

2022

Central Financial Office of the Catholic
Diocese of St. Augustine

Financial Statements and
Independent Auditor's Report

June 30, 2022

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**CENTRAL FINANCIAL OFFICE OF THE
CATHOLIC DIOCESE OF ST. AUGUSTINE**

JACKSONVILLE, FLORIDA

JUNE 30, 2022

TABLE OF CONTENTS

| | |
|---|-------|
| Independent Auditor’s Report | 1-3 |
| Statement of Financial Position | 4 |
| Statement of Activities | 5 |
| Statement of Functional Expenses | 6 |
| Statement of Cash Flows | 7 |
| Notes to Financial Statements | 8-19 |
| Other Information | |
| Schedule of Financial Position by Funds..... | 20-21 |
| Schedule of Activities by Funds | 22-23 |

INDEPENDENT AUDITOR'S REPORT

Most Reverend Erik T. Pohlmeier,
Bishop of St. Augustine and
Finance Council of the Catholic Diocese of St. Augustine
Jacksonville, Florida

Opinion

We have audited the accompanying financial statements of the Central Financial Office of the Catholic Diocese of St. Augustine (the Central Office), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Central Office as of June 30, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Central Office and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Central Office's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland | Tampa

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants
An Independent Member of the BDO Alliance USA

Most Reverend Erik T. Pohlmeier,
Bishop of St. Augustine and
Finance Council of the Catholic Diocese of St. Augustine
Jacksonville, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted auditing standards 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Central Office'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Central Office'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 Central Office's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 20, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it was derived.

Most Reverend Erik T. Pohlmeier,
Bishop of St. Augustine and
Finance Council of the Catholic Diocese of St. Augustine
Jacksonville, Florida

INDEPENDENT AUDITOR'S REPORT

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of financial position by funds and schedule of activities by funds are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



October 10, 2022
Ocala, Florida

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022,
WITH COMPARATIVE TOTALS FOR JUNE 30, 2021
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

| | ASSETS | |
|--|-----------------------|-----------------------|
| | 2022 | 2021 |
| Assets | | |
| Cash and Cash Equivalents | \$ 20,763,493 | \$ 19,502,544 |
| Investments | 26,953,999 | 27,540,665 |
| Receivables, Net | 5,665,250 | 4,842,925 |
| Prepays and Inventory | 2,503,496 | 1,901,851 |
| Land, Buildings, and Equipment, Net | 54,878,349 | 57,890,402 |
| Other Assets | - | 96,506 |
| Total Assets | 110,764,587 | 111,774,893 |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | |
| Accounts Payable and Accrued Expenses | 4,498,560 | 4,616,770 |
| Loans Payable to Other Diocesan Institutions | 14,732,440 | 15,769,036 |
| Notes Payable | 15,705,504 | 16,550,909 |
| Deferred Revenue | 5,238,707 | 4,568,121 |
| Total Liabilities | 40,175,211 | 41,504,836 |
| Net Assets | | |
| Net Assets Without Donor Restrictions | 69,333,759 | 69,179,410 |
| Net Assets With Donor Restrictions | 1,255,617 | 1,090,647 |
| Total Net Assets | 70,589,376 | 70,270,057 |
| Total Liabilities and Net Assets | \$ 110,764,587 | \$ 111,774,893 |

See accompanying notes.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022,
WITH COMPARATIVE TOTALS FOR JUNE 30, 2021
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

| | Net Assets Without Donor Restrictions | Net Assets With Donor Restrictions | Total 2022 | Total 2021 |
|--|---|--|----------------------|----------------------|
| Changes in Net Assets | | | | |
| Support and Revenue | | | | |
| Contributions and Diocesan Assessments | \$ 14,130,016 | \$ 199,636 | \$ 14,329,652 | \$ 13,159,832 |
| Investment Income (Loss) | (2,192,264) | - | (2,192,264) | 5,250,613 |
| Insurance Program | 20,254,266 | - | 20,254,266 | 19,085,223 |
| School Tuition | 5,612,873 | - | 5,612,873 | 5,238,700 |
| Program Services | 4,061,345 | - | 4,061,345 | 2,594,932 |
| Grants | 295,495 | - | 295,495 | 311,036 |
| Other Income | 2,126,919 | - | 2,126,919 | 2,924,303 |
| Total Support and Revenue | 44,288,650 | 199,636 | 44,488,286 | 48,564,639 |
| Net Assets Released from Restrictions | 34,666 | (34,666) | - | - |
| Expenses | | | | |
| Program Expenses: | | | | |
| Pastoral Services | 5,053,388 | - | 5,053,388 | 4,828,157 |
| Priests, Seminarians, and Education | 9,309,661 | - | 9,309,661 | 8,165,292 |
| Health and Social Services | 740,364 | - | 740,364 | 798,209 |
| Insurance Program | 18,676,077 | - | 18,676,077 | 17,815,108 |
| Other Diocesan Operations | 3,582,087 | - | 3,582,087 | 3,613,709 |
| Total Program Expenses | 37,361,577 | - | 37,361,577 | 35,220,475 |
| Supporting Services: | | | | |
| Management and General | 5,602,166 | - | 5,602,166 | 7,329,850 |
| Fundraising | 685,003 | - | 685,003 | 641,273 |
| Total Expenses | (43,648,746) | - | (43,648,746) | (43,191,598) |
| Operating Income | 674,570 | 164,970 | 839,540 | 5,373,041 |
| Non-Operational Revenues and Expenses | | | | |
| Gain/(Loss) on Sale of Fixed Assets | (520,221) | - | (520,221) | 3,074,084 |
| Total Non-Operational Revenues and Expenses | (520,221) | - | (520,221) | 3,074,084 |
| Increase/(Decrease) in Net Assets | 154,349 | 164,970 | 319,319 | 8,447,125 |
| Net Assets, Beginning of Year, as Restated | 69,179,410 | 1,090,647 | 70,270,057 | 61,822,932 |
| Net Assets, End of Year | \$ 69,333,759 | \$ 1,255,617 | \$ 70,589,376 | \$ 70,270,057 |

