





# ANNUAL REPORT *of the* DIOCESE OF METUCHEN



Dear Sisters and Brothers,

I'd like to extend my sincerest thanks to all who contributed to the Bishop's Annual Appeal during the 2011-2012 Fiscal Year. Your gifts combined with diocesan investments, assessments and other revenues truly made a positive difference in the lives of many in the Diocese of Metuchen. As your shepherd, it gives me great satisfaction to share with you some of the programs and services we were able to provide with these funds.

Acting in solidarity with the U.S. Conference of Catholic Bishops and other religious leaders, the Office of Respect for Life took part in the national "Rally for Religious Freedom" in March and June, and hosted information sessions to educate people about their constitutional right to Religious Freedom. The office is responsible for numerous initiatives each year which foster the protection of human life at all stages. This advocacy is accomplished primarily through public policy, education, prayer and outreach.

Always looking to assist those who are listening for God's call in their life, the diocesan Office of Vocations held a Day of Discernment at the Catholic Center at Rutgers and a Picnic for Vocations. The ongoing efforts of the office have been fruitful as three new seminarians were introduced in 2012 shortly after three priests were newly-ordained. Through the diocesan Office of the Diaconate, 11 men were ordained as deacons. A new diocesan policy was introduced in 2011 that requires deacon candidates to earn a master's degree in theology as part of their formation for the permanent diaconate. Your generosity helps to offset tuition costs for our clergy.

The diocesan Office of Youth and Young Adult Ministry sponsored its fifth annual youth ambassador trip to Guatemala as part of the diocese's Global Solidarity Partnership with the Diocese of Santa Rosa de Lima, and hosted the diocese's first Young Adult Summit in an effort to gather information that would help shape ministries to better serve young adults in our diocese.

With much guidance and assistance from the Office of Schools, in September 2011, the diocese opened its first deanery school, Holy Savior Academy, in South Plainfield. The establishment of a regional inter-parochial school with an emphasis on technology was the vision of the 12 pastors of the diocese's Middlebrook Deanery. It is truly a model of how parishes can work together to provide an excellent Catholic education.

The Office of Family Life continued to expand its offerings to the Hispanic community by establishing a marriage leadership formation course for Spanish-speaking couples, as well as offering God's Plan for a Joy-Filled Marriage and Natural Family Planning (NFP) sessions in Spanish as well as English. The office also continued its Bible Study for Maturing Catholics and provided training to parish bereavement facilitators.

The Department of Leadership and Formation continued to provide education for catechists and liturgical leaders. The diocesan Office of Catechesis brought back its popular eight-part adult faith formation series, *The Bible: Root of our Catholic Faith*. To inspire Bible study leaders in March 2012, the diocesan Office of Evangelization hosted a Bible Conference featuring a nationally acclaimed evangelist and author. The office also held a nine-part Apologetics 101 course to enable Catholics to knowledgeably answer questions posed about Catholicism.

Because the Rite of Christian Initiation of Adults (RCIA) is the model for the New Evangelization, in June 2012, the diocesan Offices of Catechesis, Priest Personnel, RCIA, and Worship and Episcopal Ceremonies co-sponsored an RCIA workshop for priests, deacons, religious and parish ministers. Presenter Dr. Jerry Galipeau explored the ritual text prepared and issued by decree of the Roman Catholic Church.

The Department of Diocesan Planning and Communications co-sponsored a daylong workshop with the Office of Finance focused on best practices for parish pastoral councils and finance councils featuring Dr. Charles Zech, Director of the Center for Church Management at Villanova University. The department also facilitated merger processes creating three new parishes in Perth Amboy and one in Port Reading/Woodbridge and facilitated Renewing the Church dialogues in Manville and New Brunswick leading to consensus recommendations for a new structure of the Church in these areas.

*The Catholic Spirit*, the official diocesan newspaper, keeps the faithful informed about our diocese and parishes. It is available in all parishes and online. Our electronic newsletter, the e-Weekly, emailed to subscribers each Friday and our website, [diometuchen.org](http://diometuchen.org), provides up-to-date diocesan news, events, action alerts and general information about our services, programs and ministries.

I thank God for all who support our Diocese and pray that He will continue to give us the grace we need to carry out His work.

Sincerely in the Lord,

Most Reverend Paul G. Bootkoski  
Bishop of Metuchen

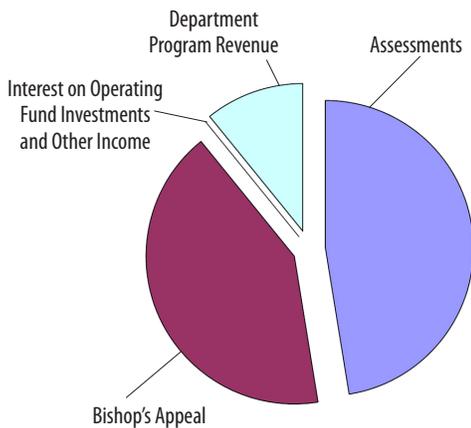


## OPERATING FUND

This fund includes all resources available for current support of diocesan operations. Exclusive of the Office of the Bishop, the Office of the Vicar General, the Office of the Chancellor, the Office of Child and Youth Protection, The Tribunal, the Office of Communications and Public Relations and the Office of Internal Audit, all other diocesan service agencies have been organized for the purpose of administrative effectiveness and efficiency under a system of eight departments for the apostolate.

