

# Recession continues but so does your generosity

My dear friends:

I am pleased to present the financial report of the Archdiocese of Miami for the fiscal year ended June 30, 2009. This annual report reflects the financial stewardship in the Archdiocese of Miami.



FROM THE ARCHBISHOP

**John C. Favalora**

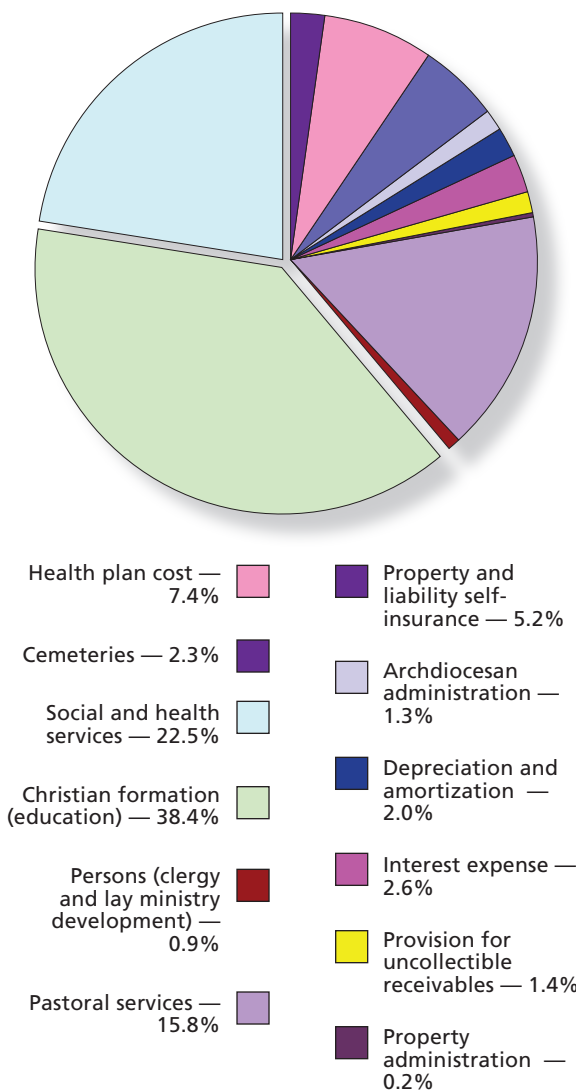
We as an archdiocese, individuals, communities, states, and nation continue to struggle with financial challenges and hardships confronting all of us for the better part of two years now. Daily it seems like these financial challenges and hardships are on the forefront of our minds, and for good reason, because all of our lives are being affected in one way or another.

We would be remiss, however, if we did not bring our minds back to January 12, and more recently February 27, two dates