See accompanying notes.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022,
WITH COMPARATIVE TOTALS FOR JUNE 30, 2021
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA**

| | Program Services | | | | | Supporting Services | | Total 2022 | Total 2021 |
|--|----------------------|---|-------------------------------|----------------------|---------------------|---------------------------|-----------------------------------|----------------------|----------------------|
| | Pastoral Services | Priests, Seminarians, and Education | Health and Social Services | Insurance Program | Other Operations | Management and General | Fundraising and Development | | |
| Salaries | \$ 1,644,102 | \$ 3,212,261 | \$ 483,106 | \$ 161,404 | \$ 1,447,488 | \$ 1,492,181 | \$ 212,513 | \$ 8,653,055 | \$ 8,132,292 |
| Payroll Taxes and Benefits | 431,101 | 812,797 | 124,668 | 256,661 | 923,388 | 354,660 | 56,063 | 2,959,338 | 3,009,498 |
| Total Salaries and Related Expenses | 2,075,203 | 4,025,058 | 607,774 | 418,065 | 2,370,876 | 1,846,841 | 268,576 | 11,612,393 | 11,141,790 |
| Client Services | 264,962 | 24,371 | 20,266 | - | 277,255 | - | 74 | 586,928 | 504,427 |
| Subsidies to Parishes, Schools and Related Entities | 941,145 | 1,790,183 | - | 236,649 | 51,681 | - | - | 3,019,658 | 1,866,127 |
| Programs and Events | 190,062 | 894,423 | 4,387 | 10,619 | 448,472 | 987 | 36,241 | 1,585,191 | 1,565,040 |
| Donations | 64,280 | 320,743 | - | - | - | 43,477 | - | 428,500 | 2,722,991 |
| Licenses, Dues, and Fees | 66,231 | 7,085 | 2,120 | 977 | 8,141 | 276,756 | 8,582 | 369,892 | 377,038 |
| Information Technology | - | 190,437 | - | 8,705 | - | 418,976 | 55,115 | 673,233 | 728,057 |
| Insurance Expense | 45,389 | 144,932 | 1,306 | 16,877,891 | 9,873 | 104,147 | 1,590 | 17,185,128 | 16,650,633 |
| Legal and Professional | - | 536,642 | - | - | 43,846 | 535,550 | - | 1,116,038 | 793,993 |
| Travel | 65,312 | 48,010 | 7,089 | 6,633 | 16,778 | 24,349 | 2,562 | 170,733 | 94,808 |
| Meals | 27,326 | 14,957 | - | - | 31,184 | 683 | 553 | 74,703 | 55,833 |
| Provision for Loan Loss | - | (11,500) | - | 12,361 | 38,100 | 3,998 | - | 42,959 | (62,608) |
| Supplies | 150,513 | 91,420 | 25,121 | 243 | 15,252 | 40,904 | 5,099 | 328,552 | 367,973 |
| Repairs and Maintenance | 312,151 | 142,073 | 2,628 | - | 50,825 | 296,804 | - | 804,481 | 612,037 |
| Rent | 50,733 | 4,064 | 35,376 | 1,188 | 13,839 | - | - | 105,200 | 97,133 |
| Utilities | 217,609 | 156,077 | 2,782 | - | 19,616 | 127,401 | - | 523,485 | 541,906 |
| Interest Expense | 52,385 | 689,399 | - | - | 16,529 | 553,275 | - | 1,311,588 | 1,222,156 |
| Advertising | - | 30,913 | - | - | - | 40,140 | - | 71,053 | 52,728 |
| Fundraising and Development | - | - | - | - | - | - | 296,849 | 296,849 | 250,644 |
| Other Expenses | 530,087 | 210,374 | 31,515 | 1,102,746 | 169,820 | 74,475 | 9,762 | 2,128,779 | 2,531,390 |
| Depreciation | - | - | - | - | - | 1,213,403 | - | 1,213,403 | 1,077,502 |
| Total Expenses | \$ 5,053,388 | \$ 9,309,661 | \$ 740,364 | \$ 18,676,077 | \$ 3,582,087 | \$ 5,602,166 | \$ 685,003 | \$ 43,648,746 | \$ 43,191,598 |

See accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022,
WITH COMPARATIVE TOTALS FOR JUNE 30, 2021
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

| | <u>2022</u> | <u>2021</u> |
|---|----------------------|----------------------|
| Cash Flows from Operating Activities | | |
| Change in Net Assets | \$ 319,319 | \$ 8,447,125 |
| Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by (Used in) Operating Activities: | | |
| Depreciation | 1,213,403 | 1,077,502 |
| Loss/(Gain) on Disposals | 520,221 | (3,074,084) |
| (Increase) Decrease in: | | |
| Receivables, Net | (822,325) | 4,688,653 |
| Prepays and Inventory | (601,645) | (497,470) |
| Other Assets | 96,506 | (20,260) |
| Increase (Decrease) in: | | |
| Accounts Payable and Accrued Expenses | (118,210) | (955,735) |
| Deferred Revenue | 670,586 | 1,093,632 |
| Escrow | - | (115,388) |
| Net Cash Provided by (Used in) Operating Activities | <u>1,277,855</u> | <u>10,643,975</u> |
| Cash Provided by (Used in) Investing Activities | | |
| Proceeds from Sale of Fixed Assets | 1,578,650 | 3,599,313 |
| Purchase/Sale of Investments, Net | 586,666 | (4,868,544) |
| Purchase of Land, Buildings and Equipment | (300,221) | (2,662,319) |
| Net Cash Provided by (Used in) Investing Activities | <u>1,865,095</u> | <u>(3,931,550)</u> |
| Cash Flows from Financing Activities | | |
| Principal Repayments of Loans and Notes Payable | (2,999,276) | (3,756,437) |
| Debt Proceeds | 1,117,275 | 1,238,544 |
| Net Cash Provided by (Used in) Financing Activities | <u>(1,882,001)</u> | <u>(2,517,893)</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 1,260,949 | 4,194,532 |
| Cash and Cash Equivalents, Beginning of Year | <u>19,502,544</u> | <u>15,308,012</u> |
| Cash and Cash Equivalents, End of Year | <u>\$ 20,763,493</u> | <u>\$ 19,502,544</u> |
| <u>Supplemental Disclosures of Cash Flow Information</u> | | |
| Cash Paid for Interest | <u>\$ 1,311,588</u> | <u>\$ 1,222,156</u> |

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

Note 1 - Summary of Significant Accounting Policies

Organization

The Catholic Diocese of St. Augustine (the Diocese) is a corporation solely recognized under the common-law doctrine by the State of Florida. There are no stockholders, directors, or officers in the Diocese. The Diocese is dedicated to spreading the Gospel through establishing, developing, and promoting all aspects of church ministry throughout North Florida. The Diocese is supported primarily through contributions.

