

# Thanks be to God

In the Diocese of Nashville, we are thankful for the many blessings we receive from a growing and active priesthood, caring and compassionate Catholics, and the resources bestowed upon us. One remarkable and historical blessing during fiscal year 2015 was the ordination of 15 new priests (one has passed away). Yet, the need for new priests continues because in the last five years 27 priests retired/transferred from the diocese while 19 were added. In the next ten years, 21 more priests are expected to retire. Priests will also be needed for up to five new parishes to be opened to address the growth in population and Catholics in our diocese.

The annual financial report for FY 2015 reflects our growth and our challenges. The total assets of the diocese, during FY 2015, increased from \$47.0 million to \$55.4 million. The change in cash, investments, and net assets is the result of two major transactions during FY 2015: the purchase of the new Catholic Pastoral Center for \$12.35 million in cash in August 2014 and a subsequent loan of \$8.5 million in June 2015. The loan is to replenish our liquidity.

On a consolidated basis, the financial results of the diocese was a \$107,735 loss. The Chancery office ended the year with a \$554,872 loss primarily from depreciation (\$374,642) and increased grants to parishes and schools (\$202,771). Restricted revenue provided a net benefit of \$447,137. The combined result was a net asset decrease of (\$107,735).

Grants to parishes increased by \$135,000. These funds were to parishes who required assistance to make necessary repairs or build expanded facilities. The need for repairs, expanded facilities, and new facilities will continue for the next 25 years as Middle Tennessee continues to grow. In FY 2015, numerous construction projects were in effect: St. Francis Assisi, Dover (rectory); St. Luke, Smyrna (new church); St. Anthony, Fayetteville (hall & classrooms); Holy Family, Lafayette (church, hall, classrooms); St. Francis Cabrini, Lebanon (new church); Church of the Nativity, Spring Hill (church, hall, classrooms); and Our Lady of the Lake, Hendersonville (hall & classrooms); among others. These projects reflect a growing Catholic community. You can support these efforts and the growth of our Catholic faith through direct gifts to these projects and your donations to the Bishop's Annual Appeal for Ministries.

Growing and sustaining our faith is thriving in our diocese. For example, campus ministry programs are expanding to more college campuses. A Sunday mass was added at Belmont University. Did you know the largest designated faith among Belmont students is Catholic? (this is true at Vanderbilt also) The demand for religious education increases at our universities, schools, and parishes. These works of mercy through our various activities is a testimony and witness to our Catholic faith.

Your support of our Bishop's call for Christian action through the annual appeal for ministries is vital. During FY 2015, the Bishop devoted \$3,852,709 to provide

## Summary of Financial Statements Diocese of Nashville Comparative FYE June 30, 2012 - June 30, 2015

	2012	2013	2014	2015
<b>REVENUE</b>				
Contributions + Assessments	\$ 5,746,634	\$ 6,241,739	\$ 6,973,270	\$ 6,729,737
Services + Fees	\$ 2,127,310	\$ 2,419,431	\$ 2,913,123	\$ 3,527,031
Other	\$ 438,214	\$ 366,792	\$ 604,795	\$ 313,612
Revenue from Consolidated Entities	\$ 1,838,985	\$ 3,396,095	\$ 2,619,887	\$ 2,806,596
Total	\$ 10,151,143	\$ 12,424,057	\$ 13,111,076	\$ 13,376,975
<b>EXPENSES</b>				
Salaries + Benefits	\$ 4,883,498	\$ 4,302,501	\$ 4,389,055	\$ 4,523,713
Distributions To Parishes, Schools, Ministry	\$ 3,027,364	\$ 3,015,273	\$ 2,992,995	\$ 3,852,709
Operating Costs	\$ 1,757,768	\$ 1,813,310	\$ 1,408,583	\$ 2,285,536
Tuition, Room, & Board	\$ 720,943	\$ 930,366	\$ 984,831	\$ 890,224
Expense from Consolidated Entities	\$ 2,005,882	\$ 2,685,421	\$ 2,921,279	\$ 2,453,001
Total	\$ 12,395,455	\$ 12,746,871	\$ 12,696,743	\$ 14,005,183
<b>NET GAIN (LOSS) FROM REGULAR OPERATIONS</b>				
	\$ (2,244,312)	\$ (322,814)	\$ 414,333	\$ (628,208)
Investment Income	\$ 405,049	\$ 2,661,402	\$ 2,960,297	\$ 520,473
Extraordinary Transactions	\$ (600,000)	\$ (1,445,270)	\$ 15,658,257	\$ -
<b>INCREASE/(DECREASE) IN NET ASSETS</b>				
	\$ (2,439,263)	\$ 893,318	\$ 19,032,887	\$ (107,735)

