



2010-11 Accountability Report

To the People of the Archdiocese of Indianapolis

Dear Friends in Christ:

I am pleased to present this special supplement to *The Criterion*, which gives an accounting of the archdiocese's finances for this past fiscal year. We have an obligation to be good stewards of our people's resources. Please take a few minutes to read this report.

Last year was a year of significant change for the Archdiocese of Indianapolis. After serving the people of the archdiocese for nearly 20 years, Archbishop Daniel M. Buechlein was granted early retirement for health reasons by Pope Benedict XVI on Sept. 21, 2011. We are truly grateful for Archbishop Buechlein's tireless work over the years to strengthen the pastoral, spiritual and financial health of the archdiocese.

I was appointed auxiliary bishop of Indianapolis on Jan. 14, 2011, by Pope Benedict and ordained a bishop on March 2, 2011. The Holy Father made me apostolic administrator of the archdiocese when he granted Archbishop Buechlein's early retirement. As apostolic administrator, I am to see to the good order of the archdiocese until the next archbishop is named. I ask you all to continue to pray for Pope Benedict as he prepares to send us our next shepherd.

In early February, I will travel to Rome—as will several other bishops from the Midwest—for an *ad limina* visit to report to Pope Benedict and other Vatican officials on the state of the archdiocese. These scheduled *ad limina* visits happen every five years. I will be pleased to report to the Holy Father that the Archdiocese of Indianapolis is in excellent shape. Like any diocese, we have issues that need to be attended to, but thanks to our dedicated clergy, pastoral leaders, employees and the full and active participatory faith of the Catholic people in central and southern Indiana, we are a vibrant archdiocese that is meeting its challenges head-on.

The national economic troubles that have occurred over the past few years continue to present challenges for many people. Despite these difficult circumstances, the people have continued to generously share their time, talent and treasure to carry out God's work throughout central and southern Indiana. Thank you for your continued support and generosity.

In this report, you will find an accounting of our stewardship of the human, physical and financial resources for the Archdiocese of Indianapolis for the 2010-2011 fiscal year. This report reminds us that we have much to be grateful for in our archdiocese. At the same time, it challenges us to look for new opportunities to be even better stewards.

Stewardship of God's Gifts

We are called to make our parishes true communities of faith and vibrant sources of service to the larger community by modeling ourselves after Christ and by living a life of holiness. When we glorify God in all that we do, we also succeed in our call to evangelize. That's why in the Archdiocese of Indianapolis all of our stewardship efforts are guided by Pope Benedict XVI's observation in his first encyclical titled "God is Love" that "The Church's deepest nature is expressed in her threefold responsibility of proclaiming the Word of God, celebrating the sacraments, and exercising the ministry of charity."

We tied each of these three responsibilities to one of the three areas where our ministry needs are the greatest: supporting our Catholic schools and religious education programs; supporting our seminarians, deacons and retired priests; and caring for people most in need throughout the archdiocese, which we do primarily through Catholic Charities.

We are blessed to have many people in our parishes in central and southern Indiana who share their time, talent and expertise in our many ministries. Your financial contributions through parish Sunday and holy day collections and to the Christ Our Hope: Compassion in Community annual appeal are needed to provide the resources to operate our many parish and archdiocesan ministries.

Our Sunday and holy day collections have held steady through the economic downturn, but contributions to the Christ Our Hope annual appeal are still running about \$1 million below the historic highs of six or seven years ago. On the bright side, we did see an increase in the dollar amount of pledges to the annual appeal this past fiscal year. The number of donors who have joined the Miter Society by contributing \$1,500 or more to the annual appeal has increased the past two years. Money raised through the Christ Our Hope appeal is critical to our ability to carry out our many ministries and to meet our increasing ministry needs.

The archdiocese's Catholic Community Foundation, which oversees 393 endowments and 105 charitable gift annuities, continues to experience strong growth. The value of the Catholic Community Foundation's total cash and investments increased 18.7 percent in 2011 to \$171.2 million from \$144.2 million the previous year.

At the Catholic Community Foundation Annual Meeting on Nov. 2, 2011, it was announced that the archdiocese had received its largest ever bequest payout when farmland given to the archdiocese by the late James P. Scott was sold for nearly \$7.6 million. The proceeds are being used to support seminarian education and to establish the James P. Scott Endowment Fund, which will support capital projects in parishes, schools and agencies throughout the archdiocese.

I encourage everyone to consider making a planned gift to the archdiocese. You can receive more information about how to do this by contacting our Office of Stewardship and Development at www.archindy.org/plannedgiving.

Vocations

The archdiocese celebrated the ordination of Dustin Boehm to the priesthood on June 4, 2011, at SS. Peter and Paul Cathedral. Father Boehm is a son of Our Lady of the Greenwood Parish in Greenwood and is currently assigned as parochial vicar at St. Monica Parish in Indianapolis.