Each department is a network of offices, commissions and organizations whose major purposes and functions foster the development of a particular ministry or apostolate on the diocesan level. The eight departments for the apostolate are the Department of Administrative Services, the Department of Catholic Social Service, the Department of Education, the Department of Clergy and Religious Personnel, the Department of Pastoral Life, the Department of Formation and Leadership, the Department of Stewardship and Development and the Department of Diocesan Planning.

### ORDINARY REVENUE



Ordinary Revenue	Actual 2011-2012	%
Assessments	\$7,466,589	47.4%
Bishop's Appeal	6,564,364	41.7%
Interest on Operating Fund Investments and Other Income	863	0.0%
Department Program Revenue	1,706,269	10.8%
<b>Total</b>	<b>\$15,738,085</b>	<b>100.0%</b>

### FINANCIAL DISCLOSURES

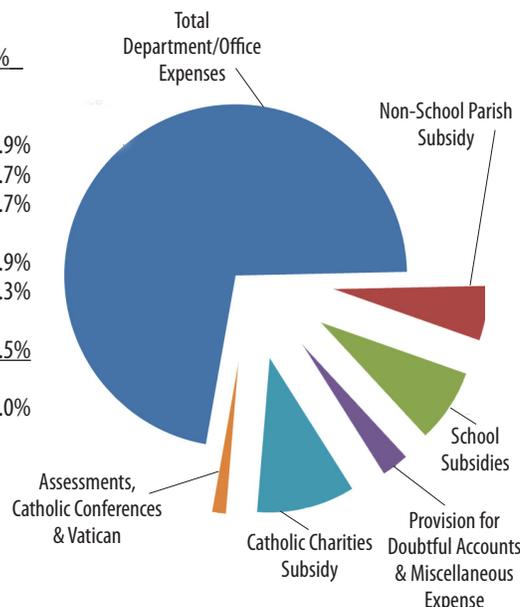
The exhibited financial statements in this publication represent the assets, liabilities, net assets and financial activities of the central operations of the Diocese of Metuchen. It comprises all departments, offices, and units that provide services at the diocesan level of administration and are fiscally responsible to the bishop of the Diocese. These activities are maintained in accordance with the principals of fund accounting to ensure observance of limitations and restrictions placed on the use of resources made available to the diocese. In this regard, resources are classified for accounting and reporting purposes into self-balancing fund groups in compliance with the nature and purpose of such resources.

The financial statements presented herein are excerpted from the Annual Report for the fiscal year ended June 30, 2012 as prepared by the accounting firm of Donohue, Girona and Doria, CPAs. The referenced Annual Report is on file at the St. John Neumann Pastoral Center, Piscataway, and is made available upon request.

Thomas G. Toolan  
Director of Finance

### ORDINARY EXPENDITURES

	Actual 2011-2012	%
Total Department Office Expenses	\$13,040,232	71.9%
Non-School Parish Subsidy	1,042,433	5.7%
School Subsidies	1,405,000	7.7%
Provision for Doubtful Accounts and Miscellaneous Expenses	528,562	2.9%
Catholic Charities Subsidy	1,860,000	10.3%
Assessments, Catholic Conferences and Vatican	266,696	1.5%
<b>Total</b>	<b>\$18,142,923</b>	<b>100.0%</b>





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Following a Mass at the Cathedral of St. Mary of the Assumption, Trenton, worshippers head to the Stand Up for Religious Freedom Rally on the Statehouse steps. Diocesan speakers at the rally included Jennifer A. Ruggiero, director, Office of Respect for Life; Father Timothy A. Christy, pastor, St. Magdalen de Pazzi Parish, Flemington; and Father Thomas F. Ryan, pastor, Our Lady of Victories Parish, Sayreville.

—**Joanne Ward photo**



Bishop Paul G. Bootkoski, speaks with students at St. Stanislaus Kostka School, Sayreville. The bishop visited the parish school during Catholic Schools Week, accompanied by Father Kenneth Murphy, pastor.

