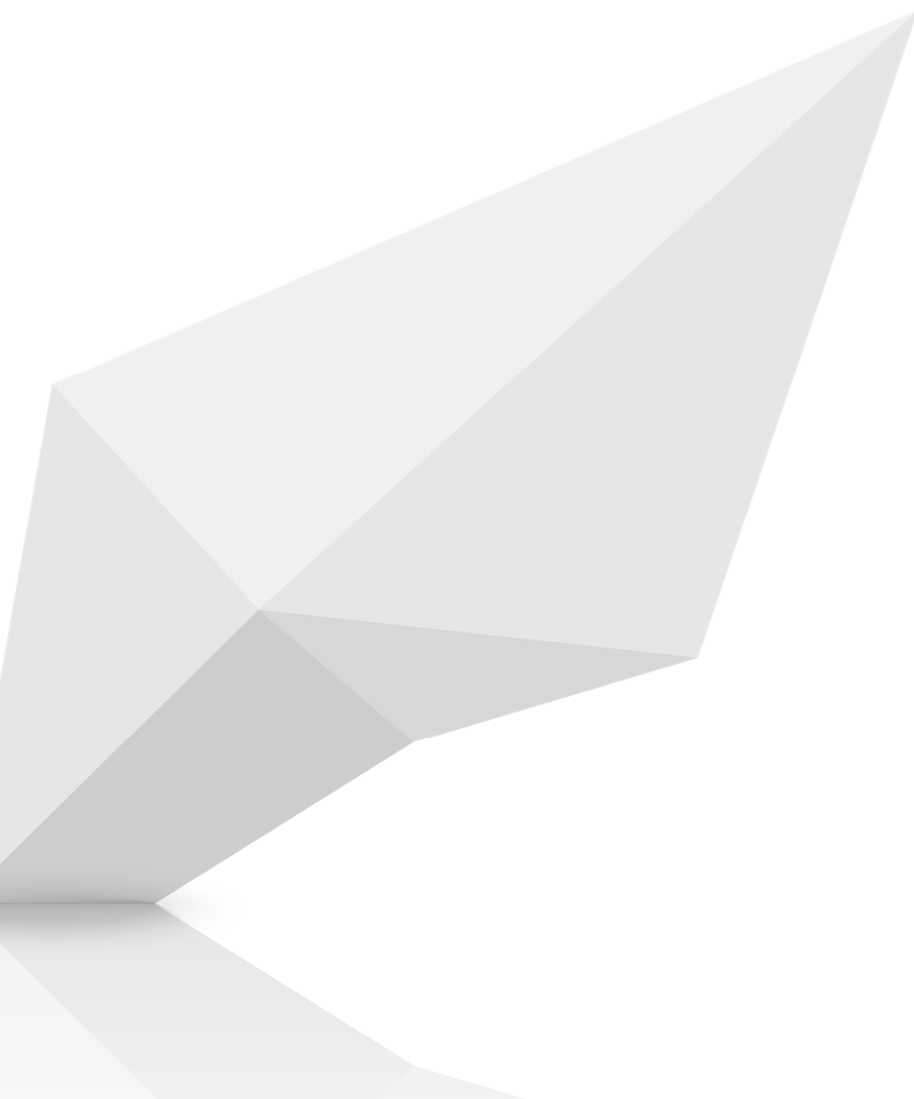


Resurrection Cemetery Association

Financial Statements

June 30, 2022 and 2021



WIPFLI

Independent Auditor's Report

Board Members
Resurrection Cemetery Association
Helena, Montana

Qualified Opinion

We have audited the accompanying financial statements of Resurrection Cemetery Association (the "Association"), a nonprofit organization, which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Resurrection Cemetery Association as of June 30, 2022 and 2021, and the results of the changes in net assets and its cash flows for the years ended June 30, 2022 and 2021 in accordance with accounting principles generally accepted in the United States ("GAAP").

Basis for Qualified Opinion

We were unable to obtain supporting details to substantiate Resurrection Cemetery Association's beginning balance of property and equipment.