	2012	2013	2014	2015
<b>ASSETS</b>				
Current	\$ 23,885,886	\$ 22,579,398	\$ 27,993,625	\$ 24,724,515
Long Term	\$ 3,317,600	\$ 5,520,761	\$ 15,314,985	\$ 27,832,439
Other	\$ 3,248,237	\$ 3,136,842	\$ 3,717,276	\$ 2,873,309
Total	\$ 30,451,723	\$ 31,237,001	\$ 47,025,886	\$ 55,430,263
<b>LIABILITIES</b>				
Current	\$ 856,944	\$ 1,178,280	\$ 1,195,535	\$ 1,207,647
Long Term	\$ 9,440,633	\$ 9,011,257	\$ 5,750,000	\$ 14,250,000
Total	\$ 10,297,577	\$ 10,189,537	\$ 6,945,535	\$ 15,457,647
<b>NET ASSETS</b>				
Unrestricted	\$ 12,493,580	\$ 12,941,936	\$ 30,551,479	\$ 29,996,607
Restricted	\$ 7,660,566	\$ 8,105,528	\$ 9,528,872	\$ 9,976,009
Total	\$ 20,154,146	\$ 21,047,464	\$ 40,080,351	\$ 39,972,616
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>				
	\$ 30,451,723	\$ 31,237,001	\$ 47,025,886	\$ 55,430,263

### SUBSIDIES AND OTHER DISTRIBUTIONS June 30, 2012, 2013, 2014 and 2015

GRANTS TO:	2012	2013	2014	2015
Parishes	\$ 707,582	\$ 599,521	\$ 455,150	\$ 589,002
Schools	\$ 1,281,981	\$ 1,282,778	\$ 1,565,467	\$ 1,634,386
Diocesan institutions (1)	\$ 608,967	\$ 680,301	\$ 505,184	\$ 1,165,854
Catholic institutions	\$ 59,895	\$ 76,710	\$ 76,084	\$ 93,861
Campus ministry-parish programs	\$ 37,800	\$ 37,800	\$ 35,400	\$ 31,400
Trust beneficiaries	\$ 11,766	\$ 11,994	\$ 16,358	\$ 10,815
Family and Individual assistance	\$ 319,373	\$ 326,169	\$ 339,352	\$ 327,391
	\$ 3,027,364	\$ 3,015,273	\$ 2,992,995	\$ 3,852,709

(1) In FY 2015, accounting treatment for property leased at \$1 a year imputes lease income and expense of \$600,000.