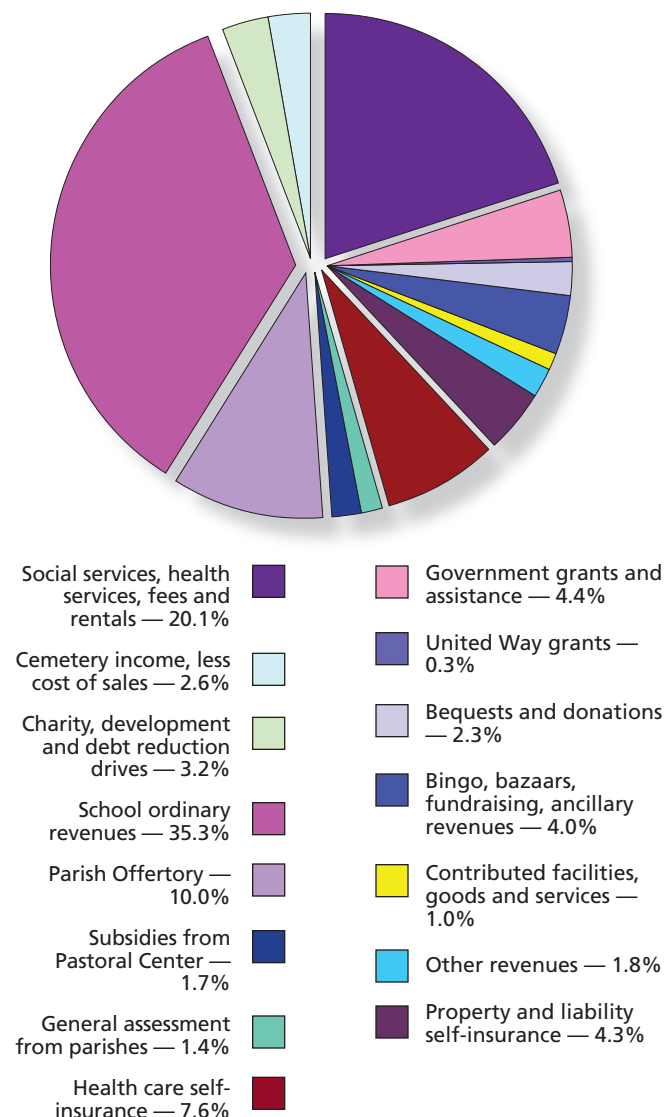
in which at some point the financial challenges and hardships that we as organizations and individuals are faced with paled in comparison to the physical, emotional and spiritual challenges and hardships brought about by the catastrophic earthquakes in Haiti and Chile. I think it is safe to say that on those two dates we all, in our own way, stepped back and reflected on what is truly a challenge or hardship and what is a temporary inconvenience.

