

Bishop's message

Dear Brothers and Sisters in Christ,

I have been blessed in my Episcopacy to have the opportunity to visit many parishes across the four-county area of the Diocese of Greensburg. Whether it is through the celebration of Holy Mass, providing the sacrament of confirmation with our young people or gathering with parishioners for specific parish celebrations, I am always humbled by the gratitude of the faithful for the temporal and spiritual works of the Diocese and for our clergy and religious



I am also very proud of our commitment to the fiscal responsibility of stewarding the generous gifts provided by the faithful to carry out our mission. It is because of that

commitment that I am pleased to provide this annual report detailing the administration of the Diocese of Greensburg for the fiscal year ending June 30, 2022.

As we present these financial statements, be assured that they have been reviewed by the members of the Diocesan Finance Council and audited by our certified public accountants. I am grateful for the work of our Chief Financial Officer, Sheila Murray, and her staff and for the important advice and counsel from our Diocesan Finance Council on these matters throughout the year.

2022 was not a year without challenges as we continued to emerge from pandemic. Many in our community needed support and help from our ministries and from Catholic Charities. Because of your sacrifices, we were able to respond by providing food, utility and rental assistance for those still struggling in a post-pandemic world. We were able to support mothers and families in need with clothing, diapers and formula. Through our pastors, parochial vicars, deacons and religious, we have been able to provide important spiritual support for those who are homebound or feel isolated. We continue to strengthen and support our vocations and International Priest programs to support the sacramental and liturgical life of our faithful with necessary parish staffing. And, we remain committed to providing for the spiritual formation for all, teaching that Christ is Truth.

All of this is because you have entrusted your resources to our care.

My pledge to you is that we will always be transparent in how we use your gifts, because it is through your generosity that together we are able to continue to provide the compassion and mercy of Christ across the Diocese of Greensburg.

May God continue to bless you and your families and all the faithful of the Diocese of Greensburg,

Larry J. Kulick

The Most Reverend Larry J. Kulick, JCL
Bishop of Greensburg

Analysis from the CFO

By Sheila Murray
Chief Financial Officer

On behalf of Bishop Larry J. Kulick and the Diocesan Finance Council, I present to you the Annual Report for the Diocese of Greensburg for the fiscal year ending June 30, 2022. We have continued to steward the resources entrusted to us by you, the faithful, with great prudence and care. Under the leadership of Bishop Kulick, we have been able to keep our Diocesan ministries and programs strong and stable. This report presents the great news that donations to the Diocesan Lenten Appeal (DLA) and to parish offertory have increased beyond pre-pandemic levels. The DLA received donations in excess of \$6 million, which is the highest ever that our donors have given to this campaign. Nearly \$2.5 million was returned to our parishes while the Diocese retained the remainder to fund the Bishop's programs. Offertory has also increased almost \$600,000, or 2.1%, since prior to the pandemic, even though our number of households has declined by 8%. Enrollment in our Catholic schools has also grown to the highest level in the past six years.



Operations are performing at a modest surplus so that we may continue to provide for enhanced ministries and programs for our parishes and schools. Total revenues are down over the past three years mainly due to investment/endowment income, which has seen a significant decline due to the global market conditions. We feel this will reverse direction over the next few years as the economy continues to improve. From a positive perspective, we

have experienced a significant reduction in our Lay and Priest Pension liabilities and the Postretirement Health Benefits liability due to a cash buy-out on the lay plan and higher discount rates.

We also paid off the \$3.4 million bond payable by converting it to a loan in our own Catholic Institute. This also eliminated the bond receivable from parish on the balance sheet.

Total expenses of \$9.9 million are also slightly lower when compared over the past three years. Faith Formation has decreased since we had staff turnover and we hired a Managing Director of Faith Formation in February 2023. Vocations and Clergy Formation has increased more than \$200,000 as we currently have 10 seminarians in our vocations program. The priests' pension and retired priests' health care expenses have also increased over the past two years. The Finance Department, which serves as a resource to parishes with regard to financial matters, facilities/insurance concerns and information technology, as well as overseeing parish financial reviews, has increased about 13% over the past two years as well. This increase was offset by our legal and professional fees which have decreased by over \$150,000, or almost 50%. The Pastoral Center Administrative offices ended the year with a \$2.2 million unrestricted net asset balance, which was about \$400,000 higher than the balance at June 30, 2020.

