

2020



Catholic Diocese of Richmond
1820 Bicentennial 2020

Diocese of Richmond ANNUAL REPORT



“REJOICE IN HOPE, ENDURE IN AFFLICTION, PERSEVERE IN PRAYER.” - Romans 12:12

MISSION

We, the Christian faithful of the Catholic Diocese of Richmond, led by our Bishop and in union with the universal Church, are listeners, learners, teachers and Disciples of Christ. We embrace our diversity and its expression in faith. We share a vision of a diocese where love grows, life triumphs and justice and peace prevail. We participate in God's work to renew our Church and the world, through Word, Worship, Community and Service.

November 30, 2020

A Message from Bishop Knestout

Dear Brothers and Sisters in Christ,

It is likely that many of us share the feeling that things did not turn out as we had expected this year. In January, no one could have predicted how the world would change and the challenges that we would be facing. First and foremost, there is the tragic loss of life from the pandemic. There is the financial impact being felt by many due to the shutdown of businesses for reasons of health and safety. Families with children are dealing with a multitude of issues from childcare to fully virtual instruction.

Our churches became very quiet as a result of the suspension of public Masses for a period of time. The celebration of graduations, anniversaries and birthdays are different when groups are not able to gather.

We were two months into the celebration of our diocesan bicentennial year, anticipating multiple occasions to celebrate and commemorate our diocese's history when COVID-19 disrupted life. We had no idea how much change we'd undergo, but we knew that the focus on our bicentennial themes of communion and mission, and our commitment to providing pastoral care to the faithful, would continue.

Beginning in March, the onset of COVID-19 affected us sacramentally and financially. Ours is a Church of community, of gathering around the altar to be nourished by the Word of God and the Eucharist. For two months our parishioners could only watch Mass via livestreams.

Financially, with Mass attendance suspended, our parishes felt the impact immediately. Our Catholic Community Foundation personnel devoted countless hours, working closely with pastors and parish staff, to offer guidance with how parishes might best sustain financial support.

Despite having to change course, as of today, our Annual Diocesan Appeal raised \$3,902,000 and is 4.0% over its goal. I humbly thank you for keeping our ministries funded so that we can strengthen our communion and fulfill our mission.

Reflected in this year's annual report are the costs associated with the diocese's Independent Reconciliation Program in which \$6.3 million was paid to more than 50 victim survivors of clergy sexual abuse. A full report detailing this program and our extensive efforts to assist these individuals may be found on the diocese's website, richmonddiocese.org. Because of the cost of this program, combined with the economic uncertainty caused by COVID-19, we are being cautious with how we have budgeted for this upcoming year. At the same time, we will do all we can to serve the spiritual and pastoral needs of the faithful. As St. Vincent de Paul, the patron of our diocese, wrote: "Rarely is any good done without difficulty."

We have had to adapt to what has occurred this year. We don't know how much longer and to what degree these adjustments will continue. However, one thing is certain: God is with us. He sustains us in our communion with his Son, and the Holy Spirit guides us in carrying out his mission.

Let us continue to walk by that faith.

Sincerely yours in Christ,

Most Reverend Barry C. Knestout
Bishop of Richmond

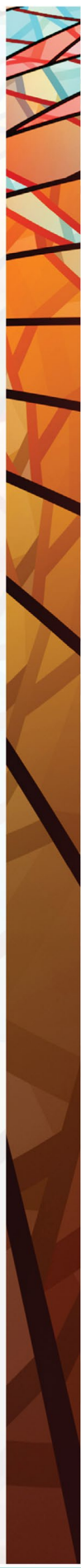


CONTENTS

Holy Week Reflection
3

Bicentennial Year in Review
4 - 5

Financial Statements
6 - 8



Holy Week REFLECTION

SUMMARY

While the public celebration of Masses had been suspended on March 16, the impact of COVID-19 on the faithful's spiritual life hit hardest when Holy Week began on April 5. Throughout the diocese, parishes sought and implemented ways to engage parishioners in the commemoration of this most historic time in the Church year. While it was no substitute for the faithful coming together as a community, technology proved to be a blessing as some parishes were able to

livestream liturgies for Palm Sunday, Holy Thursday, Good Friday, the Easter Vigil and Easter Sunday. In areas where a local livestream wasn't available, parishioners could watch the liturgies celebrated at the Cathedral of the Sacred Heart. While Holy Week and Easter were unlike any we have ever experienced, thanks to the gifts of time, talent and resources from our faith-filled Catholic community, we were able to commemorate and celebrate the Paschal Mystery in a reverent, meaningful way.



