

WITNESSING TO OUR FAITH... *Learning* *Living* *Loving*

ANNUAL REPORT
Fiscal Year 2018

Diocese of Worcester



By baptism we are called to transform the world as the Holy Spirit works within and through us. Empowered by that same Spirit, our mission in the footsteps of Christ is to serve others as witnesses to the love of God, and can be seen in the many ways we live, learn and love the Catholic faith entrusted to us.

BY THE NUMBERS 2018

216 candidates completed full initiation into the Catholic Church through RCIA.

10,524 people were served by Pernet Family Health Service Emergency Assistance.

24 seminarians are preparing for the priesthood.

The Office of Religious Education supported **1,980** catechists and catechetical leaders who, in turn catechized **14,806** children and teens in our parishes.

400+ Teens from our Diocese participated in the High School Youth Rally and **52** attended the Middle School Youth Rally.

1461 students attended Central Catholic Schools, which is **24.1%** of all students in Catholic schools in our Diocese.

274 teens participated in the Basketball League. **249** teens played in the Volleyball League.

Living...

Youth Ministry within the Diocese of Worcester seeks to bring young people into relationship with Jesus Christ through social and spiritual gatherings for youth and young adults as well as training and supporting adult leaders of youth ministry in our parish communities.

The Diocesan Youth Discipleship Team is a leadership team of high school youth (grades 9-12) in the Diocese of Worcester that is designed to provide opportunities for personal spiritual growth, equip members with skills for missionary discipleship within their own parish communities, and give teens leadership opportunities in Diocesan middle school events and programs.



“Being a part of the Discipleship Team has been an absolute blessing. I have been able to gain more friends my age and mentors that will guide me in my faith. With this new family I can learn how to spread both youth ministry in my church but also spread my faith in my community.”

– Megan D., Worcester

Learning...

The Office for Religious Education assists parishes by training, certifying and supporting catechists and catechetical leaders so that they will be prepared to teach their faith and encourage others to love it more deeply.

“One profound thing I could say about Religious Education is that it has helped to form a road map in my life. The more I learn, the more I know what I should do to help myself, my family, my students in CCD class, and my catechists in our parish. Without a map, I would wander to unnecessary or dangerous paths, wasting time to reinvent many wheels instead of focusing on what I should learn or do. Religious Education is

more important than I used to think. I thought that I knew many things; but when I started to take Religious Education courses, I realized that what I knew was barely on the surface, or worse, sometimes mistaken. The knowledge, the way to deliver it, and the relationship with God and His Church is so important in our life.”

– Jackie T., Worcester



\$758,117 in Diocesan Tuition Assistance was awarded to Parish and Central Catholic Schools from Partners in Charity and the Forward in Faith Endowment, which met **19%** of the identified need. **761** students received Diocesan Tuition Assistance.

465 catechists availed themselves of **9** different certification courses and **6** workshops offered last year.

7 new catechists received provisional certification, **7** achieved basic certification and **10** received master catechist certification.

There were more than **84,000** online views of TV programming last year. TV Ministry produced more than **350** Masses, devotional, and informational specials for cable TV, online streaming and DVD distribution.

18 men are preparing to be ordained permanent deacons; **75** deacons serve in our parishes and agencies and are supported by the Office of the Diaconate.

There were **32,600** opportunities to assist people in need with Emergency Services at Catholic Charities area offices: Leominster: **8,200**; Worcester: **15,500**; Southbridge: **4,400** and Milford/Whitinsville: **4,500**.

335 people received Immigration Assistance and **56** refugees were resettled in the area through Catholic Charities.

30-60 young adults gather monthly at Theology on Tap to learn more about their faith.

DEAR FRIENDS IN CHRIST,

As a diocesan church, we witness to the faith in a variety of ways. Our many agencies and ministries, along with our parishes, enable our parishioners to learn about our faith, to live our faith and to love our faith more deeply. The challenge, of course, is to keep pace with the associated costs.

In presenting the financial report for the fiscal year ended August 31, 2018, there are a few financial realities which I must address.

First, our basic operational costs continue to rise. Specifically we face rising healthcare costs, deficits in retired priests' care, an aging infrastructure in schools and parishes, and outstanding receivables due from the parishes which are financially challenged.

Second, while we are blessed with the continued commitment and generosity of many faithful donors to Partners in Charity, Celebrate Priesthood and other fundraising initiatives, we are facing a declining donor base across our diocese given that there are

fewer younger families who are following in the footsteps of older generations in supporting sacrificially their parishes and the diocese.

Third, some ministries continue to face challenges

given trends in society. Catholic schools as a whole in our diocese continue to face declining enrollment due to a reduced number of young people and greater competition from public schools with new or recently built facilities. Our cemetery system continues its commitment to the perpetual care of its properties despite the trend for families to choose cremation and not inter these cremains.