The pie charts below reference the Sources and Uses of our Revenues for the administrative offices. DLA provides 34% of our revenue while parish assessments add an additional 26%, with the

two combining 60% of our total revenue. Program fees also add another 19% and unfortunately with the decline in the financial market, investment income only attributed 3% toward our total revenue.

The "Uses of our Resources" graph indicates the major areas of spending in our Diocesan Central Administration offices. Faith formation and Catholic education account for 19% of our resources to fund their respective programs. The Finance Department accounted for 20% of our resources, and Vocations/Clergy Formation/International Priests account for 15% of our resources. We donate 12% toward Corporal Works of Mercy, which include hospital ministry programs, tribunal and Catholic Charities.

Greensburg Central Catholic Junior-Senior High School (GCC) and Geibel Catholic Junior-Senior High School (GHS) both ended the fiscal year at June 30, 2022, with positive net asset balances of \$100,736 and \$475,282, respectively. Enrollment has increased at GCC these past three years and has remained constant over this same time period at Geibel Catholic.

The more detailed annual report and complete audited financial statements are available for your review at DioceseofGreensburg.org.

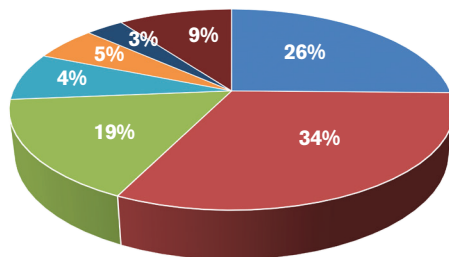
Overall, I am satisfied with the financial position of the Diocese of Greensburg, and I remain committed to the highest levels of stewardship in managing the resources you so generously donated. As we hear in Luke 3:11: "John answered, 'Anyone who has two shirts should share with the one who has none, and anyone who has food should do the same.'" We are all called to use our time, talents and treasure wisely and make the most of every opportunity to bring glory to God.

ADDITIONAL INFORMATION ONLINE

The Diocese of Greensburg's annual financial statements are audited by independent certified public accountants, and the Diocesan Finance Council meets with the auditor to hear the report on the results of the audit. The financial information found online at theaccentonline.org is taken from those audited financial statements.

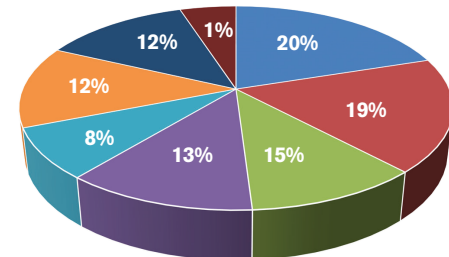
Please contact the Department of Finance at 724-837-0901 if you have any questions.

SOURCES OF REVENUE



Diocesan Lenten Appeal (34%)	\$3.5 million
Parish assessments & support (26%)	\$2.7 million
Program fees & other revenue (19%)	\$2.0 million
Christ Our Shepherd Center (9%)	\$927,000
Communications assessment (5%)	\$563,000
Other contributions & grants (4%)	\$372,000
Investment & endowment income (3%)	\$279,000
TOTAL:	\$10,355,342

USES OF OUR RESOURCES



Faith formation & Catholic education (20%)	\$1.9 million
Faith formation & Catholic education (19%)	\$1.9 million
Vocations, clergy formation & international priests (15%)	\$1.5 million
Communications & Evangelization Office (13%)	\$1.3 million
Corporal works of mercy (12%)	\$1.2 million
Chancery offices (12%)	\$1.2 million
Christ Our Shepherd Center (8%)	\$801,000
Other administrative (1%)	\$113,000
TOTAL:	\$9,496,557

