CATHOLIC DIOCESE OF ST. PETERSBURG
PASTORAL CENTER AND AFFILIATES

Combined Financial Statements
and Supplementary Financial Information

June 30, 2022 and 2021
(With Independent Auditors' Report Thereon)

CATHOLIC DIOCESE OF ST. PETERSBURG PASTORAL CENTER AND AFFILIATES

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Independent Auditors' Report

Most Reverend Gregory L. Parkes, Bishop and
Diocesan Finance Council of the Catholic Diocese of St. Petersburg:

Opinion

We have audited the combined financial statements of the Catholic Diocese of St. Petersburg Pastoral Center and Affiliates (see Note 1 to the combined financial statements) (collectively, the "Pastoral Center"), which comprise the combined statements of financial position as of June 30, 2022 and 2021, and the related combined statements of activities and cash flows for the years then ended, the related combined statement of functional expenses for the year ended June 30, 2022, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Pastoral Center as of June 30, 2022 and 2021, the changes in their net assets and their cash flows for the years then ended, and their functional expenses for the year ended June 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Pastoral Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pastoral Center's ability to continue as a going concern for one year after the date that the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pastoral Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pastoral Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Pastoral Center's 2021 combined financial statements and we expressed an unmodified opinion on those audited combined financial statements in our report dated November 30, 2021. In our opinion, the summarized comparative information presented herein for the year ended June 30, 2021, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Other Matters

Supplementary Financial Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of financial position information by fund and the schedule of activities information by fund are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Mayer Hoffman McCann P.C.

December 9, 2022
St. Petersburg, Florida

CATHOLIC DIOCESE OF ST. PETERSBURG PASTORAL CENTER AND AFFILIATES

Combined Statements of Financial Position

June 30, 2022 and 2021

		2022	2021
Assets			
Cash and cash equivalents	$	19,923,703	12,362,304
Investments:			
Diocesan investments		101,834,542	129,675,254
Held for others		121,103,039	121,574,069
Insurance premiums receivable, net		123,492	53,048
Pledges receivable, net		927,714	972,612
Estates and trusts receivable		3,243,642	4,151,169
Loans receivable - parishes and schools, net		6,207,604	6,144,135
Prepaid expenses and other assets		968,199	902,641
Cemetery plots and other inventory		539,448	670,043
Notes and other receivables, net		8,236,238	8,630,419
Land, buildings and equipment, net		29,535,386	28,681,618
Total assets	$	292,643,007	313,817,312
Liabilities and Net Assets			
Liabilities:			
Accounts payable, accrued expenses and other liabilities	$	7,412,964	6,917,244
Deposits held in trust - parishes and schools		93,393,002	90,906,407
Deposits held in trust - other		27,710,037	30,667,662
Estimated liability for insurance claims		3,130,402	3,684,121
Annuity obligations		708,368	759,842
Total liabilities		132,354,773	132,935,276
Net assets:			
Without donor restrictions:			
Undesignated		8,243,296	10,468,401
Invested in land, buildings and equipment, net		21,876,149	23,163,430
Designated for specific purposes		102,954,083	110,284,728
		133,073,528	143,916,559
With donor restrictions		27,214,706	36,965,477
Total net assets		160,288,234	180,882,036
Total liabilities and net assets	$	292,643,007	313,817,312

CATHOLIC DIOCESE OF ST. PETERSBURG PASTORAL CENTER AND AFFILIATES

Combined Statements of Activities

For the Years Ended June 30, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:						
Support:						
Parish assessments and Catholic Ministry Appeal	$ 9,026,285	2,911,880	11,938,165	10,835,365	1,916,791	12,752,156
Contributions and bequests	1,371,728	543,780	1,915,508	2,348,683	14,313,510	16,662,193
Revenue:						
Insurance premium revenue	26,687,972	-	26,687,972	26,111,265	-	26,111,265
Investment return	(22,064,565)	(2,365,311)	(24,429,876)	31,681,839	4,015,659	35,697,498
Interest income on loans	134,967	-	134,967	325,941	-	325,941
Programs and sales	6,123,671	-	6,123,671	5,304,286	-	5,304,286
Gain on sale of property and equipment	252,707	-	252,707	9,123	-	9,123
Gain on extinguishment of debt	-	-	-	1,279,200	-	1,279,200
Other revenues	1,882,599	-	1,882,599	1,294,764	-	1,294,764
Change in value of split-interest agreements	(887,559)	-	(887,559)	(79,188)	-	(79,188)
Net assets released from restrictions	10,841,120	(10,841,120)	-	9,473,531	(9,473,531)	-
Total support and revenue	33,368,925	(9,750,771)	23,618,154	88,584,809	10,772,429	99,357,238
Expenses:						
Program services:						
Clergy, religious, vocations and seminarian education	1,940,270	-	1,940,270	1,770,344	-	1,770,344
Catholic formation and education	4,674,997	-	4,674,997	8,125,786	-	8,125,786
Catholic social services	2,511,630	-	2,511,630	4,082,352	-	4,082,352
Parish, school and diocesan services	5,512,250	-	5,512,250	4,823,611	-	4,823,611
Pastoral leadership	1,005,726	-	1,005,726	989,677	-	989,677
Catholic enterprises:						
Bethany Center	2,141,761	-	2,141,761	1,804,573	-	1,804,573
Calvary Catholic Cemetery	1,861,901	-	1,861,901	1,924,862	-	1,924,862
Insurance Trusts	21,274,989	-	21,274,989	20,826,676	-	20,826,676
Savings and Loan	1,433,267	-	1,433,267	1,224,078	-	1,224,078
Total program services	42,356,791	-	42,356,791	45,571,959	-	45,571,959
Supporting services:						
Administration and fundraising	1,855,165	-	1,855,165	1,667,419	-	1,667,419
Total expenses	44,211,956	-	44,211,956	47,239,378	-	47,239,378
Other changes:						
Cumulative effect adjustment due to adoption of ASC Topic 606	-	-	-	(1,514,570)	-	(1,514,570)
Change in net assets	(10,843,031)	(9,750,771)	(20,593,802)	39,830,861	10,772,429	50,603,290
Net assets, beginning of year	143,916,559	36,965,477	180,882,036	104,085,698	26,193,048	130,278,746
Net assets, end of year	$ 133,073,528	27,214,706	160,288,234	143,916,559	36,965,477	180,882,036

CATHOLIC DIOCESE OF ST. PETERSBURG PASTORAL CENTER AND AFFILIATES

Combined Statement of Functional Expenses

For the Year Ended June 30, 2022
(With Comparative Totals for 2021)

	Program Services							Supporting Services			Total Expenses	
	Clergy, Religious, Vocations and Seminarian Education	Catholic Formation and Education	Catholic Social Services	Parish, School and Diocesan Services	Catholic Enterprises	Pastoral Leadership	Total	Administration	Fundraising	Total	2022	2021
Salaries	$ 540,550	1,047,845	97,918	2,209,763	1,956,529	368,924	6,221,529	367,545	181,199	548,744	6,770,273	6,645,543
Employee benefits, less intradiocesan insurance premiums of $1,306,315 and $1,290,665	457,666	209,753	19,895	405,171	303,417	110,499	1,506,401	71,601	30,048	101,649	1,608,050	1,492,012
	998,216	1,257,598	117,813	2,614,934	2,259,946	479,423	7,727,930	439,146	211,247	650,393	8,378,323	8,137,555
Grants, contributions and subsidies to Diocesan entities	-	1,660,614	1,267,065	781,757	-	-	3,709,436	40,000	-	40,000	3,749,436	9,063,589
Grants to Diocesan School Corporations	36,117	1,040,755	1,100,000	236,866	-	-	2,413,738	-	-	-	2,413,738	1,406,371
Insurance claims	-	-	-	-	16,815,875	-	16,815,875	-	-	-	16,815,875	15,854,767
Insurance premiums	-	-	-	-	3,626,487	-	3,626,487	-	-	-	3,626,487	3,480,829
Programs/conferences sponsored/clergy support	716,591	419,481	17,006	555,992	13,328	69,785	1,792,183	295	368	663	1,792,846	1,429,206
Professional fees	23,169	64,658	2,680	573,514	1,223,983	8,900	1,896,904	335,988	66,089	402,077	2,298,981	1,869,223
Travel, meetings and education	35,496	26,432	6,293	44,336	24,161	57,640	194,358	3,853	2,543	6,396	200,754	138,855
Property maintenance and taxes	21,553	17,896	165	50,630	174,620	6,604	271,468	51,317	62	51,379	322,847	286,542
Utilities and telephone	31,086	41,305	2,011	126,034	202,595	26,793	429,824	23,432	3,892	27,324	457,148	444,198
Assessments and quotas	-	-	-	30,198	-	299,974	330,172	-	-	-	330,172	390,335
Building/equipment maintenance	59,836	68,473	3,234	145,058	224,820	31,026	532,447	57,228	7,812	65,040	597,487	561,098
Supplies	12,583	11,449	1,457	34,232	27,071	24,670	111,462	9,407	3,730	13,137	124,599	105,185
Postage	4,626	3,025	550	102,083	5,440	2,148	117,872	4,635	2,027	6,662	124,534	122,957
Dues and periodicals	8,878	5,071	576	35,739	5,063	3,802	59,129	489	200	689	59,818	61,896
Stipends and contract labor	3,835	40,833	550	6,235	5,826	-	57,279	-	-	-	57,279	73,864
Rent	568	11,788	18	176,253	-	385	189,012	249	-	249	189,261	197,019
Cost of sales and other related expenses	-	-	-	-	724,474	-	724,474	-	-	-	724,474	626,626
Advertising	8	8	-	24,915	28,488	8	53,427	14	11	25	53,452	36,851
Interest paid to independent entities on deposits held	-	-	-	-	907,020	-	907,020	-	-	-	907,020	840,160
Depreciation	-	36,458	-	-	916,138	-	952,596	587,392	-	587,392	1,539,988	1,538,309
Net provisions (recoveries) for loan and other losses	(12,292)	(30,847)	(7,788)	(26,526)	(473,417)	(5,432)	(556,302)	(19,711)	23,450	3,739	(552,563)	573,943
Total expenses	$ 1,940,270	4,674,997	2,511,630	5,512,250	26,711,918	1,005,726	42,356,791	1,533,734	321,431	1,855,165	44,211,956	47,239,378

