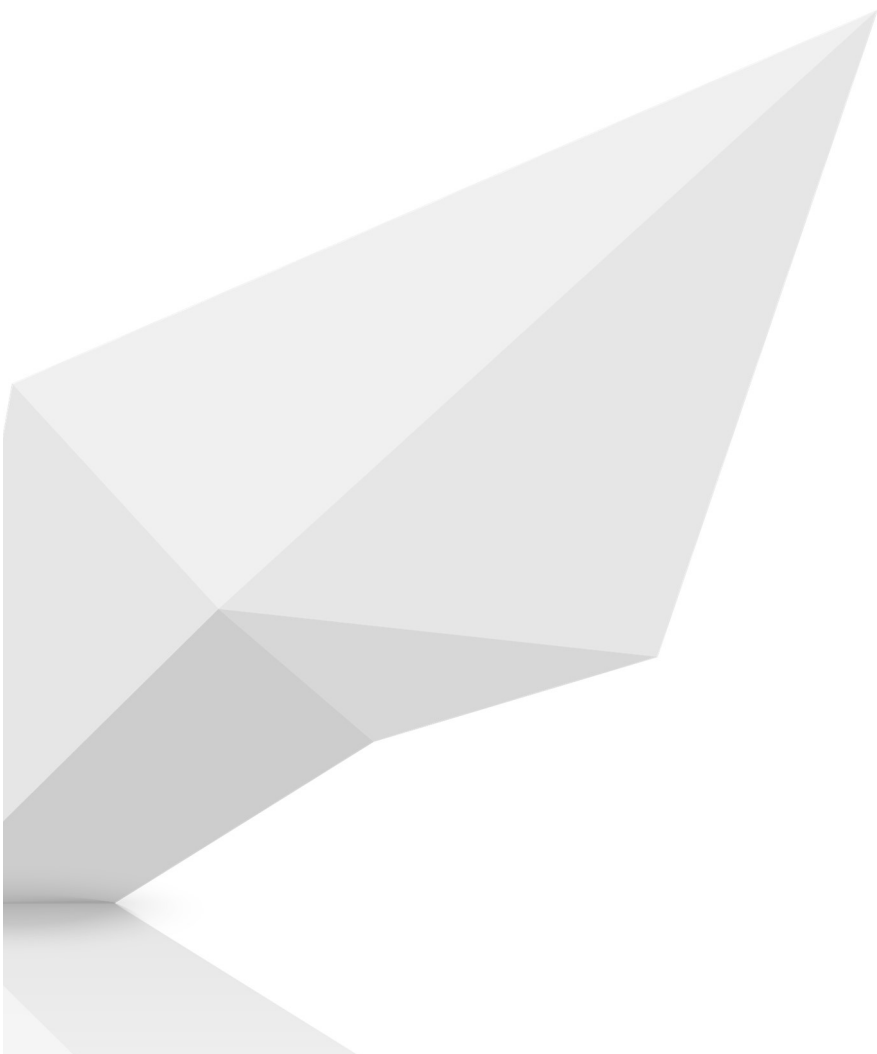


Roman Catholic Bishop of Helena Montana and Consolidating Entity

Financial Statements

June 30, 2024



WIPFLI

Independent Auditor's Report

Most Reverend Austin Anthony Vetter
Roman Catholic Bishop of Helena Montana
Helena, Montana

Qualified Opinion

We have audited the accompanying consolidated financial statements of Roman Catholic Bishop of Helena Montana, a nonprofit organization, and Resurrection Cemetery Association, Inc., a nonprofit organization, which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, except for the omission of the information and for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Roman Catholic Bishop of Helena Montana as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Qualified Opinion

As disclosed in Note 1, the financial statements presented here reflect only those assets, liabilities, net assets and financial activities associated with the Chancery operations, the Resurrection Cemetery Association and the Historic St. Mary's Mission, Inc. These financial statements do not include the assets, liabilities, net assets and financial activities of the Diocese of Helena, which are material in amount. Accounting principles generally accepted in the United States require the consolidation of a controlled organization into its financial statements. The effects of this departure from accounting principles generally accepted in the United States on the accompanying financial statements has not been determined.