— **Mike Ehrmann photo**

## ORDINARY EXPENDITURES

DEPARTMENT/OFFICE	EXPENSE	% of TOTAL
BISHOPRIC	459,683	2.6%
VICAR GENERAL AND MODERATOR OF THE CURIA	158,157	0.9%
OFFICE OF THE CHANCELLOR	698,111	4.0%
THE TRIBUNAL	344,678	2.0%
OFFICE OF CHILD AND YOUTH PROTECTION	177,041	1.0%
OFFICE OF COMMUNICATIONS AND PUBLIC RELATIONS	128,202	0.7%
OFFICE OF INTERNAL AUDIT	242,797	1.4%
<b>DEPARTMENTS</b>		
<b>ADMINISTRATIVE SERVICES</b>		
Office of Finance	755,189	4.4%
Office of Information Systems	541,094	3.1%
Office of Insurance	75,561	0.4%
Office of Human Resources	300,287	1.7%
Office of Property and Facilities Management	199,949	1.2%
Diocesan Center Operations	1,536,613	8.9%
Catering Services	<u>50,539</u>	<u>0.3%</u>
TOTAL	3,459,232	19.9%
<b>STEWARDSHIP AND DEVELOPMENT</b>		
Office of the Executive Director	577,637	3.3%
Bishop's Appeal	713,334	4.1%
Major Gifts/Planned Giving	12,266	0.1%
Office of Stewardship	<u>93,460</u>	<u>0.5%</u>
TOTAL	1,396,697	8.1%
<b>SOCIAL SERVICES</b>		
Catholic Charities, Diocese of Metuchen	<u>1,860,000</u>	<u>10.7%</u>
TOTAL	1,860,000	10.7%
<b>EDUCATION</b>		
Office of the Executive Director	65,705	0.4%
Office of Schools	721,954	4.2%
School Subsidies	2,447,433	14.1%
New Jersey Network of Catholic School Families	33,948	0.2%
Catholic Scouting Apostolate	7,156	0.0%
Campus Ministry Apostolate	<u>627,242</u>	<u>3.6%</u>
TOTAL	3,903,438	22.5%

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## ORDINARY EXPENDITURES *cont'd*

DEPARTMENT/OFFICE	EXPENSE	% of TOTAL
<b>CLERGY AND RELIGIOUS PERSONNEL</b>		
Office of the Executive Director	360,506	2.1%
Office of the Permanent Diaconate	145,245	0.8%
Office for Religious	24,152	0.1%
Office of Vocations	505,083	2.9%
Office of Ministry to Priests	29,442	0.2%
Office of Hospital Chaplaincy	552,168	3.2%
The Maria Regina Residence	356,865	2.1%
Priest Advanced Study	13,848	0.1%
St. John Vianney House of Discernment	79,126	0.5%
Office of Prison Ministry	22,241	0.1%
Bethany Ridge Spirituality Center	<u>91,542</u>	<u>0.5%</u>
<b>TOTAL</b>	<b>2,180,218</b>	<b>12.6%</b>
<b>PASTORAL LIFE</b>		
Office of the Executive Director	68,482	0.4%
Office of Family Life Ministry	262,599	1.5%
Office for Hispanic Ministry	207,788	1.2%
Office for Multi-Cultural Ministries	39,214	0.2%
Office of Respect for Life	<u>172,487</u>	<u>1.0%</u>
<b>TOTAL</b>	<b>750,570</b>	<b>4.3%</b>
<b>FORMATION AND LEADERSHIP</b>		
Office of the Executive Director	84,798	0.5%
Office of Parish Leadership Formation	93,422	0.5%
Office of RCIA	89,075	0.5%
Office of Evangelization	257,396	1.5%
Office of Youth and Young Adult Ministry	334,870	1.9%
Office for Catechesis	235,282	1.4%
Office of Worship and Liturgical Formation	227,095	1.3%
Emmaus House	<u>11,375</u>	<u>0.1%</u>
<b>TOTAL</b>	<b>1,333,313</b>	<b>7.7%</b>
<b>DIOCESAN PLANNING</b>		
Office of Strategic Planning	255,528	1.5%
<b>GRAND TOTAL</b>	<b>17,347,665</b>	<b>100.0%</b>



Diocesan Youth Day attendees dance and sing March 10 at St. Bernard of Clairvaux Parish, Bridgewater. Javier Bustamante, director of the diocesan Office of Youth and Young Adult Ministry, encouraged the teens to enter the day fully and with open hearts.

—Mike Ehrmann photo



Participants listen intently to Steve Ray at the diocesan Bible conference held March 10. Ray moved the attendees with his personal accounts and enlightened them with lectures on how the Gospel of John is a gateway to conversion. The conference was sponsored by the diocesan Office of Evangelization.

