



Diocese of Juneau Fiscal Year 2017 Annual Report (Unaudited)

Dear Brothers and Sisters in Christ,

In talking to people throughout the Diocese, one of the most common desires expressed by the faithful is the need for financial transparency and accountability to ensure the diocese is a good steward of funds entrusted to it. This desire was clearly reiterated in the recent Steier Group survey which listed the following as the most frequent survey response, “The diocese needs to clarify what its funds are used for. There needs to be transparency and accountability.”

Accordingly, the Diocese of Juneau, in the continued practice of full transparency, has produced this unaudited financial report for the period ending June 30, 2017. This report and prior year audited financial reports have also been posted on the Diocese’s website.

As you read through this report, and the most recent audited financial statements, you will see how your financial gifts are being used throughout the diocese.

The Chancery always welcomes your questions and input – so please feel free to call me at (907) 586-2227 x27, or email me at businessmanager@dioceseofjuneau.org.

Thank-you for your continued financial support and prayers. May God bless you and your loved ones.

Deacon Michael Monagle,
Business Manager

Who We Are and What We Do

ABOUT THE DIOCESE OF JUNEAU

- The Diocese covers 37,566 square miles, from Yakutat to Metlakatla, making it one of the largest in area in the United States.
- With less than 7,500 Catholics, it has the smallest diocesan population in the U.S. – roughly the size of a single large parish in some dioceses in the lower 48.
- The Diocese helps support 9 parishes, 17 mission communities, one Catholic School, and two Catholic social service programs in Southeast Alaska.
- There are currently only 7 active priests serving the Diocese.
- Despite its small size, there are 30 buildings to maintain throughout the Diocese (the Shrine of St. Therese has an additional 14 buildings).
- The Diocese is a recognized “missionary diocese”, a designation given to dioceses that lack financial resources and philanthropic opportunities.

The Catholic Church of Southeast Alaska, under the Bishop’s guidance and direction, carries out its mission at the diocesan level through several departments located at the Chancery Offices in downtown Juneau.

The Executive Assistant’s Office provides administrative support to the Bishop. This full-time position is also the Safe Environment and Victim’s Assistance Coordinator for the Diocese.

The Tribunal Office serves as a resource to the Catholic community of the Diocese. Staffed by a part-time position, this office assists the Vicar General with marriage cases and canonical matters.

The Office of Ministries and Office of Northern Missions provide evangelical, liturgical, catechetical, and sacramental support to the 9 parishes and 17 mission communities in the Diocese.

Administrative support for these offices are provided by one permanent full time and one seasonal full time position. These

offices also coordinate the Deacon Formation program for the diocese.

The Office of Youth and Young Adult Ministry provides faith formation and catechetical resources for adolescents, teens, and young adults. It coordinates and promotes diocesan participation in conferences and activities, including Teen Acts, Alaska Catholic Youth Conference, World Youth Day and outreach to the needy. This office is staffed by one full time position.

The Office of Communications publishes the Diocese’s monthly newspaper, the *Southeast Alaska Catholic*. Comprised of one full time position, this office also maintains the Diocese’s website and social media accounts, as well as issuing news and information about the people and communities within the Diocese.

The Office of Stewardship and Development maintains the Diocese’s historical records and archives. This part-time position also administers other projects assigned by the Bishop, such as the Southeast Alaska Catholic Conference.

The Administrative Offices of the Diocese include the Business Office, the Accounting Office, and the Maintenance/IT Office. These offices provide support for financial operations, accounting, human resources, risk management, information/technology, capital projects, and maintenance. These offices also administer benefits for priest retirement, vocations, and seminarians.

The Chancery maintains several facilities in Juneau, including the Bishop Crimont Center, the St. Ann’s Center, the Bishop’s house, and the Convent house. Outside Juneau, the Chancery maintains St. Ann’s church in Yakutat, Sacred Heart church in Hoonah, and St. Francis church in Tenakee Springs.

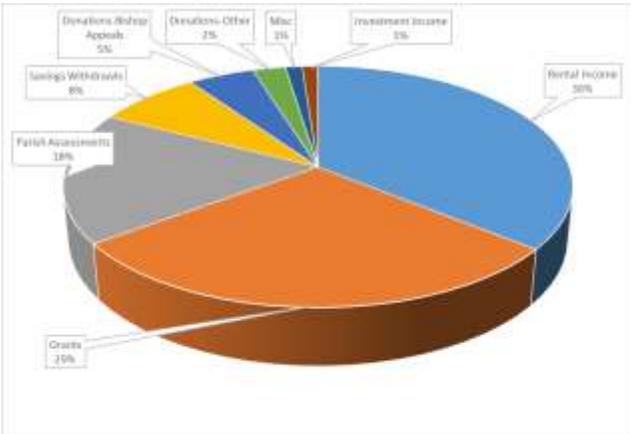
REVENUE

<u>Revenue Source</u>	<u>Amount</u>	<u>Percent</u>
Rental Income	\$605,722	35.9%
Grants	\$490,825	29.1%
Parish Assessments	\$297,864	17.6%
Savings Withdrawals	\$130,167	7.7%
Bishop Appeals	\$82,858	4.9%
Other Donations	\$41,099	2.4%
Misc.	\$20,966	1.2%
Investments	\$19,479	1.2%
<u>Program Fees</u>	<u>\$400</u>	<u>0.0%</u>
Total Revenue	\$1,689,380	