We were unable to obtain supporting details to substantiate Resurrection Cemetery Association, Inc.'s July 1, 2018 beginning balance of property and equipment. We conducted our audit 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 Consolidated Financial Statements section of our report. We are required to be independent of Roman Catholic Bishop of Helena Montana and Resurrection Cemetery Association, Inc. 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 qualified audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Roman Catholic Bishop of Helena Montana'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 Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Roman Catholic Bishop of Helena Montana'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Roman Catholic Bishop of Helena Montana'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

December 11, 2024

Roman Catholic Bishop of Helena Montana

Statement of Financial Position

<i>As of June 30,</i>		2024
ASSETS		
Cash and cash equivalents		\$ 2,663,657
Accounts receivable, net of allowance		460,172
Grants receivable		173,769
Promises receivable, net of allowance		38,058
Accrued investment interest receivable		5,720
Total receivables, net		677,719
Certificates of deposit		1,150,000
Prepaid expenses		4,396
Total current assets		4,495,772
Property and equipment, net		6,681,575
Contribution receivable - Foundation for the Diocese of Helena		3,524,065
Investments		4,384,177
Investments in Perpetual Care		2,518,600
Unsold cemetery plots, net		152,743
Cash surrender value of life insurance		18,649
Total assets		\$ 21,775,581

See accompanying notes to consolidated financial statements.

Roman Catholic Bishop of Helena Montana

Statement of Financial Position (Continued)

<i>As of June 30,</i>		2024
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	LIABILITIES	
Accounts payable		\$ 471,192
Credit cards payable		984
Accrued salaries		14,209
Accrued vacation		65,190
Other accrued compensation		679
Accrued payroll taxes		19,745
Annuity obligations		293,689
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Total current liabilities		865,688
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Fiscal agent liabilities		1,022,542
Annuity liability		276,224
Deferred revenue		1,136,340
Post-retirement benefits (net of parish allocation)		4,555,456
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Total liabilities		7,856,250
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	NET ASSETS	
Net asset without donor restrictions		9,863,076
Net assets with donor restrictions		4,056,255
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Total net assets		13,919,331
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Total liabilities and net assets		\$ 21,775,581
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See accompanying notes to consolidated financial statements.

Roman Catholic Bishop of Helena Montana

Statement of Activities

<i>Year Ended June 30, 2024</i>	Without donor restrictions	With donor restrictions	Total
REVENUE AND SUPPORT			
Diocesan assessments	\$ 1,400,146	\$ -	\$ 1,400,146
Grant income	67,295	-	67,295
Program income, net	413,122	-	413,122
Fees for service	979,055	-	979,055
Other revenue	95,383	-	95,383
Rental income	69,246	-	69,246
Contributions	2,074,337	1,962,816	4,037,153
Contributions of nonfinancial assets	109,347	-	109,347
Reimbursed expenses	221,919	-	221,919
Reimbursed expense - capital campaign	1,810,014	-	1,810,014
Change in value of split interest agreements	(41,491)	-	(41,491)
Gain on investments	116,811	-	116,811
Loss on sale of asset	(58,680)	-	(58,680)
Interest and dividend income	282,508	-	282,508
Net assets released from restriction	1,953,968	(1,953,968)	-
Total revenue and support	9,492,980	8,848	9,501,828
EXPENSES			
Total program expenses	6,807,183	-	6,807,183
Total management and general	2,784,018	-	2,784,018
Total fundraising	2,033,037	-	2,033,037
Total expenses	11,624,238	-	11,624,238
CHANGE IN NET ASSETS	(2,131,258)	8,848	(2,122,410)
NET ASSETS - BEGINNING OF YEAR	11,994,334	4,047,407	16,041,741
NET ASSETS - END OF YEAR	\$ 9,863,076	\$ 4,056,255	\$ 13,919,331

See accompanying notes to consolidated financial statements.