We conducted our audits in accordance with auditing standards generally accepted in the United States ("GAAS"). 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 Resurrection Cemetery Association 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 qualified audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Resurrection Cemetery Association's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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 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 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 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 Resurrection Cemetery Association'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 Resurrection Cemetery Association'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.



Wipfli LLP

Helena, Montana
April 20, 2023

Resurrection Cemetery Association

Statements of Financial Position

<i>As of June 30,</i>	2022	2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 59,404	\$ 135,210
Cash - other	-	5,175
Accounts receivable, net	59,005	70,199
ERTC receivable	121,780	-
Total current assets	240,189	210,584
Property and equipment		
Land	34,007	17,003
Building and improvements	519,517	519,517
Major movable equipment	194,149	139,313
Furniture and office equipment	37,109	37,109
Accumulated depreciation and amortization	(234,267)	(175,939)
Property and equipment, net	550,515	537,003
Other assets:		
Equity investments	166,019	171,549
Long-term investments	2,518,600	2,450,000
Total other assets	2,684,619	2,621,549
TOTAL ASSETS	\$ 3,475,323	\$ 3,369,136
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 23,566	\$ 26,389
Credit cards payable	4,653	2,991
Accrued salary and benefits	26,139	11,998
Accrued loan interest	2,339	-
Accrued expenses	238	-
Total current liabilities	56,935	41,378
Long term liabilities:		
Long-term debt, related party	93,579	129,300
Deferred revenue - pre-need	836,010	763,136
Total long term liabilities	929,589	892,436
Total liabilities	986,524	933,814
Net assets:		
Without donor restrictions	2,488,799	2,435,322
Total net assets	2,488,799	2,435,322
TOTAL LIABILITIES AND NET ASSETS	\$ 3,475,323	\$ 3,369,136

See accompanying notes to financial statements.

Resurrection Cemetery Association

Statements of Activities

Years Ended June 30,	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:						
Grant revenue	\$ 259,549	\$ -	\$ 259,549	\$ 316,531	\$ -	\$ 316,531
Other income	121,780	-	121,780	-	-	-
Program income, net	500,280	-	500,280	455,561	-	455,561
Investment income	9,976	-	9,976	37,172	-	37,172
Realized and unrealized gains on investments	54,892	-	54,892	1,421,821	-	1,421,821
Miscellaneous income	25,790	-	25,790	68,620	-	68,620
Debt forgiveness income	-	-	-	548,902	-	548,902
Contributions of nonfinancial assets	37,675	-	37,675	3,897	-	3,897
Contributions	46,337	-	46,337	10,029	-	10,029
Lease income	10,070	-	10,070	-	-	-
Gain on sale of assets	-	-	-	3,800	-	3,800
Total support and revenue	1,066,349	-	1,066,349	2,866,333	-	2,866,333
Expenses:						
Management and general	145,200	-	145,200	114,370	-	114,370
Program:						
Holy Cross Cemetery of Butte	322,378	-	322,378	253,631	-	253,631
Resurrection Cemetery of Helena	321,624	-	321,624	272,725	-	272,725
St. Mary's Cemetery of Missoula	223,670	-	223,670	180,523	-	180,523
Total expenses	1,012,872	-	1,012,872	821,249	-	821,249
Change in net assets	53,477	-	53,477	2,045,084	-	2,045,084
Net assets, at beginning	2,435,322	-	2,435,322	390,238	-	390,238
Net assets, at ending	\$ 2,488,799	\$ -	\$ 2,488,799	\$ 2,435,322	\$ -	\$ 2,435,322

See accompanying notes to financial statements.