I once heard the story of a chapter meeting of a religious community where the question was asked, "How are we focusing on our mission?" The answer was simple: look at where money is being spent. The same can be said for our diocese. In the past year, compared to the previous fiscal year, we have increased spending in seminarian education due to more seminarians; youth and young adult ministry to the parishioners of today and tomorrow; communication ministry to



better equip parishes with improved outreach to their parishioners; and ongoing priestly formation to help priests be well prepared for today's pastoral challenges. We assumed management of the Notre Dame Cemetery in Worcester with its mausoleum as part of the Diocesan Cemetery System. Finally, we have invested in moving forward with the Legacy of Hope capital campaign to endow crucial areas of our diocesan mission, which are most in need.

To operate our diocese we rely on the help of many people. Allow me to express my gratitude to God for the many clergy, vowed religious and laypeople who volunteer their expertise on our various advisory boards including the Diocesan Finance Committee, Diocesan Investment Committee, the Diocesan Expansion Fund Board of Governors, Partners in Charity Advisory Board, Diocesan School Board, St. Paul Catholic Schools Consortium, Adopt-a-Student Board and the many advisory boards for our ministries and agencies.

I invite you to review this report not just as a list of numbers which demonstrate earnings and deficits, increases in expenses and challenges in fundraising. I invite you to look beyond the numbers to the lives being impacted as we continue in our commitment to learn, live, and love our Catholic faith in Central Massachusetts.

With every prayerful best wish, I remain

Sincerely yours in Christ,

Most Reverend Robert J. McManus
Bishop of Worcester



Loving...

Pernet Family Health Service, a Catholic health and social service agency in Worcester's "Green Island" neighborhood, is a Catholic agency started by the Little Sisters of the Assumption in the early 1960s. As recipients of an annual grant from Partners in Charity, their work focuses on helping client families transform their lives to be nurturing care givers.

One medical student reflected, "One of the unique things about Pernet is that everyone goes to see their clients in their own homes, so they can see how they are doing, and how their families are doing. This adds both an element of convenience and comfort to the interactions."

Pernet works to approach every aspect of the family, which was certainly more than my original expectation. I was taken aback when I first learned of all the different projects they have going on every day. They work with both mothers and fathers, to help them through their difficulties and connect them with various resources, and also with children, to help them reach their full potential.

On my first home visit, I was able to meet a woman who was a survivor of domestic abuse. The most notable thing about that visit was how the Pernet employee spoke to her very much like a friend—she wanted to be a resource and a friend, not a figure to be wary or suspicious of. This again showed a conscious effort to eliminate the power dynamic, and to establish Pernet as an assistive resource."

– Sana M.

FY2018 ANNUAL REPORT FINANCIAL ACTIVITIES

Supplemental details - prepared by the Office of Fiscal Affairs

I. Partners in Charity Annual Appeal

Funding Sources:	
Donations (raised in 2017 appeal)	\$5,125,528
Less: Uncollected Pledges	(153,565)
Support from Restricted Funds	240,699
Total Funding Sources	<u>5,212,662</u>

Use of Funds:	
Charitable Programs ¹	1,747,743
Educational Programs ¹	2,566,378
Ministerial Programs ¹	1,156,132
Administrative Expenses	107,720
Total Use of PIC Funds:	<u>5,577,973</u>

Partners in Charity Deficit (\$365,311)

II. Central Administration:

Revenue Sources:	
Cathedraticum	\$2,122,775
Insurance Program	626,599
Realized Investment Gains	207,132
Other Income	134,089
Total Revenue	<u>3,090,595</u>

Expenses:	
Bishop's Office	\$205,493
Bishop's Residence	88,498
Building Commission	106,958
Computer Services	21,106
Depreciation	111,179
Diocesan Capital Campaign	180,298
Donations and Memberships	129,416
Fiscal Affairs Office	323,161
Interest on DEF Line of Credit	847,063
Miscellaneous Expenses	33,109
Office of Healing and Prevention	135,596
Priests' Financial Assistance	331,641
Reserve for Bad Debt	130,508
Shared Secretaries	53,095
Therapeutic Assistance	36,735
Tribunal	140,262
Unfunded Annuity Payments	511,772
Vicar General Office	116,418
Total Expenses	<u>3,502,308</u>

Central Administration Deficit (\$411,713)

III. St. John Cemetery System

Revenue Sources:	
Revenues from Cemetery Operations	\$1,662,238
Partners in Charity Funding ²	310,420
Support from Restricted Funds	119,294
Total Revenue	<u>2,091,952</u>
Total Expenses	
	<u>\$2,091,952</u>

St. John Cemetery System Net \$0

IV. Central Catholic Schools

Revenue Sources:	
Tuition	\$10,744,170
Fund Raising & Non-Educational	745,111
Partners in Charity Funding ²	450,673
Rental Income	195,474
Other Income	479,200
Support from Restricted Funds	182,378
Total Revenue	<u>12,797,006</u>

Expenses:	
Educational Expenses	\$12,419,194
Fundraising & Non-Educational	246,107
Depreciation	332,700
Total Expenses	<u>12,998,001</u>

Central Catholic Schools Deficit (\$200,995)