Roman Catholic Bishop of Helena Montana

Statement of Functional Expenses

<i>Year Ended June 30, 2024</i>	Program	Management and General	Fundraising	Total
Activity and recreational supplies	\$ 5,340	\$ -	\$ -	\$ 5,340
Admin expenses	50,170	596	-	50,766
Advertising	-	4,025	-	4,025
Bank fees and service charges	13,397	10,360	-	23,757
Board and committee meetings	61	31	-	92
Contract services	252,980	144,468	-	397,448
Credit card discounts	3,090	1,923	12,035	17,048
Cost of sales	77,789	-	-	77,789
Depreciation and amortization	84,717	229,641	-	314,358
Dues	6,914	75,566	-	82,480
Education expenses	51,816	9,817	-	61,633
Grants and allocations	889,657	-	-	889,657
Health insurance	547,037	97,560	9,324	653,921
Legendary Lodge lease expense	-	-	113,453	113,453
Insurance - business	47,271	135,105	597	182,973
Interest expense	176	15,339	-	15,515
Legal fees	29,039	20,402	-	49,441
Life insurance	13,950	6,449	476	20,875
Capital campaign expense	-	-	1,810,014	1,810,014
Operations and ground supplies	59,596	-	-	59,596
Ordinations	1,289	-	-	1,289
Other employee benefits and post-retirement	2,174,302	136,060	1,715	2,312,077
Other expenses	60,412	1,724	-	62,136
Payroll taxes	31,315	61,126	4,068	96,509
Postage and shipping	2,725	36,438	7,570	46,733
Printing and publications	6,040	57,072	11,718	74,830
Professional fees	58,004	496,726	1,080	555,810
Real estate taxes	60	5,705	-	5,765
Rent	6,001	15,131	-	21,132
Repairs and maintenance	136,847	5,495	-	142,342
Salaries and wages	1,215,937	914,942	56,596	2,187,475
Salary subsidies	1,000	-	-	1,000
Seminarian fees	597,794	-	-	597,794
Software and computer expense	5,594	90,553	-	96,147
Special events	491	-	857	1,348
Supplies	101,886	15,121	1,959	118,966
Telephone	5,396	25,067	-	30,463
Travel	215,051	112,199	1,575	328,825
Utilities	53,977	23,978	-	77,955
Workshops and retreats	62	37,640	-	37,702
Write-off expense (recovery)	-	(2,241)	-	(2,241)
Total expenses	\$ 6,807,183	\$ 2,784,018	\$ 2,033,037	\$ 11,624,238

See accompanying notes to consolidated financial statements.

Roman Catholic Bishop of Helena Montana

Statement of Cash Flows

<i>Year Ended June 30,</i>	2024
Cash flows from operating activities	
Change in net assets	\$ (2,122,410)
Adjustments to reconcile change in net assets to net cash provided from operating activities:	
Depreciation and amortization	314,358
Net loss on sale of assets	58,680
Net gain on investments	(116,811)
(Increase) decrease in assets	
Accounts receivable, net of allowance	(113,395)
Grants receivable	7,876
Promises receivable, net of allowance	(5,653)
Accrued interest receivable	(3,970)
Prepays	1,198
Other assets	6,065
Increase (decrease) in liabilities	
Accounts/credit cards payable	72,063
Accrued payroll and related	11,649
Accrued expenses and other liabilities	163,652
Deferred revenue	78,507
Post-retirement benefits	1,990,161
Net cash from operating activities	341,970
Cash flows from investing activities	
Proceeds from sale of investments	2,424,722
Purchases of investments	(2,337,760)
Purchase of certificate of deposits	(515,499)
Purchases of property and equipment	(360,823)
Construction in progress	(17,719)
Net cash from investing activities	(807,079)
Cash flows from financing activities	
Payment on debt	(603,524)
Net cash from financing activities	(603,524)
Change in cash and cash equivalents	(1,068,633)
Cash and cash equivalents - beginning of year	3,732,290
Cash and cash equivalents - end of year	\$ 2,663,657
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid for interest	\$ 15,515

See accompanying notes to consolidated financial statements.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Reporting Entity and Principles of Combination

According to the Code of Canon Law of the Roman Catholic Church, a diocese is "a portion of the people of God which is entrusted for pastoral care to a bishop" (Canon 369). A diocese is normally territorial and is divided into distinct parts called parishes (Canon 374).