We continue to do well in encouraging our people to consider how God might be calling them to a life of service as a priest, deacon or religious. We currently have 17 seminarians at Saint Meinrad School of Theology in St. Meinrad, two seminarians at the Pontifical North America College in Rome and 10 seminarians enrolled at Bishop Simon Bruté College Seminary in Indianapolis.

Our Bishop Simon Bruté College Seminary, which was established by the Archdiocese of Indianapolis in 2004 to prepare college seminarians for major seminary, continues to grow. In addition to our own seminarians for our archdiocese, seven other dioceses are now sending seminarians there as well. We have renovated the seminary to accommodate the growing enrollment and are planning to expand the building to meet the growing demand.

In addition to our seminarians, a second group of men are studying to become permanent deacons. We expect to ordain these 16 men on June 23, 2012, at SS. Peter and Paul Cathedral. As permanent deacons, these men will be able to baptize, witness marriages and preside at funerals. At Mass, they will be able to proclaim the Gospel and preach, but will not serve as celebrant or consecrate the Eucharist. In the ministry of the Word, the deacons will teach the faith and provide pastoral guidance. The deacons' primary ministry, however, will be focused on charity. A period of inquiry and discernment will begin in September of this year in order to form the third formation class of deacons.

Pray that God will bless our archdiocese with more vocations and pray for all men and women who are discerning a call to the priesthood, permanent diaconate and religious life. More information about vocations can be found on the archdiocesan web site at www.archindy.org.

Parish Planning

After more than two years of work, the Terre Haute Deanery Pastoral Leadership Team and Deanery Planning Team made recommendations to Archbishop Buechlein, which resulted in the archbishop approving in July of 2011

the closing of four of the deanery's 14 parishes. The four parishes are Holy Rosary in Seelyville, St. Ann in Terre Haute, St. Joseph in Universal and St. Leonard of Port Maurice in West Terre Haute. St. Leonard Parish celebrated its final Mass on Nov. 19, 2011, and the other three parishes will close this year.

The Terre Haute Deanery planning process led the archdiocese to undertake a new initiative called *Connected in the Spirit*, a parish planning project that has parishes plan for the future in concert with other parishes. Due to demographic shifts, the diminishing number of priests, and the financial situation of some parishes, a process was needed to help the archdiocese and its members make the best use of all of our human and financial resources.

The parishes in the Batesville Deanery are taking part in *Connected in the Spirit* this year. The goal is to have all of the deaneries in the archdiocese take part in this process in the coming years.

Education initiatives

Last school year we became the first Catholic diocese in the country to operate public charter schools. Two of our six Mother Theodore Catholic Academies in Indianapolis—St. Anthony Catholic School and St. Andrew & St. Rita Catholic Academy—transitioned to charter schools. The former St. Anthony school is now Andrew Academy and the former St. Rita school is now Padua Academy.

The cost of operating our center-city schools in Indianapolis has been a challenge, and the charter school option provided us the best opportunity to continue to serve poor children in the center city. The decision to pursue this course was made after consulting with parents, educators, clergy, parish leaders and community leaders. Religious education has been removed from the curriculum, but faith formation classes are being offered after school.

The approval last year of a new Indiana state voucher and scholarship program is already giving parents throughout the archdiocese more choices for educating their children and helping them afford a Catholic education. The archdiocese's Catholic schools have added more than 1,000 new students due to the voucher and scholarship program.

Conclusion

In addition to some of the highlights I have covered from the past year, this report also includes a letter from the archdiocese's chief financial officer, Jeffrey D. Stumpf, which gives more detailed information about our financial operating results as well as information about our annual stewardship appeal and other stewardship efforts. You will also find a financial statement inside and other charts that highlight the archdiocese's financial position.

We have much to be thankful for. Let us wisely use our ministry resources to serve those most in need, and may we all continue to work for the common good of the archdiocese and our society.

Thank you for your support and God bless you!

Sincerely yours in Christ,

Christopher J. Coyne

Most Reverend Christopher J. Coyne, SLD
Apostolic Administrator





Summary of Financial Status

This summary of the financial status of the Archdiocese of Indianapolis reflects activities of the chancery of the archdiocese and certain affiliated agencies with direct accountability to the

Reverend Christopher J. Coyne, Apostolic Administrator of the Archdiocese of Indianapolis. The information presented has been derived from the audited financial statements and does not include the activities of parishes, missions and

schools of the archdiocese. All significant transactions among entities detailed in this summary have been eliminated. The complete audited financial statements are available for public inspection at www.archindy.org/finance/archdiocese.html.

