

Archdiocese of Baltimore releases financial report for Fiscal Year 2015-2016

Coming on the heels of a fiscal year that saw a 3 percent increase in parish offertory giving and increased support for the Archbishop's Annual Appeal, the Archdiocese of Baltimore's total operating income increased by nearly \$2.2 million to \$37.5 million in Fiscal Year 2015-16.

A downward turn in the market value of investments, however, combined with increased expenses related to retirement programs to produce an overall deficit of \$19.7 million.

According to an archdiocesan annual financial report released in January, more than \$14.2 million was contributed through parishes as a percentage of parishioners' offertory donations (called the cathedraticum) to support archdiocesan ministries. Archdiocesan annual campaigns raised \$11.4 million - a 17.5 percent increase from \$9.7 million in the previous fiscal year.

"It's always important to us that we are ensuring that we are proper stewards for the resources that we have," said Bishop Adam J. Parker, moderator of the curia.

Bishop Parker said archdiocesan leaders give diligent attention to managing human resources properly and distributing grants in ways that "further the ministries that advance the kingdom of God." He called the financial support Catholics have shown through their parishes and contributions to archdiocesan campaigns "a real positive sign of vitality and hope."

William J. Baird III, chief financial officer for the archdiocese, noted that the archdiocese had a core operating surplus. Grants to sustain struggling Catholic schools and corrections in interest rates were among factors that contributed to the overall deficit, he said.

"Interest rates were lower," he explained, "which means our liabilities and our

pensions were higher.”

Baird added that the fiscal year closed June 30, right at the time financial markets took a big hit following the Brexit vote in Great Britain. Since then, he said, markets have recovered.

Baird said he evaluates archdiocesan investments at least monthly. A quarterly investment committee also evaluates the investments with the assistance of an advisor.

“We do stress tests on our pensions and stress tests on our investments to make sure that we’re matching our assets against our liabilities,” he said.

Bishop Parker and Baird credited the archdiocesan development department with helping parishes offer more than 100 programs to help them reach their stewardship goals and connect with donors in a more intentional way.

“A lot of the dollars collected in archdiocesan-wide campaigns get returned right back to the communities from where they come,” Baird said.

Among grants distributed in the last fiscal year, \$10.3 million went to tuition assistance and subsidies; \$328,000 for school building renovation; \$500,000 for clergy-related programs; \$3.3 million for Catholic Charities and \$7.5 million in parish assistance.

In special collections held in parishes, Catholics showed the strongest support for collections related to the special care for diocesan priests (\$342,953), retired religious (\$342,457) and seminarians (\$258,617).

The Catholic Center, which employs approximately 160, had a total operating expense of nearly \$41 million, up from nearly \$39 million in the previous fiscal year.