HOLY WEEK MISSION

Wanting to provide as many opportunities for spiritual enrichment as possible during this time of isolation, concern and uncertainty, the diocese livestreamed a three-night mission, April 6-8. The virtual mission featured three priests, three laypeople and a religious speaking about the diocesan bicentennial theme, "Shine like Stars." Music was provided by five parish choirs. Viewership for the virtual Holy Week Mission reached nearly 24,000 screens through diocesan social media platforms.*

*2020 Source: Office of Communications

PALM SUNDAY

Palm Sunday began the virtual celebration of Holy Week liturgies due to the temporary suspension of Masses amid the health concerns imposed by the COVID-19 pandemic. As a result, Bishop Knestout dispensed Catholics from the obligation of attending Mass on Sundays and holy days until further notice.



HOLY THURSDAY



Witnessing that the community aspect of Holy Thursday would be missing due to COVID-19 restrictions, Bishop Knestout encouraged the faithful to be inspired by the Holy Spirit and grow closer to God and his Son. While not physically present for Mass, many parishioners sustained their faith communities through **offertory.richmonddiocese.org**, which provided opportunities to continue supporting the pastoral and sacramental ministries of their parishes.

GOOD FRIDAY

With almost no people physically present in church, the impact of the Good Friday liturgy might have been lost had it not been for livestreaming. The Catholic Community Foundation worked tirelessly with parishes on how to use social media for bringing this and all liturgies to their parishioners. In early April 2020, approximately 37 parishes were livestreaming on social media using Facebook and YouTube platforms. By June 2020, more than 130 parishes were using some type of social media technology to reach their parishioners and stay connected.* While viewing time and screen numbers varied from parish to parish, Bishop Knestout's Holy Week liturgies – including Palm Sunday, the Sacred Triduum and Easter Sunday — from the Cathedral of the Sacred Heart reached a combined 37,435 screens across Facebook and YouTube. Weeks later, the diocese began livestreaming the bishop's Sunday Masses, furthering its reach on Twitter.**



*2020 Source: Catholic Community Foundation

**2020 Source: Office of Communications



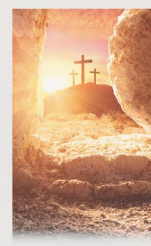
EASTER VIGIL



Bishop Knestout stated that the sacrifices and suffering of the pandemic were a contradiction to the hope and joy celebrated at the Easter Vigil — one of the greatest community celebrations of the Church year. Our faith communities would have to wait until summer to celebrate with our catechumens as they entered the Church. When they did, we welcomed them and rejoiced with them.

EASTER SUNDAY


Nothing could extinguish the life and the light of our Risen Lord on Easter! We came together as community — diocese, parishes, individuals — helping each other, supporting each other and, most importantly, praying for each other. While our world is sometimes overwhelmed by chaos, darkness, death and sorrow, Bishop Knestout reminded us that we will withstand these challenges "with the armor of our faith, the confidence in Christ who has conquered sin and death, and gives us light and life, today and every day."



Bicentennial 'Shine like stars in the world, as you hold fast to the word of life.' (Phil 2:15-16)

As our 200th anniversary comes to a close, Bishop Barry C. Knestout noted our diocesan commemoration would provide a look at the past "while charting a course for the future."

The following is a collection of events and initiatives that contributed to the celebration of our diocesan bicentennial.



Bicentennial Prayer of the Diocese of Richmond

Father of lights,
the radiance of your Son has guided the advance of the Gospel across the Diocese of Richmond for two centuries, strengthening our Church from the Eastern Shore to the Cumberland Gap. Grant that the nearness of your Son may dispel the darkness of our sins, so that as our love increases more and more, we may dare more than ever to fearlessly proclaim the word. Holding fast to the word of life, may we shine like stars in the world. We ask this through our Lord Jesus Christ, your Son, who lives and reigns with you in the unity of the Holy Spirit, one God for ever and ever.