Program Information

- **Pastoral Services** – Programs that support the needs of the faithful in many areas, such as Youth and Young Adult Ministry, Christian and Ministry Formation, Family Life, Human Life and Dignity, and Diocesan Cemeteries.
- **Priests, Seminarians, and Education** – Provides for vocations to the priesthood, seminarians, ongoing education for clergy, and catholic education.
- **Health and Social Services** – Provides support for Catholic Charities and other programs to promote social justice and multicultural issues.
- **Insurance Program** – Diocesan-wide property, general liability, worker’s compensation, unemployment, and employee medical insurance.
- **Other Diocesan Operations** – Activities that support other areas of Diocesan operations, such as Tribunal, Communications, Shared Services, and Archives.

Basis of Financial Statement Presentation

The Central Financial Office of the Catholic Diocese of St. Augustine (the Central Office) provides certain administrative functions for the Diocese. Included in these financial statements are the assets, liabilities, net assets, and financial activities of the funds, ministries, and offices of the Diocese that are fiscally responsible to the Bishop of the Diocese (the Bishop) and are under the operational control of the Central Office. The Central Office includes all the central departments and offices of the Diocese, including administrative support services, education and formation, and Diocesan self-insurance, among others. All significant transactions among entities and funds included in these financial statements have been eliminated.

The accompanying financial statements exclude the assets, liabilities, net assets, and financial activity of the individual parishes, schools, Catholic Foundation of the Diocese of St. Augustine, Diocesan Savings and Loan Trust, various Diocesan employee benefit plans, and other organizations authorized to operate independently. Each of these affiliated entities, although ultimately responsible to the Bishop, are operating entities distinct from the Central Office, maintain separate financial records, and carry on their own services and programs. In addition, various Catholic religious orders, lay societies, and religious organizations, which operate within the Diocese and are not fiscally responsible to the Bishop, have not been included in the accompanying financial statements.

Financial statement presentation follows *Accounting Standards Codification (ASC) 958-205, Financial Statements of Not-For-Profit Organizations*. Under ASC 958-205, the Central Office is required to report information regarding its financial position and activities as follows:

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

■ **Net Assets Without Donor Restrictions**

Net assets without donor restrictions represent resources derived from unrestricted contributions and regular operating revenues. These resources are used for transactions related to the general operation of the Diocese, and may be used at the discretion of the Bishop to meet current expenses for any purpose.

■ **Net Assets With Donor Restrictions**

Net assets subject to donor-imposed stipulations that may, or will be, met either by actions of the Diocese and/or the passage of time. When a restriction expires, with donor restriction assets are reclassified to without donor restrictions, and reported in the statement of activities as net assets released from restrictions.

Basis of Accounting

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America using the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

Cash and cash equivalents are comprised of checking and savings accounts, certificates of deposit, and money market accounts all subject to immediate withdrawal or with maturities of less than ninety days for reporting and cash flow purposes.

The Central Office places its cash and cash equivalents in financial institutions that are federally insured for \$250,000 under the Federal Deposit Insurance Corporation (FDIC). At June 30, 2022, the aggregate balances were in excess of the insurance and, therefore, bear some risk since they are not collateralized. The Central Office has not experienced any losses on its cash or cash equivalents to date as related to the FDIC insurance limits.

Investments

Investments are professionally managed and represent money market and mutual funds, corporate securities, and bonds. Investments are reported at quoted market value at year-end with increases or decreases in market value reported as funds provided or expended. The Diocese invest in equity and bond mutual funds, which comprise 50% and 50% of their investment balances, respectively.

Accounts Receivable – Parishes and Other Institutions

Accounts receivable from parishes and other institutions include funds advanced by the Central Office in assessments levied but not yet paid, insurance premiums for the current policy year, and pledges to the Bishop's Annual Appeal, Guardian Schools, and Capital Campaigns. The allowance for uncollectible accounts is based on historical data and individual assessment of collectability of revenue types.

Inventory

The inventory, which consists of food and supplies for Marywood Retreat Center is recorded at the lower of cost (weighted average method) or market value.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

Prepaid

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Land, Buildings, and Equipment

Land, buildings, and equipment acquisitions in excess of \$5,000 are capitalized at cost or, if acquired by gift, at fair market value at time of donation. The Diocese does not imply a time restriction on gifts of long-lived assets received.

Depreciation of buildings, land improvements, and equipment is provided over the estimated useful lives (ranging from 5 to 60 years) of the respective assets on a straight-line basis.

Donated Services

The Central Office receives donated services for various ministries throughout the year. There is no clearly measurable basis to value these contributed services, and the value of such services is not recorded in the accompanying financial statements.

Deferred Revenue

Deferred revenue consists of insurance premium payments received in advance that relate to services to be rendered in a future period and are deferred and recognized as revenue in the period earned.

Revenue Recognition and Support

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions, if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

For contracts with customers applicable under ASC Topic 606 - *Revenue from Contracts with Customers* (ASC 606), the Diocese evaluates each good or service that is deliverable in the contract with the customer to determine whether it represents promises to transfer district services under ASC 606, which would be referred to as the performance obligation. This consists primarily of student tuition and fees, which are deferred until the performance obligation is met.

While contribution revenue makes up the majority of the support for the Diocese, the Diocese also derived a portion of their revenue from fees charged for tuition, registration fees, rentals, food service, and cemetery-related sales and services.