PLEASE SEE LETTER, A12

## Expenditures



## Support and Revenues



## Archdiocese of Miami: Combining Balance Sheet at June 30, 2009, and 2008 (dollars in thousands)

|   | Pastoral Center   | Churches          | Schools           |                   |                        | Cemeteries       | Radio Station   | Catholic Charities | Catholic Health Services | TOTALS              |                     |
|---|-------------------|-------------------|-------------------|-------------------|------------------------|------------------|-----------------|--------------------|--------------------------|---------------------|---------------------|
|   |                   |                   | Elementary        | Secondary         | Colleges/ Universities |                  |                 |                    |                          | 2009                | 2008                |
| <b>ASSETS</b>                                     |                   |                   |                   |                   |                        |                  |                 |                    |                          |                     |                     |
| Cash and cash equivalents                         | \$ 1,927          | \$ 63,667         | \$ 49,991         | \$ 15,768         | \$ 9,304               | \$ 2,076         | \$ 55           | \$ 4,717           | \$ 10,754                | \$ 158,259          | \$ 150,005          |
| Marketable securities                             | 109,632           | 15,223            | 14,190            | 6,234             | 15,029                 |                  |                 |                    | 10,838                   | 171,146             | 155,030             |
| Receivables, net                                  | 12,130            | 132               | 8,124             | 25                | 7,269                  | 34,280           | 486             | 3,916              | 11,965                   | 78,327              | 102,847             |
| Inventory and other assets                        | 9,343             |                   |                   |                   | 907                    | 11,028           | 2,002           | 466                | 9,730                    | 33,476              | 50,824              |
| Land, buildings and equipment, net                | 42,879            | 524,290           | 70,690            | 115,674           | 50,339                 | 5,043            | 2,504           | 11,756             | 103,602                  | 926,777             | 901,706             |
| <b>Total assets</b>                               | <b>\$ 175,911</b> | <b>\$ 603,312</b> | <b>\$ 142,995</b> | <b>\$ 137,701</b> | <b>\$ 82,848</b>       | <b>\$ 52,427</b> | <b>\$ 5,047</b> | <b>\$ 20,855</b>   | <b>\$ 146,889</b>        | <b>\$ 1,367,985</b> | <b>\$ 1,360,412</b> |
| <b>LIABILITIES AND NET ASSETS</b>                 |                   |                   |                   |                   |                        |                  |                 |                    |                          |                     |                     |
| Notes payable                                     | \$ 16,993         | \$ 172,090        | \$ 1,107          | \$ 26,675         | \$ 33,711              | \$ 815           | \$ 7,885        | \$ 4,032           | \$ 111,275               | \$ 374,583          | \$ 303,085          |
| Advances and assessments due to Pastoral Center   |                   | 6,568             | 222               | 140               | 1,263                  |                  |                 |                    |                          | 8,193               | 59,508              |
| Accounts payable and accrued expenses             |                   | 3,210             | 2,506             | 1,233             | 4,755                  | 2,016            | 366             | 850                | 13,072                   | 28,008              | 45,506              |
| Savings deposits payable to parishes and agencies | 82,083            |                   |                   |                   |                        |                  |                 |                    |                          | 82,083              | 82,450              |
| Self-insurance reserves                           | 27,275            |                   |                   |                   |                        |                  |                 |                    |                          | 27,275              | 26,629              |
| Trust accounts                                    | 8,467             | 8                 | 106               | 2,354             |                        |                  | 23              | 826                |                          | 11,784              | 13,339              |
| Deferred revenues                                 |                   | 77                | 13,258            | 6,143             | 759                    | 13,957           | 4               | 523                | 111                      | 34,832              | 51,404              |
| Other liabilities                                 | 9,318             | 43                |                   |                   | 4,007                  | 8,076            | 913             | 175                | 1,475                    | 24,007              | 31,734              |
| <b>Total liabilities</b>                          | <b>144,136</b>    | <b>181,996</b>    | <b>17,199</b>     | <b>36,545</b>     | <b>44,495</b>          | <b>24,864</b>    | <b>9,191</b>    | <b>5,580</b>       | <b>126,759</b>           | <b>590,765</b>      | <b>613,715</b>      |
| <b>NET ASSETS (DEFICIT)</b>                       | <b>31,775</b>     | <b>421,316</b>    | <b>125,796</b>    | <b>101,156</b>    | <b>38,353</b>          | <b>27,563</b>    | <b>(4,144)</b>  | <b>15,275</b>      | <b>20,130</b>            | <b>777,220</b>      | <b>746,697</b>      |
| <b>Total liabilities and net assets</b>           | <b>\$ 175,911</b> | <b>\$ 603,312</b> | <b>\$ 142,995</b> | <b>\$ 137,701</b> | <b>\$ 82,848</b>       | <b>\$ 52,427</b> | <b>\$ 5,047</b> | <b>\$ 20,855</b>   | <b>\$ 146,889</b>        | <b>\$ 1,367,985</b> | <b>\$ 1,360,412</b> |

See accompanying notes to combined financial statements.

## Archdiocese of Miami: Combining Support and Revenues, Expenditures, and Changes in Net Assets Twelve Months Ended June 30, 2009, and 2008 (dollars in thousands)