ST. VINCENT DE PAUL
DIOCESAN PATRON

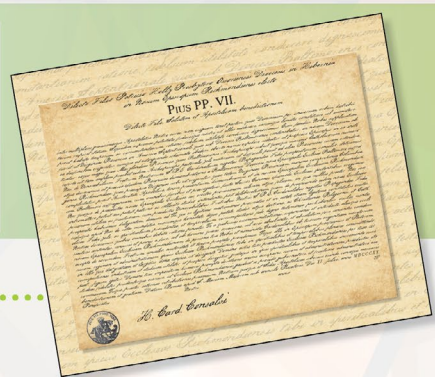
BICENTENNIAL PRAYER (Sept. 27, 2018)

The bicentennial prayer expresses the themes of communion and mission – communion keeps the Church intact; mission enables the Church to grow. The prayer is based largely on St. Paul's Letter to the Philippians from which the bicentennial motto originated.



LOGO (Aug. 9, 2019)

Sari Evans, a parishioner of the Basilica of St. Mary of the Immaculate Conception in Norfolk, was announced as the winner of the bicentennial logo contest on Aug. 9, 2019. The design was inspired by the stained glass windows of the Basilica and represents the breadth of the Diocese of Richmond from the Eastern Shore to the Cumberland Gap.



APOSTOLIC BRIEF (Aug. 21, 2019)

The diocese commissioned a reproduction and translation of the founding document (apostolic brief) of the Diocese of Richmond.

BICENTENNIAL HYMN 'We Shine Like Stars in the World' (Oct. 11, 2019)

The bicentennial hymn was selected following a diocesan-wide contest so it could be used throughout the commemorative year. Composed by Daniel Keeley, director of music ministries at Our Lady of Nazareth Church, Roanoke, "We Shine Like Stars in the World" was announced as the winner of the bicentennial hymn contest on Oct. 11, 2019. Keeley told The Catholic Virginian he felt the hymn should be "a martial kind of song that would exemplify us moving forward as a Church in the Diocese of Richmond."



PILGRIMAGE to DC (Oct. 12, 2019)

Nearly 600 pilgrims joined Bishop Knestout on a pilgrimage to the Basilica of the National Shrine of the Immaculate Conception in Washington, D.C. on Oct. 12, 2019, for prayer and catechesis. The journey helped set the tone for the bicentennial year by introducing the faithful to the bicentennial themes of communion and mission, which are expressed in the bicentennial motto: "Shine like stars in the world, as you hold fast to the word of life" (Phil 2:15-26).



COFFEE TABLE BOOK (December 2019)

A commemorative book, "Shine Like Stars," was published in December 2019. The first published copy was presented to Pope Francis by Bishop Knestout during his "ad limina" visit to the Vatican on Dec. 3, 2019.



EASTERN VICARIATE MASS (Jan. 19, 2020)

Bishop Knestout opened the bicentennial year with a regional Mass in the Eastern Vicariate at Sacred Heart Catholic Church, Norfolk, on Jan. 19, 2020, which commemorated the arrival in Virginia of Bishop Patrick Kelly, first bishop of Richmond. At all three regional bicentennial Masses, Bishop Knestout used a historic chalice that belonged to Right Reverend Augustine van de Vyver, sixth bishop of Richmond, and a crozier that belonged to Bishop Walter F. Sullivan, 11th bishop of Richmond.



CENTRAL VICARIATE MASS (July 11, 2020)

The regional Mass in the Central Vicariate commemorating the 200th anniversary of the founding of the Catholic Diocese of Richmond was celebrated in conjunction with the ordination of two priests and one transitional deacon at the Cathedral of the Sacred Heart, Richmond, on July 11, 2020. Originally scheduled to take place in the spring, the ordination dates for these three men were postponed due to COVID-19 and to ensure the safety of our parishioners and clergy. On display at the cathedral were replicas of the founding documents of the diocese and relics of St. Vincent de Paul, diocesan patron; St. Katharine Drexel, founder of two historic diocesan schools; and St. John Neumann, patron of Catholic education.