### FUNCTIONAL EXPENSES JUNE 30, 2012, 2013, 2014, and 2015

EXPENSES	2012	2013	2014	2015
Governance	\$ 3,092,337	\$ 3,006,042	\$ 2,699,439	\$ 3,186,281
Pastoral, social and educational services	\$ 936,138	\$ 937,000	\$ 1,036,927	\$ 993,438
Clergy benefits	\$ 1,942,011	\$ 2,487,243	\$ 1,462,768	\$ 1,011,497
School and institutional assistance	\$ 1,297,356	\$ 1,280,407	\$ 1,575,099	\$ 2,239,640
Vocations	\$ 1,177,223	\$ 1,573,025	\$ 1,685,746	\$ 1,379,399
Ministries (youth, elderly, campus and ethnic)	\$ 753,943	\$ 1,361,230	\$ 1,498,514	\$ 1,469,199
Communications	\$ 777,673	\$ 653,769	\$ 671,731	\$ 676,076
Parish assistance	\$ 943,084	\$ 985,781	\$ 1,008,126	\$ 984,571
Family assistance and payments to beneficiaries	\$ 347,018	\$ 509,034	\$ 407,961	\$ 387,036
Fundraising expenditures	\$ 341,645	\$ 116,141	\$ 79,834	\$ 337,011
Cemeteries	\$ 360,963	\$ 290,847	\$ 285,199	\$ 259,456
Insurance and worker's compensation	\$ 730,670	\$ 540,719	\$ 674,897	\$ 706,937
Depreciation and amortization	\$ 295,394	\$ 276,257	\$ 160,502	\$ 374,642
TOTAL	\$ 12,995,455	\$ 14,017,495	\$ 13,246,743	\$ 14,005,183

help, education, and support to those in need. While the revenue dedicated to sustain these necessary charities was only \$2,462,700 (a shortfall of \$1,390,000). Please consider a donation this year to assist your church in helping others.

Provided above is a designation of how the \$14 million in annual diocesan expenses is distributed on a functional basis. More than \$9 million is spent to

nurture, communicate, and foster our Catholic faith through action. The need grew by \$750,000 in FY 2015 compared to FY 2014. Bishop Choby is grateful for your support of these functions through your commitment of time, talent, and treasure. Pope Francis encourages us all to respond generously to Christ's call to action in living our Catholic faith.

In preparing for our future growth,

another historic step forward in the presence and capability of the Diocese of Nashville occurred in FY 2015. The Diocese of Nashville began in 1837 with temporary offices downtown and permanent offices initially constructed adjacent to St. Mary's of the Seven Sorrows Church. In 1974 (137 years later), the Chancery offices expanded to include 2400 21st Avenue South. In the interven-

ing 40 years, the ministry programs of the diocese continued to grow and expand from two to seven locations. In August 2014, the Diocese of Nashville bought a new facility to house the staff from all seven locations. Today, the new Catholic Pastoral Center at 2800 McGavock Pike provides space for Catholic Charities (110 staff), Iglesia Sagrado Corazon (8 staff and 3,500 parishioners), Tennessee Register (6 staff) and the Diocesan Offices (34 staff), including Adult Ministry (1), Catechetics (1), Catholic Schools (4), Chancery (11), Development (2), Fiscal (6), Human Resources (2), Pastoral Services (1), Tribunal (4), and Youth Ministry (2).

The new facility has enabled the Bishop to consolidate operations and reduce operating expenses. Simultaneously, it has significantly expanded the pastoral outreach and faith-based programs while improving coordination of services. The building is now occupied and buzzing with activity: Engaged Couples Retreats, JPII student retreats, SEARCH activities, Catholic Charities seminars, St. Thomas Hospital seminars, DRE meetings, Bible study, and much more. This facility provides re-

markable opportunities for outreach, faith formation, and support of our Catholic presence in Middle Tennessee.

Bishop Choby plans to hold an Open House for the entire diocese. Please look for the announcement in a future issue of the Tennessee Register.

Our overall financial condition is improving but needs your personal support. Please consider a year end donation to your parish, Catholic school, seminarian education, or the Bishop's Annual Appeal for Ministries. Donations can be made payable to the Diocese of Nashville and designated for your special church purpose. Gifts of stock or other assets are appreciated; please contact Sandra Jordan or Bill Whalen at the diocese offices to discuss arrangements.

The diocese's FY 2014-2015 financial statements were audited by Crosslin & Associates, P.C., certified public accountants. Their clean opinion and full report are posted on the diocesan website.

Thank you and may God bless you. Happy Thanksgiving.