CATHOLIC DIOCESE OF ST. PETERSBURG PASTORAL CENTER AND AFFILIATES

Combined Statements of Cash Flows

For the Years Ended June 30, 2022 and 2021

		2022	2021
Cash flows from operating activities:			
Change in net assets	$	(20,593,802)	50,603,290
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Provision for doubtful accounts, net of recoveries		(552,563)	573,943
Provision for insurance claims, net of recoveries		(478,719)	461,620
Gain on sale of property and equipment		(252,707)	(9,123)
Amortization of discount on loans receivable		(6,944)	(9,337)
Depreciation expense		1,539,988	1,538,309
Net realized and unrealized losses (gains) on investments		34,275,858	(23,775,941)
Noncash contribution under charitable gift annuity agreement		(12,579)	-
Gain on the extinguishment of debt		-	(1,279,200)
Change in value of split-interest agreements		887,559	79,188
Changes in operating assets and liabilities:			
Insurance premiums receivable		75,166	342,334
Pledges receivable		9,898	233,608
Estates and trusts receivable		57,995	(963,394)
Other receivables		325,254	30,349
Prepaid expenses and other assets		(65,558)	20,552
Cemetery plots and other inventory		130,595	142,691
Accounts payable, accrued expenses and other liabilities		420,720	(604,247)
Deposits held in trust		2,481,926	12,525,912
Net cash provided by operating activities		18,242,087	39,910,554
Cash flows from investing activities:			
Proceeds from sales and maturities of investments		10,318,078	5,544,364
Purchases of investments		(19,235,150)	(40,970,104)
Net purchases of investments		(8,917,072)	(35,425,740)
Collections on loans receivable		5,150,716	4,118,882
Loans to Diocesan entities - parishes and schools		(5,161,218)	(2,727,514)
Collections on notes and other receivables		464,857	387,000
Purchases of land, buildings, and equipment		(2,463,756)	(1,302,371)
Proceeds from sales of land, buildings and equipment		322,707	10,525
Net cash used in investing activities		(10,603,766)	(34,939,218)
Cash flows from financing activities:			
Cash received under charitable gift annuity agreement		25,000	-
Payments to donor annuitants		(101,922)	(108,215)
Net cash used in financing activities		(76,922)	(108,215)
Net increase in cash and cash equivalents		7,561,399	4,863,121
Cash and cash equivalents, beginning of year		12,362,304	7,499,183
Cash and cash equivalents, end of year	$	19,923,703	12,362,304
Noncash activities:			
Change in value of deposits held in trust - Non-Diocesan entities	$	(2,952,956)	7,823,539

See accompanying independent auditors’ report and notes to combined financial statements.

(1) Nature of Operations and Basis for Presentation

The Catholic Diocese of St. Petersburg (the "Diocese") was established by the Roman Catholic Church in 1968 to serve the Catholic community in Citrus, Hernando, Hillsborough, Pasco and Pinellas Counties in West Central Florida. The Diocese of St. Petersburg, Inc. employs Bishop Gregory L. Parkes and his supporting staff to administer Diocesan assets and minister to parishes, schools and other Diocesan entities.

For the purposes of this financial report, the assets, liabilities, net assets, and activities of Diocese of St. Petersburg, Inc. have been reported on a combined basis with those of the following separate legal entities due to some degree of common control and for the convenience of the primary users of these combined financial statements who are interested in all combined entities (collectively referred to as the "Pastoral Center and Affiliates" or simply the "Pastoral Center"):

- WBVM - 90.5 FM, Inc.
- Bethany Center, Inc.
- Our Lady of Good Counsel Camp, Inc.
- Miserere Guild, Inc. d/b/a Calvary Catholic Cemetery
- Miserere Guild of Hillsborough, Inc. d/b/a Resurrection Cemetery, Inc.
- Savings and Loan Trust of the Diocese of St. Petersburg ("Savings and Loan Trust")
- Insurance and Employee Benefit Trust of the Diocese of St. Petersburg ("Insurance and Employee Benefit Trust")
- Emmaus Foundation, Inc. d/b/a The Catholic Foundation of the Diocese of St. Petersburg (the "Catholic Foundation")
- Parish Sustainability Corporation

This financial report is intended to provide transparency and accountability to the parishioners of the Diocese, many of whom have made financial contributions directly to the Diocese, or indirectly supported the Diocese through the financial support of parishes. In addition, this report serves other users who are also interested in the financial condition of entities that are funded through other sources. Inclusion in this report does not indicate that assets, net assets, or cash flows of any entity are available for other entities, nor do any liabilities attach to any of the entities with which an entity has been combined. Each entity has a specific purpose, and its governing board has a fiduciary responsibility to the owners or beneficiaries of that entity. Assets which entities have acquired are distinct from the assets of other entities even though they may be commingled in a fund such as the Savings and Loan Trust of the Diocese of St. Petersburg.

(1) Nature of Operations and Basis for Presentation - Continued

The Pastoral Center's audited combined financial statements do not include the assets, liabilities, net assets or activities of certain other separate legal entities with independent Boards of Directors such as parishes, missions, parochial schools, Diocesan high school corporations, Morning Star school corporations, Catholic Academies - Diocese of St. Petersburg, Inc., Catholic School System - Diocese of St. Petersburg, Inc., Catholic Formation, Inc., Catholic Charities, Diocese of St. Petersburg, Inc., DOSP USF Housing, Inc., multiple corporations providing affordable housing and other entities.

The operations of the Diocese regularly include related party transactions with entities that are not combined, as well as with those that are combined. The Pastoral Center receives the majority of its operational support from approximately 80 parishes in the five-county area of the Diocese. In addition, the Pastoral Center provides significant financial support to many of the entities mentioned above, including those which are combined for reporting purposes and those which are not combined for reporting purposes.

The Pastoral Center has the following major types of ministries and program activities.

Pastoral Programs

Ministries and Apostolates: faith ministries and migrant apostolates; Miserere Guild, Inc., d/b/a Calvary Catholic Cemetery; WBVM - 90.5 FM, Inc., a radio station; Bethany Center, Inc., a retreat center; and Our Lady of Good Counsel Camp, Inc., a summer camp.

Catholic Formation and Education: education and formational ministries and programs; Catholic Education Foundation, Inc. whose purpose is to support the Catholic schools of the Catholic Diocese of St. Petersburg; and Emmaus Foundation, Inc. d/b/a The Catholic Foundation of the Diocese of St. Petersburg.

Social Services: providing support to Catholic Charities, and other operating ministries and social service activities.

Clergy Development and Religious: promoting and educating candidates to the priesthood, providing clergy support, providing support to seminaries and providing program services to the religious women and men in Diocesan institutions.

Parochial Services: providing various ministry and administrative support services to parishes, educational institutions and other Diocesan entities.

Insurance Programs: administration of the Diocesan insurance and employee benefit programs (operated within a trust).

Savings and Loan Programs: an investing and lending program utilizing commingled funds for the Pastoral Center, parishes and educational institutions (operated within a trust).

Property Administration: various activities related to the planning and maintenance of all Diocesan owned properties.

Stewardship: programs for encouraging and developing giving within the Diocese.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

These combined financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Pastoral Center as a whole. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions: Net assets not subject to donor-imposed stipulations. Included in net assets without donor restrictions are net assets designated for specific programs by management based upon the nature and types of programs. Such designations are subject to change.