Chancery and Certain Entities of the Archdiocese of Indianapolis Combined Statements of Financial Position as of June 30, 2011 and 2010

ASSETS	2011	2010
Cash and cash equivalents	\$41,765,052	\$32,039,580
Investments	155,632,258	135,842,608
Receivables:		
Contributions, net	16,475,401	22,636,339
Deposit and loan fund, net	34,796,716	33,653,047
Amounts due from parishes and other archdiocesan entities, net	6,970,491	5,561,793
Accrued interest income	36,248	262,481
Other, net	2,595,594	2,932,158
Total receivables, net	60,874,450	65,045,818
Other assets	685,393	928,034
Burial spaces and other inventories	3,527,764	3,600,359
Land, buildings and equipment, net	20,888,122	20,697,579
TOTAL ASSETS	\$283,373,039	\$258,153,978
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$4,361,372	\$5,508,929
Capital campaign due to parishes	11,982,550	16,710,940
Bonds payable, net	46,381,267	47,531,324
Reserves for self-insurance	1,830,000	1,112,000
Other liabilities	4,460,899	4,659,332
Deposit and loan fund payable	39,342,803	43,897,712
Total liabilities	108,858,891	119,420,237
Net assets:		
Unrestricted	135,430,388	104,541,239
Temporarily restricted	17,690,103	13,533,599
Permanently restricted	21,393,657	20,658,903
Total net assets	174,514,148	138,733,741
TOTAL LIABILITIES AND NET ASSETS	\$283,373,039	\$258,153,978

Chancery and Certain Entities of the Archdiocese of Indianapolis Combined Statements of Activities for the years ended June 30, 2011 and 2010

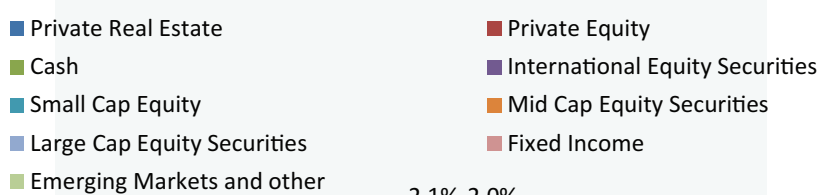
SUPPORT AND REVENUES	2011	2010
Assessments	\$9,724,426	\$9,817,615
Service fees	22,223,620	22,382,991
Capital campaigns and contributions	15,384,325	5,919,427
Christ Our Hope Appeal	4,697,405	4,445,509
Sales of goods and services	4,243,629	4,491,329
Program service fees and other	5,887,127	5,249,561
Other public support	4,689,282	4,700,578
Interest income and investment return	35,426,527	23,755,163
Total support and revenues	102,276,341	80,762,173
EXPENSES		
Salaries and wages	12,745,373	12,467,945
Employee benefits and taxes	4,529,384	4,059,957
Health care costs	12,603,374	12,254,236
Retirement plan contributions	6,643,615	3,063,813
Cost of equipment and supplies sold	1,586,043	1,706,550
Administrative and supplies	2,232,801	1,885,325
Property insurance	1,574,345	2,367,500
Depreciation	1,340,037	1,187,549
Repairs and maintenance	920,371	980,605
Occupancy costs	1,345,884	1,321,467
Interest	3,456,823	3,332,757
Bad debts	4,305,219	2,825,897
Professional services	5,388,418	5,008,682
Specific assistance	1,227,660	1,101,051
Contributions	4,511,664	4,942,702
Capital campaign funds donated to parishes and others	38,460	1,916,955
Other	2,046,463	2,178,884
Total expenses	66,495,934	62,601,875
CHANGE IN NET ASSETS	35,780,407	18,160,298
NET ASSETS: Beginning of year	138,733,741	120,573,443
NET ASSETS: End of year	\$174,514,148	\$138,733,741



Catholic Community Foundation, Inc.

The Catholic Community Foundation is a separate, not-for-profit corporation established by the Archdiocese of Indianapolis to professionally invest and administer numerous individual endowment funds for the benefit of parishes, schools, agencies, and other institutions affiliated with the archdiocese. As of June 30, 2011, the Catholic Community Foundation comprised 393 separate endowment accounts and 105 charitable gift annuities worth \$171.2 million.