William J. Whalen, Chief Financial Officer ☩



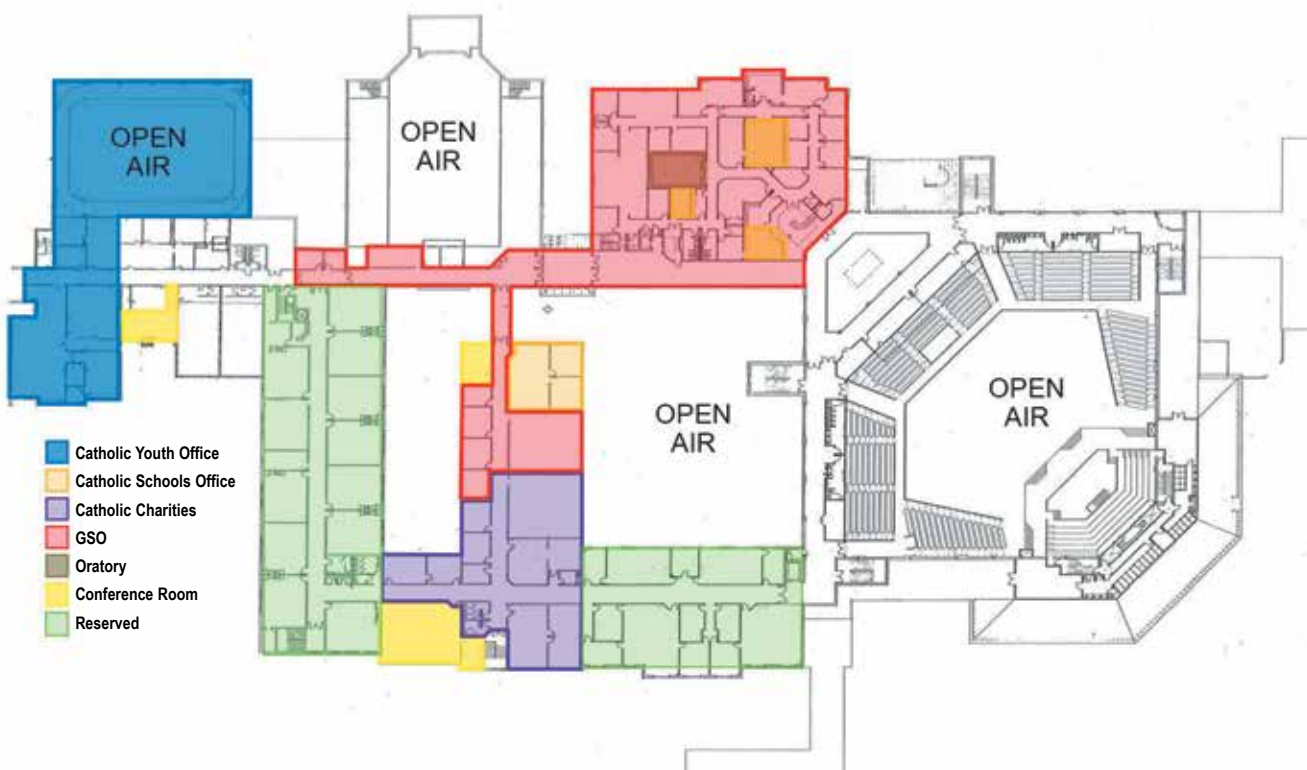
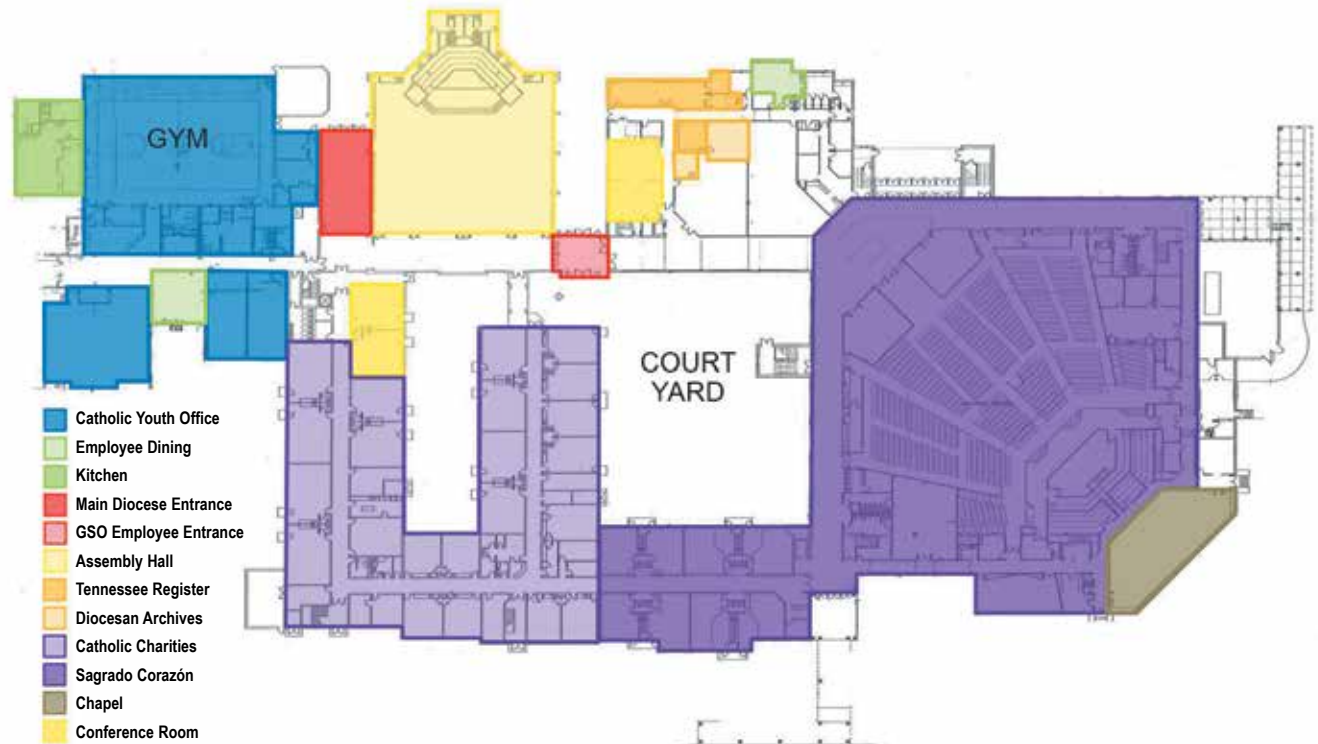
Photo by Father Gervan Menezes

Teens preparing to lead a SEARCH weekend pray the Liturgy of the Hours night prayer after a team meeting. SEARCH is one of the ministries using the facilities in the new Catholic Pastoral Center at 2800 McGavock Pike across Briley Parkway from the Opryland Hotel.

## Diocese of Nashville Catholic Pastoral Center

### First Floor

You will notice the first floor is full and completely designated for church, chapel, diocese, religious education, TN Register, Archives, and Catholic Charities. A large portion of the space on the first floor is contained in the 3,300 seat church, 180 seat chapel, 600 seat auditorium, meeting rooms, lunch rooms, gymnasium, and racquetball courts. The first floor provides space for Catholic Charities' delivery and coordination of services. Mass or communion service is offered every day of the week.



### Second Floor

The second floor is similarly fully designated yet provides flexibility for growth in the future. The second floor is functionally about half the size of the first floor. This is because the church, chapel, auditorium, lobby, and racquetball courts are two story areas. The second floor is designated for diocese offices, Catholic Charities offices, SEARCH, and storage. The combined cost of operating this facility is less than the cost of the prior seven separate facilities yet provides enormous benefits and remarkable new opportunities. The purchase cost of the Catholic Pastoral Center will be covered by the value of the 21st Avenue location and donations.