Net Assets With Donor Restrictions: Net assets subject to donor-imposed stipulations are expected to be met by actions of the Pastoral Center and/or the passage of time or include a stipulation that assets provided be maintained in perpetuity by the Pastoral Center. Generally, the donors of these assets permit the Pastoral Center to use all or part of the income earned on related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Expirations of donor restricted assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Contributions, including unconditional promises to give (pledges), are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value and are subsequently adjusted as necessary based on any permanent impairment of their fair value.

Interfund balances and interfund transactions are eliminated from these combined financial statements.

Assets are presented in the accompanying combined statements of financial position according to their nearness of conversion to cash, and liabilities according to the nearness of their maturity and resulting use of cash.

(b) Cash and Cash Equivalents

Other than short-term investments, the Pastoral Center considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents. Cash is on deposit at several high-quality financial institutions in bank deposit accounts which at times, may exceed federally insured limits. The Pastoral Center has not experienced any losses in such accounts and believes it is not exposed to any significant risk.

(2) Summary of Significant Accounting Policies - Continued

(c) Loans Receivable - Parishes and Schools (Savings and Loan Trust)

A savings and loan program is administered by a Board of Trustees appointed by the Bishop of the Diocese. Loans made from the Trust are restricted to qualified Diocesan entities including parishes, schools and Catholic Charities. Loans may be made for construction projects and operational needs of the entities. Entities must submit written applications for loans demonstrating, among other things, their ability to repay the loan. All borrowings of Diocesan entities must be approved by the Bishop. All loans made by the Savings and Loan Trust must be approved by the Board of Trustees, however, the Trustees have delegated the authority to the Bishop to approve emergency loans of less than $50,000.

Loans are made at fixed interest rates (currently 3%) that are reviewed and adjusted periodically as necessary by the Trustees based upon the needs of the Trust and current market rate conditions. Such loans are amortized over periods ranging from 3 years to 30 years, depending on the size and type of loan, and the financial condition and needs of the entity. In some cases, usually involving construction projects, loans are not amortized until the completion of all of the requirements of the project or another event. In some cases, based on the entity's financial condition and/or the purpose of the loan, loans are made at zero percent interest.

On a quarterly basis, Pastoral Center management reviews the payment history of each loan, and based on such history, the financial condition of the entity and other pertinent factors, establishes an allowance for loans that they believe may not be collectible. Such allowances are reported to and approved by the Trustees on a quarterly basis as part of the Trust's quarterly financial statements.

(d) Notes and Other Receivables

Certain other notes and accounts receivable result from the ministries and operations of the Pastoral Center. Included are long-term, non-interest-bearing land loans to certain parishes, stop-loss insurance claims' recoveries, costs advanced on low-income housing construction projects of the Diocese, Cemetery trade receivables, parish assessment receivables and other miscellaneous advances that are made outside the Savings and Loan Trust. Except for the land loans, these receivables are usually collected within one year. However, management analyzes the collectability of the receivables in this account on a quarterly basis, records an estimated allowance for uncollectible items, and reports the receivables net of the allowance.

(e) Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recorded net of an allowance for doubtful pledges. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows net of an allowance for doubtful pledges. The discounts on those amounts are computed using a risk adjusted interest rate which corresponds with the collection period of the respective pledge. Amortization of discounts is included in contribution revenue.

(2) Summary of Significant Accounting Policies - Continued

(f) Bequests Receivable

The Catholic Foundation recognizes its interest in estates in process as a receivable (when the Court declares the related will valid) at fair value and as net assets with donor restrictions.

(g) Estates and Trusts Receivable

The Pastoral Center recognizes a receivable and revenue for their interest in estates and trusts in process based on the inventories of assets and conditions contained in the respective documents. The Pastoral Center records receivables (when the court declares the related document valid) as net assets with donor restrictions. As funds (those with time or purpose restrictions) are collected, donor restricted assets are reclassified to net assets without donor restrictions if the donor-stipulated purpose has been fulfilled and reported in the combined statements of activities as net assets released from restrictions.

(h) Land, Buildings and Equipment

Land, buildings and equipment are stated at cost, when purchased or at fair value at date of gift, when donated. Land is valued at cost which, in the aggregate, is less than fair value. Depreciation on buildings and equipment is calculated using the straight-line method over the estimated useful lives of the assets.

(i) Pledges Payable

Unconditional promises for expenditures approved by the Board of Trustees and management are recorded as pledges payable in the year they are approved and the recipient is identified. These unconditional promises are expected to be paid in future years as specified in the approval process.

(j) Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated from the use and eventual disposition of the asset, excluding interest. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the combined statements of financial position and reported at the lower of carrying amount or fair value less costs to sell and no longer depreciated. No impairment charges were recorded during the years ended June 30, 2022 and 2021.

In addition to consideration of impairment upon events or changes in circumstances described above, management regularly evaluates the remaining lives of its impaired long-lived assets. If estimates are revised, the carrying value of affected assets is depreciated or amortized over the remaining lives.

(2) Summary of Significant Accounting Policies - Continued

(k) Fair Value Measurements of Investments

The Pastoral Center evaluates the fair value measurements of financial assets and financial liabilities that are recognized or disclosed at fair value in the combined financial statements on a recurring basis. In accordance with generally accepted accounting principles, fair value measurements are evaluated by a fair value hierarchy that distinguishes between assumptions based on market data (observable inputs) and the Pastoral Center's assumptions (unobservable inputs). Determining where an asset or liability falls within the hierarchy depends on the lowest level of input that is significant to the fair value measurement as a whole. There are three levels of hierarchy:

Level 1: based on quoted market prices in active markets for identical assets or liabilities;

Level 2: based on inputs other than Level 1 inputs which are either directly or indirectly observable;

Level 3: based on unobservable inputs. The Pastoral Center does not have any Level 3 fair value measurements.

The Pastoral Center evaluates its hierarchy disclosures annually and based on various factors it is possible that an asset or liability may be classified differently from year to year. The Pastoral Center's alternative investments are valued at net asset value ("NAV"). The Pastoral Center does not have any unfunded commitments for these investments and the investments are redeemable daily.

Fair value of investments measured on a recurring basis at June 30, 2022 are as follows:

	Level 1	Level 2	Level 3	Total
June 30, 2022:				
Mutual funds	$ 135,407,229	-	-	135,407,229
Marketable equity securities	13,641,788	-	-	13,641,788
Bonds and other income securities	407,439	36,257,591	-	36,665,030
Short-term investments	13,482,141	-	-	13,482,141
Certificates of deposit	-	239,000	-	239,000
	$ 162,938,597	36,496,591	-	199,435,188
Alternative investments measured at NAV				23,502,393 **(a)**
Total investments, at fair value				$ 222,937,581

(2) Summary of Significant Accounting Policies - Continued

(k) Fair Value Measurements of Investments - Continued

Fair value of investments measured on a recurring basis at June 30, 2021 are as follows:

	Level 1	Level 2	Level 3	Total
June 30, 2021:				
Mutual funds	$ 152,410,051	-	-	152,410,051
Marketable equity securities	16,304,697	-	-	16,304,697
Bonds and other income securities	480,858	43,796,248	-	44,277,106
Short-term investments	11,596,516	-	-	11,596,516
Certificates of deposit	-	239,000	-	239,000
	$ 180,792,122	44,035,248	-	224,827,370
Alternative investments measured at NAV				26,421,953 **(a)**
Total investments, at fair value				$ 251,249,323

(a) *In accordance with Accounting Standards Codification Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the accompanying combined statements of financial position.*

(l) Other Fair Value Measurements

At June 30, 2022 and 2021, the following methods, assumptions and accounting principles were used to estimate the fair value of each of the following classes of financial instruments for which it is practical to estimate that value:

Pledges Receivable: The fair value is determined at the present value of the amount pledged based on the risk adjusted interest rate which corresponds with the collection period of the respective pledge.

Loans Receivable: Except for non-interest-bearing loans (see Note 5), the carrying amount of loans receivable approximates fair value because these financial instruments bear rates which approximate current market rates for loans of similar collateral position, credit quality and maturities. Noninterest bearing loans relate to planned construction for certain parishes.

Notes and Other Receivables: The carrying amount of notes and other receivables includes land purchase receivables that are not subject to repayment terms at the present time. Such land purchase receivables were $5,415,097 and $5,879,954 at June 30, 2022 and 2021, respectively, and are non-interest bearing. It is not practical, nor possible, to obtain independent estimates of the fair values for these receivables (see Note 7).

Savings Deposits: The carrying amount of savings deposits approximates fair value because of the short-term maturities of these financial instruments.