—Gabby Sanabria photo

# ANNUAL REPORT of the DIOCESE OF METUCHEN — CENTRAL

## STATEMENTS OF FINANCIAL POSITION — JUNE 30, 2012 AND 2011

ASSETS	OPERATING FUND	INSURANCE & PENSION FUND	CATHOLIC SPIRIT FUND	PARISH ASSISTANCE FUND	PLANT FUNDS	CUSTODIAN FUND	ENDOWMENT & SIMILAR FUNDS	CEMETERY FUNDS	EDA BOND FUND	2012 TOTAL ALL FUNDS	2013 TOTAL ALL FUNDS
Cash and Cash Equivalents	\$(3,683,785)	\$ 6,158,611	\$ 11,926	\$ 1,070,251	\$ (596,198)	\$ 238,514	\$ 751,690	\$ 1,718,811	\$ 1,183,750	\$ 6,853,570	\$ 3,697,085
Assets Held in Split Interest Agreements							425,306			425,306	449,254
Investments	30,022	17,363,216		16,806,338			30,243,443	2,433,792		66,876,811	71,106,248
Accounts Receivable	221,326	14,250	15,465					511,540		762,581	696,733
Pledges Receivable - BAA	13,798									13,798	13,505
Pledges Receivable							293,175			293,175	123,734
Assessments Receivable, Less Allowance for Doubtful Accounts of \$2,035,195 and \$2,086,268	1,092,824									1,092,824	1,485,095
Insurance and Pension Receivable, Less Allowance for Doubtful Accounts of \$2,100,664 and \$1,999,412		5,249,596								5,249,596	6,414,397
Accrued Interest Receivable				158,470					133,688	292,158	251,705
Notes and Loans Receivable, Less Allowance for Doubtful Accounts of \$100,000 and \$100,000							15,324		23,956,699	23,972,023	24,736,933
Notes and Loans Receivable Less Allowance for Doubtful Accounts of \$488,090 and \$497,815				6,420,890	578,176					6,999,066	7,543,292
Cash Surrender Value - Clergy Life Insurance		3,476,236								3,476,236	3,243,261
Due from Other Funds	971,305						136,306			1,107,611	1,257,611
Prepaid Expenses and Other Assets	497,977	(140,926)	6,926							363,977	460,784
Inventory of Crypts								8,108,913		8,108,913	6,728,570
Deferred Costs of Issuance - EDA Bond Land, Buildings and Equipment, Less Accumulated Depreciation of 18,951,665 and \$17,802,095						24,534,948			390,806	390,806	412,220
								1,364,121		25,899,069	25,961,115
	\$ (856,533)	\$ 32,120,983	\$ 34,317	\$24,455,949	\$ 24,516,926	\$ 238,514	\$ 31,865,244	\$14,137,177	\$ 25,664,943	\$ 152,177,520	\$ 154,581,542

LIABILITIES AND FUND BALANCES	OPERATING FUND	INSURANCE & PENSION FUND	CATHOLIC SPIRIT FUND	PARISH ASSISTANCE FUND	PLANT FUNDS	CUSTODIAN FUND	ENDOWMENT & SIMILAR FUNDS	CEMETERY FUNDS	EDA BOND FUND	2012 TOTAL ALL FUNDS	2011 TOTAL ALL FUNDS
Accounts Payable and Accrued Expenses	\$ 249,519	\$ 50,118	\$ 738	\$ (10,807)	\$	\$	\$ 2,500	\$ 102,361	\$	\$ 394,429	\$ 388,925
Deferred Support and Revenue	158,835	3,134,638	28,614					185,010		3,507,097	4,566,454
Notes Payable				24,836,375						24,836,375	21,392,757
Due to Other Funds			1,057,611				50,000			1,107,611	1,257,611
Swap Obligation Payable									6,252,589	6,252,589	3,882,817
EDA Bond Payable									25,600,000	25,600,000	26,495,000
Liability Under Unitrust Agreement							133,062			133,062	144,262
Funds Held for Others		162,577				238,514				401,091	946,086
Other Liabilities											48,174
Accrued Pension Payable		18,145,538								18,145,538	14,982,265
Accrued Postretirement Benefits Payable		10,284,324								10,284,324	6,294,515
Net Assets	(1,264,887)	343,788	(1,052,646)	(369,619)	24,516,926		31,679,682	13,849,806	(6,187,646)	61,515,404	74,182,676
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ (856,533)</b>	<b>\$ 32,120,983</b>	<b>\$ 34,317</b>	<b>\$24,455,949</b>	<b>\$ 24,516,926</b>	<b>\$ 238,514</b>	<b>\$ 31,865,244</b>	<b>\$14,137,177</b>	<b>\$ 25,664,943</b>	<b>\$ 152,177,520</b>	<b>\$ 154,581,542</b>