Cemetery-related sales and services are recognized at interment, which satisfies the performance obligation.

Rental fees and food services revenues are recognized as revenue in the period in which the event occurs, which satisfies the performance obligation.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

School-related registration fees are recognized as revenue the year in which they apply to, which is usually when they are paid. Tuition is typically paid on a month-to-month basis and recognized as revenue within 30 days as the performance obligation is satisfied, in no event does the timing of payment and delivery exceed one year.

The beginning and ending contract balances were as follows:

| | June 30, | |
|---------------------------------|-----------------|-------------|
| | 2022 | 2021 |
| Tuition Accounts Receivable | \$ 5,349 | \$ 15,383 |
| Cemetery Accounts Receivable | \$ 75,934 | \$ 75,176 |
| Cemetery Deferred Revenues | \$ 215,923 | \$ 39,875 |
| Event Related Deferred Revenues | \$ 294,555 | \$ 295,503 |

Functional Expenses

Directly identifiable expenses are charged to programs and supporting services. Insurance expenses are allocated based on the value of the property held by the program. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Diocese. All expenses are directly applied to programs.

Income Taxes

The Central Office is exempt from federal income tax under provisions of Section 501(c)(3) of the *Internal Revenue Code*. The Internal Revenue Service (IRS), in a 1946 group ruling, exempted all organizations listed in the Official Catholic Directory. The IRS has reaffirmed the group ruling annually. Accordingly, no provision for income tax is required.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Diocese and recognize a tax liability if it has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the IRS or other applicable taxing authorities. Management has analyzed the tax positions taken by the Diocese and has concluded as of June 30, 2022, there were no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Central Office is subject to U.S. federal or state income tax examinations for the previous three years.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions, primarily related to the collectability of receivables and the depreciable lives of buildings and improvements that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Risks and Uncertainties

The Central Office invests in various securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the *near-term* and such changes could materially affect the amounts reported in the balance sheet.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

Prior Period Information

The financial statements include certain prior year summarized comparative information in total, but not by fund classification. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Central Office’s financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Prior Period Adjustment

In the prior year the Diocese implemented ASU 2014-09. The standard affected the revenue recognition related to contracts with customers. While the standard was adopted in the previous year, the Diocese discovered additional adjustments in the current year that would need to be made. A prior period adjustment is made to properly adjust the deferred revenue balance. The effects on the change in net assets and deferred revenue for the year ending June 30, 2021, are the following:

| | <u>Prior Year</u> | <u>Adjustment</u> | <u>Restated</u> |
|---------------------------------|-------------------|-------------------|-----------------|
| Program Service Revenues | \$ 2,693,809 | \$ (98,877) | \$ 2,594,932 |
| Deferred Revenue | \$ 4,469,244 | \$ 98,877 | \$ 4,568,121 |
| Increase/Decrease in Net Assets | \$ 8,546,002 | \$ (98,877) | \$ 8,447,125 |
| Net Assets without Restriction | \$ 69,278,287 | \$ (98,877) | \$ 69,179,410 |

Adoption of a New Accounting Standards

In September 2020, the Financial Accounting Standards Board (FASB) issued ASU No. 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Non-financial Assets*. ASU 2020-07 aims to increase the transparency of contributed non-financial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in the update address certain stakeholder’s concerns about the lack of transparency about the measurement of contributed non-financial assets recognized by NFPs, as well as the amount of those contributions used in an NFP’s programs and other activities. The Diocese adopted ASU 2020-07; however, the adoption of ASU 2020-07 did not have a material effect on the Diocese’s reported results of operations, financial condition, or cash flows.

Upcoming Accounting Standards

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. ASU 2016-02 requires a lessee to recognize a liability to make lease payments and an asset representing its right to use the underlying asset for the lease term in the statement of financial position for both operating and capital leases. ASU No. 2020-05, *Revenue from Contracts with Customers* (Topic 606) and *Leases* (Topic 842): *Effective Dates for Certain Entities*, deferred the effective date of ASU 2016-02. ASU 2016-02 is now effective for the Diocese beginning on July 1, 2022. The Diocese has not yet determined the impact on the financial statements.

Note 2 - Liquidity and Availability of Financial Assets

The following reflects the Central Office’s financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions. Amounts available include current assets available for expenditure in the following year. Amounts not available include items such as pledges receivable with a specified purpose, restricted net assets, and revenues received in advance and not available for general purposes.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

| | | |
|---|-----------|--------------------------|
| Financial Assets at Year-End* | \$ | 53,382,742 |
| Less Those Unavailable for General Expenditures within One Year Due to: | | |
| Contractual or Donor Imposed Restrictions: | | - |
| Restricted by Donor with Time or Purpose Restrictions | | (1,255,617) |
| Financial Assets Available to Meet Cash Needs for Expenditures within One Year | \$ | <u>52,127,125</u> |

*Total assets, less non-financial assets (i.e., property and equipment, prepaids, and inventory).

Note 3 - Investments

Investments as of June 30, 2022, are summarized as follows:

| | | <u>Fair Value</u> |
|--------------------------|-----------|--------------------------|
| Money Market | \$ | 28,178 |
| Equities | | 128,815 |
| Mutual Funds – Equities | | 14,611,792 |
| Mutual Funds – Bonds | | 12,185,214 |
| Total Investments | \$ | <u>26,953,999</u> |

Investment earnings (losses) consisted of the following for the year ended June 30, 2022:

| | | |
|--|-----------|---------------------------|
| Interest and Dividend Income | \$ | 735,796 |
| Net Realized and Unrealized Gains (Losses) | | (2,928,060) |
| Total | \$ | <u>(2,192,264)</u> |

Note 4 - Fair Value Measurements

Authoritative guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- **Level 1**—Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Diocese has the ability to access.
- **Level 2**—Inputs to the valuation methodology include: 1) quoted prices for similar assets or liabilities in active markets; 2) quoted prices for identical or similar assets or liabilities in inactive markets; 3) inputs other than quoted prices that are observable for the assets; and 4) inputs that are derived principally from, or corroborated by, observable market data by correlation or other means. If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- **Level 3**—Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