(2) Summary of Significant Accounting Policies - Continued

(m) Endowments

The Pastoral Center follows applicable Florida law with respect to donor-restricted funds and complies with any donor-imposed restrictions on the use of the investment income or net appreciation resulting from the donor restricted funds in perpetuity. However, when there is an absence of donor restrictions on the use of the investment income or net appreciation, the Pastoral Center follows applicable law.

The Pastoral Center has adopted investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its endowment assets, which include both internally designated and donor restricted endowments while seeking to maintain the purchasing power of these endowment assets over the long term. The objective is to maintain the purchasing power of endowment assets in perpetuity by seeking long-term returns, which either match or exceed the spending rate plus inflation.

To satisfy its long-term rate-of-return objectives, the Pastoral Center relies on a total return strategy using higher returning asset classes. Asset allocation is global in scope and allows the investment of foreign and domestic securities in the portfolio. The Pastoral Center targets a diversified asset allocation that places an emphasis on equity-based and fixed income mutual funds, and marketable equity securities to achieve its long-term return objectives within prudent risk constraints.

(n) Going Concern Evaluation

On an annual basis, as required by Accounting Standards Codification (“ASC”) Topic 205, *Presentation of Financial Statements - Going Concern*, the Pastoral Center performs an evaluation to determine whether there are conditions or events (known and reasonably knowable), considered in the aggregate, that raise substantial doubt about the Pastoral Center’s ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

(o) Revenue Recognition

During fiscal 2021, the Pastoral Center, utilizing the modified retrospective method, adopted Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. As part of the adoption, the Pastoral Center has evaluated each of the five steps of Topic 606 which are as follows: (1) Identify the contract with the customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to the performance obligations; and (5) Recognize revenue when (or as) performance obligations are satisfied.

(2) Summary of Significant Accounting Policies - Continued

(o) Revenue Recognition - Continued

The Pastoral Center considers a contract with a customer to exist under Topic 606 when there is approval and commitment from the Pastoral Center and the customer, the rights of the parties and payment terms are identified, the contract has commercial substance, and the collectability of consideration is probable. The Pastoral Center evaluates each service deliverable contracted with the customer to determine whether it represents promises to transfer distinct services under ASC Topic 606. These are referred to as performance obligations. One or more service deliverables often represent a single performance obligation. This evaluation requires significant judgment and the impact of combining or separating performance obligations may change the time over which revenue from the contract is recognized.

The Pastoral Center derives revenue from contracts with customers from its parish and school assessments, cemetery sales, asset management fees, administrative service fees, Bethany Retreat Center lodging, food and meeting space sales, and program and conference fees associated with various ministries.

Parish and School Assessments: Parish assessments help fund the various ministry budgets of the Pastoral Center and are recorded in the year the parish is assessed by the Pastoral Center. Such assessment is based on each parish's offertory, among other factors. Assessments are billed annually, and the Pastoral Center recognizes revenues over time since parishes receive and consume the benefits of the services provided by the Pastoral Center ratably over the year. The Annual Pastoral Appeal ("APA") represents pledges received from parishioners to help pay their parish's assessment. APA pledges receivable at June 30, 2022 and 2021 are included in net assets with donor restrictions since they will not be available to the Diocese until the next fiscal year.

Cemetery Sales: Cemetery operations generate revenue primarily through sales of cemetery interment rights (primarily grave sites, lawn crypts, mausoleum spaces and niches), related cemetery merchandise (such as outer burial containers, memorial markers and floral placements) and services (interments, inurnments and installation of cemetery merchandise). Cemetery services and products are provided on both an at-need and pre-need basis. Cemetery arrangements sold at the time of death are referred to as at-need cemetery contracts. The performance obligation on these at-need contracts for cemetery property, merchandise and services are distinct. The performance obligations from the time of death to the disposition of the remains, include delivering cemetery property, unearthing the ground, interring remains and installing merchandise on the cemetery grounds. Each item on the contract is recognized as a distinct good or service.

(2) Summary of Significant Accounting Policies - Continued

(o) Revenue Recognition - Continued

The performance obligation is satisfied, and revenue is recognized on the purchase date of the interment right, on the date of the cemetery service, and on the date of delivery of the merchandise (set on cemetery grounds). Payment is due at or before the time of transfer. Outstanding balances due from customers, if any, on completed at-need contracts are included in notes and other receivables on the accompanying combined statements of financial position. The performance obligation is satisfied at the date of the service, the purchase of the interment right or the delivery of the merchandise as control has transferred to the customer. At this time, the contract is signed by the customer and the Cemetery is entitled to payment.

Cemetery arrangements sold prior to death are referred to as pre-need cemetery contracts. Amounts paid by the customer, pursuant to the pre-need funeral contracts, initially are recognized as deferred revenue and are recognized as revenue when control of the funeral service and/or merchandise revenue is transferred to the customer. For pre-need cemetery interment rights, the performance obligation is the sale of the interment right and revenue is recognized at the time the contract is signed. Control of cemetery interment rights is transferred to the customer upon execution of the contract as customers select a specific location and space for their interment right, thus, restricting the cemetery from other use or transfer of the contracted cemetery property. The interment right is deeded to the customer when the contract is paid in full.

Within Calvary’s sales contract for interment rights, the Cemetery commits to maintaining graves, crypts, niches and memorial gardens in perpetuity, and segregating 10% of such sales as a reserve designated for this commitment. Based on this commitment, the Cemetery allocates a portion of the sales contract as a long-term liability to recognize this performance obligation.

The Cemetery pays commissions on new at-need and pre-need contracts. Topic 606 also requires the deferral of incremental direct selling costs to the period in which the related revenue is recognized, when material. Calvary recognizes 100% of commission expense at the time the contract has been fully collected. The portion of the commission attributable to the portion of the pre-need contracts for graves, crypts, niches and memorial gardens that are fully paid and still pre-need (not completed) is considered immaterial and therefore, as a practical matter, this portion of the sales commission is recognized at time of collection and not deferred until contract completion.

Asset Management Fees: The Catholic Foundation manages investments on behalf of the Diocese and various Diocesan entities. The Catholic Foundation charges 75 basis points of the assets under management as an asset management fee. The asset management fee is calculated monthly and billed quarterly. There are no performance-based incentive fees. The Catholic Foundation recognizes asset management fees over the time period the assets are held.

(2) Summary of Significant Accounting Policies - Continued

(o) Revenue Recognition - Continued

Administrative Service Fees: The Pastoral Center provides accounting support services to certain parishes and schools within the Diocese of St. Petersburg. Pricing is based on a monthly fee for standard accounting services. Special projects are billed separately at an hourly rate, when applicable. Revenue is recognized over time since the accounting services are considered a series of distinct services in which the parishes and schools receive and consume the benefits as services are performed by the Pastoral Center.

Bethany Center Sales: Bethany Center, Inc. operates a retreat facility including private overnight accommodations, meeting space and food services. Bethany Center recognizes revenues from lodging, food and conferences when the service is provided to the customer, generally over the time period of the conference or retreat. Bethany Center has determined that over time recognition is appropriate because the customer receives and consumes the benefit of the services ratably over the days the conference or retreat is held.

Programs and Conference Fees: The Pastoral Center administers a variety of ministries which include the charging of program fees and/or attendance fees. The Pastoral Center recognizes revenue for ministries and program fees over the time period of the related event since the customer receives and consumes the benefit of the services ratably over the days the ministry or conference is held.

Advertising: Spirit FM is a Christian radio station owned by the Diocese of St. Petersburg. Spirit FM broadcasts contemporary Christian music and offers Christ-centered programs. Spirit FM accepts donations from sponsors that are recognized on the radio station. Revenue is recognized ratably over the time period when the spot is broadcast. Contracts typically cover a period of 3-4 weeks and are billed by contract. To the extent the amount billed exceeds the amount of revenue recognized at any reporting period, the excess is deferred until the advertising spots are aired. Commissions of 15% are paid to media agents and are recognized over the time period of the broadcast contract.

(p) Insurance Premium Revenue

All Diocesan entities, including parishes and schools, are required to participate in the insurance programs that are administered through the Insurance and Employee Benefit Trust. The insurance programs include: Property, Liability, Workers' Compensation, Vehicle, Unemployment Compensation, Group Health, Group Life, Short-term Disability, Long-term Disability, Student Accident, and Special Events. Some of these programs are fully-insured through independent underwriters; some are self-funded; and some are funded with a combination of fully-insured and self-funded sources. The two self-funded programs with the highest potential risk (Workers' Compensation and Group Health) use fully-insured specific stop-loss insurances to protect against catastrophic losses.

(2) Summary of Significant Accounting Policies - Continued

(p) Insurance Premium Revenue - Continued

Participating entities are charged premiums based upon the estimated costs of the programs, including insurance premiums paid to underwriters, self-insured claims expenses, excess and stop-loss insurance premiums, professional administration fees, necessary reserves and administration costs.