Resurrection Cemetery Association

Statement of Functional Expenses

<i>Year Ended June 30,</i>	2022				Total
	Management and General	Holy Cross Cemetery of Butte	Resurrection Cemetery of Helena	St. Mary's Cemetery of Missoula	
Admin salary and wage expense	\$ 42,666	\$ 40,679	\$ -	\$ 30,946	\$ 114,291
Professional service expense	57,732	-	-	-	57,732
Administrative expense	25,514	12,250	8,847	4,006	50,617
Office and IT expense	581	4,174	5,706	4,981	15,442
Operations salary and wage expense	13,758	180,787	148,631	95,980	439,156
Utilities expense	-	12,016	9,287	8,309	29,612
Repair and maintenance expense	-	14,558	48,073	11,030	73,661
Operations and grounds supplies	-	312	17,421	1,827	19,560
Operating expense	-	7,244	9,032	4,601	20,877
Advertising and marketing	-	538	-	-	538
Interest expense	696	4,622	-	1,275	6,593
Depreciation expense	4,253	8,611	24,296	21,168	58,328
Cost of sales	-	36,587	50,331	39,547	126,465
Total expenses	\$ 145,200	\$ 322,378	\$ 321,624	\$ 223,670	\$ 1,012,872

See accompanying notes to financial statements.

Resurrection Cemetery Association

Statement of Functional Expenses

<i>Year Ended June 30,</i>	2021				Total
	Management and General	Holy Cross Cemetery of Butte	Resurrection Cemetery of Helena	St. Mary's Cemetery of Missoula	
Admin salary and wage expense	\$ 51,349	\$ 22,633	\$ 6,257	\$ 25,092	\$ 105,331
Professional service expense	46,149	-	459	-	46,608
Administrative expense	10,117	8,257	7,943	7,353	33,670
Office and IT expense	1,182	4,499	5,780	3,857	15,318
Operations salary and wage expense	1,676	155,461	127,687	81,960	366,784
Utilities expense	-	3,607	9,596	6,959	20,162
Repair and maintenance expense	43	14,527	40,811	8,884	64,265
Operations and grounds supplies	-	1,185	2,459	536	4,180
Operating expense	-	5,842	7,373	3,767	16,982
Advertising and marketing	253	573	12	130	968
Interest expense	-	4,399	-	1,831	6,230
Depreciation expense	3,601	7,291	20,572	17,923	49,387
Cost of sales	-	25,357	43,776	22,231	91,364
Total expenses	\$ 114,370	\$ 253,631	\$ 272,725	\$ 180,523	\$ 821,249

See accompanying notes to financial statements.

Resurrection Cemetery Association

Statements of Cash Flows

<i>Years Ended June 30,</i>	2022	2021
Cash flow from operating activities		
Change in net assets	\$ 53,477	\$ 2,045,084
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	58,328	49,387
Gain on donated equipment	(37,675)	(3,897)
Realized and unrealized gains on investments	(54,892)	(8,590)
Forgiveness of debt, related party	-	(548,902)
Change in assets and liabilities		
(Increase) decrease in accounts receivable, net	11,194	(26,138)
Increase in ERTC receivable	(121,780)	-
Increase (decrease) in accounts payable	(1,161)	17,044
Increase in accrued expenses	16,718	2,497
Increase in deferred cemetery revenue	72,874	81,032
Net cash from operating activities	(2,917)	1,607,517
Cash flows from investing activities		
Purchase of equipment	(34,165)	(58,121)
Sale of equipment	-	3,800
Purchase of investments	(13,708)	(2,450,000)
Sale of investments	5,530	1,051,619
Net cash from investing activities	(42,343)	(1,452,702)
Cash flows from financing activities		
Payment on debt	(35,721)	(74,926)
Issuance of notes payable	-	6,231
Net cash from financing activities	(35,721)	(68,695)
Net change in cash	(80,981)	86,120
Cash balance, beginning of period	140,385	54,265
Cash balance, end of period	\$ 59,404	\$ 140,385

See accompanying notes to financial statements.

<i>As of June 30,</i>	2022	2021
Cash detail:		
Cash and cash equivalents	\$ 59,404	\$ 135,210
Cash - other	-	5,175
Total	\$ 59,404	\$ 140,385

Resurrection Cemetery Association

Statements of Cash Flows

<i>Years Ended June 30,</i>	2022	2021
Supplemental disclosure:		
PPP loan forgiveness	\$ -	\$ 91,112
Cash paid for interest	6,593	6,230
Donated equipment	37,675	3,897
Total	\$ 44,268	\$ 101,239

Resurrection Cemetery Association

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Nature of Activities

Resurrection Cemetery Association (the "Association") is a non-profit organization that is an affiliate of, and provides cemetery services to, the Roman Catholic Bishop Diocese of Helena Montana through contracts with individuals.