WESTERN VICARIATE MASS (Sept. 26, 2020)

A Western Vicariate Mass marking the feast day of the diocesan patron, St. Vincent de Paul, was celebrated at St. Andrew Catholic Church, Roanoke, on Sept. 26, 2020. During the third and last of the diocese's regional bicentennial Masses, Bishop Knestout emphasized outreach to the poor and vulnerable in our midst as an expression of our life as Catholics, noting "that's been consistent throughout the history of this local Church." Due to the pandemic, the Central and Western Vicariate Masses were livestreamed in order for the faithful to safely participate.



OCTAVE OF SERVICE (Sept. 27 – Oct. 4, 2020)

An Octave of Service in honor of St. Vincent de Paul began on Sept. 27, 2020. Parishes, schools and individuals were invited to put their Catholic faith in action by serving their communities.

EUCCHARISTIC CONGRESS (Nov. 6-7, 2020)

The culmination of the bicentennial jubilee was the first Eucharistic Congress ever held in the Diocese of Richmond, Nov. 6-7, 2020. Bishop Knestout opened the celebration on Friday evening, Nov. 6. Keynote presentations were given virtually by Cardinal-designate Wilton D. Gregory of Washington (English) and Bishop Luis R. Zarama of Raleigh (Spanish). Saturday began with 8:30 a.m. Mass at the Pro-Cathedral of St. Peter, Richmond, the first cathedral of the diocese. An indulgence was attached to the papal blessing Bishop Knestout imparted at the conclusion of Mass and was obtained by the faithful who participated in Mass via livestream. A Holy Hour for adoration of the Blessed Sacrament was then held at the Cathedral of the Sacred Heart. Bishop Michael F. Burbidge of Arlington was homilist. Parishes across the diocese held their own Holy Hours in a synchronized component to the event. Breakout presentations and discussion groups were held virtually.

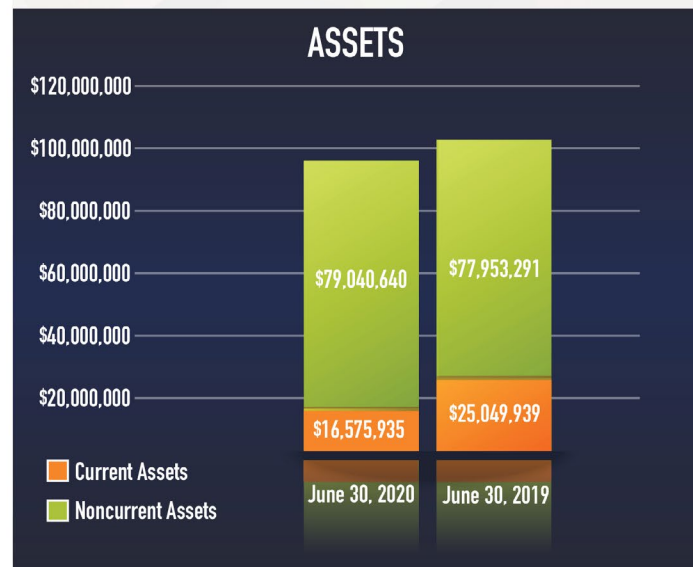


INDULGENCES

In addition to the indulgence imparted at the Eucharistic Congress Mass, Pope Francis also granted an indulgence to the faithful who make a pilgrimage to any of the three historic churches within the diocese during the jubilee: the Basilica of St. Mary of the Immaculate Conception, Norfolk; the Cathedral of the Sacred Heart, Richmond; and St. Andrew Catholic Church, Roanoke. While there, pilgrims should pray, at a minimum, the Our Father, the Creed and prayers associated with the Virgin Mary. The bicentennial indulgences provide a singular way to celebrate our jubilee, and they express the closeness of Pope Francis to the Diocese of Richmond.