(q) Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Diocese have been summarized on a functional basis in the combined statement of functional expenses. Expenses directly attributable to a specific functional area of the Pastoral Center are reported as direct expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated among the functional areas based on either time spent by employees on each functional area or based on a square footage analysis for all indirect occupancy-related expenses.

(r) Reclassifications

Certain amounts appearing in the 2021 combined financial statements have been reclassified to conform to the presentation in 2022.

(s) Income Taxes

In an annually updated ruling, the Internal Revenue Service has held that the agencies, instrumentalities and educational, charitable and religious institutions operated, supervised or controlled by or in connection with the Roman Catholic Church in the United States, its territories or possessions appearing in “The Official Catholic Directory” are exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. The Diocese and the entities within these combined financial statements are listed in “The Official Catholic Directory” and therefore the Pastoral Center is exempt from income tax. Accordingly, the accompanying combined financial statements reflect no provision for income taxes.

The Diocese has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; and to review other matters that may be considered tax positions. No amounts of unrecognized tax benefits or liabilities have been recorded by the Pastoral Center as of June 30, 2022 or 2021.

(2) Summary of Significant Accounting Policies - Continued

(t) Use of Estimates

The preparation of the combined financial statements in accordance with generally accepted accounting principles in the United States of America requires management of the Pastoral Center to make estimates and assumptions that affect the amounts reported in the combined financial statements and accompanying notes. Significant items subject to such estimates include the estimates of the allowances for uncollectible loans and pledges and the reserves for insurance claims. Actual results could differ from those estimates.

(u) Subsequent Events

In accordance with generally accepted accounting principles in the United States of America the management of the Pastoral Center must evaluate subsequent events and must recognize and disclose events or transactions occurring after the combined statement of financial position date under certain circumstances. The Pastoral Center evaluated its June 30, 2022 combined financial statements for subsequent events through December 9, 2022, the date the combined financial statements were available to be issued. The Pastoral Center is not aware of any subsequent events which would require recognition or disclosure in the combined financial statements.

(v) Recent Accounting Pronouncements

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind. The ASU requires enhanced disclosure, including disaggregation of nonfinancial assets recognized by category and qualitative information about each category. The Pastoral Center adopted this ASU on July 1, 2021. The adoption of this standard had no impact on the Pastoral Center's combined financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the combined statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the combined statements of activities. In June 2020, the FASB issued ASU No. 2020-05, which deferred the effective date for all entities that had not yet adopted Topic 842 to annual reporting periods beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the combined financial statements, with certain practical expedients available. The Pastoral Center is currently evaluating the full effect that the adoption of this standard will have on the combined financial statements.

(3) Investments

Investments at June 30, 2022 and 2021 consist of the following:

	2022		2021	
	Fair Value	Cost	Fair Value	Cost
Mutual funds:				
Large Cap Growth Equity	$ 42,639,734	46,768,230	53,537,284	43,014,010
Small Cap Value Equity	127,807	100,536	217,637	146,762
Domestic Fixed Income	48,050,504	52,816,498	48,800,811	44,833,322
Global Balanced / TAA	20,252,823	22,181,440	21,501,860	19,367,243
International Equity	24,145,229	24,896,863	27,978,488	21,730,326
Other equity funds	191,132	188,654	373,971	319,915
Marketable equity securities:				
Domestic - Small Cap Value	13,641,788	14,629,727	16,304,697	13,383,273
Bonds and other income securities:				
US Government obligations	7,914,222	8,354,066	9,968,725	10,144,216
Mortgage-backed securities	-	-	766,803	766,305
Corporate bonds	28,343,369	29,643,693	33,060,720	33,132,950
Aggregate bond index	407,439	434,948	480,858	463,225
Alternative investments:				
Passive S&P 500 Equity	23,502,393	9,620,842	26,421,953	8,392,557
Short-term investments:				
Prime Obligations Institutional FFS	13,482,141	13,482,141	11,596,516	11,596,516
Certificates of deposit	239,000	239,000	239,000	239,000
	$ 222,937,581	223,356,638	251,249,323	207,529,620

Investments at June 30, 2022 and 2021 are held for the following funds/activities:

	2022	2021
Savings and Loan Fund Trust	$ 130,336,037	194,682,438
Emmaus Foundation, Inc.	33,719,474	38,212,560
Endowed Funds	10,132,553	12,289,159
Cemetery Funds	5,463,736	6,065,166
Parish Sustainability Corporation	43,285,781	-
Total investments	$ 222,937,581	251,249,323
Including:		
Held in Trust for Parishes and Schools	$ 93,393,002	90,906,407
Held in Trust for the Catholic Foundation and other Funds	27,710,037	30,667,662
Total investments held in trust	$ 121,103,039	121,574,069

(3) Investments - Continued

The components of net investment return for the years ended June 30, 2022 and 2021 are as follows:

		2022	2021
Interest and dividend income	$	10,152,182	12,219,323
Net realized and unrealized gains (losses)		(34,275,858)	23,775,941
Management and custodial fees		(306,200)	(297,766)
Total investment return, net	$	(24,429,876)	35,697,498

(4) Pledges Receivable

Pledges receivable from participating parishes and other entities at June 30, 2022 and 2021 are as follows:

		2022	2021
Pledges receivable	$	927,714	972,612
Less allowance for doubtful pledges		-	-
Net pledges receivable	$	927,714	972,612

An allowance for doubtful pledges is provided for balances due when the collection of such amounts is considered doubtful. Although the Pastoral Center continues to work with these donors, at present there has been no decision made as to a definitive and adequate means of repayment.

The activity in the allowance for doubtful accounts is as follows:

		Amount
Balance at June 30, 2020	$	27,600
Net recoveries of bad debt provision		(25,000)
Write-offs		(2,600)
Balance at June 30, 2021		-
Net recoveries of bad debt provision		-
Write-offs		-
Balance at June 30, 2022	$	-

(5) Loans Receivable - Parishes and Schools (Savings and Loan Fund Trust)

Loans receivable from Diocesan entities at June 30, 2022 and 2021 are as follows:

		2022	2021
Parishes and parochial schools	$	8,577,288	9,310,511
High schools		1,164,271	487,718
		9,741,559	9,798,229
Less discount on non-interest bearing loans		-	(6,944)
Less allowance for doubtful loans		(3,533,955)	(3,647,150)
Loans receivable, net	$	6,207,604	6,144,135

An allowance for doubtful loans is provided for balances due when the collection of such amounts is considered doubtful. Although the Trust continues to work with these entities and has restructured the terms on certain loans, at present there has been no decision made as to a definitive and adequate means of repayment. The interest rate charged for loans was 3% and 4% during the years ended June 30, 2022 and 2021, respectively, except for loans of $3,497,870 and $3,326,095 outstanding as of June 30, 2022 and 2021, respectively, which are non-interest bearing.

The activity in the allowance for doubtful loans was as follows:

		Amount
Balance at June 30, 2020	$	4,054,675
Net provision (recoveries)		(407,525)
Write-offs		-
Balance at June 30, 2021		3,647,150
Net provision (recoveries)		(52,967)
Write-offs		(60,228)
Balance at June 30, 2022	$	3,533,955

(6) Insurance and Employee Benefits Trust

Reserves for self-funded insurance claims for potential uninsured losses are computed using actuarial valuations and management estimates. In the opinion of management, the reserves for insurance claims of $3,042,015 and $3,684,121 at June 30, 2022 and 2021, respectively, represent adequate provision for unpaid losses which have been incurred, but may not be reported, as of June 30, 2022 and 2021.

Insurance premiums receivable from participating entities at June 30, 2022 and 2021 are as follows:

	2022	2021
Insurance premiums receivable	$ 923,924	999,093
Less allowance for doubtful accounts	(800,432)	(946,045)
Net insurance premiums receivable	$ 123,492	53,048

The activity in the allowance for doubtful accounts was as follows:

	Amount
Balance at June 30, 2020	$ 859,903
Net provision (recoveries)	86,142
Write-offs	-
Balance at June 30, 2021	946,045
Net provision (recoveries)	(145,610)
Write-offs	(3)
Balance at June 30, 2022	$ 800,432

(7) Notes and Other Receivables

Notes and other receivables are as follows:

		2022	2021
Land purchase receivables	$	5,415,097	5,879,954
Ministry and program trade receivables		1,615,422	1,794,331
Parish assessment receivables		1,374,201	1,704,113
Other		2,311,525	2,127,081
		10,716,245	11,505,479
Less allowance for doubtful accounts		(2,480,007)	(2,875,060)
Notes and other receivables, net	$	8,236,238	8,630,419

The activity in the allowance for doubtful accounts was as follows:

		Amount
Balance at June 30, 2020	$	1,954,734
Provision for doubtful accounts		920,326
Write-offs		-
Balance at June 30, 2021		2,875,060
Net provision (recoveries)		(395,053)
Write-offs		-
Balance at June 30, 2022	$	2,480,007

The land purchase receivables included in notes and other receivables are amounts advanced to fourteen parishes to fund the cost of the parishes' land, determined in accordance with Diocesan Policy at the time of the creation of the parish. The amounts paid are non-interest bearing and are not subject to a recovery agreement at the present time. However, by agreement with the parishes, under certain circumstances, the Bishop of the Diocese of St. Petersburg may demand that the amounts be repaid to the Savings and Loan Fund Trust. Management has classified these transactions with the parishes as receivables at their book value since (1) it is not known when the Bishop may request the recovery of the amounts paid; and (2) the amounts paid are ultimately secured by the parishes' property, and in the event of the closing and sale of the parish, first dollar proceeds would come to the Savings and Loan Fund Trust of the Diocese of St. Petersburg and would be sufficient to recover the receivables.

