Administrative Office of the Diocese of Cleveland STATEMENT OF ACTIVITIES | Year Ended June 30, 2013

(Dollars in thousands)	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES				
Assessments	\$14,644			\$14,644
Contributions		\$5,472	\$3,963	9,435
Investment income	18	3,284		3,304
Grants, lease and other income	2,358	92	1,246	3,696
Net assets released from restrictions	3,201	(3,201)		
Total revenues	\$20,321	\$5,649	\$5,209	\$31,079
OPERATING EXPENDITURES				
Salaries, wages, taxes and benefits	\$6,707			\$6,707
Mission and ministry	1,375			1,375
General operations and administrative	1,608			1,608
Priests - education and care	991			991
Occupancy, utilities and depreciation	866			866
Assessments and Holy See	446			446
Consolidation activities	383			383
Direct subsidies:				
Seminaries, Tribunal and Center for Pastoral Leadership	3,174			3,174
Education	1,485			1,485
Catholic Community Foundation	735			735
Diocese of Cleveland Facilities Services	459			459
Cathedral	370			370
Total expenditures	\$18,799	-	-	\$18,799
Net revenue before unrealized investment gains	1,422	5,649	5,209	12,280
Unrealized investment gains	10	1,248		1,258
Net revenue after unrealized investment gains	\$1,432	\$6,897	\$5,209	\$13,538