STATEMENTS OF FINANCIAL POSITION

ASSETS	JUNE 30, 2020	JUNE 30, 2019
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 554,242	\$ 1,461,256
Short-Term Investments	3,795,235	6,303,156
Accounts Receivable	5,301,835	4,516,598
Pledges Receivable - Current Portion, Net	5,686,649	11,620,360
Prepaid Expenses and Other Current Assets	1,237,974	1,148,569
Total Current Assets	16,575,935	25,049,939
NONCURRENT ASSETS		
Pledges Receivable - Noncurrent Portion, Net	677,166	2,695,843
Investments	61,632,322	60,151,647
Other Noncurrent Assets	615,392	732,953
Land, Buildings and Equipment, Less Accumulated Depreciation	16,115,760	14,372,848
Total Noncurrent Assets	79,040,640	77,953,291
Total Assets	\$ 95,616,575	\$103,003,230
LIABILITIES AND NET ASSETS		
	JUNE 30, 2020	JUNE 30, 2019
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 5,221,213	\$ 5,649,152
Independent Reconciliation Program Payable	6,300,000	-
Parish Share Liability	5,145,091	11,358,407
Notes Payable	13,373,398	12,009,912
Other Current Liabilities	2,139,026	2,346,473
Total Current Liabilities	32,178,728	31,363,944
NONCURRENT LIABILITIES		
Net Unfunded Priest Pension Liability	10,599,873	7,533,423
Net Unfunded Priest Other Postretirement		
Employee Benefits Liability	10,416,801	8,495,364
Other Noncurrent Liabilities	835,337	118,806
Total Noncurrent Liabilities	21,852,011	16,147,593
Total Liabilities	54,030,739	47,511,537
NET ASSETS		
Without donor restrictions	422,119	14,847,842
With donor restrictions:		
To be spent for specific purpose	33,536,444	33,002,022
Maintained in perpetuity	7,627,273	7,641,829
Total Net Assets	41,585,836	55,491,693
Total Liabilities and Net Assets	\$ 95,616,575	\$103,003,230

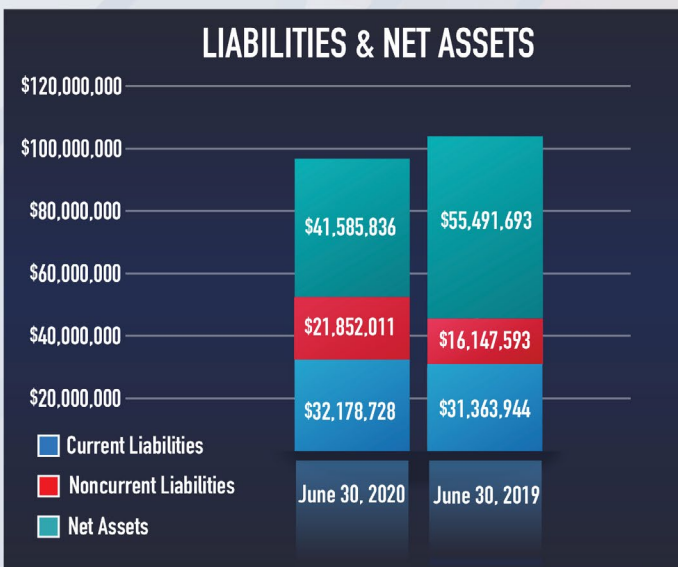


Statements of Financial Position

Assets decreased \$7.4 million as of June 30, 2020 when compared to the prior year. Pledges receivable, current and noncurrent portion, decreased \$8.0 million as the *Living Our Mission* campaign is nearing the end of its pledge redemption phase. Cash and short-term investments declined \$3.4 million as less revenue was collected near the end of the year due to the pandemic, and these funds were drawn upon to fund general operations. Offsetting these decreases, fixed assets increased, reflecting the cost of repairs and renovations to 304 North Sheppard Street, preparing the building for sale to Cristo Rey Richmond High School.

Current liabilities increased 2.6% or \$815,000, as a result of offsetting events. Current liabilities include the accrual of \$6.3 million for the Independent Reconciliation Program settlements to victim survivors. The amounts payable to the parishes for their share of the *Living Our Mission* campaign decreased by \$6,200,000. Notes payable increased \$1.4 million reflecting the \$1,999,000 loan from the Paycheck Protection Program offset by debt payments during the year on Plant Fund and Tuition Assistance Fund debts.