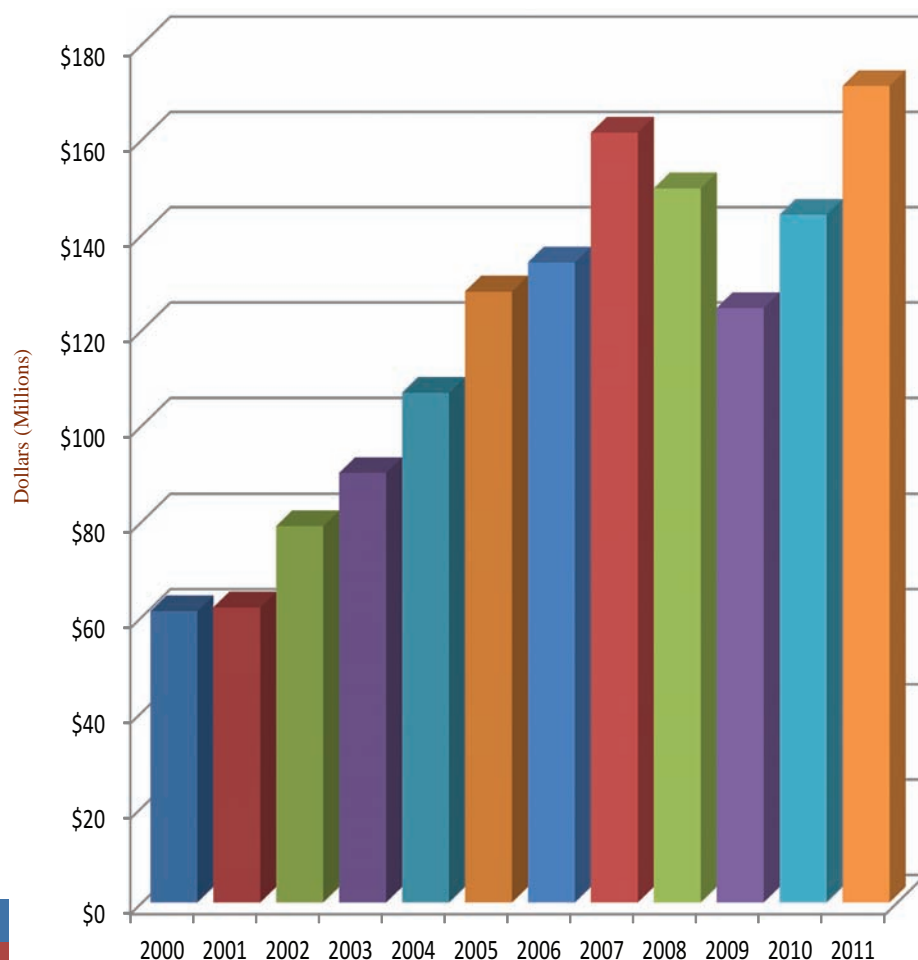
Asset Allocations as of June 30, 2011 Cash and Investments = \$171,239,674



FY 2011 Fund Performance

Composite	22.4%
Equity	33.6%
Fixed	9.9%

Cash and Investments in Million of Dollars



Chief Financial Officer's Report

The 2010-2011 fiscal year will be remembered for the continuing economic and political challenges faced by our society. 2010-2011 was also a year for significant events impacting our Archdiocese. The opening of school in the fall of 2010 marked the first time that a Catholic (arch)diocese in the United States has operated public charter schools—Andrew Academy and Padua Academy. The Archdiocese of Indianapolis received its largest-ever bequest payout in the form of farmland that was later sold for \$7.6 million. This gift will be used to support seminarians and to establish an endowment funding capital needs at parishes throughout the archdiocese. Historically low interest rates provided the opportunity to refinance \$17 million of tax-exempt bond debt at attractive rates. And, perhaps most important long-term, the Indiana General Assembly passed legislation in the spring of 2011 to support scholarship funding for needy families sending their children to private schools.

These and many other events will shape the Archdiocese of Indianapolis in years to come. This accountability report provides more detailed information about many of the administrative activities of the Archdiocese.

Chancery Fiscal Year 2011 Operating Results

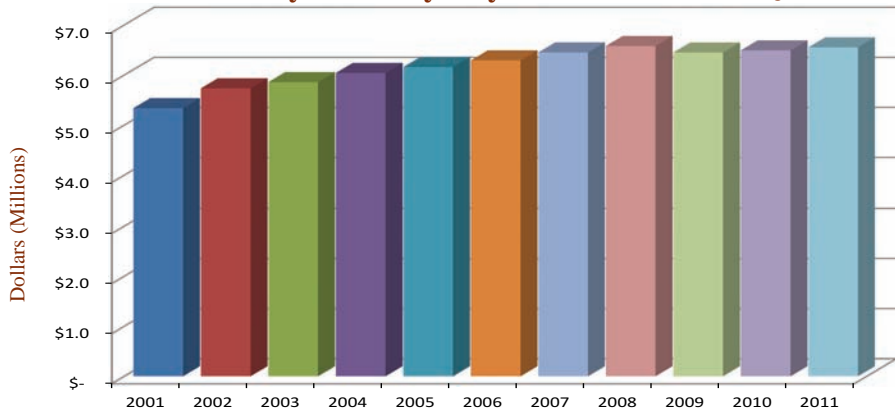
The chancery offices and agencies of the Archdiocese of Indianapolis completed its seventh consecutive year with a break even or surplus operating budget. For fiscal year 2010-2011 we ended the fiscal year \$1.1 million or 3 percent ahead of budget on \$35 million of operational expenses. The operations surpluses were generated mostly from unexpected bequests and gifts as well as certain endowment returns performing better than budgeted.