|   | Pastoral Center  | Churches          | Schools           |                   |                       | Cemeteries       | Radio Station     | Catholic Charities | Catholic Health Services | TOTALS            |                   |
|---|------------------|-------------------|-------------------|-------------------|-----------------------|------------------|-------------------|--------------------|--------------------------|-------------------|-------------------|
|   |                  |                   | Elementary        | Secondary         | Colleges/Universities |                  |                   |                    |                          | 2009              | 2008              |
| <b>SUPPORT AND REVENUES:</b>                          |                  |                   |                   |                   |                       |                  |                   |                    |                          |                   |                   |
| Parish Offertory                                      |                  | \$ 62,382         |                   |                   |                       |                  |                   |                    |                          | \$ 62,382         | \$ 61,784         |
| School ordinary revenues                              |                  |                   | \$ 110,807        | \$ 70,220         | \$ 40,577             |                  |                   |                    |                          | 221,604           | 213,564           |
| Charity, development and debt reduction drives        | \$ 7,573         | 6,085             | 3,838             | 2,572             |                       |                  |                   |                    |                          | 20,068            | 23,260            |
| Cemetery income, less cost of sales                   |                  |                   |                   |                   |                       | \$ 16,252        |                   |                    |                          | 16,252            | 6,081             |
| Social services, health services, fees and rentals    |                  |                   |                   |                   |                       |                  |                   | \$ 562             | \$ 125,149               | 125,711           | 111,727           |
| Government grants and assistance                      |                  | 129               | 391               | 380               | 4,314                 |                  |                   | 22,464             |                          | 27,678            | 25,388            |
| United Way grants                                     |                  |                   |                   |                   |                       |                  |                   | 1,386              | 202                      | 1,588             | 1,592             |
| Bequests and donations                                | 289              | 5,410             | 2,138             | 644               | 3,712                 |                  | \$ 559            | 1,865              | 19                       | 14,636            | 13,425            |
| Bingo, bazaars, fundraising, ancillary revenues       |                  | 10,291            | 4,685             | 5,172             | 3,324                 |                  | 1,755             |                    |                          | 25,227            | 28,030            |
| Interest and investment income                        | (7,654)          | 1,711             | 787               | 427               | (1,217)               | 62               |                   |                    | 164                      | (5,720)           | 10,013            |
| Contributed facilities, goods and services            |                  |                   |                   |                   | 128                   | 73               |                   | 4,219              | 1,915                    | 6,335             | 6,065             |
| Other revenues  | 1,116            | 5,945             | 1,330             | 381               | 3,653                 | 554              | 1,873             | 94                 | 1,937                    | 16,883            | 31,957            |
| Internal assessments and subsidies:                   |                  |                   |                   |                   |                       |                  |                   |                    |                          |                   |                   |
| Property and liability self-insurance                 | 26,641           |                   |                   |                   |                       |                  |                   |                    |                          | 26,641            | 25,167            |
| Health care self-insurance                            | 47,609           |                   |                   |                   |                       |                  |                   |                    |                          | 47,609            | 46,196            |
| Parish subsidies to/from schools                      |                  | (11,052)          | 11,052            |                   |                       |                  |                   |                    |                          |                   |                   |
| General assessment from parishes                      | 8,840            |                   |                   |                   |                       |                  |                   |                    |                          | 8,840             | 7,132             |
| Subsidies from Pastoral Center                        |                  | 6,716             | 2,530             | 453               | 594                   |                  | 71                | 250                |                          | 10,614            | 8,474             |
| <b>Total support and revenues</b>                     | <b>84,414</b>    | <b>87,617</b>     | <b>137,558</b>    | <b>80,249</b>     | <b>55,085</b>         | <b>16,941</b>    | <b>4,258</b>      | <b>30,840</b>      | <b>129,386</b>           | <b>626,348</b>    | <b>619,855</b>    |