Diocese of Greensburg and Related Activities

Statements of Financial Position As of June 30,	2022	2021	2020
Assets			
Cash and cash equivalents	\$ 410,412	\$ 412,907	\$ 499,019
Investments	11,180,068	12,514,660	11,887,714
Receivables, net of allowance for doubtful accounts	2,076,029	2,166,536	2,425,530
Bond receivable from parish	-	3,410,657	3,658,251
Pension receivable from parishes and schools	772,210	1,570,474	1,964,085
Assets designated for OPEB	10,622,535	12,673,784	10,002,406
Prepaid and other assets	185,219	194,415	144,392
Fixed assets, net of depreciation	15,218,279	15,681,961	15,704,533
Due from other Diocesan funds	1,224,514	1,186,246	1,535,521
Due from related entities	152,985	94,724	67,297
Total Assets	\$ 41,842,251	\$ 49,906,364	\$ 47,888,748
Liabilities			
Accounts payable	\$ 1,047,671	\$ 823,805	\$ 960,518
Agency and trust accounts	426,675	1,495,483	1,179,182
Deferred income	5,025,576	3,869,017	3,374,748
Accrued expenses	2,549,636	2,821,529	2,154,289
Accrued pension - lay plan	10,611,516	13,866,177	22,886,279
Accrued pension - priests plan	2,954,369	4,079,924	5,365,599
Accrued postretirement health benefits	3,656,998	4,691,929	4,853,915
Bonds payable	-	3,375,000	3,610,000
Loans payable	966,214	1,220,372	1,468,299
Due to other diocesan funds	1,224,514	1,186,246	1,535,521
Due to related entities	254,993	292,677	390,562
Refundable advance	-	-	1,692,100
Total Liabilities	28,718,162	37,722,159	49,471,012
Net Assets			
Net Assets Without Donor Restrictions:			
Pastoral Center	2,192,650	3,160,458	1,787,901
Self Insurance Fund	913,985	515,629	1,746,684
High Schools	189,471	(87,854)	(749,317)
Tuition Assistance Fund	235,742	(155,023)	(448,302)
Plant Fund fixed assets, net	15,993,721	16,228,230	15,880,656
Pension Accounting Fund	(10,885,995)	(11,833,406)	(23,864,139)
Parish Bond Fund	-	115,044	81,812
Capital and Endowment Campaign	-	-	(45,784)
Agency Funds	130,495	67,650	81,852
Total Net Assets without donor restrictions	8,788,069	8,010,728	(5,528,637)
Net Assets With Donor Restrictions:			
Pastoral Center	3,855,571	3,710,690	3,559,447
High Schools	386,547	354,258	328,818
Tuition Assistance Fund	46,667	32,594	24,823
Plant Fund	47,235	75,935	33,285
Agency Funds	-	-	-
Total Net Assets with donor restrictions	4,336,020	4,173,477	3,946,373
Total Net Assets	13,124,089	12,184,205	(1,582,264)
Total Liabilities and Net Assets	\$ 41,842,251	\$ 49,906,364	\$ 47,888,748

DIOCESAN FINANCE COUNCIL

The Diocesan Finance Council is a consultative body for the Diocesan bishop and, as with parish finance councils, is required by the Code of Canon Law, the universal law of the Catholic Church. The specific responsibilities of the Diocesan Finance Council, as outlined by canon law, include reviewing the annual budget, annual financial statements and the independent auditors' report, and providing consultation in specific financial areas. In the Diocese of Greensburg, there are statutes that provide further direction for the council, including advising the Bishop and his staff in the Department of Finance. The members of the Diocesan Finance Council for 2021-22 (as of June 30, 2022), appointed by the Bishop, were:

DIOCESAN REPRESENTATIVES

- The Most Reverend Larry J. Kulick, JCL
- The Reverend Monsignor Raymond E. Riffle, MSW, MPA
- Melaney Hegyes
- Dr. Maureen Marsteller
- Jennifer Miele
- Sheila R. Murray, CFO
- Paul Puleo
- The Rev. Monsignor William R. Rathgeb, JCL
- Dr. Nancy A. Rottler

OUTSIDE MEMBERS

- John J. Dolan, CPA
- Jeffrey D. Erdely
- The Rev. James H. Loew, OSB
- Lisa Martinelli
- William Thalman, CPA