In 1884, Pope Leo XIII created the Diocese of Helena, with boundaries being the same as the present State of Montana. In 1904, the current boundaries were established so that the Diocese of Helena includes roughly the western one-third of the State of Montana. The Diocese extends credit to the parishes and schools located within this geographic region. As such, the Diocese's receivables are mainly subject to the economic condition of this geographic region.

In civil law, the Diocese of Helena is incorporated as the "Roman Catholic Bishop of Helena, Montana, a Montana religious corporation sole," and all property in the Diocese is held in that corporation. There are 59 parishes, many with missions attached to them, four school systems, a retreat center, a summer camp, and various other properties included in the Diocesan Corporation.

The Pope appoints the Bishop of Helena. There are various advisory councils to the Bishop, whose members are appointed by the Bishop. The Bishop appoints pastors to the various parishes. Once appointed, pastors are in charge of the parish to which they are assigned, within the guidelines issued by the universal church and the Diocese. A variety of reports, including a financial report, are required from the parishes each year.

The Resurrection Cemetery Association, Inc. (RCA) is a non-profit organization that is an affiliate of, and provides cemetery services to, the Roman Catholic Bishop of Helena Montana through contracts with individuals. The Diocese and RCA 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), the Bishop of Helena is ultimately responsible for the care, maintenance and financial sustainability of the Diocesan Cemeteries included within the Resurrection Cemetery Association. Consequently, the Diocese has subsidized Cemetery operations through funding support for staff, equipment and capital improvements.

These financial statements have been prepared using the accrual method of accounting and includes the assets, liabilities, net assets and financial activities of all institutions and organizations providing services at the diocesan level of administration which are fiscally responsible to the Bishop of the Diocese of Helena, Montana (the Chancery operations). Also included are the accounts of the Historic St. Mary's Mission, Inc., an organization where the Diocese has authority over the Board of Directors of St. Mary's Mission. All significant inter-organizational balances and transactions have been eliminated to the extent the respective funds of the organizations are combined in one fund for purposes of this presentation. Various religious orders, lay societies, and religious organizations which operate within the Diocese, but which are not fiscally responsible to the Bishop, and schools, parishes and their related institutions, have not been included in the accompanying financial statements.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Consolidated Financial Statements

For financial reporting purposes, the consolidated financial statements include the amounts of the Roman Catholic Bishop of Helena Montana, a 501(c)(3) organization, and RCA, a wholly controlled 501(c)(3) organization. All significant inter-organizational transactions have been eliminated. Together referenced as "the Diocese".

Basis of Presentation and Accounting

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"), as codified by the Financial Accounting Standards Board. Under GAAP, the Diocese is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

Estimates

The Diocese uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Diocese considers all checking, savings, money market accounts and highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Diocese's accounts are subject to FDIC insurance up to \$250,000. The Diocese had \$1,835,265 in interest-bearing accounts held at financial institutions in excess of federal insurance limits as of June 30, 2024.

Accounts and Promises Receivable

Accounts receivable are stated at the amount billed. There has been a receivables allowance for credit losses created based on receivables whose collection is now doubtful or the Diocese is unaware of assets available to pay receivables. Recoveries of receivables previously written off are recorded as income when received.

Promises receivable are recorded at the amount of the original pledge, if due within one year. Promises receivable for more than a year are discounted to present value using a 1.85% interest rate. Based on historical collections on the promises, an allowance of 2% of the total amount receivable has been established.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Allowance for Credit Losses

The Diocese provides allowances for accounts receivable reported in its consolidated financial statements. These allowances are maintained at a level management considers adequate to provide for subsequent adjustments and potential uncollectible accounts. The allowance is increased by provisions charged to the consolidated statement of activities and reduced by the amount of receivables written-off.

