CLERGY SENIOR STATUS & SECURITY TRUST

AUDITED FINANCIAL STATEMENTS

June 30, 2023 and 2022

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CLERGY SENIOR STATUS & SECURITY TRUST
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To the Most Reverend Austin A. Vetter
Trustee, Clergy Senior Status & Security Trust
Helena, Montana

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of the Clergy Senior Status & Security Trust, an employee benefit plan, which comprise the statements of net assets available for benefits and of accumulated plan benefits as of June 30, 2023 and 2022, and the related statements of changes in net assets available for benefits and of changes in accumulated plan benefits for the years 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 net assets available for benefits and accumulated plan benefits of the Clergy Senior Status & Security Trust as of June 30, 2023 and 2022, and changes in its net assets available for benefits and changes in its accumulated plan benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Clergy Senior Status & Security Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Management is also responsible for maintaining a current Plan instrument, including all Plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

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 Clergy Senior Status & Security Trust'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 Clergy Senior Status & Security Trust'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.

Junkermier, Clark, Campanella, Stevens, P.C.

Great Falls, Montana
November 30, 2023

CLERGY SENIOR STATUS & SECURITY TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
June 30,

	2023	2022
ASSETS		
Investments, at fair value:		
Cash	$ 25,361	$ 33,479
Investment cash	239,535	189,444
U.S. government securities	584,687	676,737
Corporate bonds and notes	724,441	813,845
Common stocks	2,472,719	2,038,922
Registered investment companies	1,529,636	1,157,985
Total investments	5,576,379	4,910,412
Receivables:		
General	304,822	337,083
Parishes	1,966	5,285
Accrued interest	16,020	13,403
Total receivables	322,808	355,771
Total assets	5,899,187	5,266,183
NET ASSETS AVAILABLE FOR BENEFITS	$ 5,899,187	$ 5,266,183

See accompanying notes and independent auditor's report.

CLERGY SENIOR STATUS & SECURITY TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For The Years Ended June 30,

	2023	2022
ADDITIONS		
Additions to net assets attributable to:		
Net appreciation (depreciation) of investments	$ 348,060	$ (671,664)
Interest and dividends	130,892	105,316
Total investment income (loss)	478,952	(566,348)
Other income	338	177
Total income (loss)	479,290	(566,171)
Contributions		
Clergy plan dues	219,183	220,837
Donations and bequests	663,587	470,747
Total contributions	882,770	691,584
Total additions	1,362,060	125,413
DEDUCTIONS		
Deductions from net assets attributable to:		
Agency fee	10,000	45,449
Administration and actuarial fee	11,850	14,500
Audit fee	10,500	9,600
Investment advisor and management fee	19,419	-
Miscellaneous expenses	241	179
Benefits paid to retirees	677,046	658,507
Total deductions	729,056	728,235
NET INCREASE (DECREASE)	633,004	(602,822)
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	5,266,183	5,869,005
End of year	$ 5,899,187	$ 5,266,183

See accompanying notes and independent auditor's report.

CLERGY SENIOR STATUS & SECURITY TRUST
STATEMENTS OF ACCUMULATED PLAN BENEFITS
June 30,

	2023	2022
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS		
Vested benefits:		
Participants currently receiving benefits	$ 5,090,332	$ 5,090,453
Other participants	2,504,052	2,932,456
	7,594,384	8,022,909
Non-vested benefits	246,606	519,150
TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS	$ 7,840,990	$ 8,542,059
Market Value of Assets	5,614,284	5,260,815
SHORTFALL	$ (2,226,706)	$ (3,281,244)

See accompanying notes and independent auditor's report.

CLERGY SENIOR STATUS & SECURITY TRUST
STATEMENTS OF CHANGES IN ACCUMULATED PLAN BENEFITS
For The Years Ended June 30,

	2023	2022
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT THE BEGINNING OF THE YEAR	$ 8,542,059	$ 9,097,098
Increases (decreases) during the Plan Year due to:		
Change in actuarial assumptions	(356,034)	540,618
Interest	411,869	439,709
Benefits paid	(677,046)	(658,507)
Changes in Plan provisions	207,876	233,863
Additional benefits	(287,734)	(1,110,722)
Total change	(701,069)	(555,039)
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT THE END OF THE YEAR	$ 7,840,990	$ 8,542,059

See accompanying notes and independent auditor's report.

1. DESCRIPTION OF THE PLAN

The following description of the Clergy Senior Status & Security Trust (the Plan) provides only general information. Participants should refer to the Plan Document and Summary Plan Description (SPD) for a more complete description of the Plan's provisions.

General

The Plan is a defined benefit pension plan covering all priests and celibate transitory deacons incardinated in the Diocese of Helena or exercising their sacred ministry in the Diocese with the consent of their respective Ordinaries. The Plan is not qualified under the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan has been amended to bring the Trust into compliance with the final regulations under Internal Revenue Code Sections 411 and 415, the Pension Protection Act of 2006, Heroes Earnings Assistance Relief Tax Act of 2008 (HEART Act), and other law changes. The Plan was restated to comply with current regulations in 2012.

The Plan is administered by the Clergy Senior Status and Security Trust Advisory Board. The Board has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings and monitors investment performance.

There was a cost of living increase of $62.48 and $40.19 per qualified recipient effective for the calendar years ended December 31, 2023 and 2022, respectively.

Vesting

Priests will become 100% vested after ten years of service or 100% vested subsequent to the earliest of their base senior status date, the date they meet the age requirement, or the date on which they become totally and permanently disabled.