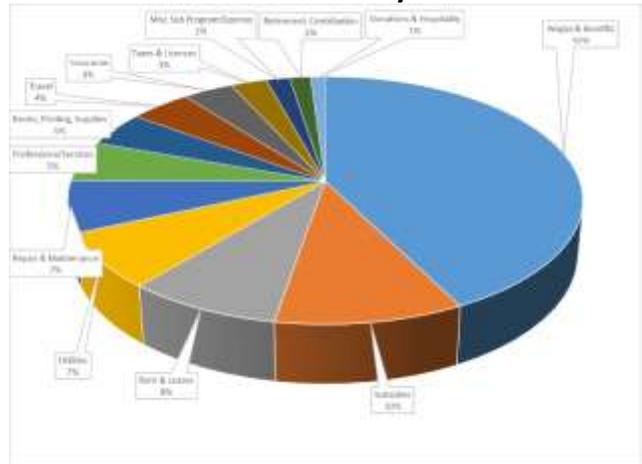
EXPENSES

<u>Expense Item</u>	<u>Amount</u>	<u>Percent</u>
Wages & Benefits	\$717,047	42.4%
Subsidies	\$173,632	10.3%
Rent & Leases	\$142,256	8.4%
Utilities	\$122,882	7.3%
Repair/Maintenance	\$113,309	6.7%
Professional Services	\$89,309	5.3%
Supplies & Printing	\$76,300	4.5%
Travel	\$75,932	4.5%
Insurance	\$61,761	3.7%
Taxes & Licenses	\$44,470	2.6%
Misc Expense	\$28,693	1.7%
Retirement	\$25,792	1.5%
<u>Donations</u>	<u>\$17,997</u>	<u>1.1%</u>
Total Expenses	\$1,689,380	

Where the Money Comes From



Where the Money Goes



Discussion

The Chancery Office for the Diocese of Juneau provides administrative support to the parishes, mission communities, Catholic school, and two Catholic Social Service agencies (Catholic Community Services and St. Vincent de Paul). The Chancery provides centralized payroll; centralized employee benefits; centralized insurance (property, liability, auto, workers' compensation, etc.); risk management, and human resource assistance. The Chancery's 10 full-time and 4 part-time employees administer programs in 25 actively funded departments.

Diocesan operations through the Chancery Office are subject to the oversight of the Bishop, in consultation with the College of Consultors (diocesan priests), the Diocesan Finance Council and the Diocesan Pastoral Council.

Significant events for the year include the following.

- Deacon Steve Olmstead was hired as Director of Evangelization. To achieve the goals established under the 2015 Diocesan Pastoral Plan, and with the loss of the missionary priest position in 2016, Bishop Burns added this position to assist the diocese in accomplishing its evangelical and missionary goals.
- A defined benefit Priest Retirement plan was established for diocesan priests. A trust was created to administer the plan, and funds were moved out of Diocese holdings into the trust. This will legally protect the retirement benefits of those who have spent their lives in service to the people of God in the Diocese of Juneau.
- The Diocese replaced the roof on the St. Ann's Center, at a cost of \$125,000. This is the first year of a three-year plan to repair the Chancery building. The existing building is actually composed of three different sections. The first section, Crimont Center, was part of the St. Ann's Hospital, built on the site in 1933. The second section, St. Ann's Center, was construction in the early 1950's, and the third section (former St. Ann's Nursing Home), was constructed in the early 1980's. Over the years, the buildings have fallen into disrepair.

Looking ahead, challenges and risks include the following.

- Ongoing repairs to the Chancery are projected to cost an additional \$300,000-\$350,000. The Diocese will also be contributing to the renovation of the Cathedral of the Nativity of the Blessed Virgin Mary.
- Health insurance costs are projected to raise 8%-10% per year.
- As rental and grant income continues to shrink, new revenue sources will need to be identified.
- The Diocese's ability to provide subsidies to small parishes, mission communities, the school, and Catholic social service organizations will continue to decline.
- Continued use of savings and investments is not sustainable. The Diocese will be developing short and long term strategies for achieving financial stability, long-term growth, and viability.

Expenses by Department

Tribunal Office	\$32,546
St. John's (Klawock)	\$26,500
Northern Missions	\$51,370
Bishop's Office	\$138,428
Chancery Office	\$92,749
Youth Ministry	\$40,252
Fund Development	\$24,079
Deacon Formation	\$10,330
Vocations/Seminarians	\$41,363
Priest/Minister Meetings	\$11,752
SE AK Catholic Conference	\$18,674
Priest Retirement	\$50,563
St. Ann's (Yakutat)	\$18,610
Ministries Office	\$126,632
Information Technology	\$15,267
Mission Capital Projects	\$9,144
Archives/Special Projects	\$24,288
Crimont Business Center	\$128,910
Bishop's House	\$43,178
St. Joseph's Convent	\$11,577
St. Ann's Center	\$406,059
Communications Office	\$97,384
Business Office	\$103,454
Accounting Office	\$73,427
Admin Support Office	\$92,844
Total	\$1,689,380