V. Priests' Retirement

Revenue Sources:	
Parish Assessments	\$755,126
Partners in Charity Funding ²	550,000
Bequests/Donations	495,531
Celebrate the Priesthood Donations	225,000
Investment Income	38,406
Other Income	11,947
Support from Restricted Funds	600,000
Total Revenue	<u>2,676,010</u>

Expenses:	
Support for Retired Priests	\$2,326,304
Assisted Living Facilities	764,070
Total Expenses	<u>3,090,374</u>

Priest Retirement Deficit (\$414,364)

VI. Diocesan Expansion Fund

Revenue Sources:	
Interest on Loans	\$1,609,688
Investment Income	671,816
Total Revenue	<u>2,281,504</u>

Expenses:	
Interest on Savings Accounts	\$1,802,783
Bad Debt Expense	240,000
Administration	186,134
Interest Waived on Loans	70,520
Total Expenses	<u>2,299,437</u>

Diocesan Expansion Fund Deficit (\$17,933)

TOTAL Diocesan Operating Deficit Excluding Unrealized Investment Gains (\$1,410,316)

Unrealized Investment Gains \$577,434

TOTAL Diocesan Operating Deficit (\$832,882)

¹Detail program expenses provided on page 4

²Amount included in Partners In Charity Use of Funds

Uncollected receivables due to Diocese from Parishes as of August 31, 2018: **\$6,114,662**

Line of credit balance due from Diocese to DEF as of August 31, 2018: **\$16,981,282**



Loving God by serving others

The 2018 annual Partners in Charity appeal ended on August 31, 2018 with a total of \$5,076,252 from 16,454 donor households to support our 28 agencies and ministries in the Fiscal Year beginning on September 1, 2018. The charts below demonstrate how 2017 donations were used in 2018.

The Circle of Giving benefactors accept a leadership role in the work of the

diocesan Church through their support of the Partners in Charity appeal. As members, they pledge to become partners in a shared vision for the future of the Diocese of Worcester by setting an example of good stewardship and by reaching out with charity to many thousands of people in need who are served by the ministries and programs of the Diocese.

Our leadership circles are helping us fulfill our mission!

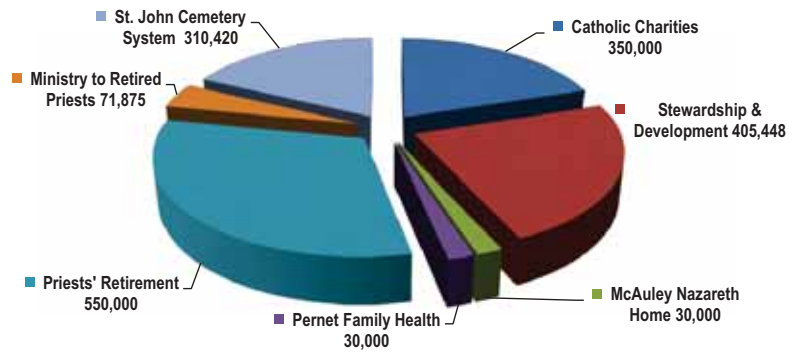
Of the 16,454 donor households in the 2018 campaign, 4,155 of them committed to the following societies:

- 45 – Holy Family Society (\$7,500 or more)
- 63 – St. Paul Society (\$5,000 - \$7,499)
- 138 – St. John Paul II Society (\$2,500 - \$4,999)
- 268 – St. John XXIII Society (\$1,500 - \$2,499)
- 71 – St. John Vianney Society (\$1,000+ gifts made by priests)
- 594 – St. Francis of Assisi Society (\$1,000 - \$1,499)
- 1,359 – St. Teresa of Kolkata Society (\$500 - \$999)
- 1,688 – Dorothy Day, Servant of God Society (\$300 - \$499)

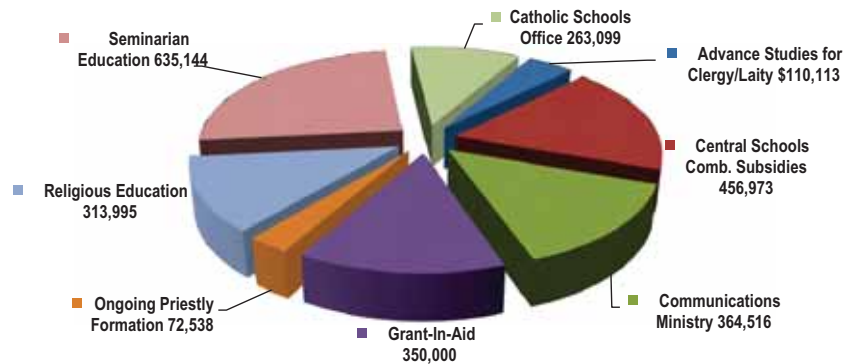
“Because God has been so good to me and my family, I want to ‘pay it forward’ with this donation.”

– Lynn, donor since 2006

CHARITIES – \$1,747,743



EDUCATION – \$2,566,378



MINISTRIES – \$1,156,132