# OPERATIONS for FISCAL YEAR JULY 1, 2011 to JUNE 30, 2012

## STATEMENTS OF SUPPORT AND REVENUE, EXPENSES, TRANSFERS AND CHANGES IN FUND BALANCE

SUPPORT AND REVENUE	OPERATING FUND	INSURANCE & PENSION FUND	CATHOLIC SPIRIT FUND	PARISH ASSISTANCE FUND	PLANT FUNDS	CUSTODIAN FUNDS	ENDOWMENT & SIMILAR FUNDS	CEMETERY FUNDS	EDA BOND FUND	2012 TOTAL ALL FUNDS	2011 TOTAL ALL FUNDS
Assessment Revenue	\$ 7,466,586	\$	\$	\$	\$	\$	\$	\$	\$	\$ 7,466,589	\$ 7,728,425
Endowments, Donations and Bequests	3,980	353,091	59,390				1,038,082	100,000		1,554,543	1,330,250
Pledge Contributions	6,564,364									6,564,364	6,293,089
Temporary Revenue - Golf	96,560									96,560	120,118
Change in Value of Charitable Remainder Trust							(12,748)			(12,748)	16,682
Cemetery Burials and Perpetual Care								4,399,377		4,399,377	1,886,175
Investment Income	1,443	203,444		302,622	31,202		448,560	48,348		1,035,619	784,431
Income from Financing									1,210,607	1,210,607	1,226,952
Program Revenues from Departments	1,553,834	5,551,063	336,786							7,441,683	7,824,502
Gain/(Loss) on Sale of Land, Building and Equipment					(97)					(97)	658
Net Unrealized and Realized Gain/(Loss) on Long Term Investments	(580)	(106,537)		(270,541)			(559,991)	(304,355)		(1,242,004)	11,434,993
Gain/(Loss) on Interest Rate Swap Obligation									(2,369,772)	(2,369,772)	734,667
Rental Income	21,800							55,000		76,800	73,800
Catering Income	23,244									23,244	13,030
Miscellaneous Income	6,851		12,442					35		19,329	37,745
<b>TOTAL REVENUE</b>	<b>\$ 15,738,085</b>	<b>\$ 6,001,062</b>	<b>\$ 408,618</b>	<b>\$ 32,081</b>	<b>\$ 31,105</b>	<b>\$ 0</b>	<b>\$ 913,903</b>	<b>\$ 4,298,405</b>	<b>\$ (1,159,165)</b>	<b>\$ 26,264,094</b>	<b>\$ 39,505,517</b>
<b>EXPENSES</b>											
Office of the Bishop	\$ 459,683	\$	\$	\$	\$	\$	\$	\$	\$	\$ 459,683	\$ 402,605
Vicar General / Moderator of the Curia	158,157									158,157	127,592
Office of the Chancellor	698,111									698,111	621,612
The Tribunal (Diocesan Court)	344,678									344,678	270,145
Office of Child and Youth Protection	177,041									177,041	161,908
Office of Communications	128,202									128,202	143,522
Office of Internal Audit	242,797									242,797	232,290
Departments:											
Charities and Social Ministry	1,860,000						18,155			1,878,155	1,771,691
Education	1,456,005						833,479			2,289,484	2,235,483
Personnel in Ministry	2,180,218						16,277			2,196,495	2,249,249
Pastoral Life	750,570						3,147			753,717	747,239
Administration	3,459,232	3,946,817	603,291	88,675	1,770,410		468,214	1,939,304	26,482	12,302,425	10,621,474
Formation and Leadership	1,333,313									1,333,313	1,180,249
Stewardship and Development	1,382,384									1,382,384	1,223,839
Diocesan Planning	255,528									255,528	252,337
Generous Diocese	82,316									82,316	72,940
Fundraising Expense - Golf	14,313									14,313	19,880
Cost of Crypt Sales								807,035		807,035	228,694
Interest Expense				1,099,469					1,228,986	2,328,455	2,219,680
Subsidies - Diocesan/Parochial High Schools	2,447,433									2,447,433	2,933,407
Depreciation					1,081,433			105,865		1,187,298	1,211,395
Amortization Expense									21,414	21,414	21,414
Provision for Doubtful Accounts	445,783	452,314	1,855	(9,725)				(4,412)		885,815	656,617
Assessments by Catholic Conferences (NJCC, USCC)	201,696									201,696	208,207
Assessment by Vatican	65,000									65,000	65,000
Net Periodic Pension Cost		4,390,269								4,390,269	2,109,815
Net Periodic Postretirement Benefit Cost		1,899,520								1,899,520	719,822
Miscellaneous Expense	463			169						632	2,131
<b>TOTAL EXPENSES</b>	<b>\$ 18,142,923</b>	<b>\$ 10,688,920</b>	<b>\$ 605,146</b>	<b>\$ 1,178,588</b>	<b>\$ 2,851,843</b>	<b>\$ 0</b>	<b>\$ 1,339,272</b>	<b>\$ 2,847,792</b>	<b>\$ 1,276,882</b>	<b>\$ 38,931,366</b>	<b>\$ 32,710,507</b>
Excess (Deficiency) of Support and Revenue Over Expenses	\$ (2,404,838)	\$ (4,687,858)	\$ (196,528)	\$ (1,146,507)	\$ (2,820,738)	\$ 0	\$ (425,369)	\$ 1,450,613	\$ (2,436,047)	\$ (12,667,272)	\$ 6,795,010
Transfers:											
Cash and Other Transfers	2,058,348	( 750,000)	175,800		1,872,450	0	(3,335,000)	(21,598)			
Excess (Deficiency) of Support and Revenue Over Expenses After Transfers	(346,490)	(5,437,858)	(20,728)	(1,146,507)	(948,288)	0	(3,760,369)	1,429,015	(2,436,047)	(12,667,272)	6,795,010
Net Assets, Beginning of Year	(918,397)	\$ 5,781,646	(1,031,918)	766,888	25,465,214	0	35,440,051	12,420,791	(3,751,599)	74,182,676	67,387,666
<b>NET ASSETS END OF YEAR</b>	<b>\$ (1,264,887)</b>	<b>\$ 343,788</b>	<b>\$(1,052,646)</b>	<b>\$( 369,619)</b>	<b>\$24,516,926</b>	<b>\$ 0</b>	<b>\$ 31,679,682</b>	<b>\$ 13,849,806</b>	<b>\$ (6,187,646)</b>	<b>\$ 61,515,404</b>	<b>\$ 74,182,676</b>



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## Endowments and Similar Funds

Endowment and Similar Funds represents endowments established by the Diocese of Metuchen and resources obtained from endowments, gifts, and bequests. This fund is utilized to record and maintain the financial activities of these endowments. These funds are invested and designated for specific purposes. The Corpus of each endowment is increased each year by 10% of the interest/dividends and net gains on investments generated in that fiscal year for that particular endowment plus 100% of all donations made directly to the endowment itself. The difference, 90% of the yearly interest/dividends and net gains on investments generated in that fiscal year are used to issue grants. There are 10 endowments:

### **Priestly Education Endowment**

- Grants are issued to help support the diocesan operational budget for seminarian education.
- In fiscal year 2011-2012 the total amount of grants issued was \$100,000 even though the total cost for seminarian education was \$286,910. The cost of seminarian education does not include priest-advanced study, priest continuing education, priest Spanish or English studies, or diaconate education.