The archdiocese continues to be challenged by parish operating deficits. The financial impact of these parish deficits shows up in the deposit and loan fund operated by the archdiocese for its parishes (“ADLF”). The ADLF has approximately \$15 million in negative net equity as a result of parish loans and interest forgiven over the last 15 years. The ADLF currently operates at a small surplus (inclusive of the current level of annual parish operating deficits) designed to slowly recover this negative equity over a period of years.

Parish and Archdiocesan Stewardship

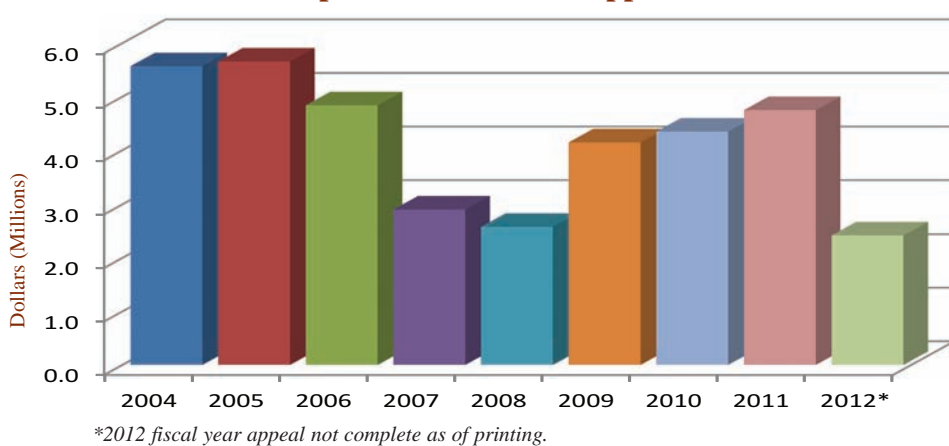
For the fiscal year ended June 30, 2011, parish stewardship, through Sunday and holy day collections, experienced a slight increase over the previous fiscal year. This 1% increase over fiscal year 2010 continues the positive trend of increased giving at the parish level and proves the strong and steady member commitment in our current economic environment.

Parish Sunday and Holy Day Collections (2001 through 2011)



The FY 2011 annual parish and archdiocesan community appeal Christ Our Hope: Compassion in Community experienced an increase in recorded revenues. The FY 2011 appeal also enabled parishes to direct resources into those ministries closest to their community. The appeal received pledges totaling \$4.7 million in FY 2011, compared to the pledges of \$4.3 million in FY 2010, an increase of 9% over prior year. While the annual appeal continues to improve we are still below our historic highs by nearly \$1 million.

Christ Our Hope/United Catholic Appeal (2004 through 2012)



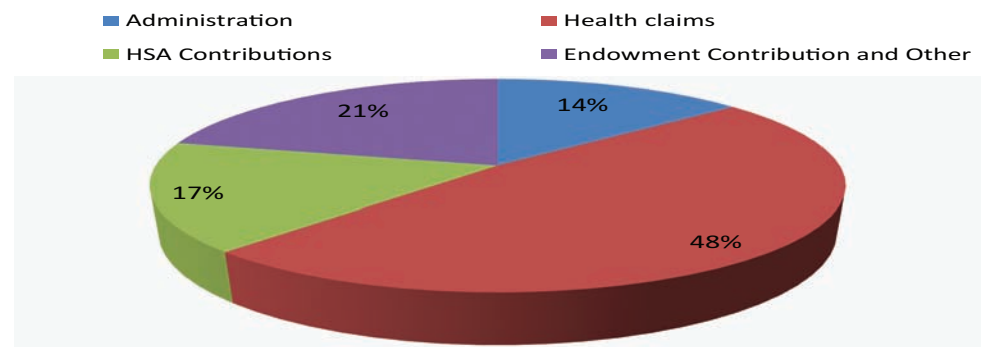
Parish Services: Insurance and Benefit Plans

The archdiocese operates several insurance plans, employee and priest benefit plans, and other services on behalf of parishes, schools, agencies and employees. Two of the larger plans are the lay employee health insurance plan and the property and liability insurance plan. Despite the challenging economic environment, both of these plans continue to experience positive results.

Lay Employee Health Insurance Plan

Since 2007 the Archdiocese has been operating a high deductible health insurance plan, complete with Health Savings Accounts (HSA) for our lay employees. While medical and dental expenses trend upward on a national basis, our claims experience has trended much lower and has contributed to generating a surplus in this plan. Each year since inception of our high deductible plan, we have been able to give back to both the employees participating via bonus contributions to their personal HSA and back to parishes, schools and agencies via premium reductions. We have also funded an endowment with some of the surplus that is designed to be used to offset significant expense increases in the future. For the first time this year we have spent a portion of the surplus from the Lay Health plan to close the funding gap for our Lay Retirement plan (see section Parish Services: Priest and Lay Employee Retirement Plans).