Basis of Presentation

The financial statements of the Association have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP").

Basis of Accounting

The Association follows accounting standards set by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The ASC is the single source of authoritative accounting principles generally accepted in the United States to be applied to nongovernmental entities in the preparation of financial statements in conformity with GAAP.

Property and Equipment

All acquisitions and improvements of property and equipment of \$2,500 or more are capitalized while all expenditures for repairs and maintenance that do not materially prolong the useful lives of assets are expensed. Purchased property and equipment is carried at cost. Donated property and equipment is carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated lives of the assets, ranging from 5 to 40 years.

Use of Estimates

The preparation of the accompanying financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates and assumptions made by management include, but are not limited to, the allowance for doubtful accounts. Actual results could differ from these estimates.

Cash Equivalents

The Association considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Income Taxes

The Association is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. A group ruling on this status was received from the Internal Revenue Service in 1946.

Resurrection Cemetery Association

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Association and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Donor-restricted contributions that are received and expended in the same year are classified as net assets without donor restrictions. Donor-restricted resources intended for special projects are released and reclassified to net assets without donor restrictions when spent. All expenses are recorded as a reduction to net assets without donor restriction.

Net assets with donor restrictions: Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue Recognition

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

The Association has revenues not included in the scope of ASC 606 and revenue recognition practices do not change under ASC 606 for the following: grant revenues, contributions, in-kind contributions, investment income, and other revenues.

The Association has the following revenue streams that are key revenue sources in promoting the purpose and overall mission of the Association, and have been evaluated as having revenue streams in the scope of ASC 606: program income - at-need and pre-need income.

The Association provides cemetery services through contracts with individuals, recognizing revenues as program income. Performance obligations include the Association providing plots of land (space), vaults, monuments, engravings, vases, open/closed caskets, and second rite of committal services at the time of death.

All transactions are linked to the performance obligation to provide the specified service at the time of death. Revenue is recognized at a point in time either immediately upon death or a later date.

Resurrection Cemetery Association

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

The transaction price for each performance obligation is variable and dependent on the service provided. Revenues for space and 2nd rite of committal are recognized at the signing of the contract. Revenues for vaults, monuments, engravings, vases, and open/closed caskets are recognized as a liability until the performance obligation is satisfied.

Grant Revenues

Grant awards are either recorded as contributions or exchange transactions based on criteria contained in the grant award:

- *Grant awards that are contributions* - Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.
- *Grant awards that are exchange transactions* - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability. There were no grant awards that were considered exchange transactions during the years ended June 30, 2022 and 2021.

Contribution Revenue

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identifying of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Resurrection Cemetery Association

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Contribution Revenue (Continued)

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. When a restriction expires, 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.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Association. The Association did not have any donated services in 2022 or 2021.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Association allocates expenses to management and general, Holy Cross Cemetery of Butte, Resurrection Cemetery of Helena, and St. Mary's Cemetery of Missoula based on location of services performed and location benefited from service.

New Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). This ASU provides guidance on the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous accounting standards and new disclosures on key information about leasing arrangements. The new standard supersedes current lease accounting requirements in FASB ASC Topic 840, Leases. When adopted, the amendments in the ASU must be applied using a modified retrospective approach. ASU No. 2016-02 is effective for nonpublic companies for annual periods beginning after December 15, 2021. The Association is currently evaluating the impact of the provisions of ASC 842.

Change in Accounting Policy

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Non-Financial Assets* (Topic 958). The amendments in this update will require entities to present contributed nonfinancial assets as a separate line item in the statement of activities, expand disclosures on the various contributed nonfinancial assets recognized, including disaggregated category types, the valuation techniques and inputs used to arrive at fair value, and the policy for either monetizing or utilizing contributed nonfinancial assets. The Association adopted this guidance as of July 1, 2021, and applied Topic 958 on a modified retrospective basis. See Note 8 below for more information on implementation.

Resurrection Cemetery Association

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Reclassification

Certain amounts as previously reported in the 2021 financial statements have been reclassified to conform to the 2022 presentation. Such reclassifications have no effect on reported amounts of net assets or change in net assets.

Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to June 30, 2022 to determine the need for any adjustments and/or disclosure within the financial statements for the year ended June 30, 2022. Management has performed this analysis through April 20, 2023, the date the financial statements were issued and has determined there were no subsequent events that require recognition or disclosure in these financial statements.

Note 2: Concentration of Credit Risk

The Association maintains cash balances at financial institutions where the accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. At certain times during the year, cash balances may be in excess of FDIC coverage. The Association has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash. There were no uninsured amounts at June 30, 2022 and 2021. Any uninsured amounts are fully collateralized by a repurchase agreement backed by U.S. Government securities.

Note 3: Property and Equipment

A summary of property and equipment is as follows:

<i>As of June 30,</i>	2022	2021
Missoula land	\$ 1	\$ 1
Butte land	1	1
Helena land	1	1
Irrigation improvements	34,004	17,000
Buildings and improvements	19,293	19,293
Columbaria and niche walls	155,862	155,862
Monuments and statues	14,596	14,596
St. Mary's office building	257,766	257,766
Paving	72,000	72,000
Storage containers	11,450	11,450
Landscaping equipment	182,699	127,863
Furniture and equipment	37,109	37,109
	784,782	712,942
Accumulated depreciation	(234,267)	(175,939)
Property and equipment, net	\$ 550,515	\$ 537,003

The depreciation expense was \$58,328 and \$49,387 for the years ended June 30, 2022 and 2021.

Resurrection Cemetery Association

Notes to Financial Statements

Note 4: Investments

Investments consisted of the following:

<i>As of June 30,</i>	2022	2021
Investment in Perpetual Care: ownership	\$ 750,000	\$ 750,000
Investment in Perpetual Care: adjust to market value	1,768,600	1,700,000
Marketable equity securities	166,019	171,549
Total	\$ 2,684,619	\$ 2,621,549

The following is investment return for the years ended June 30:

	2022	2021
Dividend income	\$ -	\$ 31,286
Realized and unrealized gains on investments	54,892	1,421,821
Interest income	9,976	5,886
Total	\$ 64,868	\$ 1,458,993

Investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported on the financial statements.

In February 2016, an agreement was made between the Association and Perpetual Care LLC in which the Association exchanged \$750,000 cash with Perpetual Care for an investment to be held in a non-voting convertible preferred interest in Perpetual Care. The Association shall receive a fixed cash dividend 4.5% per annum. The Perpetual Care investment was held through June 30, 2020. Effective January 1, 2021, it converted to a preferred debt investment of 49% ownership of a storage facility at an appraised value of \$2,450,000. The valuation methods used to determine the market value is the market value approach (sales comparison) and income approach.

Note 5: Fair Value Measurements

The Association measures the fair value of its financial instruments using a three-tier hierarchy, which prioritizes the inputs used in measuring 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 significant unobservable inputs (Level 3 measurements). The Association determines fair value by:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access, and where transactions occur within.

Resurrection Cemetery Association

Notes to Financial Statements

Note 5: Fair Value Measurements (Continued)

Level 2 Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;
Quoted prices for identical or similar assets or liabilities in inactive markets;
Inputs, other than quoted prices, that are observable for the asset or liability;
Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability 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 reflect management's assumptions about significant unobservable inputs that market participants would use in pricing the asset or liability.

The asset's or liability's 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.

Marketable equity Securities: Valued at fair value based on quoted market prices.

The following tables present the balances of assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy at June 30, 2022 and 2021:

<i>As of June 30, 2022</i>	Total Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Marketable equity securities	\$ 166,019	\$ 166,019	\$ -	\$ -
Total investments in the fair value hierarchy	166,019	166,019	-	-
Perpetual care investments measured at fair value	2,518,600	-	-	-
Total investments	\$ 2,684,619	\$ 166,019	\$ -	\$ -

Resurrection Cemetery Association

Notes to Financial Statements

Note 5: Fair Value Measurements (Continued)

<i>As of June 30, 2021</i>	Total Assets at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Marketable equity securities	\$ 171,549	\$ 171,549	\$ -	\$ -
Total investments in the fair value hierarchy	171,549	171,549	-	-
Perpetual care investments measured at fair value	2,450,000	-	-	-
Total investments	\$ 2,621,549	\$ 171,549	\$ -	\$ -

For the years ended June 30, 2022 and 2021, there were no significant transfers between levels.

