

December 2022

To the Catholic community in western Massachusetts:

During this joyous season, marked by the celebration of the birth of our Lord and Savior, Jesus Christ, we give thanks to God for sending his only begotten Son into the world, bringing with him a message of salvation for all people.

Living out this mandate is the responsibility of all who are baptized: important work which is carried out in our parishes, diocesan supported ministries and services, reaching out to all people, at every stage of life. That work is made possible by our generous parishioners and benefactors, whose stewardship continues Christ's mission, begun over two millennia ago in Bethlehem and carried out here in western Massachusetts.

When those facing a crisis pregnancy reach out for help from one of our family service ministries, they encounter the face of Christ.

When young people take part in spiritual events like Encuentro and Steubenville East or attend a Newman college Mass or activity, they encounter the face of Christ.

When the hungry and homeless seek our assistance through life-sustaining agencies, they encounter the face of Christ.

When the homebound are able to view the Mass on the "Chalice of Salvation" broadcast, and receive a hot weekend meal, they encounter the face of Christ.

When their earthly journey draws to an end, they encounter the face of Christ through our hospital chaplains, pastoral ministers, deacons, and parish priests.

These are but a few examples of how the Catholic Church in western Massachusetts takes on the mission of Jesus Christ in our communities, all made possible due to the generosity of our faithful supporters.

Out of respect for that generosity and in a spirit of transparency I am pleased to provide a comprehensive financial review of our diocese. Like other dioceses and charitable entities, we are slowly rebounding from the adverse impact caused by the COVID-19 pandemic. Slowly, the faithful are returning to regular Mass attendance and an increase in sacrificial offerings.

During my many parish visits, I have witnessed a hopeful spirit among the faithful, one that points to a brighter future. These signs include an increase in young adult engagement; our growing and vibrant Latino community; the spiritual awakening brought about by our Year of the Eucharist; and an increased interest in vocations, which remains a critical need for our future.

On the following pages you can see firsthand our financial report for the fiscal year July 1, 2020 to June 30, 2021. Additional and more detailed findings can be found through a link on the home page of diospringfield.org, where you will also find some FAQs and an email address if you would like to respond and ask questions.

In closing, I want to thank Mr. Michael Ford, our Chief Financial Officer, along with the staff of the diocesan Finance Office for their diligent efforts in producing these reports. I also want to express my gratitude to the dedicated members of the Diocesan Finance Council for their help and expert guidance in the oversight of all funds entrusted to the diocese, our schools, parishes, and extended entities.



WILLIAM D. BYRNE,
Bishop of Springfield

In Christ,

A handwritten signature in black ink that reads "William D. Byrne". The signature is written in a cursive, flowing style.

+ Most Rev. William D. Byrne,
Bishop of Springfield, MA

Financial Report 2021

Dear Friends of the Diocese of Springfield,

It is my privilege, as the Chief Financial Officer of the Diocese of Springfield, to present to you the 2020-2021 audited financial reports for the diocese. It is a great honor for me to have been selected by Most Reverend William Byrne to be the Chief Financial Officer for the Diocese of Springfield in May 2021. My predecessor, William LaBroad, served this diocese with distinction for over a quarter of a century and navigated the Diocese of Springfield through many challenges. I am grateful for all the work he has done.

Bishop Byrne has continually stressed the importance of transparency and accountability. As such, under Bishop Byrne's direction, this is the first time the Diocese of Springfield has made its financial statements available for public inspection. Sharing our financial results with you provides transparency about the stewardship and management of the assets so generously given to the diocese over the years.

Here are some of the highlights of the 2020-2021 financial report:

- **The Diocese's fiscal year (FY) runs from July 1st to June 30th.**
- **Total assets increased in FY21 to \$231,427,767 from \$190,084,119 in FY20 largely due to the increase in value of investments. Investments went from \$130,513,313 in FY20 to \$179,526,648 in FY21.**
- **Total liabilities increased from \$95,977,817 in FY20 to \$121,165,195 in FY21, predominately due to an increase in custodial funds as their values increase similarly to investment increases. Custodial funds are funds collected at the diocese's central administrative office and held on behalf of other organizations, like parishes. Since these funds do not belong to the diocese's central administrative office, they are recorded as a liability.**
- **Compared to FY20, operating results were much improved, having a loss of \$336,988 compared to the loss of \$3.8 million in FY20. The major difference between the two years was a \$1.8 million change in value of a beneficial interest in trusts in FY21 compared to \$94,831 in FY20. Additionally, operating results without donor restrictions improved in FY21 by \$1,449,720.**
- **Thanks to the kindness and generosity of so many people across the diocesan family, the Annual Catholic Appeal saw an approximately \$300 thousand increase over FY20. It was great to see so much generosity in such difficult times!**
- **Non-operating results improved in FY21 by about \$25 million. Two items created this significant difference. The first and most significant being a net realized and unrealized gain of \$18.5 million in FY21 compared to a \$57,103 loss in FY20. The second item was the result of a transfer of insurance proceeds, resulting in a reduction of net assets in FY20 of approximately \$5.2 million.**
- **As in years past, the financial statements of the Diocese of Springfield have been independently audited by Wolf & Company, P.C., a Certified Public Accounting firm. The results reflected in the enclosed summary are just from the Central Administrative Offices of the Diocese of Springfield. Wolf & Company, P.C. also audits the Diocese's Foundation, Catholic Charities, and Cemeteries financial statements and performs a review of the Diocese's Communications financial statements, which are not reflected in this statement.**

In all of the audits conducted, the Diocese of Springfield received an unmodified opinion. I invite you to review the full audit reports for each of the five Diocese of Springfield entities. You can find these reports at: www.diospringfield.org

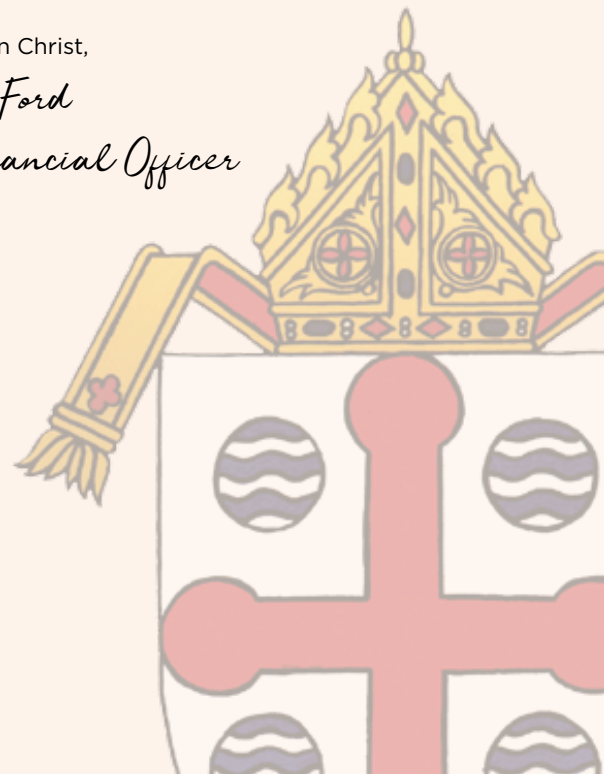
I sincerely appreciate the Diocesan Finance Council for the assistance, support, and guidance they have provided to the diocese, myself, and most importantly to Bishop Byrne. I also genuinely appreciate the hard work the entire staff puts in on a daily basis to ensure we are being diligent and good stewards of the good and generous people in our Diocese. Finally, I am eternally grateful to Bishop Byrne for asking me to serve the Diocese of Springfield in this important ministry and for all the guidance and support he has given to me.

St. Michael the Archangel, pray for us!

Your servant in Christ,

Michael Ford

Chief Financial Officer



Fiscal Year 2021 and 2020

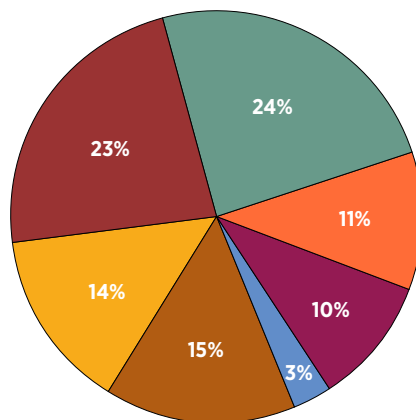
Annual Report of the Central Administrative offices of the Roman Catholic Diocese of Springfield at a Glance