Beginning July 1, 2023, the carrying amount of accounts receivables is reduced by an allowance that reflects management's best estimate of the current expected credit losses. The estimate of the allowance for credit losses is based on an analysis of historical loss experience, current receivables aging, and management's assessment of current conditions and expected changes during a reasonable and supportable forecast period. The Diocese uses an aging method to estimate allowances for credit losses. Management assesses collectability by pooling receivables with similar risk characteristics and evaluates receivables individually when those specific Diocesan entity balances no longer share those risk characteristics. Prior to July 1, 2023, management had determined the allowance by considering the type of receivables, responsible party, historical collection patterns, comparative aging, and current and expected future conditions of the Diocesan entities. An allowance for credit losses on accounts receivable was \$66,428 at June 30, 2024.

Investments

The Diocese carries investments in marketable securities with readily determined fair values and all investments in debt securities at their fair values in the statements of financial position. Quoted market prices in active markets are used as the basis of measurement. Accumulated unrealized gains and/or losses are included in total net assets. Investment expenses are netted with earnings.

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 certain 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 in the financial statements. To help manage this risk, the Diocese utilizes professional investment managers who oversee the Diocese's portfolio and make changes as they see fit, within the parameters of the investment policies of the Diocese.

Investment Pools

The Diocese maintains master investment accounts in the annuity and endowment funds for its donor-restricted and Bishop-designated endowments and deposits. Realized and unrealized gains and losses from securities in the master investment accounts are allocated quarterly to the individual endowments and deposits based on the relationship of the market value of each endowment or deposit to the total market value of the master investment accounts, as adjusted for additions to or deductions from those accounts.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Property and Equipment

All acquisitions and improvements of property and equipment of \$1,000 or more with an economic life of longer than one year 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.

Depreciation is computed using the straight-line method over the following estimated lives of the assets:

Building and improvements	40 years
Furnishings, equipment and software	3-10 years
Vehicles	5 years

Concentrations

Concentrations of credit risk with respect to promises receivable are minimal due to the large number of contributors comprising the Diocese's contributor base and their dispersion across different industries. The Diocese's contribution income is subject to the general economic conditions of western Montana.

Income Taxes

The Diocese 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.

Deferred Revenue

Fee for service revenue streams applying to services to be rendered in future periods are recorded as deferred revenue when received and reflected as revenue in the year when the services are performed.

Functional Allocation of Expenses

The expenses of providing various programs and other 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 expenses have been allocated among the program services and supporting activities benefited, based upon time allocations or square footage, as applicable.

Roman Catholic Bishop of Helena Montana

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 Diocese 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.

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

Revenues received are recorded as donor restricted or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in without donor restrictions. When a restriction expires, such stipulated time restriction ends or a purpose restriction is accomplished, donor restrictions are reclassified to without donor restrictions and reported in the statements of activities as net assets released from restrictions. 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.

Assessments

The Diocese provides administrative services throughout the fiscal year for all of its parishes. There is one performance obligation, which is to provide administrative services. Revenue is recognized over time because the parishes simultaneously receive and consume the services provided by the Diocese. The passage of time is used as management considers that to be the best available measure of progress on the Diocese's delivery of services. At the beginning of each fiscal year, the Diocese bills an assessment fee to each parish within the territory of the Diocese as permitted by Canon Law. The parish assessment fee is determined by the Diocese.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Fees for service - Legendary Lodge

Legendary Lodge summer camps are a ministry of the Diocese. Camp programs are established for 5th and 6th grade, junior high and high school students. An overview of each camp is listed on the website. Registration for camps typically open on January 1st each year and registration is required to be completed by the parent/guardian for each registrant. A 'Reserve Now, Pay Later' system is in place for completing registration. Once registration is completed, a spot is reserved for the child. An e-mail confirmation is sent to confirm registration. An e-mail is sent afterwards, typically in the Spring for those early registrants, with a link to confirm the child's registration and pay the camp fees. A confirmation and payment deadline is linked to the reservation so if the reservation and payment have not been completed by the cutoff date, the reserved spot is cancelled and made available to other campers. There is also an optional fee for the camp "Canteen" snack store that can be purchased during payment. An e-mail confirmation is sent to the parent/guardian once confirmation and payment is completed.

