Dear Brothers and Sisters in Christ,

In the pages of this issue of The A.D. Times you will find summary reports on the financial condition of the Diocese of Allentown. These reports will provide you with a financial overview of our central Diocesan operations, certain independent organizations, as well as the operations of our parishes and schools, which are separate entities under both canon (Church) law and civil law. You will be able to get a general sense of the Diocese’s financial condition from these summary reports.

The Diocese always works to be good stewards of the money that you, the faithful, donate to your parishes and, through the Bishop’s Annual Appeal, to the Diocese. The Diocese pledges to continue to administer our resources prudently and to work to keep operating costs low.

Thank you for your strong Catholic faith, for your attendance at Mass and for your participation in the sacramental life of the Church. Additionally, your continued generous support of your parishes and Diocesan ministries is greatly appreciated. This support enables the Diocese to assist in the education of our young people, in the formation of the seminarians who will be the priests of tomorrow, and in the care for the retired priests who faithfully served you in the past.

May God continue to bless you and all the work of the Church in the Diocese of Allentown.

Gratefully in Christ,

Most Reverend Alfred A. Schlert
Bishop of Allentown

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**Central Diocesan Operating Revenues**

- Parish Assessments, and Charges
- Donations and Bequests
- Rents, Fees and Other Income
- BAA Contribution to Seminarians, Evangelization, & Education

Total: $23,511,261

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**Central Diocesan Operating Expenses**

- Personnel
- Property & Casualty, and Medical Insurance
- Occupancy Costs
- Program And Other Expenses

Total: $19,543,785

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**Central Diocesan Operations**

<table>
<thead>
<tr>
<th>Fiscal Year Ended</th>
<th>6/30/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Diocesan Operating Revenue</td>
<td>$21,511,261</td>
</tr>
<tr>
<td>Central Diocesan Operating Expenses</td>
<td>$19,543,785</td>
</tr>
<tr>
<td>Diocese Subsidies To Education</td>
<td>$(1,650,500)</td>
</tr>
<tr>
<td>Net Diocese Expense - Retired Clergy</td>
<td>$(798,584)</td>
</tr>
<tr>
<td>Net Result - Diocese Cemeteries</td>
<td>$749,049</td>
</tr>
<tr>
<td>Net Diocese Operating Revenues Over Expenses</td>
<td>$268,341</td>
</tr>
<tr>
<td>Restricted &amp; Designated Investment Gains</td>
<td>$896,203</td>
</tr>
<tr>
<td>Increase in Net Assets</td>
<td>$(1,134,544)</td>
</tr>
<tr>
<td>Net Result</td>
<td>$0</td>
</tr>
</tbody>
</table>
Diocese of Allentown Financial Report to the Faithful

The Diocese of Allentown Financial Report to the Faithful  

In addition to the liabilities reflected in the Statement of Financial Position, there are other liabilities that do not appear on our balance sheet. Specifically the Central Diocesan Offices participate, along with parishes and schools, in the Priests’ Pension Plan and the Lay Employees’ Pension Plan. Like many municipalities and school districts as well as other dioceses throughout the country, the Diocese of Allentown’s pension liabilities are not fully funded. The Diocese has made progress in funding these benefits and will continue to make progress in the future.

The Combined Statement of Financial Position includes the Chancery office, the Secretariat for Temporal Services, the Secretariat for Stewardship and Development, the Secretariat for Education, the Secretariat for Catholic Life and Evangelization, the Secretariat for the Clergy, and the Secretariat for External Affairs. These offices direct the central administration of the Diocese. The enclosed statements also include the Bishop’s Annual Appeal Charitable Trust, Supplemental Health Care Benefits Trust, Diocesan Cemetery Perpetual Care Trust, Clergy Third Age Charitable Trust, Eastern Pennsylvania Scholarship Foundation Charitable Trust, and the non-profit corporation Allentown Catholic Communications Inc.

The consolidated financial information contained in this report is provided to assist our faithful in understanding the financial picture of several important ministries within our Diocese. In reviewing this information it is important to recognize, however, that each parish, regional school, special learning center, etc. is a separate legal entity under applicable civil law, and has its own assets and debts. These consolidated statements are not intended to change that fact or to imply otherwise.

The Diocese of Allentown is comprised of the Catholics in Berks, Carbon, Lehigh, Northampton and Schuylkill counties. There are 252,000 registered Catholics, 84 parishes, 33 elementary schools, 3 special learning centers and 6 high schools.

In addition to the 5 Year Parish Statistics for the Fiscal Years Ended 2013 - 2017, the Diocese of Allentown Financial Report to the Faithful includes information on the Combined Statement of Financial Position and the Consolidated Financial Information.