(8) Land, Buildings and Equipment

Land, buildings and equipment consist of the following at June 30, 2022 and 2021:

	2022	2021	Useful Life
Buildings and improvements	$ 33,878,058	33,800,506	10 - 30 years
Construction-in-progress	3,101,795	903,844	-
Computer equipment	1,159,157	1,159,157	5 - 10 years
Furniture and fixtures	3,441,797	3,293,255	5 - 20 years
Vehicles	364,167	342,085	3 - 5 years
	41,944,974	39,498,847	
Less accumulated depreciation	(24,931,138)	(23,408,779)	
	17,013,836	16,090,068	
Land	12,521,550	12,591,550	
	$ 29,535,386	28,681,618	

Depreciation expense for the years ended June 30, 2022 and 2021 was $1,539,988 and $1,538,309, respectively.

(9) Leases

The Pastoral Center leases equipment, office and residential space during the course of operations under operating leases. Rent expense for these leases was $189,262 and $197,020 for the years ended June 30, 2022 and 2021, respectively.

The Pastoral Center has entered into an agreement to lease office space from a parish for WBVM - 90.5 FM, Inc. The lease is for 25 years, which commenced October 2009. The lease may be terminated by the Pastoral Center with six months written notice to the parish. For the years ended June 30, 2022 and 2021, rent expense for the lease was $89,995 and $88,230, respectively.

Future minimum lease payments under non-cancellable operating leases (with initial or remaining terms in excess of one year) are as follows: $156,200 in Fiscal 2023; $147,200 in Fiscal 2024; $87,600 in Fiscal 2025; $57,100 in Fiscal 2026 and $47,600 in Fiscal 2027 for a total of $495,700.

(10) Bank Debt

The unsecured line of credit is for working capital needs up to $10,000,000 and the balance drawn was $0 at June 30, 2022 and 2021. The line of credit bears interest at a rate of Secured Overnight Financing Rate (SOFR) plus 1.03% (2.47% at June 30, 2022) and matures on March 10, 2023.

The Pastoral Center is subject to a financial covenant with the bank which stipulates the Pastoral Center must maintain unencumbered and unrestricted investments, with a fair value of the lesser of $15 million or the total loans outstanding, including amounts due to the bank for which the Diocese or Pastoral Center has guaranteed repayment or is a co-signor (see Note 16) or $24.3 million. At June 30, 2022 and 2021, the Pastoral Center was in compliance with this covenant.

There was no interest paid on the line of credit during the years ended June 30, 2022 and 2021.

(11) Deposits Held in Trust - Non-Diocesan Entities

Deposits held in trust - Non-Diocesan entities are held and managed by the Catholic Foundation under various programs for the benefit of various ministries in the Diocese. The net investment income earned or losses incurred on these deposits is distributed to the participants.

Deposits held in trust for non-Diocesan entities at June 30, 2022 and 2021 are as follows:

		2022	2021
A Catholic corporation	$	12,449,585	14,470,337
School endowments		9,328,767	10,147,418
Other Diocesan entities		15,608	18,084
A Parochial school		2,544,620	3,038,652
Other entities		3,371,457	2,993,171
Total	$	27,710,037	30,667,662

(12) Designated for Specific Programs

Net assets designated for specific programs at June 30, 2022 and 2021 were as follows:

		2022	2021
Cemetery operations and care	$	14,870,523	14,711,577
Insurance/employee benefit trust		39,972,420	32,349,570
Annual Pastoral Appeal		6,409,836	6,957,296
Savings and Loan Trust		41,623,391	55,718,183
Communications		289	741
Good Counsel Camp		77,624	547,361
Total	$	102,954,083	110,284,728

(13) Federal Loans Payable

The Diocese of St. Petersburg ("Diocese") and Bethany Center, Inc. ("Bethany") applied for and received forgivable Paycheck Protection Program ("PPP") Loans in the total amount of $1,279,200 as provided under the Federal Coronavirus Aid, Relief and Economic Security Act. The Diocese PPP loan for $1,153,500 was funded on April 29, 2020 and the Bethany PPP loan for $125,700 was funded on May 7, 2020. Under the terms of each loan, the balance is forgivable to the extent the proceeds are used for certain qualified costs for the 24-week period through November 29, 2020 for the Diocese loan and December 6, 2020 for the Bethany loan, and that certain employment levels are maintained. The Diocese received a notice of a legal release from the obligation on April 22, 2021 and Bethany received a notice of legal release from the obligation on February 12, 2021. Therefore, the accompanying combined statement of activities includes a gain on the extinguishment of debt for $1,279,200 for the year ended June 30, 2021.

(14) Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30, 2022 and 2021 consist of the following:

	2022	2021
Purpose restrictions:		
Catholic formation and education	$ 2,689,270	9,497,227
Affordable housing	4,501,719	5,692,835
Assistance to the needy	124,877	119,970
Clergy and seminarian support	685,549	2,263,954
Communications	218,403	189,236
Other ministries	1,405,476	2,002,066
	9,625,294	19,765,288
Time restrictions:		
Assistance to the needy	3,921,924	3,921,924
Annual Pastoral Appeal	1,930,558	924,189
Charitable gift annuities	487,249	547,853
	6,339,731	5,393,966
To be held in perpetuity:		
Catholic formation and education	5,665,227	6,025,095
Seminarian support	2,385,573	2,385,573
Diocesan ministries	1,790,873	1,802,954
Cemetery care	129,352	129,352
Parish ministry and support	1,003,049	1,159,967
Other	275,607	303,282
	11,249,681	11,806,223
Total net assets with donor restrictions	$ 27,214,706	36,965,477

(14) Net Assets With Donor Restrictions - Continued

Net assets with donor restrictions in perpetuity are invested in one of three ways. They are either invested in the Diocesan Savings and Loan Trust where they earn a fixed rate of return; or, they are placed in the Catholic Foundation for investment with independent investment managers; or, they are placed directly with independent investment institutions. The Trust and the Foundation are governed by separate Boards of Trustees that are appointed by the Bishop of the Diocese of St. Petersburg. These Trustees oversee the investment of these funds. For those funds placed with independent investment managers and institutions, investment policies are adopted that consider the purposes and needs for the earnings based on the individual restrictions of the funds' donors.

(15) Annuity Obligations

The Catholic Foundation is certified by the State of Florida to market and manage charitable gift annuity contracts. Under these contracts, a donor transfers assets to the Catholic Foundation at the beginning of the contract and the Catholic Foundation makes predetermined quarterly payments to the donor, or in certain cases donors' spouses, over their remaining lifetimes. Upon the donors' death, the remaining assets are available for the Catholic Foundation's use, subject to any specific donor restrictions. Annuity obligations are stated at the actuarial present value of future cash flows expected to be paid to donors over their lifetimes. The discount rates used in computing the present value of annuity obligations range from 1.2% to 6.2% as of June 30, 2022 and 2021. At June 30, 2022 and 2021, annuity obligations totaled $708,368 and $759,842, respectively.

State law requires the Catholic Foundation to maintain a reserve fund in connection with its gift annuity program. The required amount to be maintained in the fund is based on a multiple of the actuarial value of the related annuity obligations.

(16) Commitments and Contingencies

(a) Loan Contingencies

The Diocese entered into a financing arrangement with a financial institution to provide up to $40 million in financing for construction and renovation projects undertaken by Diocesan parishes, a high school and Catholic Charities, Diocese of St. Petersburg, Inc. The respective Diocesan entities are responsible for repayment of any amounts borrowed, and the Savings and Loan Trust of the Diocese is a co-signer on all loans. The loans have maturity dates that range from November 1, 2023 to January 26, 2031, however the loans are subject to renewal at those times. The amount outstanding on borrowings by Diocesan entities, which is not reflected in these combined financial statements at June 30, 2022 and 2021 under this line of credit, was $24,345,533 and $27,885,235, respectively. The Diocese has not experienced any losses on these borrowings for the years ended June 30, 2022 and 2021.