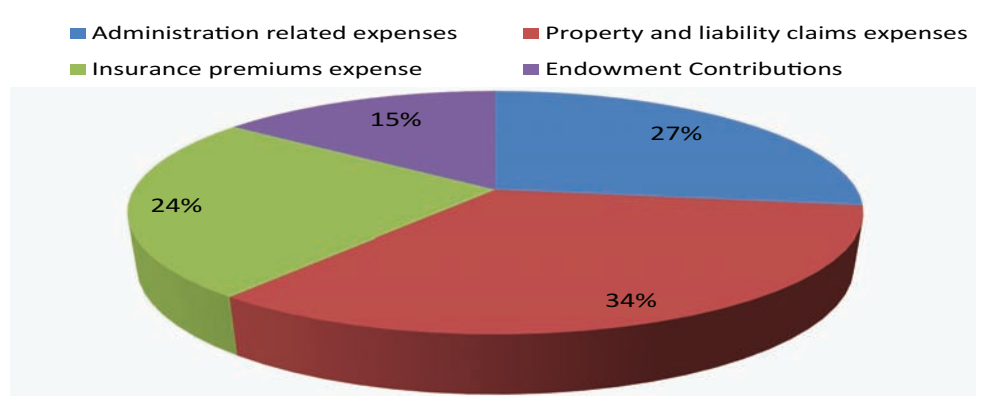
FY 2011 Healthcare Expenses



Property and Liability Insurance Plan

The property insurance plan also experienced positive results for the 2010-2011 fiscal year. The continued positive results have enabled us to fund a property insurance reserve fund in the Catholic Community Foundation of \$7.1 million. The reserve fund was established to protect parishes, schools and agencies against catastrophic losses and will help to mitigate annual insurance cost increases. The Archdiocese was also able to maintain our self-insurance level at \$1 million for the 2011-2012 fiscal year which translates into lower premiums paid by our parishes, schools, and agencies for property and liability insurance.

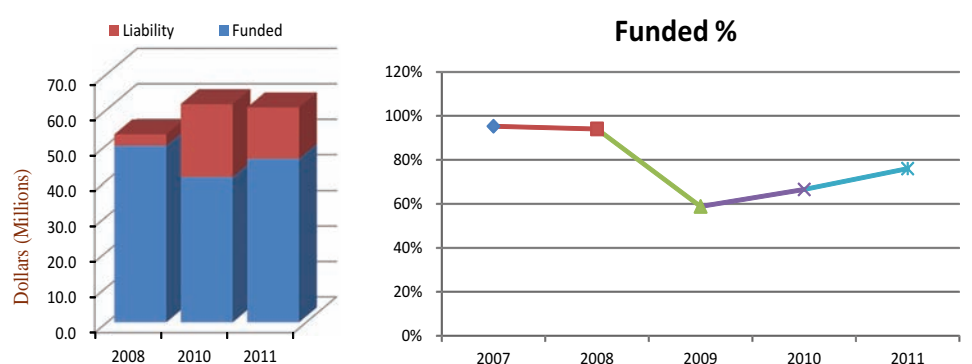
FY 2011 Property and Liability Expenses



Parish Services: Priest and Lay Employee Retirement Plans

Investment results for the fiscal year ended 2010-2011 contributed to the slight improvement of our archdiocesan retirement plans. The archdiocese administers defined benefit plans for the priests and eligible lay employees employed at the various parishes, schools, and agencies throughout the archdiocese. Last year we communicated the funding challenges the archdiocese and individual parishes face to fully fund these two benefit plans. While positive investment results will assist in closing the gap, the archdiocese has also contributed additional funding to assist in alleviating the funding deficit. An additional \$3.3 million was transferred to the Lay Plan during fiscal year 2010-2011 making total contributions to the Lay Plan of \$5.4 million. Fiscal year 2011 actuarial reports indicate that our current underfunded status has improved since the prior year report. The Lay Plan is underfunded by \$14.5 million or a funding level of 76%, an improvement from a 66% funding level in 2010. In September 2011 the Chancery announced changes to the Lay Plan. Effective January 1, 2012, no newly hired employees will be eligible to participate in the Lay Pension Plan. Existing employees will continue to accrue benefits in the Lay Plan. In addition to the Lay Plan the Archdiocese provides a retirement savings plan or 403b Plan whereby both employees and employer can contribute. Beginning in January 2012 the Archdiocese increased the match of employer contributions. The Archdiocese matches 50% of up to a maximum of 8% employee eligible compensation. This match is an increase from 50% of 6% of eligible wages prior to 2012. The Archdiocese intends to continue to make contributions to these benefit plans for employees indefinitely. However, as we continue to focus on funding levels of our existing benefit plans we may need to re-assess these decisions at a future date.