### **Foundation for Catholic Education**

- Grants are issued each year to provide tuition assistance to needy families within our diocese whose children attend diocesan schools and to help defray the cost of tuition by one third for educators of religious education.
- In fiscal year 2011-2012, the grants issued funded 27.89% of a family's calculated need. The minimum grant was \$300 for a family's first child in elementary school and \$600 for a family's child in high school. The maximum grant was \$810 for a family's first child in elementary school and \$2,260 for a family's child in high school.
- The total issued in tuition assistance grants for fiscal year 2011-2012 was \$780,127.

### **Fund for the Future Endowment**

- Grants are issued each year to help reimburse or fund parishes or the Plant Fund for the purchases of future parish sites.
- In fiscal year 2011-2012 there was a grant issued for \$325,000.

### **Perth Amboy Catholic School Endowment**

- Grants are issued each year directly to Perth Amboy Catholic School for operational subsidy.
- In fiscal year 2011-2012 the total amount of the grant issued to PACS was \$200,000. The amount the Diocese had to subsidize PACS in the fiscal year 2011-2012 on top of this grant was \$555,000.

### **Maria Regina Residence Endowment**

- Grants are issued each year to help support the diocesan operational budget for the operations of the Maria Regina Residence.
- In fiscal year 2011-2012 the total amount of grants issued was \$150,000, and the total cost for operating the Maria Regina Residence was \$356,865.

### **Flame of Charity Foundation**

- Grants are issued each year to Catholic Charities for operations from the profits generated from the Flame of Charity Dinner.
- In fiscal year 2011-2012 the grant issued was in the amount of \$171,130.

### **Reserve Endowment**

- Grants are issued each year to help support the operating budget and to help pay for the loan taken to construct Immaculate Conception School, Clinton. In fiscal year 2011-2012, the total amount of grants issued amounted to \$1,030,286 representing \$280,286 in partial payments for the construction of Immaculate Conception School, Clinton, and \$750,000 to help support the diocesan budget.

### **The Catholic Center at Rutgers**

- This endowment was set up from the In Service to the Kingdom Campaign. The purpose was to pay for the construction and renovation of a new Campus Ministry Center in New Brunswick.
- In fiscal year 2011-2012, this endowment was used to record the activity for the start of a capital campaign at Rutgers.

### **Respect for Life Endowment**

- Grants are issued each year to help support the diocesan operational budget for the operations of the Office of Respect for Life.
- In fiscal year 2011-2012, the total amount of grants issued was \$50,000 and the total cost to run the office was \$172,487.

### **Catholic Charities Endowment**

- Grants are issued each year to help support the diocesan operational budget for the subsidy paid to Catholic Charities, Diocese of Metuchen.
- In fiscal year 2011-2012, the total amount of grants issued was \$300,000. The amount the diocese had to subsidize Catholic Charities in the fiscal year 2011-2012 on top of this grant (\$300,000) and additional Catholic Charities fundraising events of \$289,429 was \$1,270,571.



## Insurance and Pension Fund

This fund is utilized to record, maintain, and report the financial position of the varied diocesan insurance programs and certain pension plan assets administered by the diocese. These insurance programs include the clergy health, and life insurance plans, the lay health and life insurance plans, and the property, liability, and auto insurance plan.

Revenue to this fund is primarily derived from interest income on investments and the excess of premiums received from billings to parishes over premiums paid to insurance carriers for that coverage. Expenses of this fund are related to the maintenance and payment of claims, the office staff, and the professional services rendered to administer the plans.

## The Catholic Spirit Fund

This fund is utilized to record, maintain, and report the financial activities and position of the diocesan bi-weekly newspaper. Revenue to this fund is primarily derived from advertising sales, subscriptions, local use funds from the Summer Collection, parish collections for the newspaper, and diocesan subsidy. Expenses of this fund are related to the running, printing, and delivery of the newspaper.

## Parish Assistance Fund

This fund consists of resources derived from an ongoing cooperative investment and loan program established for the mutual benefit of parishes and the diocese. Funds are borrowed from parishes at an annual interest rate of 5% paid quarterly, and lent to parishes at an annual interest rate of 6% billed quarterly.

## The Plant Fund

The plant fund includes all expendable resources designated for construction, replacement or acquisition of land, buildings and equipment to be used for diocesan purposes. This fund maintains the fixed assets of the diocese in the composition of land and buildings, land held for future disposition, future parish sites, building and road improvements, furniture, equipment, automobiles, and trucks. These assets are depreciated over the determined life of the asset on a straight-line basis. Revenue to this fund is primarily derived from sale of assets, rental income, and interest income on investments. Expenses of this fund are related to taxes on property, depreciation, and the replacement or purchase of property.