Note 6: Related Parties

All related party transactions are due to outstanding loans/debt made up of related parties due to operational transactions between the Resurrection Cemetery Association and the Roman Catholic Bishop Diocese of Helena Montana (RCB).

RCB and the Association are established as two separate legal entities by the state of Montana. At the same time, under Canon Law (the law governing the operation of the Roman Catholic Church), RCB is ultimately responsible for the care, maintenance, and financial sustainability of the diocesan cemeteries included within the Association. Consequently, the Association's operations are subsidized through funding support for staff, equipment, and capital improvements.

- Related Party Loans

The Association had an outstanding loan payable to RCB as of June 30, 2022 and 2021, respectively, for \$93,579 and \$129,300.

- Related Party Grants

The Association had restricted grants from the Annual Catholic Appeal for \$5,000 and unrestricted grants from RCB of \$254,549 as of June 30, 2022. The Association had restricted grants from the Annual Catholic Appeal for \$46,531 and unrestricted grants from RCB of \$270,000 as of June 30, 2021. The grant funds were received and restrictions were released during the same year.

Resurrection Cemetery Association

Notes to Financial Statements

Note 7: Long-Term Debt

Long-term debt consisted of the following at June 30:

	2022	2021
Deposit & loan funds - Holy Cross Cemetery, bears a 5% interest rate	\$ 93,579	\$ 91,296
Deposit & loan funds - St. Mary's Cemetery, bears a 5% interest rate	-	25,770
Deposit & loan funds - St. Mary's Cemetery, bears a 5% interest rate	-	12,234
Total	\$ 93,579	\$ 129,300

The Association's principal amount for each loan increases each year by the amount of interest incurred during the year. The Association does not make payments on the Holy Cross Cemetery loan, therefore, the current portion of long term debt is not considered or recognized in the financial statements. Both St. Mary's Cemetery's loans were paid off in full during 2022.

Note 8: Contributed Nonfinancial Assets

Contributed nonfinancial assets consist of the following:

<i>Years Ended June 30,</i>	2022	2021
Vehicles	\$ 30,000	\$ -
Equipment	7,675	3,897
Total contributed nonfinancial assets	\$ 37,675	\$ 3,897

The Association recognizes contributed nonfinancial assets within revenue, including a vehicle and equipment. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

It is the Association's policy to capitalize all contributed vehicles upon receipt and use in daily operations. No vehicles received during the period were restricted for use. The Association estimates the fair value based on the estimated sale price.

The contributed equipment will also be capitalized and used in daily operations. In valuing the contributed equipment, the Association estimates the fair value on the basis of estimates of wholesale values that would be received for selling similar equipment in the United States.

Resurrection Cemetery Association

Notes to Financial Statements

Note 9: Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

<i>As of June 30,</i>	2022	2021
Cash and cash equivalents	\$ 59,404	\$ 135,210
Cash - other	-	5,175
Accounts receivable, net	59,005	70,199
ERTC receivable	121,780	-
Equity investments	166,019	171,549
Total	\$ 406,208	\$ 382,133

Note 10: Employee Retention Tax Credit (ERTC)

In March 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act created and funded the Employee Retention Tax Credit (ERTC) to aid employers that were negatively impacted by the COVID-19 pandemic. The ERTC was designed to provide an incentive to retain employees throughout the pandemic. The Association qualified for the credit in various quarters of 2020 and 2021 through a significant decline in revenue.

The Association applied for and received a credit in the amount of \$121,780 during the year. The Association has accounted for the ERTC proceeds as grant income. The Association has recognized \$121,780 as other income in the accompanying 2022 statement of activities.

Laws and regulations concerning government programs, including the ERTC established by the CARES Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Association's claim to the ERTC, and it is not possible to determine the impact (if any) this would have upon the Association.