Lay Employee Retirement Plan Funded Status

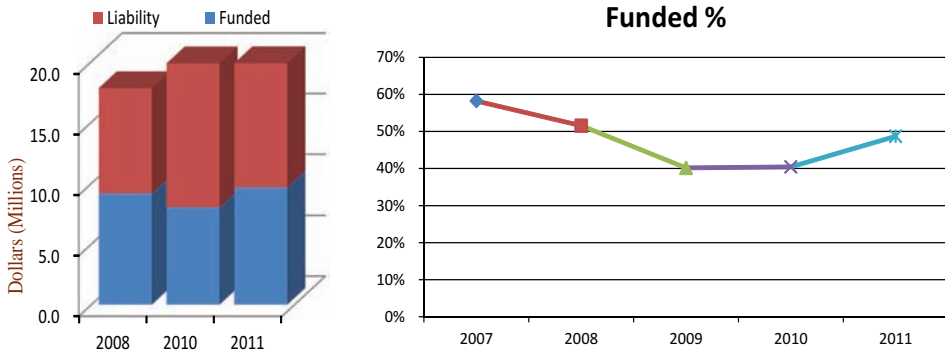


Chief Financial Officer's Report

Parish Services: Priest and Lay Employee Retirement Plans Con't.

Fiscal year 2011 results indicate that the priest retirement plan is underfunded by \$10.2 million, which represents a funding level of only 49 percent. This is also an improvement over the 2010 actuarial funding analysis that reported a funding level of 40%.

Priest Retirement Plan Funded Status



We look to invest new dollars and continue to recover investment losses in the plans, as the funding level of each of these benefit plans is a priority for the archdiocese. For financial reporting purposes these pension plans are considered to be multiemployer plans since the financial activity of parishes and other entities of the archdiocese, which contribute to these plans, is not included in the audited combined financial statements. There are neither separate valuations of plan benefits nor segregation of plan assets specifically for the Chancery.

Expenses Related to Sexual Misconduct Lawsuits

In fiscal year 2011, approximately \$76,000 was spent to provide counseling for victims of sexual misconduct perpetrated or alleged to have been perpetrated by priests or lay employees of the archdiocese. Approximately \$78,000 was spent for these purposes in fiscal year 2010. We have settled a total of three sexual abuse lawsuits through mediation with an average settlement per case of \$187,000. Additionally, approximately \$121,000 was spent for legal fees to defend the archdiocese from sexual misconduct lawsuits in 2011. \$178,000 was spent in legal defense costs in 2010.

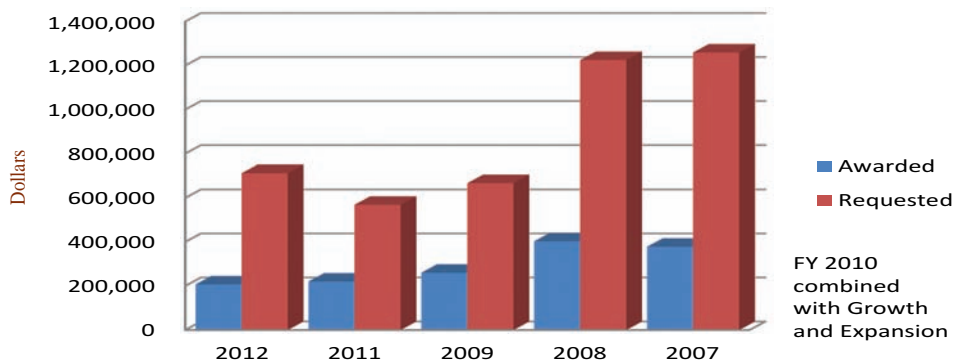
Archdiocesan Grants Awarded

Thanks to the generosity of the parishes in the archdiocese, we have two endowments in the Catholic Community Foundation that have been established such that the annual distributions are used to award grants in the archdiocese to parishes, schools and agencies. These two grant opportunities are awarded based on an application process and target both home missions opportunities and growth and expansion initiatives in the archdiocese.

St. Francis Xavier Home Missions Fund

The St. Francis Xavier Home Mission Endowment Fund was established to provide grants to needy parishes in the archdiocese. With the assistance of an allocation committee who made grant recommendations to Archbishop Daniel Buechlein, in FY 2011 we were able to award six parishes a total of \$207,000. Parish needs continue to far outweigh available resources as grant requests exceeded \$712,000. The following graph shows our most recent years of grants awarded compared to requested funding. Please note the 2009-10 funds were combined with the Growth and Expansion distribution process.