(16) Commitments and Contingencies - Continued

(b) Guarantees

The Pastoral Center has guaranteed all loans issued under the $40 million financing agreement, as well as a $600,000 revolving line of credit at a commercial bank by Catholic Charities, Diocese of St. Petersburg, Inc. The $600,000 revolving line of credit bears interest at a variable rate based on the SOFR, plus 1.47% and is not less than 3.0%. It is not practical to obtain independent estimates of the fair values for the contingent liability for this guaranteed debt.

(c) Litigation

The Pastoral Center is subject to asserted and unasserted claims arising in the course of its activities. While the result of litigation cannot be predicted with absolute certainty, management believes the final outcome will not have a materially adverse effect on the Pastoral Center's financial condition. The Pastoral Center has accrued for estimated losses as of June 30, 2022 and 2021.

(17) Pension Plan

The Diocese has a multiemployer defined benefit pension plan named "Pension Plan for the Employees of the Entities of the Diocese of St. Petersburg" (the "Plan"). The Plan is a non-contributory plan and covers employees of all Diocesan entities who meet participation requirements. The Pastoral Center and the other employer entities of the Diocese make contributions to the Plan equal to amounts accrued for pension expense, which includes the amortization of past service cost over periods of 15 to 30 years. Information concerning plan assets and accrued benefits is not kept with respect to each individual participating entity; the Plan is administered and evaluated only on an aggregate basis. Eligible employees, as defined in the plan document, are entitled to pension benefits beginning with normal retirement age equal to a defined amount per unit of service. In addition, eligible employees, as defined in the plan document, may be entitled to early retirement and disability benefits under certain circumstances. As a Church, the Plan is not subject to ERISA. A favorable Determination Letter was received from the Internal Revenue Service for the Plan during 2014. The Pastoral Center's total pension expense for the years ended June 30, 2022 and 2021 was $1,027,159 and $939,605, respectively.

Total contributions to the Plan by all participating entities were approximately $9 million for each of the years ended June 30, 2022 and 2021.

(17) Pension Plan - Continued

As of June 30, 2022, the most recent actuarial valuation, the accumulated Plan benefits and the assets available for such benefits are as follows:

		Amount
Vested benefits:		
Participants currently receiving payments	$	146,928,391
Terminated vested participants		34,925,141
Other participants		66,996,675
		248,850,207
Nonvested benefits		3,092,174
Total actuarial present value of accumulated plan benefits	$	251,942,381
Net assets available for plan benefits	$	217,346,176

The Pastoral Center also offers a 401(k) Plan for substantially all of the employees of the entities of the Diocese. This plan is administered separately from the Defined Benefit Pension Plan discussed above. This plan is a non-contributory plan, and as such, the Pastoral Center did not make any contributions to the plan during fiscal years 2022 and 2021.

(18) Related Parties

In addition to the operating ministries disclosed in Note 1, there are certain other ministries operating outside the geographic area of the Diocese that are not included in the combined financial statements, in which the Pastoral Center has an economic and ministerial interest. They are ministries owned and operated by dioceses included in the Province of Florida, as follows: St. Vincent de Paul Regional Seminary, The Florida Catholic Conference (“FCC”), and the Florida Conference of Catholic Bishops (“FCCB”).

The Pastoral Center’s percentage of ownership in the seminary is between 20% and 25%, and for the FCC and FCCB is between 40% and 45%. The Pastoral Center, and the other dioceses in the Province of Florida, provide support to each of these ministries in the form of tuition and operating subsidies.

For the years ended June 30, 2022 and 2021, the Diocese provided operating subsidies to the St. Vincent de Paul Regional Seminary in the amounts of $36,117and $0, respectively, to the FCC in the amounts of $70,043 and $127,674, respectively, and to FCCB in the amounts of $69,263 and $79,728, respectively.

As explained in Note 1, the Diocese has formed separately incorporated entities that operate within the Diocese that are not included in the combined financial statements.

(18) Related Parties - Continued

Two Catholic School Corporations were formed to provide support to certain Catholic Schools of the Diocese. Parish assessments include a special assessment for the schools in the amount of $981,322 and $992,602, for the years ended June 30, 2022 and 2021, respectively. The related subsidy expense for 2022 and 2021 was approximately $991,000 and $4.6 million, respectively.

Three corporations which own and operate affordable housing refinanced their projects and contributed a combined total of $7,557,205 to the Pastoral Center during the year ended June 30, 2021 as a restricted contribution to be used for affordable housing. As of June 30, 2022 and 2021, $4,501,719 and $5,692,835, respectively, remains available in cash and is classified as a component of net assets with donor restrictions.

During 2016, the Diocese created DOSP USF Housing, Inc., a not-for-profit Florida corporation for the purpose of investing in the development of faith-based student housing adjacent to the campus of the University of South Florida in Tampa, Florida. During 2017, the Diocese advanced $1,715,000 to DOSP USF Housing, Inc. as initial funding of this entity. This loan has accrued interest at 4% since inception. The balance due was $1,439,219 and $1,424,781 as of June 30, 2022 and 2021, respectively. Due to the start-up nature of this activity, repayment terms have not been set. The provision for doubtful accounts includes an allowance for approximately 25% of the outstanding balance as of June 30, 2022 and 2021.

(19) Endowments

The Diocese has interpreted Florida Uniform Prudent Management of Institutional Funds Act ("FUPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Diocese classifies as donor restricted net assets in perpetuity (a) the original value of the gifts donated to the permanent endowment; (b) the original value of the subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as restricted net assets in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Diocese in a manner consistent with the standard of prudence prescribed by FUPMIFA. Any amount not appropriated for expenditure will be reclassified, subject to the original endowment restrictions imposed by the donor.

In accordance with FUPMIFA, the Diocese considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Pastoral Center
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Pastoral Center
- The investment policies of the Pastoral Center

(19) Endowments - Continued

The Diocese has adopted investment and spending policies for endowment assets that attempt to provide a predicable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, the Diocese relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A diversified asset allocation is utilized to achieve its long-term return objectives with prudent risks.

The Diocese has a policy of appropriating distributions each year of approximately 4% to 5% of the endowment funds. Accordingly, over the long term, the Diocese expects the current spending policy to allow its endowments to grow. This is consistent with the Diocese's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

At June 30, 2022, endowed net assets are comprised of $1,845,077 and $11,249,681 of donor restricted funds and restrictions in perpetuity, respectively, totaling $13,094,758. The changes in endowment net assets for the year ending June 30, 2022 are as follows:

	With Donor Restrictions
Endowments, beginning of year	$ 15,803,775
Contributions	299,183
Investment return	(2,243,920)
Distribution of earnings, transfers and other withdrawals	(764,280)
Endowments, end of year	$ 13,094,758

(20) Liquidity and Availability of Resources

The Pastoral Center is supported by contributions both with and without donor restrictions and must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Pastoral Center's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities and other obligations come due.

(20) Liquidity and Availability of Resources - Continued

As of June 30, 2022 and 2021, the Pastoral Center's financial assets available to meet general expenditures within one year were as follows:

	2022	2021
Financial assets:		
Cash and cash equivalents	$ 19,923,703	12,362,304
Investments	222,937,581	251,249,323
Insurance premiums receivable	123,492	53,048
Pledges receivable	927,714	972,612
Estates and trusts receivable	3,243,642	4,151,169
Loans receivable	6,207,604	6,144,135
Notes and other receivables	8,236,238	8,630,419
Total financial assets	261,599,974	283,563,010
Less amounts unavailable for general expenditure within one year due to:		
Contractual or donor-imposed restrictions:		
Endowments	(11,249,681)	(11,806,223)
Deposits held in trust	(121,103,039)	(121,574,069)
Long-term contributions receivable	(3,243,642)	(4,151,169)
Long-term loans receivable	(6,207,604)	(6,144,135)
Long-term notes and other receivables	(8,236,238)	(8,630,419)
Donor-imposed restrictions	(9,625,294)	(19,765,288)
Time restrictions	(3,921,924)	(3,921,924)
Charitable gift annuities	(487,249)	(547,853)
Total contractual or donor-imposed restrictions	(164,074,671)	(176,541,080)
Board-designations for specific purposes, net of long-term receivables above	(86,677,858)	(91,205,280)
Financial assets available to meet general expenditures within one year	$ 10,847,445	15,816,650

General expenditures of the Pastoral Center totaled approximately $44.1 million and $47.2 million in 2022 and 2021, respectively.

(21) Risks and Uncertainties

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position.

