



ARCHDIOCESE OF NEW ORLEANS
7867 WALMSLEY AVENUE
NEW ORLEANS, LOUISIANA 70125

OFFICE OF THE
ARCHBISHOP

May 26, 2009

Dear Parishioners of the Archdiocese of New Orleans:

With this special issue of the Clarion Herald please find a Financial Report for the Archdiocese of New Orleans. It covers fiscal years 2007 and 2008.

I hope that you find this report encouraging even as we continue to face significant challenges in our efforts to reposition the Archdiocese in a post-Katrina world. In a previous report last summer, I offered to you an accounting of how all of the insurance monies and gifts were distributed in the Archdiocese. With this report you will be able to review the financial results for the last two years.

The sacrifice of returning parishioners and the reconfiguration of our parishes and schools have made it possible to return to a balanced operating budget. The generosity of parishioners in Catholic parishes throughout the country, non-profit entities both Catholic and otherwise, governmental aid for our schools through FEMA and a bond issue have complemented insurance reimbursements to enable us to engage in a significant rebuilding effort. This has not been easy, but the sacrifices of many have made it possible.

I am deeply grateful to our Vicars General, Finance Office and Building Office for the extraordinary way in which they have led us through the work of recovery in a truly responsible way. Their faith, their commitment, their expertise and their perseverance have been truly outstanding.

We continue to have significant challenges ahead to ensure fiscal solvency as we complete the rebuilding of our newly reconfigured Archdiocese. I want to thank all of you for your understanding, cooperation and active participation in the collaborative efforts that have been required to enable us to come to this point.

As I have said elsewhere, reconfiguration of the Archdiocese has been undertaken in order to help us to become a more vibrant, evangelizing and Eucharistic Church. This is our primary goal and purpose. Obviously, we have had to do this with the resources available to us. This report is intended to be a complementary piece to last summer's report on gifts, insurance reimbursements and distributions.

May God bless all of you for the sacrifices you have made. May he enable our continued work together truly to serve his mission in his Church.

Sincerely in the Lord,

Alfred C. Hughes
Most Reverend Alfred C. Hughes
Archbishop of New Orleans



Archbishop Hughes blesses a boy outside of St. Louis Cathedral in 2007, following the release of his 2006 Pastoral Letter on Racial Harmony, "Made in the Image and Likeness of God." The Office of Racial Harmony was formed after the release. The office is among more than 40 apostolates and business offices in the central administration of the archdiocese that employ about 120 people. In total, including all parishes, schools and social service agencies, the Archdiocese of New Orleans employs 6,500 people.

Administrative Statement of Operations for 2007 - 2008

(See Accountant's Report)

Administrative

The central administration offices' operating budgets for 2007 and 2008 are included in these administrative figures. These budget figures reflect mostly the day-to-day income and expenses of operating the central offices, mostly located at the chancery on Walmsley and on Howard Avenues. The numbers show a significant deficit in 2007, but gains in 2008 enabled the archdiocese to end that year with a small surplus.

INCOME	2007	2008
Assessments and Recoveries	\$18,750,861	\$22,921,026
Contributions and grants	923,668	1,843,869
Rents and royalties	1,224,132	1,486,513
Investment income (loss)	4,000,000	3,477,605
Interest Income (loss)	2,846,512	3,440,765
Fees collected and other income	1,673,068	2,289,387
Gain on sale of assets	831,942	618,990
Change in value of split-interest agreements	38,831	107
Total income	\$30,289,014	\$36,078,262

EXPENSE	2007	2008
Christian formation	\$2,116,379	\$2,362,201
Clergy	3,709,971	6,654,197
Community services	109,168	127,287
Gifts and grants	239,212	168,571
Insurance	15,746,001	9,854,196
Pastoral services	974,744	800,129
Religious	81,536	93,034
Total program services	22,977,011	20,059,615
Administrative expense	2,032,375	1,969,919
Financial services	6,338,973	6,172,697
Interest	5,125,157	7,366,308
Total supporting services	13,496,505	15,508,924
Total expense	36,473,516	35,568,539
Income (loss) from Operations	\$(6,184,502)	\$509,723