| <b>EXPENDITURES:</b>                                  |                  |                   |                   |                   |                       |                  |                   |                    |                          |                   |                   |
| Pastoral services                                     | 11,732           | 88,744            |                   |                   |                       |                  |                   |                    |                          | 100,476           | 97,374            |
| Persons (clergy and lay ministry development)         | 5,480            |                   |                   |                   |                       |                  |                   |                    |                          | 5,480             | 4,388             |
| Christian formation (education)                       | 4,315            |                   | 115,048           | 75,585            | 50,289                |                  |                   |                    |                          | 245,237           | 244,209           |
| Social and health services                            | 894              |                   |                   |                   |                       |                  | 4,853             | 28,333             | 109,786                  | 143,866           | 135,450           |
| Cemeteries  |                  |                   |                   |                   |                       | 14,473           |                   |                    |                          | 14,473            | 9,906             |
| Health plan cost                                      | 46,828           |                   |                   |                   |                       |                  |                   |                    |                          | 46,828            | 46,898            |
| Property and liability self-insurance                 | 32,875           |                   |                   |                   |                       |                  |                   |                    |                          | 32,875            | 17,119            |
| Archdiocesan administration                           | 8,110            |                   |                   |                   |                       |                  |                   |                    |                          | 8,110             | 9,314             |
| Depreciation and amortization                         | 1,187            |                   |                   |                   | 2,952                 | 527              | 193               | 1,101              | 7,017                    | 12,977            | 11,602            |
| Interest expense                                      | 3,235            | 4,562             |                   | 1,103             | 1,255                 |                  | 205               | 287                | 6,186                    | 16,833            | 20,726            |
| Provision for uncollectible receivables               | 4,821            |                   |                   |                   | 522                   | 321              |                   | 23                 | 2,979                    | 8,666             | 6,042             |
| Property administration                               | 1,144            |                   |                   |                   |                       |                  |                   |                    | 2                        | 1,146             | 1,772             |
| <b>Total expenditures</b>                             | <b>120,621</b>   | <b>93,306</b>     | <b>115,048</b>    | <b>76,688</b>     | <b>55,018</b>         | <b>15,321</b>    | <b>5,251</b>      | <b>29,744</b>      | <b>125,970</b>           | <b>636,967</b>    | <b>604,800</b>    |
| <b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b> | <b>(36,207)</b>  | <b>(5,689)</b>    | <b>22,510</b>     | <b>3,561</b>      | <b>67</b>             | <b>1,620</b>     | <b>(993)</b>      | <b>1,096</b>       | <b>3,416</b>             | <b>(10,619)</b>   | <b>15,055</b>     |
| <b>OTHER CHANGES IN NET ASSETS:</b>                   |                  |                   |                   |                   |                       |                  |                   |                    |                          |                   |                   |
| Debt refinancing gain                                 | 52,501           |                   |                   |                   |                       |                  |                   |                    |                          | 52,501            |                   |
| Building fund additions                               |                  | 6,095             | 1,520             | 4,485             |                       |                  |                   |                    |                          | 12,100            | 10,028            |
| Changes in restricted net assets                      | (2,126)          | (13,019)          | (4,150)           | (1,290)           | (4,111)               |                  |                   |                    | 1,237                    | (23,459)          | (29,426)          |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>              | <b>14,168</b>    | <b>(12,613)</b>   | <b>19,880</b>     | <b>6,756</b>      | <b>(4,044)</b>        | <b>1,620</b>     | <b>(993)</b>      | <b>1,096</b>       | <b>4,653</b>             | <b>30,523</b>     | <b>(4,343)</b>    |
| <b>NET ASSETS (DEFICIT), BEGINNING</b>                | <b>17,607</b>    | <b>433,929</b>    | <b>105,916</b>    | <b>94,400</b>     | <b>42,397</b>         | <b>25,943</b>    | <b>(3,151)</b>    | <b>14,179</b>      | <b>15,477</b>            | <b>746,697</b>    | <b>751,040</b>    |
| <b>NET ASSETS (DEFICIT), ENDING</b>                   | <b>\$ 31,775</b> | <b>\$ 421,316</b> | <b>\$ 125,796</b> | <b>\$ 101,156</b> | <b>\$ 38,353</b>      | <b>\$ 27,563</b> | <b>\$ (4,144)</b> | <b>\$ 15,275</b>   | <b>\$ 20,130</b>         | <b>\$ 777,220</b> | <b>\$ 746,697</b> |