The assets' fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

At June 30, 2022, the Diocese's money market and U.S. mutual funds, marketable U.S. debt, corporate debt, and corporate equity securities were its only financial instruments required to be recorded at fair value. These securities were valued based upon the closing price reported in the active markets in which the individual securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Central Office believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of this financial instrument could result in a different fair value measurement at the reporting date.

| | <u>Market Value</u> | <u>Fair Value Measurement at June 30, 2022</u> | | |
|--|-------------------------|--|----------------|----------------|
| | | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Equities | 128,815 | 128,815 | - | - |
| Mutual Funds – Equities | 12,185,214 | 12,185,214 | - | - |
| Mutual Funds – Bonds | 14,611,792 | 14,611,792 | - | - |
| Total | <u>\$ 26,925,821</u> | <u>\$ 26,925,821</u> | <u>\$ -</u> | <u>\$ -</u> |
| Cash and Cash Equivalent - Investments | \$ 28,178 | | | |
| Total Investments Balance | <u>\$ 26,953,999</u> | | | |

Note 5 - Receivables

Loans and advances to parishes and other institutions bear interest and are due on demand. Assessments and premiums represent the Diocesan Sharing Agreement, insurance program, and priests' pension. Pledges consist of the Bishop's Annual Stewardship Appeal, the Capital Campaign, and amounts for the Guardian of Dreams in support of education for inner city schools.

At June 30, 2022, the receivables consisted of the following categories:

| | |
|---|---------------------|
| Parish and Related Entities | \$ 2,867,853 |
| Assessments and Premiums | 3,153,693 |
| Pledges - Bishop's Annual Appeal | 458,723 |
| Pledges - Guardian of Dreams - Operations | 654,125 |
| Pledges - Guardian of Dreams - Capital Campaign | <u>120,000</u> |
| | 7,254,394 |
| Allowances for Doubtful Accounts | (1,546,193) |
| Discount to Present Value | <u>(42,951)</u> |
| Total | <u>\$ 5,665,250</u> |

Pledges receivable noted above represent unconditional promises to give and are due as follows at June 30, 2022:

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

| | |
|-------------------------------------|----------------------------|
| Due in Less than One Year | \$ 742,848 |
| Due Between One and Three Years | 240,000 |
| Due in Greater than Three Years | <u>250,000</u> |
| | 1,232,848 |
| Discounts to Present Value at 2.00% | <u>(42,951)</u> |
| Total | <u>\$ 1,189,897</u> |

Note 6 - Land, Buildings, and Equipment

At June 30, 2022, fixed assets consisted of the following:

| | |
|----------------------------|-----------------------------|
| Land | \$ 21,428,405 |
| Construction in Progress | 2,418,264 |
| Land Improvements | 183,233 |
| Buildings and Improvements | 35,566,082 |
| Furnishings and Equipment | 1,480,337 |
| Vehicles | <u>389,855</u> |
| | 61,466,176 |
| (Accumulated Depreciation) | <u>(6,587,827)</u> |
| Total | <u>\$ 54,878,349</u> |

Depreciation expense was \$1,213,403 for the year ended June 30, 2022.

Note 7 - Loans Payable

As of June 30, 2022, the loans payable to the Diocesan Savings and Loan consist of the following and are due on demand:

| | |
|---|-----------------------------|
| Savings and Loan Fund – Refinancing (3.0%) | \$ 2,371,805 |
| Savings and Loan Fund – Sister of Good Shepard Convent (4.5%) | 328,403 |
| Savings and Loan Fund – Prison Ministry Building (4.5%) | 513,124 |
| Savings and Loan Fund – Marywood Bridge Loan (4.5%) | 4,015,645 |
| Savings and Loan Fund – Cemetery Building Paving (5.0%) | 239,698 |
| Savings and Loan Fund – Cemetery Renovations (4.5%) | 1,431,825 |
| Savings and Loan Fund – St. Anne ELC (4.5%) | 722,730 |
| Savings and Loan Fund – St. John Paul II ELC (4.5%) | 3,473,370 |
| Savings and Loan Fund – St. Therese ELC (4.5%) | <u>1,635,840</u> |
| Total Loans Payable | <u>\$ 14,732,440</u> |

Note 8 - Notes Payable

The Diocese has a revolving, unsecured working capital line of credit priced at LIBOR + 1.50% with an available balance of \$2,000,000 and an outstanding balance of \$0 at June 30, 2022.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

Long-term debt at June 30, 2022, consists of the following:

| | Balance Owed | Current Portion |
|---|-------------------------|----------------------------|
| Note Payable, St. Andrew Mission, 4.50%, \$2,280 Monthly Principal and Interest, with a Balloon Payment of \$273,593 in July 2026 | \$ 327,730 | \$ 12,875 |
| Note Payable, St. Anne Construction, 5.20% \$46,489 Principal and Interest | 5,907,145 | 330,905 |
| Note Payable, Wildlight Development, 3.99% \$60,891 Monthly Principal and Interest | 7,121,540 | 450,874 |
| Non-Interest-Bearing Note Payable, Christ the King, has a Face Amount of \$3,440,000 and an Implied Interest Rate of 2.45% (Discounted by \$968,933), with \$10,000 Monthly Principal and Interest | 2,349,089 | 63,261 |
| | \$ 15,705,504 | \$ 857,915 |

Maturities on long-term debt for the next five years are as follows:

| Year Ending June 30, | Amount |
|-----------------------------|---------------|
| 2023 | \$ 857,915 |
| 2024 | 895,563 |
| 2025 | 936,377 |
| 2026 | 978,361 |
| 2027 | 1,006,887 |
| Thereafter | 11,030,401 |

Interest paid was \$1,311,588 during the year ended June 30, 2022.

Note 9 - Retirement and Other Post-Employment Benefits

Priests and Lay Employees Benefit Plans

The Central Office participates in non-contributory, defined benefit pension plans administered by the Diocese for qualifying lay employees and Diocesan priests employed at the various parishes, schools, and agencies throughout the entire Diocese. These pension plans are considered to be multi-employer plans. There are no separate valuations of plan benefits or segregation of plan assets specifically for the individual entities participating in the plan. The plans are not subject to the Employee Retirement Income Security Act of 1974 funding requirements.