Noncurrent liabilities increased \$5.7 million primarily as a result of an increase in the obligation for the priests pension plan and the amount needed to be set aside for other postretirement benefits for priests.



Changes in Net Assets

During the year ended June 30, 2020, expenses exceeded revenues by \$13.9 million, dropping total net assets to \$41.6 million from \$55.5 million as of the end of the prior year. Net assets without donor restrictions ended the year at \$422,119, lower by \$14.4 million, as most of the operating losses for the year were funded by unrestricted assets.

Net assets with donor restrictions, however, remained relatively level with the prior year at \$41 million. See the Statements of Activities for a further explanation.

For questions regarding the 2020 Catholic Diocese of Richmond Annual Report, contact the Diocesan Finance Office located at the Pastoral Center at (804) 359-5661. Additional information is available at www.richmonddiocese.org where the audited financial statements may be found.

Statements of Activities

Total revenue was \$9.9 million lower year-over-year. Assessments to the parishes were lowered as a result of the temporary suspension of public Mass due to COVID-19, which resulted in a \$3.8 million decrease in assessments for Cathedralricum, Health Insurance and Tuition Assistance. As the *Living Our Mission* campaign wraps up, contributions were lower by \$5.7 million and investment income was lower by \$1.8 million.

Total expenses increased \$1.8 million year-over-year. The recognition of \$6.3 million in settlements associated with the Independent Reconciliation Program was offset by lower *Living Our Mission* campaign case distributions as the campaign winds down. Nearly \$5.0 million was recorded to reflect an increase in the priests pension plan obligation and for other postretirement benefits for priests, primarily due to low interest rates. Where possible, costs were trimmed in a number of the program, administrative and financial services areas in recognition of less revenue due to COVID-19, the Independent Reconciliation Program and lower investment income.

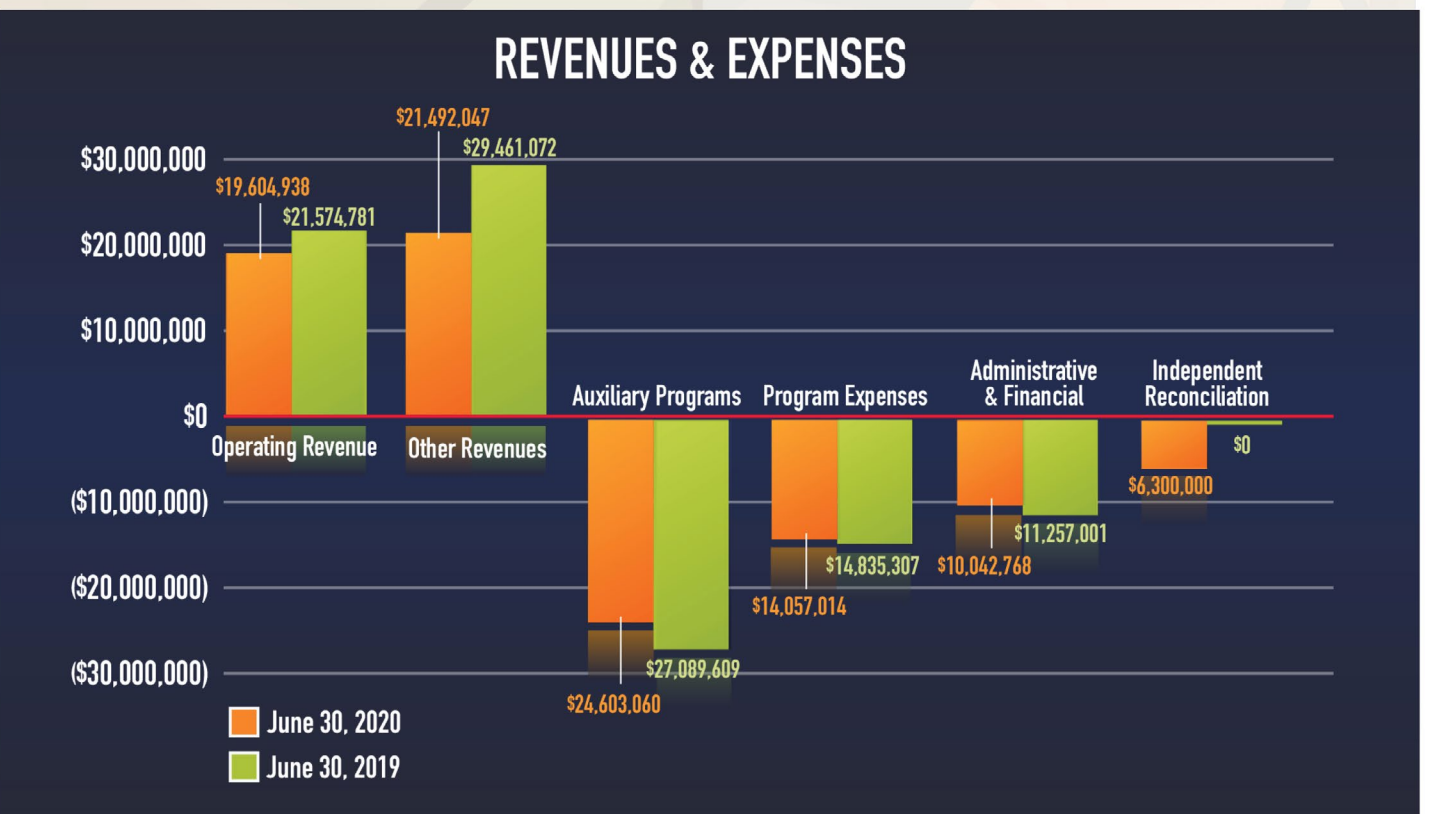
VIETNAMESE NEW YEAR MASS (Jan. 26, 2020)