Diocesan Central Administration — Pastoral Center

Statements of Activities Years Ended June 30,	2022	2021	2020
Revenues, Gains and Other Support:			
Diocesan Lenten Appeal	\$ 3,520,282	\$ 3,428,870	\$ 3,404,651
Parish assessments and support	2,692,618	2,682,717	2,664,369
Program fees and other revenue	2,001,769	1,781,221	1,725,989
Christ Our Shepherd Center	926,060	857,535	967,410
Investment/endowment income	279,394	1,019,746	836,245
Communications assessment	562,773	572,659	587,546
SBA PPP loan	-	1,083,641	-
Other contributions and grants	372,446	353,751	351,682
Total Revenues, Gains and Other Support	\$ 10,355,342	\$ 11,780,140	\$ 10,537,892
Expenses are incurred in the following areas to perform services in support of parish, Catholic education and other ministries:			
Faith Formation and Catholic Education:			
Catechesis, Evangelization, Youth and Worship	\$ 341,404	\$ 499,413	\$ 518,576
Contribution to Diocesan high schools	475,000	475,000	475,000
Government funded educational programs	432,263	362,892	515,868
Office for Catholic Schools	362,469	341,706	342,269
Lay ecclesial ministry	110,929	34,549	116,777
Elementary schools tuition assistance	145,000	145,000	145,000
Total Faith Formation and Catholic Education	1,867,065	1,858,560	2,113,490
Corporal Works of Mercy:			
Hospital ministry program	560,115	527,690	536,797
Contribution to Catholic Charities	378,250	378,250	378,250
Tribunal/Marriage Office	165,335	205,599	200,565
Donations and other grants	51,025	51,807	102,732
Other special ministries	19,332	16,324	25,995
Total Corporal Works of Mercy	1,174,057	1,179,670	1,244,339
Vocations, Clergy Formation and International Priests:			
Office for Vocations	497,857	370,023	334,978
Unassigned priests	270,905	243,870	312,280
Neumann House, net of residence fees	205,065	216,508	206,767
Pension and retired priests' health care	213,129	220,509	126,958
Clergy Development	155,579	31,597	55,114
International Priests	143,104	98,355	181,526
Office for the Permanent Diaconate	57,902	64,874	103,649
Total Vocations, Clergy Formation and International Priests	1,543,541	1,245,736	1,321,272
Chancery Offices:			
Bishop's Office	461,260	353,682	427,460
Development and Stewardship Education	322,002	284,715	264,698
Chancellor's Office/Human Resources	103,613	122,563	116,812
Vicar General's Office	141,894	133,883	137,926
Retired Bishop's Office	129,397	122,422	96,141
Curator/Archivist	1,742	849	12,179
Purchasing and facilities services	4,432	3,479	44,247
Total Chancery Offices	1,164,340	1,021,593	1,099,463
Finance Department:			
Information technologies	947,267	786,967	740,914
Financial operations and services	784,753	740,879	752,881
Engineering and facilities management	219,787	212,186	220,062
Total Finance Department	1,951,807	1,740,032	1,713,857
Total Christ Our Shepherd Center	800,742	719,009	966,859
Total Communications and Evangelization	1,309,559	1,252,187	1,183,035
Other Administrative:			
Legal and professional fees	167,180	280,281	315,921
Regional and national dues	131,571	116,901	123,655
General Diocesan administration	105,772	125,841	132,676
Special events	46,690	131,235	14,250
Diocesan sites maintenance	6,414	6,158	6,009
Bad debt expense	742	1,450	1,518
Lay employee pension plan (credit) expense	(344,844)	(182,096)	(198,291)
Total Other Administrative	113,525	479,770	395,738
Total Expenses	9,924,636	9,496,557	10,038,053
Change in Net Assets without donor restrictions before adjustments and transfers:			
Transfers from other funds	-	-	-
Transfers to other funds	(1,398,514)	(911,026)	(1,373,142)
Change in Unrestricted Net Assets	(967,808)	1,372,557	(873,303)
Temporarily restricted net assets:			
Contributions	4,042,380	3,758,017	3,572,834
Released from restrictions	(3,897,499)	(3,606,774)	(3,582,908)
Change in Temporarily Restricted Net Assets	144,881	151,243	(10,074)
Net Assets, Beginning of Year	6,871,148	5,347,348	6,230,725
Net Assets, End of Year	\$ 6,048,221	\$ 6,871,148	\$ 5,347,348