The performance obligations include the week-long camp being held and accessibility to the camp "Canteen" store. The transaction price is stated on the Legendary Lodge website and is included in the payment link sent to the parent/guardian to complete camp registration. For 2024, fees for all camps were \$400 per child, with an optional \$15 for use at the camp "Canteen" store.

Revenue is recognized when the camp is held. The camp fees received in advance are booked as a deferred revenue until the camp is held. If the weeklong camp crosses over the fiscal year end, revenue is recognized in the earlier fiscal year. A cancellation and refund policy is in place. Legendary Lodge requests that notice be given as soon as possible if a child is unable to attend camp. In order to receive a refund, notice of cancellation must be given at least one week in advance of the camp start date. All refunds will be charged a \$50 per child processing fee. A refund is not given if a child leaves camp during the week.

At-Need and Pre-Need Program Income

RCA provides cemetery services through contracts with individuals, recognizing revenues as program income. Performance obligations include RCA 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.

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.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Grant Revenue

Grants 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.

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; and
- 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.

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.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Contribution Revenue (Continued)

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 Diocese.

Unsold Cemetery Plots

Unsold cemetery plots are stated at the lower of cost or net realizable value. The balance at June 30, 2024 represents RCA's cost of the development of the cemetery, which was \$263,242, net of accumulated amortization of \$110,499.

Lease Accounting

The Diocese has no significant noncancelable operating or financing leases. For all underlying classes of assets, the Diocese has elected to not recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Diocese is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The Diocese recognizes short-term lease cost on a straight-line basis over the lease term.

Adoption of New Accounting Pronouncement

Accounting Standards Update (ASU) No. 2016-13, *Measurement of Credit Losses on Financial Instruments*, requires the Diocese to present financial assets measured at amortized cost (including accounts receivable) at the net amount expected to be collected over their remaining contractual lives. Estimated credit losses are based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts.

The Diocese adopted ASU No. 2016-13 on July 1, 2023, and concluded that there is no material impact to the financial statements. See Allowance for Credit Losses for changes to accounting policies.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Subsequent Events

The Diocese has evaluated events and transactions for potential recognition or disclosure in the financial statements through December 11, 2024, which is the date the financial statements were available to be issued.

Subsequent after the year end June 30, 2024, the Diocese paid earnest money on office space across from their current office. They expect to close in December 2024 for a purchase price of \$745,170.

Note 2: Promises Receivable

Each October, the Diocese conducts an Annual Catholic Appeal (ACA) for the following fiscal year. Promises to give are restricted to payment of the costs outlined in the campaign program brochures for the Foundation for the Diocese of Helena, Catholic Home Missions, and Catholic Church Extension Society. The unconditional promises to give from ACA, net of any allowance, at June 30, 2024 was \$38,058. General promises to give, net of allowance, totaled \$0 at June 30, 2024.

Note 3: Grants and Contributions Receivable

Grants receivable represent grants awarded prior to the current year and are expected to be fully received by June 30 of the following year. Total grants receivable are \$173,769 June 30, 2024.

Note 4: Certificates of Deposit

Certificates of deposit totaled \$1,150,000 at June 30, 2024. The certificates bear interest ranging from 4.95% to 5.05% and have maturities of six to seven months, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the consolidated financial statement.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 5: Investments

Investments are stated at fair value as follows at June 30, 2024:

	Cost	Fair Value	Unrealized Gain (Loss)
Corporate bonds	\$ 784,215	\$ 777,888	\$ (6,327)
Corporate stocks	486,774	652,676	165,902
Mutual funds	1,140,243	1,167,218	26,975
Certificates of deposit	1,763,000	1,758,208	(4,792)
Other	28,495	28,187	(308)
Total investments at fair value	4,202,727	4,384,177	181,450
Total investments not at fair value			
RCA Preferred debt investment in Perpetual Care	2,518,600	2,518,600	-
Total	\$ 6,721,327	\$ 6,902,777	\$ 181,450

Of the investments listed above, \$293,689 as of June 30, 2024, have been reserved to fund annuity obligations.