See accompanying notes to combined financial statements.

PLEASE SEE FINANCIAL, A12

# FINANCIAL: Archdiocese of Miami financial statement continued

## LETTER

FROM A10

Economies and recessions are cyclical and measurable most often times in one or two year periods with a defined beginning and end. While we know when the challenges and hardships began for the Haitian and Chilean people as a result of the earthquakes, we will never know the end of the physical, emotional and spiritual damage that has been done, as it will undoubtedly span generations.

In geographic terms, the Archdiocese of Miami is comprised of Broward, Miami-Dade and Monroe counties, but the reach of this archdiocese and the benevolence of its faithful extend beyond those geopolitical demarcations. Because of our large Haitian community in south Florida and our local ties to that nation and its people, you have unselfishly demonstrated, as you have many times in the past, the love that Jesus taught us to have for one another.

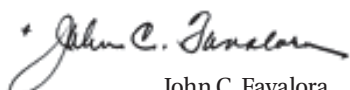
In measurable terms, your benevolence has raised in excess of \$1 million which is now being used to render direct aid to the 10 Catholic dioceses in Haiti in support of the many pastoral and ministerial needs of their faithful. In immeasurable terms, I know that your continued prayers for both the people of Haiti and Chile will far surpass any economic relief that we can offer and live within their souls for eternity.

In what Pope Benedict XVI has declared a "Year for Priests", I am especially grateful to the clergy during this time of great need as more and more of the faithful turn to them in these difficult and troubling times. The good work of our priests in the Archdiocese of Miami is tireless and endless. I am also particularly grateful to the religious and laity for their sacrificial contributions not only to provide for the Church today but also to ensure the continuation of the mission of the Church well into the future. It is my prayer that our providential Father who sees all things will repay each of you for your generosity and sacrifice.

May the Lord continue to bless you and your loved ones abundantly.

With personal good wishes, I am

Sincerely in the Lord,



John C. Favalora  
Archbishop of Miami

## Archdiocese of Miami 2009 statistical data

### Personnel

|                        |   |
|------------------------|---|
| Archbishops.....       | 1 |
| Auxiliary Bishops..... | 2 |
| Retired Bishops.....   | 2 |

### Priests:

|                                       |            |
|---------------------------------------|------------|
| Diocesan Active in Diocese .....      | 177        |
| Diocesan Active Outside Diocese ..... | 8          |
| Diocesan in Foreign Missions.....     | 1          |
| Retired, Sick or Absent .....         | 82         |
| Number of Diocesan Priests.....       | 268        |
| Religious Priests in Diocese .....    | 94         |
| <b>Total Priests in Diocese .....</b> | <b>362</b> |
| Extern Priests in Diocese .....       | 60         |

### Ordinations:

|                                   |     |
|-----------------------------------|-----|
| Diocesan Priests.....             | 6   |
| Transitional Deacons .....        | 3   |
| Permanent Deacons in Diocese..... | 140 |
| Total Brothers.....               | 48  |
| Total Sisters.....                | 289 |

### Parishes

|                                 |     |
|---------------------------------|-----|
| Parishes .....                  | 111 |
| With Resident Pastor:           |     |
| Resident Diocesan Priests.....  | 101 |
| Resident Religious Priests..... | 10  |
| Missions.....                   | 7   |
| Pastoral Centers .....          | 1   |

### Professional Ministry Personnel:

|                     |     |
|---------------------|-----|
| Brothers .....      | 1   |
| Sisters .....       | 48  |
| Lay Ministers ..... | 131 |

### Welfare

|   |         |
|---|---------|
| Catholic Hospitals.....                   | 2       |
| Total Assisted.....                       | 956,621 |
| Health Care Centers.....                  | 9       |
| Total Assisted.....                       | 7,291   |
| Homes for Aged.....                       | 5       |
| Total Assisted.....                       | 3,478   |
| Residential Care of Children .....        | 2       |
| Total Assisted.....                       | 332     |
| Day Care Centers.....                     | 9       |
| Total Assisted.....                       | 3,104   |
| Specialized Homes .....                   | 2       |
| Total Assisted.....                       | 385     |
| Special Centers for Social Services ..... | 17      |
| Total Assisted.....                       | 32,995  |

|                                   |        |
|-----------------------------------|--------|
| Residential Care of Disabled..... | 1      |
| Total Assisted.....               | 13     |
| Other Institutions.....           | 13     |
| Total Assisted.....               | 73,455 |

### Educational

|   |        |
|---|--------|
| Seminaries, Diocesan .....                    | 1      |
| Students from This Diocese.....               | 17     |
| Students from Other Dioceses.....             | 43     |
| Diocesan Students in Other Seminaries .....   | 16     |
| Total Seminarians.....                        | 34     |
| Colleges and Universities .....               | 2      |
| Total Students.....                           | 12,318 |
| High Schools, Diocesan and Parish.....        | 9      |
| Total Students.....                           | 9,447  |
| High Schools, Private.....                    | 4      |
| Total Students.....                           | 3,270  |
| Elementary Schools, Diocesan and Parish ..... | 56     |
| Total Students.....                           | 22,027 |
| Elementary Schools, Private .....             | 2      |
| Total Students.....                           | 1,109  |
| Nonresidential School for the Disabled.....   | 2      |
| Total Students.....                           | 1,048  |