## Custodian Fund

This fund is used to receive and accumulate national, diocesan, and special collections forwarded by the 102 parishes in the diocese. Upon receipt of amounts from all parishes, the diocese, acting as fiscal agent, remits the total funds collected to the United States Catholic Conference (USCC) and the National Conference of Catholic Bishops (NCCB).

## Special Collections

### Summer Collection:

Catholic University of America .....	\$ 30,225
Catholic Communications Campaign .....	60,450

### Fall Collection:

Peter's Pence-The Holy Father's Collection .....	215,740
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### Winter Collection:

Church in Latin America .....	22,774
Campaign for Human Development .....	22,774

### Collection for the Retirement Fund

for Religious .....	258,835
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### Spring Collection:

American Bishops Overseas Appeal .....	98,106
Native and Black Americans .....	65,404

### Good Friday Collection for Preservation

of the Holy Land .....	160,025
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Operation Rice Bowl .....	83,910
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Aid for the Church in Eastern Europe .....	91,096
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Catholic Home Missions .....	22,774
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The Propagation of the Faith Collection .....	231,058
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Together in Charity .....	169,604
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An altar server at Sacred Heart Parish, New Brunswick, reads from a prayer card at a liturgy introducing the new Roman Missal.  
—Jeffrey Bruno photo



## Endowment and Similar Funds cont'd

### The EDA Bond Issue Fund

This fund is used to record and maintain all transactions resulting from a \$28.6 million Economic Development Authority bond issued to the Diocese of Metuchen. The bond was issued on the strength of the diocesan balance sheet to fund the construction and/or renovation of five schools in the diocese. The bond had a three-year spend down period for the projects that were approved by the EDA. The bond is a 25-year term to the diocese where the first five years was for interest only, the remaining 20 years is for the full principal pay down. The diocese administered the requisitions of each of the projects, the adherence to the mandated pay down policy, as well as the billing of principal and interest to each of the schools represented in the bond issue for their share of the debt.

<b>ENDOWMENT</b>	<b>RESTRICTED</b>	<b>UNRESTRICTED</b>	<b>TOTAL</b>	<b>%</b>
	<b>PRINCIPAL</b>	<b>CORPUS</b>	<b>CORPUS</b>	
Priestly Education	\$1,746,355	\$ 0	\$1,746,355	5.5%
Foundation for				
Catholic Education	5,419,271	0	5,419,271	17.1%
Fund for the Future	6,797,853	170,549	6,968,402	22.0%
Perth Amboy				
Catholic School	1,345,472	0	1,345,472	4.2%
Wills and Bequests	146,502	19,939	166,441	0.5%
Maria Regina Residence	926,743	0	926,743	2.9%
Reserve Fund	9,539,789	1,740,282	11,280,071	35.6%
Respect Life Endowment	522,422	0	522,422	1.6%
Catholic Charities				
Endowment	2,960,187	0	2,960,187	9.3%
Rutgers Campus				
Ministry Endowment	0	344,317	344,317	1.1%
<b>TOTAL</b>	<b>\$29,404,594</b>	<b>\$2,275,087</b>	<b>\$31,679,682</b>	<b>100.0%</b>

### The Cemetery Fund

This fund represents the financial operations of the Holy Cross Burial Park in East Brunswick and the Resurrection Burial Park in Piscataway. Surplus funds are separated for operational and perpetual care purposes. Revenue to this fund is primarily derived from crypt and in ground burial sales, interments, sales of foundations and lettering, perpetual care income, and interest income on investments. Expenses of this fund are related to the operations of the cemeteries mostly salaries, utilities, maintenance, and construction.

Bishop Paul G. Bootkoski hands a Regina Nostra Medal to one of 93 recipients of the diocesan award during a solemn celebration at the Cathedral of St. Francis of Assisi, Metuchen, Nov. 28. The Regina Nostra medal was first awarded in 1986 by Cardinal Theodore E. McCarrick, the first bishop of the diocese, to help celebrate the diocese's fifth anniversary. The medal, bestowed every five years, is given to clergy, religious and laity for their important contribution to the mission of the diocese through service to their parish or the diocesan administration.

—Mike Ehrmann photo



# ANNUAL REPORT *of the* DIOCESE OF METUCHEN



The following unaudited financial results of the 101 parishes, 29 elementary schools and three high schools are offered as supplemental information to this report.