RCA Preferred Debt Investment in Perpetual Care

In February 2016, an agreement was made between RCA and Perpetual Care LLC in which the RCA exchanged \$750,000 cash with Perpetual Care for an investment to be held in a non-voting convertible preferred interest in Perpetual Care. RCA 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.

The Perpetual Care investment was adjusted during 2022 and is now being reported on a nonrecurring basis.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 6: Fair Value Measurement

The Diocese has adopted the accounting pronouncement for measuring fair value under GAAP. This pronouncement defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. It requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. It also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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, 2024.

Corporate stock: Valued at fair value based on quoted market prices.

Bonds: Based on interest rates and quoted market prices for investments with similar yields to maturity.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Diocese are open-end mutual funds 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 funds held by the Diocese are deemed to be actively traded.

Certificate of deposits: Valued at cost, which approximates fair value.

Other: Other assets include miscellaneous investments. Valued at fair value based on quoted market prices.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 6: Fair Value Measurement (Continued)

Fair values of assets measured on a recurring basis at June 30, 2024 are as follows:

	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate bonds	\$ 777,888	\$ -	\$ 777,888	\$ -
Corporate stocks	652,676	652,676	-	-
Mutual funds	1,167,218	1,167,218	-	-
Certificates of deposit	1,758,208	-	1,758,208	-
Other	28,187	28,187	-	-
Total investments in the fair value hierarchy	4,384,177	1,848,081	2,536,096	-
Total investments	\$ 4,384,177	\$ 1,848,081	\$ 2,536,096	\$ -

Note 7: Property and Equipment

A summary of property and equipment is as follows as of June 30, 2024:

	2024
Real estate, land and improvements	\$ 6,846,410
Buildings and building improvements	426,815
Furnishings and equipment	1,027,246
Vehicles	64,171
Construction in progress	17,719
Total	8,382,361
Less: accumulated depreciation	(1,700,786)
Property and equipment, net	\$ 6,681,575

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 8: Deferred Revenue

Deferred revenue and support at June 30, 2024 consists of Legendary Lodge and Youth Ministry event balances totaling \$197,287, and Pre-Need cemetery services of \$939,053.

Note 9: Contributed Nonfinancial Assets

Contributed nonfinancial assets consist of the following:

<i>Year Ended June 30,</i>	2024
Lease expense	\$ 105,947
Professional services	3,400
Total contributed nonfinancial assets	\$ 109,347

The Diocese recognizes contributed nonfinancial assets within revenue, including lease amortization and professional services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed lease amortization is related to use of the Legendary Lodge property used for youth camps. Contributed lease amortization is valued and reported at the estimated fair value in the financial statements based on comparable rates in Montana's real estate market.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 10: Post-Retirement Benefits

Medical Plan

The Diocese has a non-funded post-retirement medical 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, and non-religious order lay employees.

Medical plan information for disclosure under GAAP as of June 30, 2024 follows:

Plan Status: The Plan is 100% unfunded.

Amounts Recognized on the Statements of Financial Position: The Plan has total liabilities of \$4,478,901 at June 30, 2024, including amounts to be paid by the parishes. Of this amount, \$3,615,282 is recognized in the statements of financial position and represents the amount specific to the Diocese's share at June 30, 2024.

Projected Benefit Obligation: \$4,478,901 in total at June 30, 2024; \$3,615,282 of Diocese specific liability at June 30, 2024.

1% Change in Assumptions

Net periodic post-retirement cost:	\$398,000
Accrued benefit (liability):	\$5,156,000

A 1% change in either direction would approximate the above difference.

Weighted-average assumptions used to determine benefit obligations at June 30: 5.25% discount rate at June 30, 2024.