The risks of participating in these multi-employer defined benefit pension plans are different from single-employer plans because: (a) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers; (b) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be required to be borne by the remaining participating employers; and (c) if the Central Office chooses to stop participating in one of its multi-employer plans, it may be required to pay a withdrawal liability to the plan. Neither plan has implemented, or has pending, any funding improvement plans or rehabilitation plans, nor has the Diocese been required to pay any surcharges to the plan or have future minimum funding requirements.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

The Defined Benefit Pension Plan for the Priests of the Diocese of St. Augustine (the Priests' Plan) covers the priests of the Diocese who have completed one year of service and are at least 25 years old. Vesting is 6% after nine years of service and increases 6% for every year of service thereafter. However, participants are 100% vested after attaining age 65 and completing at least nine years of service. The Diocese's funding policy is to make contributions at a fixed amount of \$7,500 per priest per year, which meets the minimum actuarially computed scheduled contribution requirements. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. The pension expense for the Central Office for the Priests' Plan is based on payroll costs and was \$165,168 for 2022. The Central Office contributed 29% of total contributions to the Priests' Plan by all Diocesan entities, including parishes, schools, and affiliated entities.

The Defined Benefit Pension Plan of the Diocese of St. Augustine (the Lay Plan) provides benefits based primarily on compensation and employee's years of service. Vesting is 100% upon completion of five years of service or upon attaining age 65. The Diocese's funding policy is to make contributions at a level percentage of salary that meets the actuarially computed scheduled contribution, currently 7.25% of the employees' annual salary. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. The pension expense for the Central Office for the Lay Plan is based on payroll costs and was \$390,225 for 2022. The Central Office contributed 10% of total contributions to the Lay Plan by all Diocesan entities, including parishes, schools, and affiliated entities.

The following presents information about the Diocese's multi-employer pension plans, from the most recently available actuarial reports, as of June 30, 2022:

| Plan Name | Priests' Plan | Lay Plan |
|------------------|--------------------------|-----------------------------|
| Employer Number | 010-379-B | 013-200-G |
| Funded Status | 2022 65% - 80% | 2022 at least 80% |

Other Post-Retirement Benefits

The Diocese participates in a multi-employer other post-employment benefit program for the provision of housing and other benefits for retired priests, sponsored by the Diocese. Because the computed value of the vested benefits for the Diocese's participants cannot be segregated from those of other Diocesan entities and affiliates participating in the program, it is not possible to determine the portion of the liability which may be attributable solely to the Diocese. The program costs have been paid by the Priest Housing Fund; however, the funds are not restricted to the program. The program is not provided under a formal plan and can be amended or terminated by the Diocese at any time. Under the program, a priest Housing Allowance of \$1,000 is paid each month to all retired priests who are not residing in Diocesan provided housing. Housing allowances paid for the year ended June 30, 2022, for retired priests was \$468,000.

Note 10 - Self-Insurance

The Diocese is self-insured for property and general liability, workers' compensation, unemployment compensation insurance, and employee group insurance. The Diocese assesses each participating parish, school and related entities share of the estimated cost of claims, administration fees, and premiums for excess insurance coverage and anticipated reserve requirements. Any excess of assessments over actual losses is retained by the Diocese to cover future program years.

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

A reserve for insurance losses of \$1,465,113 has been recorded for claims incurred but not reported.

The amount of reserve is estimated based on an actuarial valuation of losses. Any adjustments to the reserve are reflected in the provision for insurance losses in the year such adjustments occur.

Employee Group Insurance

Substantially all employees of the Diocese and affiliated parishes, schools, and related entities are provided health benefits through an insurance plan administered by the Diocese. Premiums, recorded within insurance premium revenue in the accompanying statement of activities, are billed monthly to participating entities for the estimated share of costs. As part of this self-insurance program, the Diocese purchases excess insurance coverage from outside insurance carriers. The estimated incurred, but not reported, liability at June 30, 2022, for the self-insurance program is \$715,174.

Property, General, Workers' Compensation, and Loss Sharing Agreement

The self-insurance plan for property, general liability, and workers' compensation participates in an aggregate excess loss sharing agreement (sharing agreement) with three other dioceses in the State of Florida. Each participating diocese is assigned a loss fund, which represents the maximum amount of losses the diocese will be responsible for in any one claim year. The sharing agreement provides that each diocese will be reimbursed by the other participants for the aggregate losses during the claim year in excess of the loss fund. Reimbursements are collected from the other dioceses based on their proportionate share of the total loss fund. Once the total loss fund has been depleted, additional claims are recoverable from an outside carrier from which excess insurance coverage was purchased. The purpose of the sharing agreement is to protect the participating dioceses from exceptionally large or catastrophic losses. The estimated unpaid losses payable at June 30, 2022, for the sharing agreement is \$749,939.

Note 11 - Contingencies and Other Commitments

Guarantee

The Diocese is contingently liable for several mortgages obtained on behalf of certain parishes totaling \$15,781,913 as of June 30, 2022.

Litigation

The Diocese, along with the entities fiscally responsible to the Bishop, is involved in legal proceedings from time to time. Legal counsel has advised the Diocese that the potential loss resulting from any current proceedings will fall within the insurance coverage limits.

Note 12 - Net Assets With Donor Restrictions

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

| | | |
|---|-----------|-------------------------|
| Priest's Education and Missionary Burse | \$ | 401,162 |
| Wellness Program | | 205,000 |
| Powers Youth Ministry Grant | | 223,807 |
| Catholic Student Assistance Fund | | 116,753 |
| Other | | 308,895 |
| Total Net Assets With Donor Restrictions | \$ | <u>1,255,617</u> |

NOTES TO FINANCIAL STATEMENTS
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA

Note 13 - Related-Party Transactions

During the year ended June 30, 2022, the Central Office transferred \$3,019,658 to various related parties to supplement their budget, including Catholic charities, various Catholic schools, and other diocesan ministries.