## FINANCIAL SUMMARY OF 101 PARISHES

### Revenue and Expenditures as of June 30, 2012 (unaudited)

(000 ommitted)

REVENUE	
Parish Collections	\$ 53,754
National Appeals & Collections	2,593
Other Ordinary Receipts	8,783
Extraordinary Receipts	<u>16,079</u>
<b>TOTAL REVENUE</b>	<b>\$ 81,209</b>
EXPENDITURES	
Salary & Benefits	\$ 34,079
Administration, Maintenance, Utilities	17,248
Parochial School Subsidies	3,776
Parish Ministries	6,846
Extraordinary Expense	<u>22,538</u>
<b>TOTAL EXPENSE</b>	<b>\$ 84,487</b>
<b>EXCESS OF REVENUE OVER(UNDER) EXPENDITURES</b>	<b>\$ (3,278)</b>
<b>ASSETS-CASH, INVESTMENTS, LAND, AND BUILDINGS</b>	<b>\$ 253,710</b>
<b>LIABILITIES-LOANS, NOTES, PAYABLES</b>	<b>30,480</b>
<b>FUND BALANCE (NET WORTH)</b>	<b>\$ 223,230</b>

## FINANCIAL SUMMARY OF SCHOOL OPERATIONS

### Revenue and Expenditures as of June 30, 2012 (unaudited)

(000 ommitted)

#### ELEMENTARY SCHOOLS (29)

REVENUE	
Tuition and Fees	\$ 35,153
Parish/Diocesan Subsidies	5,576
Home School Assn. Efforts	
Bingo, Fundraising and Development	5,810
Other Income	<u>3,343</u>
<b>TOTAL REVENUE</b>	<b>\$ 49,882</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 49,216</b>
<b>EXCESS OF REVENUE OVER(UNDER) EXPENDITURES</b>	<b>\$ 666</b>

#### HIGH SCHOOLS (3)

REVENUE	
Tuition and Fees	\$ 18,225
Parish/Diocesan Subsidies	850
Home School Assn. Efforts	
Bingo and Fundraising	1,076
Other Income	<u>279</u>
<b>TOTAL REVENUE</b>	<b>\$ 20,430</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 19,756</b>
<b>EXCESS OF REVENUE OVER(UNDER) EXPENDITURES</b>	<b>\$ 674</b>

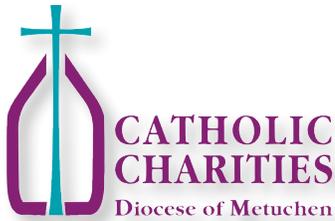
Bishop Paul G. Bootkoski, holding crozier, and Bishop Emeritus Edward T. Hughes stand with the newly-ordained deacons following the Rite of Ordination to the Diaconate held June 9. —*John Bat-*





# ANNUAL REPORT *of the* DIOCESE OF METUCHEN

## Catholic Charities, Diocese of Metuchen



Dear Friends:

I am pleased to present the 2012 Annual Report of Catholic Charities, Diocese of Metuchen. In this report, you will read about the vast and diverse programs we deliver, each one is essential to the community it serves.

The financial crisis of these past few years has become an on-going reality for far too many in our community. The number of people now living in poverty, and needing our services, has grown dramatically. At the same time, the sustained weakness of the economy means that Catholic Charities continues to face funding cuts to programs at every level.

A poor economy does not, by itself, create poverty. Poverty is a man-made disaster, created when we turn away from those in need, allowing that need to grow and multiply, often into new generations.

As Catholics, we each accept the call to act on behalf of the most vulnerable in our society. Together, we continue to be a voice for the voiceless and a steady light in the frightening and desperate darkness that is poverty. Catholic Charities, Diocese of Metuchen must continue to be a life-line for those in persistent and growing need. It is our privilege to do this work and we cannot do it without continuous support from the community.

In addition, at times of great crisis, Catholic Charities, Diocese of Metuchen is among the first responders to the community. During the days after Hurricane Sandy, we mobilized to assess needs, deliver relief and develop long term plans to rebuild and renew lives touched by this disaster.

It is the dedication of our Board of Trustees, staff, volunteers and Benefactors that enables Catholic Charities, Diocese of Metuchen to serve those in the greatest need. I am grateful to our donors and funders for supporting Catholic Charities, Diocese of Metuchen.

The support we get from of you allows Catholic Charities to be an agent of God's love for those most vulnerable in our society and we sincerely appreciate it.

Sincerely,

*Marianne Majewski*

Marianne Majewski, LCSW  
Executive Director

### Financial Summary – FY12 Total Revenue

State Funding Contracts	\$ 14,835,602	39.8%
Medicaid/Medicare	8,654,046	23.2%
Client Generated Revenue	6,143,018	16.5%
Local/County Funding Contracts	2,792,458	7.5%
Diocese of Metuchen	2,122,654	5.7%
Donations - Cash & In-Kind	724,573	2.0%
Federal Funding Contracts	683,079	1.8%
United Way	688,983	1.8%
Foundations	439,512	1.2%
Interest & Other Income	<u>168,432</u>	<u>.5%</u>
<b>TOTAL</b>	<b>\$ 37,252,357</b>	<b>100%</b>

### Financial Summary – FY12 Total Expenses

Behavioral Health & Youth Services	\$ 15,941,265	43.3%
Out of Home Placement	6,005,842	16.3%
Childcare Services	5,601,000	15.2%
Housing & Homeless Prevention	3,741,899	10.2%
Health Services	1,207,665	3.3%
Social Justice	882,603	2.4%
General & Administration	3,354,492	9.1%
Fundraising	<u>50,565</u>	<u>.2%</u>
<b>TOTAL</b>	<b>\$ 36,785,331</b>	<b>100%</b>

THE FINANCIAL INFORMATION REPORTED ABOVE WAS DERIVED FROM THE AGENCY'S AUDITED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDING JUNE 30, 2012.