Celebrated at Church of Vietnamese Martyrs, Richmond, with Bishop Barry C. Knestout.



STATEMENTS OF ACTIVITIES

	JUNE 30, 2020	JUNE 30, 2019
OPERATING REVENUES		
Diocesan Assessments:	\$ 9,105,597	\$ 10,608,520
Contributions from Elderly Housing Facilities	4,150,000	3,925,000
Contributions and Collections	2,242,541	1,444,439
Program and Fee Revenue	1,683,018	1,727,787
Other Income	1,414,830	1,041,340
Investment Income	1,008,952	2,827,695
Total Operating Revenues	19,604,938	21,574,781
OTHER REVENUES		
Insurance Assessments	13,625,275	15,063,189
Campaign Contributions, Net	3,966,821	9,626,239
Tuition Assistance Assessments	3,899,951	4,771,644
Total Other Revenues	21,492,047	29,461,072
Total Revenues	41,096,985	51,035,853
AUXILIARY PROGRAMS AND SERVICES		
Insurance Expenses	13,898,533	14,161,738
Tuition Assistance Program	4,349,040	5,161,235
Change in Unfunded Priest Pension Liability	3,066,450	1,232,283
Change in Unfunded Pries Other Postretirement		
Health Obligations	1,921,437	241,779
Campaign Case Distributions	1,367,600	6,292,574
Total Auxiliary Programs and Services	24,603,060	27,089,609
PROGRAM EXPENSES	14,057,014	14,835,307
ADMINISTRATIVE AND FINANCIAL SERVICES	10,042,768	11,257,001
INDEPENDENT RECONCILIATION PROGRAM	6,300,000	-
Total Expenses	55,002,842	53,181,917
CHANGE IN NET ASSETS	(13,905,857)	(2,146,064)
Net Assets – Beginning of Year	55,491,693	57,637,757
NET ASSETS – END OF YEAR	\$ 41,585,836	\$ 55,491,693



PROGRAM EXPENSES**OFFICES OF BISHOP AND VICARS**

	JUNE 30, 2020	JUNE 30, 2019
Bishop's Office	\$ 385,241	\$ 390,031
Vicar General	255,572	279,141
Vicar for Clergy	166,645	173,147
Chancellor's Office	2,328	3,353
Total Offices of Bishop and Vicars	809,786	845,672

PASTORAL MINISTRIES

Support for Priests:

Diocesan support for priests	960,825	1,117,165
International priests enculturation and mentorship	703,062	660,193
Priest auto fund grants	600,556	603,540
Priests long-term care	532,826	492,411
Retired priests health care and support	260,268	280,107
Priests convocation and formation	73,069	39,645
Priests Council	1,418	2,515
Vocations	1,356,285	1,539,773
Cemeteries	648,856	644,138
Tribunal	554,958	561,842
Custodial Fund contributions	364,469	23,699
Retreat Centers	278,072	351,361
Education Endowment Contributions	165,341	170,030
Permanent Diaconate	154,330	149,482
Diocesan Theologian, Worship and Other	137,354	154,032
Diocese of Richmond Housing Corporation	41,586	60,344
Total Pastoral Ministries	6,833,275	6,850,277

CATHOLIC EDUCATION MINISTRIES

Office of Catholic Schools	877,100	939,988
Christian Formation	645,616	648,201
Total Catholic Education Ministries	1,522,716	1,588,189

SOCIAL AND CULTURAL MINISTRIES

Ethnic Ministries	464,804	636,958
Fuel and Hunger Fund	325,200	254,500
Social Ministries	280,946	249,156
Home Missions Program	10,000	223,024
Total Social and Cultural Ministries	1,080,950	1,363,638

OFFICE FOR EVANGELIZATION

Campus field operations	1,379,040	1,441,980
Youth programs and events	540,580	646,434
Administration and cross-office programs	406,463	445,801
Center for Marriage, Family and Life	217,866	380,258
Campus programs and events	114,326	105,032
Young Adult programs and events	15,883	26,675
Evangelization Pastoral Plan	667	28,524
Total Office for Evangelization	2,674,825	3,074,704

COMMUNICATIONS

Catholic Virginian	820,820	830,073
Office of Communications	314,642	282,754
Total Communications	1,135,462	1,112,827

TOTAL PROGRAM EXPENSES

	\$ 14,057,014	\$ 14,835,307
--	----------------------	----------------------

ADMINISTRATIVE AND FINANCIAL SERVICES

Finance and Real Estate	\$ 1,240,805	\$ 1,284,858
Development	1,167,416	1,110,422
Depreciation	1,088,132	1,046,834
Information Technology	929,376	825,152
Human Resources	897,690	967,570
Professional fees and general administration	722,754	849,154
Facility operations, repairs and maintenance	612,919	654,879
Payroll Processing	508,146	690,773
Plant Fund	472,652	765,808
Annual Diocesan Appeal	465,054	561,523
USCCB and Virginia Catholic Conference Dues	441,354	334,319
Interest Expense	358,642	426,037
Bad debt expense	228,399	819,756
Living Our Mission	199,011	287,990
Archives and Museum	196,298	187,504
ParishSoft Accounting	176,890	232,716
Copy Services	146,495	149,810
Bicentennial Celebration	129,964	4,376
Risk Management	59,893	56,314
Other	878	1,206
TOTAL ADMIN & FINANCIAL SERVICES	\$ 10,042,768	\$ 11,257,001

2020 EVENTS OF NOTE**PRAYER BEFORE THE VIRGINIA HOUSE OF DELEGATES**
(Jan. 29, 2020)

Bishop Knestout gave the invocation at the start of the Virginia House of Delegates session with a prayer from the Book of Ecclesiastes 3:1.

**2020 CONFIRMATIONS**

When public Masses resumed this year, pastors were delegated with the faculties to confer the sacrament of confirmation for candidates who were to attend a confirmation liturgy that was suspended due to COVID-19.

**PRAYER SERVICE FOR RACIAL HEALING** (June 12, 2020)

Bishop Knestout joined Deacon Charles Williams, director of the diocesan Office for Black Catholics, in a livestreamed Prayer Service for Racial Healing. The livestream had nearly 8,000 views.

**LAY ECCLESIAL MINISTRY INSTITUTE (LEMI)** (Oct. 24, 2020)

Having completed formation through the diocese's LEMI program, 11 women were commissioned as lay ecclesial ministers by Bishop Knestout at the Cathedral of the Sacred Heart.