The Central Office also has loans to and from related entities, as disclosed in Notes 5 and 7, administers the self-insurance programs, as disclosed in Note 10, and has guaranteed loans for related parties, which are disclosed as contingent liabilities in Note 11.

Note 14 - Subsequent Events

The Diocese evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through October 10, 2022, the date the financial statements were available to be issued.

OTHER INFORMATION

**SCHEDULE OF FINANCIAL POSITION BY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022,
WITH COMPARATIVE TOTALS FOR 2021
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA**

| | Diocesan Sharing Fund | Insurance Fund | Education and Missionary Burse | Guardian Schools | Office of Superintendent | Marywood |
|---|-----------------------------|----------------------|---|---------------------|-----------------------------|---------------------|
| Assets | | | | | | |
| Cash and Cash | | | | | | |
| Equivalents | \$ 8,670,935 | \$ 4,356,756 | \$ 873,366 | \$ 2,567,862 | \$ 2,343,785 | \$ 53,532 |
| Investments | 78,236 | 13,624,015 | 11,344,579 | - | - | - |
| Receivables: | | | | | | |
| Parishes, Individuals and | | | | | | |
| Other Institutions | 1,520,725 | 3,141,332 | 9,377 | 658,006 | 5,349 | - |
| Due from Other Funds | 8,419,370 | 46,693 | - | 22,711 | - | - |
| Prepays and Inventory | 108,345 | 1,964,144 | - | - | 110,014 | 32,988 |
| Other Assets | - | - | - | - | - | - |
| Land, Buildings, and | | | | | | |
| Equipment, Net | 21,933,898 | - | - | - | 20,237,306 | 9,510,494 |
| Total Assets | 40,731,509 | 23,132,940 | 12,227,322 | 3,248,579 | 22,696,454 | 9,597,014 |
| Liabilities | | | | | | |
| Accounts Payable and | | | | | | |
| Accruals | 1,328,753 | 2,279,824 | - | - | 75,420 | 25,964 |
| Loans Payable to | | | | | | |
| Other Institutions | 6,900,575 | - | - | - | 5,831,939 | - |
| Notes Payable | 7,121,540 | - | - | - | 8,256,234 | - |
| Due to Other Funds | - | - | 7,166 | - | 5,939,191 | 2,564,647 |
| Deferred Revenue | 6,060 | 4,440,769 | - | - | - | 294,555 |
| Total Liabilities | 15,356,928 | 6,720,593 | 7,166 | - | 20,102,784 | 2,885,166 |
| Net Assets | | | | | | |
| Net Assets Without | | | | | | |
| Donor Restrictions | 25,015,875 | 16,205,409 | 11,818,994 | 3,248,579 | 2,340,700 | 6,711,848 |
| Net Assets With | | | | | | |
| Donor Restrictions | 358,706 | 206,938 | 401,162 | - | 252,970 | - |
| Total Net Assets | 25,374,581 | 16,412,347 | 12,220,156 | 3,248,579 | 2,593,670 | 6,711,848 |
| Total Liabilities and Net Assets | \$ 40,731,509 | \$ 23,132,940 | \$ 12,227,322 | \$ 3,248,579 | \$ 22,696,454 | \$ 9,597,014 |

| Priests' Benefit | Mission Fund | Diocesan Cemeteries | 2022 Sub-Total | Eliminations | 2022 Total | 2021 Total |
|-----------------------------|-------------------------|--------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| \$ 1,441,481 | \$ 62,161 | \$ 393,615 | \$ 20,763,493 | \$ - | \$ 20,763,493 | \$ 19,502,544 |
| 1,907,169 | - | - | 26,953,999 | - | 26,953,999 | 27,540,665 |
| 254,527 | - | 75,934 | 5,665,250 | - | 5,665,250 | 4,842,925 |
| 472 | 294 | 21,464 | 8,511,004 | (8,511,004) | - | - |
| - | - | 288,005 | 2,503,496 | - | 2,503,496 | 1,901,851 |
| - | - | - | - | - | - | 96,506 |
| 31,745 | 1,692,177 | 1,472,729 | 54,878,349 | - | 54,878,349 | 57,890,402 |
| <u>3,635,394</u> | <u>1,754,632</u> | <u>2,251,747</u> | <u>119,275,591</u> | <u>(8,511,004)</u> | <u>110,764,587</u> | <u>111,774,893</u> |
| 779,631 | 1,017 | 7,951 | 4,498,560 | - | 4,498,560 | 4,616,770 |
| - | 328,403 | 1,671,523 | 14,732,440 | - | 14,732,440 | 15,769,036 |
| - | 327,730 | - | 15,705,504 | - | 15,705,504 | 16,550,909 |
| - | - | - | 8,511,004 | (8,511,004) | - | - |
| 281,400 | - | 215,923 | 5,238,707 | - | 5,238,707 | 4,568,121 |
| <u>1,061,031</u> | <u>657,150</u> | <u>1,895,397</u> | <u>48,686,215</u> | <u>(8,511,004)</u> | <u>40,175,211</u> | <u>41,504,836</u> |
| 2,574,363 | 1,074,774 | 343,217 | 69,333,759 | - | 69,333,759 | 69,179,410 |
| - | 22,708 | 13,133 | 1,255,617 | - | 1,255,617 | 1,090,647 |
| <u>2,574,363</u> | <u>1,097,482</u> | <u>356,350</u> | <u>70,589,376</u> | <u>-</u> | <u>70,589,376</u> | <u>70,270,057</u> |
| <u>\$ 3,635,394</u> | <u>\$ 1,754,632</u> | <u>\$ 2,251,747</u> | <u>\$ 119,275,591</u> | <u>\$ (8,511,004)</u> | <u>\$ 110,764,587</u> | <u>\$ 111,774,893</u> |