### Catechesis/Religious Education

|  |        |
|--|--------|
| High School Students .....                   | 3,540  |
| Elementary Students .....                    | 36,280 |
| Total Students under Catholic Instruction .. | 89,073 |

### Teachers in the Archdiocese:

|                    |       |
|--------------------|-------|
| Priests.....       | 26    |
| Brothers .....     | 22    |
| Sisters .....      | 67    |
| Lay Teachers ..... | 3,149 |

### Vital Statistics

#### Receptions into the Church:

|                                    |        |
|------------------------------------|--------|
| Infant Baptism Totals .....        | 13,720 |
| Adult Baptism Totals .....         | 655    |
| Received into Full Communion ..... | 1,009  |
| First Communions.....              | 12,290 |
| Confirmations.....                 | 8,478  |

#### Marriages:

|                                 |           |
|---------------------------------|-----------|
| Catholic .....                  | 2,358     |
| Interfaith .....                | 275       |
| Total Marriages.....            | 2,633     |
| Deaths .....                    | 4,376     |
| Total Catholic Population ..... | 736,089   |
| Total Population.....           | 4,264,581 |

Source: 2009 Official Catholic Directory

## Notes to Combined Financial Statements

- The statements for churches, elementary schools and secondary schools are unaudited.
- Intercompany accounts and transactions have not been eliminated.
- The Catholic Health Services statements include the combined statements of:

|  |          |
|--|----------|
| Archbishop Hurley Hall, Inc.   | 06/30/09 |
| Archbishop McCarthy Residence, Inc.  | 06/30/09 |
| Carroll Manor, Inc.  | 06/30/09 |
| Catholic Health Services, Inc.   | 09/30/09 |
| Catholic Housing for the Elderly and Handicapped, Inc.                             | 09/30/09 |
| Marian Center Services for Developmentally Handicapped and Mentally Retarded, Inc. | 06/30/09 |
| Marian Towers, Inc.  | 06/30/09 |
| Palmer House Inc.  | 06/30/09 |
| St. Andrew Towers, Inc.  | 06/30/09 |
| St. Anne's Gardens, Inc.   | 06/30/09 |
| St. Anne's Nursing, St. Anne's Residence, Inc.                                     | 06/30/09 |
| St. Boniface Gardens, Inc.   | 06/30/09 |
| St. Dominic Gardens, Inc.  | 06/30/09 |
| St. Elizabeth Gardens, Inc.  | 06/30/09 |
| St. John's Rehabilitation Hospital and Nursing Center, Inc.                        | 09/30/09 |
| St. Joseph Residence, Inc.   | 09/30/09 |
| St. Joseph Towers, Inc.  | 06/30/09 |
| St. Mary Towers, Inc.  | 06/30/09 |
| Stella Maris House, Inc.   | 06/30/09 |
| Villa Maria Health Care Services, Inc.   | 09/30/09 |
| Villa Maria Nursing and Rehabilitation Center, Inc.                                | 09/30/09 |

- The Archdiocese is a participant in the defined benefit pension plan for all employees of the Archdiocese of Miami, Diocese of St. Petersburg and Diocese of Venice.
- Colleges and Universities include the combined statements of St. Thomas University and St. John Vianney Seminary.
- The following is the disposition of the Archbishop's Charities and Development Drive Funds:

|                                   |    |                  |
|-----------------------------------|----|------------------|
| Catholic Charities                | \$ | 250,000          |
| Education — inner city children   |    | 1,938,000        |
| Parishes                          |    | 3,487,000        |
| Maintenance and repair facilities |    | 536,000          |
| Mass-media evangelization         |    | 342,000          |
| Ministries and pastoral services  |    | 1,020,000        |
|                                   | \$ | <u>7,573,000</u> |