Pension Benefits

Priests meeting the vesting provisions are entitled to monthly pension benefits beginning at the retirement age of seventy at standard amounts approved by the Board of Advisors. The Plan permits early retirement at age sixty-five. The Plan also provides an increase in monthly benefits for retirement beyond the normal retirement age. If a priest terminates before rendering ten years of service, he forfeits the right to receive pension benefits.

Disability Benefit

Active priests who become totally disabled prior to eligibility for early or normal retirement benefits receive a monthly benefit of $1,000 or their accrued vested benefit, whichever is greater, payable until one of these dates: his base senior status date, date of death, or the effective date of termination of the Plan, or the date he is no longer totally and permanently disabled.

Plan Contributions

Contributions into the Plan consist of clergy plan dues, donations and bequests to the Plan. The clergy plan dues are assessed based on an approved formula as reviewed and revised as necessary by the Clergy Senior Status & Security Trust Board.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Advisory Committee determines the Plan's valuation policies utilizing information provided by its investment advisor and custodian. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefit payments are recorded upon distribution.

Plan Expenses

Expenses of the Plan are paid from Plan assets. For the Plan years ended June 30, 2023 and 2022, total Plan expenses paid by the Plan were $52,010 and $69,728, respectively.

3. FUNDING POLICY

Annual contributions to the Plan are set at levels which include the normal cost of the Plan and amortization of the funding shortfall, if any, over the future service of current active priests. The actuary recommended a minimum required contribution of $281,777 and $333,875 for 2023 and 2022.

Contributions and donations made to the Plan were $882,770 and $691,584, respectively. The Plan met the recommended minimum required contribution for both 2023 and 2022.

4. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump sum distributions, that are attributable under the Plan's provisions to the service priests and celibate transitory deacons. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated priests and celibate transitory deacons, (2) present priests and celibate transitory deacons, and (3) a terminated priest's spouse.

Benefits are paid at an amount determined by the Plan's Board of Advisors, as advised by the Plan's actuary. Benefits paid under all circumstances - retirement, disability and termination - are included, to the extent they are deemed attributable to service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of 2023 and 2022, were (1) life expectancy of participants, (2) retirement age assumptions (the assumed average retirement age was 70), and (3) investment return. The 2023 Applicable Mortality Table and the 2022 Applicable Mortality Table published by the Society of Actuaries for determining pension liabilities with 20 year morality improvement was used for the valuation for the years ended June 30, 2023 and 2022, respectively. The 2023 and 2022 valuations included assumed average rates of return of 5.16% and 5.31%, respectively. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of July 1, 2023 and 2022.

5. PARTY-IN-INTEREST TRANSACTIONS

The following expenses were paid to parties-in-interest of the Plan. The Plan paid fees to the investment custodian, Principal Bank, of $10,000 and $45,449 for the years ended June 30, 2023 and 2022, respectively. The June 30, 2022 fees paid to the investment custodian, Principal Bank, included investment management related fees. The Plan paid investment fees to the investment advisor, Outcome Private Wealth, of $19,419 and $0 for the years ended June 30, 2023 and 2022, respectively. The Plan paid Randall Hurley, Inc, the third party administrator and actuarial services provider, $11,850 and $14,500 for the years ended June 30, 2023 and 2022, respectively. In addition, the Plan paid Junkermier, Clark, Campanella, Stevens, P.C., the auditor, $10,500 and $9,600 for the years ended June 30, 2023 and 2022, respectively.

6. FAIR VALUE MEASUREMENTS

The framework for measuring fair value 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 under FASB ASC 820 are described as follows:

Level 1 - inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - inputs to the valuation methodology include: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) inputs other than quoted prices that are observable for the asset or liability; (d) 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 that are unobservable and significant to the fair value measurement.

The asset 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023 and 2022.

U.S. government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.

Corporate bonds and notes: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing yields on comparable securities of issuers with similar credit ratings.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Registered investment companies: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The preceding methods 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 Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

6. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's nonparticipant directed assets at fair value and type as of June 30, 2023 and 2022.

	Level 1	Level 2	Level 3	Total
June 30, 2023				
U.S. government securities	$ 559,783	$ 24,904	$ -	$ 584,687
Corporate bonds and notes	-	724,441	-	724,441
Common stock	2,209,899	262,820	-	2,472,719
Registered investment companies	1,529,636	-	-	1,529,636
Cash & cash equivalents	264,896	-	-	264,896
Total investments at fair value	$ 4,564,214	$ 1,012,165	$ -	$ 5,576,379
June 30, 2022				
U.S. government securities	$ 651,616	$ 25,121	$ -	$ 676,737
Corporate bonds and notes	-	813,845	-	813,845
Common stock	1,839,308	199,614	-	2,038,922
Registered investment companies	1,157,985	-	-	1,157,985
Cash & cash equivalents	222,923	-	-	222,923
Total investments at fair value	$ 3,871,832	$ 1,038,580	$ -	$ 4,910,412

7. RISKS AND UNCERTAINTIES

The Plan invests in various investment 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 that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and participant demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

8. PLAN TERMINATION

Although it has not expressed any intention to do so, the Trust, has the right to terminate the Plan as to its members as of any date. Upon any full termination, the accrued benefit of each affected Beneficiary shall become fully vested. In the event the Plan terminates, the net assets of the Plan will generally be allocated to provide the following benefits in the order indicated:

1. Provide pensions to retired beneficiaries who have retired under the Plan prior to its termination.
2. Provide senior status benefits to beneficiaries who have reached their base senior status dates.
3. Provide senior status benefits to beneficiaries who have not yet reached their base senior status date on the date of termination, in the order in which they will reach their base senior status date.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor.

9. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 30, 2023, the date on which the financial statements were available to be issued. Management determined there were no subsequent events that required reporting in the financial statements.