**SCHEDULE OF ACTIVITIES BY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022,
WITH COMPARATIVE TOTALS FOR 2021
CENTRAL FINANCIAL OFFICE OF THE CATHOLIC DIOCESE OF ST. AUGUSTINE
JACKSONVILLE, FLORIDA**

| | Diocesan Sharing Fund | Insurance Fund | Education and Missionary Burse | Guardian Schools | Office of Superintendent | Marywood |
|--|-----------------------------|----------------------|---|---------------------|--------------------------------|---------------------|
| Support and Revenues | | | | | | |
| Contributions and | | | | | | |
| Diocesan Assessments | \$ 12,493,631 | \$ - | \$ 24,077 | \$ 1,395,590 | \$ 267,861 | \$ 425 |
| Investment Income (Loss) | 248,135 | (1,284,008) | (1,075,130) | 3,518 | 64,934 | 10,516 |
| Insurance Program | - | 21,852,522 | - | - | - | - |
| School Tuition | - | - | - | - | 5,612,873 | - |
| Program Services | 728,604 | - | - | - | 1,062,985 | 1,571,772 |
| Grants | 259,858 | 3,700 | - | - | 25,390 | - |
| Other Revenue | 1,546,961 | 8,067 | 13,447 | - | 209,573 | 289 |
| Total Support and Revenues | 15,277,189 | 20,580,281 | (1,037,606) | 1,399,108 | 7,243,616 | 1,583,002 |
| Expenses | | | | | | |
| Pastoral Services | 2,696,197 | - | - | - | - | 1,691,316 |
| Priests, Seminarians, and Education | 1,610,764 | - | 1,146,309 | 533,087 | 6,343,581 | - |
| Health and Social Services | 740,364 | - | - | - | - | - |
| Other Operations | 1,245,376 | - | - | - | - | - |
| Insurance Program | - | 20,611,234 | - | - | - | - |
| Management and General | 4,262,561 | 289,130 | - | 19,509 | 553,461 | 387,360 |
| Fundraising | 662,179 | - | - | 22,774 | 50 | - |
| Total Expenses | (11,217,441) | (20,900,364) | (1,146,309) | (575,370) | (6,897,092) | (2,078,676) |
| Non-Operational | | | | | | |
| (Loss)/Gain on Sale of Asset | 123,684 | - | - | - | (636,123) | - |
| Transfers In | 5,776,552 | - | 998,478 | - | - | 48,731 |
| Transfers (Out) | (8,658,316) | - | - | - | - | - |
| Total Non-Operational | (2,758,080) | - | 998,478 | - | (636,123) | 48,731 |
| (Deficiency) Excess | | | | | | |
| Support and Revenues | 1,301,668 | (320,083) | (1,185,437) | 823,738 | (289,599) | (446,943) |
| Net Assets, | | | | | | |
| Beginning of Year | 23,886,691 | 16,732,430 | 13,405,593 | 2,424,841 | 3,069,491 | 7,158,791 |
| Prior Period Adjustment | 186,222 | - | - | - | (186,222) | - |
| Net Assets, | | | | | | |
| Beginning of Year, as Restated | 24,072,913 | 16,732,430 | 13,405,593 | 2,424,841 | 2,883,269 | 7,158,791 |
| Net Assets, | | | | | | |
| End of Year | \$ 25,374,581 | \$ 16,412,347 | \$ 12,220,156 | \$ 3,248,579 | \$ 2,593,670 | \$ 6,711,848 |

| Priests' Benefit | Mission Fund | Diocesan Cemeteries | 2022 Sub-Total | Eliminations | 2022 Total | 2021 Total |
|-----------------------------|-------------------------|--------------------------------|---------------------------|---------------------|-----------------------|-----------------------|
| \$ 78,285 | \$ 49,777 | \$ 20,006 | \$ 14,329,652 | \$ - | \$ 14,329,652 | \$ 13,159,832 |
| (181,540) | 280 | 21,031 | (2,192,264) | - | (2,192,264) | 5,250,613 |
| 336,901 | - | - | 22,189,423 | (1,935,157) | 20,254,266 | 19,085,223 |
| - | - | - | 5,612,873 | - | 5,612,873 | 5,238,700 |
| - | - | 697,984 | 4,061,345 | - | 4,061,345 | 2,594,932 |
| - | - | 6,547 | 295,495 | - | 295,495 | 311,036 |
| 663,442 | 2,500 | 6,720 | 2,450,999 | (324,080) | 2,126,919 | 2,924,303 |
| 897,088 | 52,557 | 752,288 | 46,747,523 | (2,259,237) | 44,488,286 | 48,564,639 |
| - | - | 665,875 | 5,053,388 | - | 5,053,388 | 4,828,157 |
| - | - | - | 9,633,741 | (324,080) | 9,309,661 | 8,165,292 |
| - | - | - | 740,364 | - | 740,364 | 798,209 |
| 2,163,324 | 173,387 | - | 3,582,087 | - | 3,582,087 | 3,613,709 |
| - | - | - | 20,611,234 | (1,935,157) | 18,676,077 | 17,815,108 |
| 5,097 | 2,960 | 82,088 | 5,602,166 | - | 5,602,166 | 7,329,850 |
| - | - | - | 685,003 | - | 685,003 | 641,273 |
| (2,168,421) | (176,347) | (747,963) | (45,907,983) | 2,259,237 | (43,648,746) | (43,191,598) |
| - | (7,782) | - | (520,221) | - | (520,221) | 3,074,084 |
| 1,525,083 | 176,076 | 133,396 | 8,658,316 | (8,658,316) | - | - |
| - | - | - | (8,658,316) | 8,658,316 | - | - |
| 1,525,083 | 168,294 | 133,396 | (520,221) | - | (520,221) | 3,074,084 |
| 253,750 | 44,504 | 137,721 | 319,319 | - | 319,319 | 8,447,125 |
| 2,320,613 | 1,052,978 | 218,629 | 70,270,057 | - | 70,270,057 | 61,822,932 |
| - | - | - | - | - | - | - |
| 2,320,613 | 1,052,978 | 218,629 | 70,270,057 | - | 70,270,057 | 61,822,932 |
| \$ 2,574,363 | \$ 1,097,482 | \$ 356,350 | \$ 70,589,376 | \$ - | \$ 70,589,376 | \$ 70,270,057 |

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland | Tampa

purvisgray.com