SUPPLEMENTARY FINANCIAL INFORMATION

CATHOLIC DIOCESE OF ST. PETERSBURG PASTORAL CENTER

Schedule of Financial Position Information by Fund

June 30, 2022

		Diocese of St. Petersburg, Inc.				Insurance /		(Emmaus)	Parish		
		Operating Funds	Endowment Funds	Total	Savings and Loan Trust	Benefits Trust	Calvary Cemetery	Catholic Foundation	Sustainability Corporation	Elimination Entries	Total
Assets											
Cash and cash equivalents	$	22,741,335	102,624	22,843,959	16,718,421	21,440,110	4,228,531	1,965,409	43,572	(47,316,299) **(a)**	19,923,703
Investments		1,280,519	8,852,034	10,132,553	130,336,037	-	5,463,736	92,362,546	43,285,781	(58,643,072) **(b)**	222,937,581
Insurance premiums receivable, net		-	-	-	-	123,492	-	-	-	-	123,492
Pledges receivable, net		927,714	-	927,714	-	-	-	-	-	-	927,714
Estates and trusts receivable		3,243,642	-	3,243,642	-	-	-	-	-	-	3,243,642
Loans receivable - parishes and schools, net		-	-	-	52,207,604	-	-	-	-	(46,000,000)	6,207,604
Prepaid expenses and other assets		229,189	-	229,189	-	595,441	141,069	2,500	-	-	968,199
Cemetery plots and other inventory		3,500	-	3,500	-	-	535,948	-	-	-	539,448
Notes and other receivables, net		1,402,677	-	1,402,677	7,613,171	8,582	1,409,882	-	-	(2,198,074) **(c)**	8,236,238
Land, buildings and equipment, net		25,004,646	-	25,004,646	-	-	5,476,844	300,000	-	(1,246,104) **(d)**	29,535,386
Due from other funds		1,899,656	-	1,899,656	-	21,960,069	2,240,824	-	-	(26,100,549) **(b)**	-
Total assets	$	56,732,878	8,954,658	65,687,536	206,875,233	44,127,694	19,496,834	94,630,455	43,329,353	(181,504,098)	292,643,007

(Continued)

CATHOLIC DIOCESE OF ST. PETERSBURG PASTORAL CENTER

Schedule of Financial Position Information by Fund - Continued

	Diocese of St. Petersburg, Inc.									
Liabilities and Net Assets	**Operating Funds**	**Endowment Funds**	**Total**	**Savings and Loan Trust**	**Insurance / Benefits Trust**	**Calvary Cemetery**	**(Emmaus) Catholic Foundation**	**Parish Sustainability Corporation**	**Elimination Entries**	**Total**
Liabilities:										
Accounts payable, accrued expenses and other liabilities	$ 3,039,544	-	3,039,544	63,333	1,024,872	3,137,149	178,145	(30,079)	-	7,412,964
Deposits held in trust - parishes and schools	-	-	-	140,709,301	-	-	-	-	(47,316,299) **(a)**	93,393,002
Deposits held in trust - other	948	116,556	117,504	-	-	245,911	85,989,694	-	(58,643,072) **(b)**	27,710,037
Estimated liability for insurance claims	-	-	-	-	3,130,402	-	-	-	-	3,130,402
Annuity obligations	-	-	-	-	-	-	708,368	-	-	708,368
Loans payable	2,198,074	-	2,198,074	-	-	-	-	46,000,000	(48,198,074) **(c)**	-
Due to other funds	-	706,555	706,555	24,479,208	-	-	636,590	278,196	(26,100,549) **(b)**	-
Total liabilities	5,238,566	823,111	6,061,677	165,251,842	4,155,274	3,383,060	87,512,797	46,248,117	(180,257,994)	132,354,773
Net assets:										
Unrestricted:										
Undesignated	9,816,572	(141,997)	9,674,575	-	-	-	1,487,485	(2,918,764)	-	8,243,296
Invested in land, buildings and equipment	21,879,002	-	21,879,002	-	-	1,243,251	-	-	(1,246,104) **(d)**	21,876,149
Designated for specific programs	6,487,749	-	6,487,749	41,623,391	39,972,420	14,870,523	-	-	-	102,954,083
Total unrestricted	38,183,323	(141,997)	38,041,326	41,623,391	39,972,420	16,113,774	1,487,485	(2,918,764)	(1,246,104)	133,073,528
With donor restrictions	13,310,989	8,273,544	21,584,533	-	-	-	5,630,173	-	-	27,214,706
Total net assets	51,494,312	8,131,547	59,625,859	41,623,391	39,972,420	16,113,774	7,117,658	(2,918,764)	(1,246,104)	160,288,234
Total liabilities and net assets	$ 56,732,878	8,954,658	65,687,536	206,875,233	44,127,694	19,496,834	94,630,455	43,329,353	(181,504,098)	292,643,007

(a) Elimination of interdiocesan savings account
(b) Elimination of interdiocesan accounts
(c) Elimination of interdiocesan borrowings
(d) Elimination of interdiocesan property sale

CATHOLIC DIOCESE OF ST. PETERSBURG PASTORAL CENTER

Schedule of Activities Information by Fund

For the Year Ended June 30, 2022

	Diocese of St. Petersburg, Inc.				Insurance /		(Emmaus)	Parish		
	Operating Funds	Endowment Funds	Total	Savings and Loan Trust	Benefits Trust	Calvary Cemetery	Catholic Foundation	Sustainability Corporation	Elimination Entries	Total
Support and revenue:										
Support:										
Parish assessments and Catholic Ministry Appeal	$ 11,938,165	-	11,938,165	-	-	-	-	-	-	11,938,165
Contributions and bequests	7,220,724	-	7,220,724	-	-	-	463,616	5,602,166	(11,370,998) **(a)**	1,915,508
Revenue:										
Insurance premium revenues	-	-	-	-	28,396,627	-	-	-	(1,708,655) **(b)**	26,687,972
Investment return	(1,376,374)	1,021	(1,375,353)	(12,528,221)	209,651	(760,898)	(1,085,383)	(8,520,930)	(368,742) **(c)**	(24,429,876)
Programs, sales and other revenue	4,044,222	-	4,044,222	125,556	961,016	2,928,585	560,699	-	(478,841) **(c)**	8,141,237
Gain on sale of property and equipment	252,707	-	252,707	-	-	-	-	-	-	252,707
Change in value of split-interest agreements	(849,532)	-	(849,532)	-	-	-	(38,027)	-	-	(887,559)
Transfers from other funds	10,387,562	-	10,387,562	-	-	302,019	1,080,450	-	(11,770,031) **(d)**	-
Total support and revenue	31,617,474	1,021	31,618,495	(12,402,665)	29,567,294	2,469,706	981,355	(2,918,764)	(25,697,267)	23,618,154
Expenses:										
Salaries and employee benefits	8,354,077	-	8,354,077	-	-	1,097,380	205,927	-	(1,279,061) **(b)**	8,378,323
Grants, contributions and subsidies	16,455,519	-	16,455,519	-	-	-	1,078,654	-	(11,370,998) **(a)**	6,163,175
Insurance claims	-	-	-	-	16,815,875	-	-	-	-	16,815,875
Interest on deposits	-	-	-	1,444,798	-	-	-	-	(537,778) **(c)**	907,020
Interest on bank debt	(75)	-	(75)	-	-	-	-	-	75 **(e)**	-
Insurance premiums	324,297	-	324,297	-	3,626,486	103,793	1,504	-	(429,594) **(b)**	3,626,486
Program and other expenses	5,717,953	-	5,717,953	41,436	978,236	824,351	88,502	-	(309,880) **(c)**	7,340,598
Depreciation	1,421,824	-	1,421,824	-	-	118,162	-	-	-	1,539,986
Net provisions (recoveries) for loan and other losses	(114,147)	-	(114,147)	(52,967)	(145,610)	(281,783)	35,000	-	-	(559,507)
Transfers to other funds	9,193,789	456	9,194,245	258,860	669,457	567,019	1,080,450	-	(11,770,031) **(d)**	-
Total expenses	41,353,237	456	41,353,693	1,692,127	21,944,444	2,428,922	2,490,037	-	(25,697,267)	44,211,956
Other changes:										
Cumulative effect adjustment due to adoption of ASC Topic 606	-	-	-	-	-	-	-	-	-	-
Change in net assets	(9,735,763)	565	(9,735,198)	(14,094,792)	7,622,850	40,784	(1,508,682)	(2,918,764)	-	(20,593,802)
Net assets, beginning of year	61,230,075	8,130,982	69,361,057	55,718,183	32,349,570	16,072,990	8,626,340	-	(1,246,104)	180,882,036
Net assets, end of year	$ 51,494,312	8,131,547	59,625,859	41,623,391	39,972,420	16,113,774	7,117,658	(2,918,764)	(1,246,104)	160,288,234

(a) Elimination of interfund grants
(b) Elimination of interfund insurance premiums and expense
(c) Elimination of interfund savings interest, programs, professional and administrative fees
(d) Elimination of interfund transfers
(e) Elimination of interest on interdiocesan borrowings