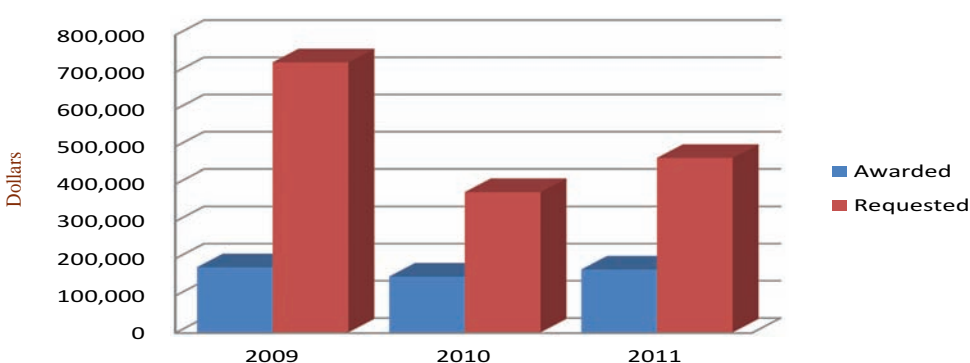
St. Francis Xavier Home Missions Fund



Growth and Expansion Endowment Fund

The growth and expansion endowment fund was established to provide grants to parishes, schools and agencies in the archdiocese that are growing their existing ministries consistent with the overall strategic plan of the archdiocese. Since the inception of this granting fund we have disbursed \$494,000 to support various growth opportunities in ministry and capital throughout the Archdiocese. We are currently in process of reviewing grant requests for the 2011-2012 fiscal year. The graph below reflects the funding the archdiocese has granted since we began the process including the comparison to the grant requests.

Growth and Expansion Endowment Fund



Catholic Community Foundation, Inc.

The Catholic Community Foundation's total cash and investments were \$171.2 million at June 30, 2011, an increase of 18.7 percent from the previous fiscal year. The increase in asset values were driven by the overall investment returns which were a positive 22.4 percent for the 2011 fiscal year. The Foundation investments have returned a very respectable 6.8 percent (annualized) since the inception of the current investment structure in January 1995 despite facing one of the worst 10-year periods in history of the U.S. equity markets. Parishes, schools and agencies of the archdiocese added 12 new endowments during the year, bringing the total number of endowments held in the foundation to 393. The endowments distributed almost \$7.5 million this past year, compared to \$6.4 million the previous year, to support parish, school and agency ministries, demonstrating the ability of endowments to provide long-term funding for ministries.

Operating Budget for 2011-2012

For the 2011-2012 fiscal year we anticipate a break-even operating budget on approximately \$34 million of total operating expenses. We anticipate the most significant challenges to include:

- Managing the parishes that are challenged by operating deficits. These parish deficits are reflected in the archdiocesan deposit and loan fund where management works to manage the negative impact of these debts.
- Continuing efforts to bring the status of the lay and clergy benefit plans to fully funded.
- Managing our public charter schools to be self sustaining.
- Providing parishes, schools and agencies with sound employee benefit and service plans while minimizing cost increases.

On the other hand, we have several positive opportunities:

- Utilizing the benefit of vouchers in our school system.
- Structuring our assets to better match liabilities enabling us to better manage our risks and opportunities.
- Continuing strong growth in the Catholic Community Foundation with an increase in endowments and charitable gift annuities.
- Utilizing generous donor bequests to further Bishop Bruté Seminary growth goals.

Accountability

Accountability is an important part of our stewardship responsibilities. Each year, the archdiocese subjects itself to the scrutiny of an independent audit. The firm of Deloitte & Touche LLP performed the audit for the last fiscal year. The audited financial statements are available for inspection through the Office of Accounting Services or at www.archindy.org/finance/archdiocese. Archdiocesan leadership has established and regularly confers with the Archdiocesan Finance Council. The council, whose existence is required by canon law, focuses on financial policies, procedures and activities of the Church in central and southern Indiana. Current members of the Archdiocesan Finance Council are:

Rev. Christopher J. CoyneApostolic Administrator, Chairman

Daniel L. DeBardPresident; St. Patrick, Terre Haute
 Timothy RobinsonVice President; St. Joan of Arc, Indianapolis
 Jerry WilliamsSecretary, St. Simon, Indianapolis

Members

Kenneth J. HedlundSt. Matthew, Indianapolis
 Mary HornSt. Charles Borromeo, Bloomington
 Philip B. McKiernanImmaculate Heart of Mary, Indianapolis
 Greg MonteSt. Patrick, Terre Haute
 Scott NickersonSt. Pius X, Indianapolis
 Daniel RileySt. Luke, Indianapolis

Jeffrey D. StumpfChief Financial Officer, Staff

This past fiscal year marked continuing financial advancement for the parishes, schools and agencies of the Archdiocese of Indianapolis as we worked to build a sound financial footing. Revenues continued to grow, expenses generally fell in line with or below budget expectations and we've seen a dramatic recovery in the investment markets. We continue to place great emphasis on improving the financial stability of those parishes experiencing deficit operations. May God lead us toward continued success in our ministries.

Respectfully submitted,

Jeffrey D. Stumpf, M.B.A., C.P.A., CFA
 Chief Financial Officer