STATEMENT OF FINANCIAL POSITION

	Ending June 30, 2021	Ending June 30, 2020		Ending June 30, 2021	Ending June 30, 2020
Assets:			Liabilities:		
Cash and cash equivalents	20,879,371	32,338,917	Accounts payable and accruals	493,403	498,814
Receivables, net	3,520,678	1,235,042	Claims settlement and other accrued liabilities	4,530,995	4,370,200
Investment related receivables	80,475	71,908	Note payable	678,100	678,100
Loans receivable, net	2,445,153	2,677,380	Custodial funds	115,462,697	90,430,703
Insurance claims receivable	255,642	400,000	Total liabilities	\$121,165,195	\$95,977,817
Due from related corporations	1,377,552	232,136	Net assets:		
Investments, at fair value	179,526,648	130,513,313	Without Donor Restrictions	15,321,490	13,194,280
Other securities, at cost	242,071	242,071	Internal - cemetery perpetual care	15,728,694	15,620,568
Beneficial interest in trusts	6,907,889	5,323,547	Internal - functioning as endowment	40,996,813	31,866,493
Property and equipment, net	16,192,288	17,027,758	Total without donor restrictions	\$72,046,997	\$60,681,341
Prepaid expenses	-	22,047	With Donor Restrictions	38,215,575	33,424,961
Total assets	\$231,427,767	\$190,084,119	Total Net Assets	\$110,262,572	\$94,106,302
			Total liabilities and Net Assets	\$231,427,767	\$190,084,119

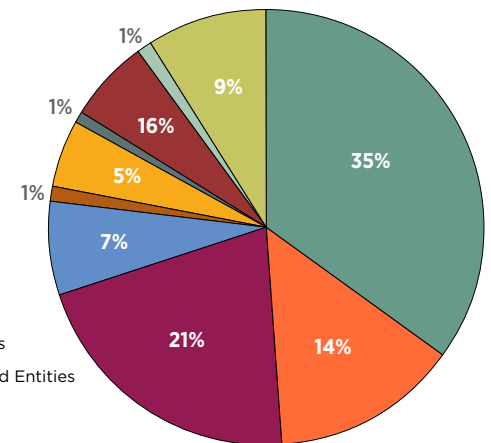
Revenues June 30, 2021

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Operating Expenses by Function June 30, 2021

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- 13 Facility Expenses
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- 15 Education & Faith
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- 17 Support of Related Entities



STATEMENT OF ACTIVITIES

	Ending June 30, 2021			Ending June 30, 2020		
	"Without Donor Restriction"	"With Donor Restriction"	Total	"Without Donor Restriction"	"With Donor Restriction"	Total
Operating revenues and other support:						
Annual Catholic Appeal	-	2,778,676	2,778,676	-	2,497,983	2,497,983
Cathedraticum assessment	1,241,403	-	1,241,403	1,306,439	-	1,306,439
Catholic school support program	1,206,469	-	1,206,469	1,196,566	-	1,196,566
Donations and bequests	300,688	32,607	333,295	337,290	77,078	414,368
Change in value of beneficial interest in trusts		1,787,460	1,787,460	-	94,831	94,831
Contributions and other revenue	1,635,557	10,148	1,645,705	2,032,280	29,741	2,062,021
Invest return designated for current operations	2,113,902	513,385	2,627,287	2,125,465	495,921	2,621,386
Net Assets released from restrictions	3,192,568	(3,192,568)	-	3,269,588	(3,269,588)	-
Total revenue and support	\$9,690,587	\$1,929,708	\$11,620,295	\$10,267,628	\$(74,034)	\$10,193,594
Operating Expenses:						
	Program Services	Gen & Admin	Total	Program Services	Gen & Admin	Total
Personnel	2,533,684	1,662,089	4,195,773	3,214,139	1,477,371	4,691,510
Professional Fees	229,837	1,405,489	1,635,326	113,277	1,278,153	1,391,430
Administrative	2,110,459	408,267	2,518,726	2,416,834	596,068	3,012,900
Depreciation	201,000	684,602	885,602	229,540	791,080	1,020,620
Insurance	8,544	100,404	108,948	9,520	106,028	115,548
Facility Expenses	203,710	358,344	562,054	152,369	473,817	626,186
Travel	84,242	45,843	130,085	168,795	34,531	203,326
Education & Faith	498,680	255,628	754,308	608,007	173,372	781,379
Supplies & Repairs	24,908	32,226	57,134	128,431	30,239	158,670
Support of Related Entities	1,109,328	-	1,109,328	1,982,475	-	1,982,475
Total operating expenses	\$7,004,392	\$4,952,892	\$11,957,284	\$9,023,386	\$4,960,658	\$13,984,044
Decrease in NA from operations			(336,988)			(3,790,450)
Total of non-operating income (expense)			\$16,493,259			\$(8,601,697)
Change in net assets			\$16,156,270			\$(12,392,147)
Net assets at beginning of year			\$94,106,302			\$106,498,449
Net assets at end of year			\$110,262,572			\$94,106,302