Cash Flows

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

<u>Year Ended June 30,</u>		
2025	\$	211,156
2026		243,178
2027		255,406
2028		260,418
2029		295,232
Thereafter		2,349,892
Total	\$	3,615,282

There are no fair values of the Diocese's medical plan since there are no assets.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 10: Post-Retirement Benefits (Continued)

Other Post-Retirement Benefits

The Diocese has also accrued a liability for retirement benefits granted outside of the retirement plans discussed in Note 11. The present value liability for these defined benefits was \$12,662 at June 30, 2024. The following benefits are expected to be paid:

<u>Year Ended June 30,</u>		
2025	\$	1,713
2026		1,748
2027		1,849
2028		1,789
2029		2,235
Thereafter		3,328
Total	\$	12,662

Note 11: Pension Plans

Defined Benefit Pension Plan

Diocesan 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 are eligible to participate in the Clergy Senior Status & Security Trust (CSS&ST). CSS&ST is a non-contributory defined benefit pension plan and is a separate legal entity. The individual parishes and institutions are responsible for contributions to CSS&ST. The Diocese is only responsible for contributions for the bishop and any priests assigned to the Chancery. Benefits paid to retirees are based upon age at retirement and years of credited service. Periodically bequests and donations name CSS&ST as the beneficiary.

The assets of the CSS&ST are maintained in a single master trust account. They are invested primarily in government securities, common stock and debt securities. The Diocese makes contributions as required under the funded value of vested benefits method. The Diocese uses a June 30 measurement date for the CSS&ST.

Pension plan information for disclosure under GAAP at June 30, 2024 follows:

Obligations and Funded Status

	2024
Projected benefit obligation	\$ (9,999,997)
Plan net assets	7,526,602
Unfunded status	\$ (2,473,395)

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 11: Pension Plans (Continued)

Amounts Recognized on the Statements of Financial Position at June 30, 2024: CSS&ST has total liabilities of \$2,473,395 at June 30, 2024, including amounts to be paid by the parishes. Of this amount, \$927,512 is recognized in the statements of financial position and represents the amount specific to the Diocese's share at June 30, 2024.

Based on the actuarial assumptions disclosed later in this note, the CSS&ST would be funded on a termination value as of June 30, 2024 with a Diocese contribution of \$2,473,395.

Projected Benefit Obligation at June 30, 2024: \$9,999,997.

Plan Net Assets at June 30, 2024: \$7,526,602.

Accumulated Benefit Obligation at June 30, 2024: \$9,999,997.

Assumptions

Weighted-average assumptions used to determine benefit obligations at June 30, 2024:
10.98% discount rate.

Weighted-average assumptions used to determine net periodic benefit costs at June 30, 2024:
5.24% discount rate.
5.31% expected long term return on plan assets.

Plan Assets

CSS&ST's pension plan weighted-asset allocations by asset category at June 30 are as follows:

	2024
Asset Category	
U.S. Government securities	0.1 %
Corporate bonds and notes	0.7 %
Mutual funds	12.7 %
Other (primarily short-term cash equivalents)	86.5 %
	100.0 %

Investment Asset Information

The investment strategy for pension assets has a long-term horizon. CSS&ST assets are externally managed and these managers ensure the assets are appropriately diversified. Their performance is reviewed periodically against market benchmarks.

The current long-term rate of return on plan assets of 10.98% in 2024 is based on CSS&ST's asset mix, historical returns, and expectations for future performance.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 11: Pension Plans (Continued)

Cash Flows

Expected Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Year ended June 30,

2025	\$	729,155
2026		739,118
2027		730,174
2028		732,115
2029		717,376
Thereafter		3,866,820
<hr/>		
Total	\$	7,514,758

The fair values of CSS&ST's pension plan assets at June 30, by asset category are as follows:

	2024
<hr/>	
U.S. Government securities	\$ 3,753
Corporate bonds and notes	49,651
Mutual funds	956,408
Cash and cash equivalents	6,516,790
<hr/>	
Total	\$ 7,526,602

Other Pension Plan

The Diocese offers a 403(b) annuity plan for all permanent employees who have successfully completed a six-month probationary period. The Diocese matches up to 3% on salary deferrals.

The Diocese made contributions to the Plan of \$25,526 for the year ended June 30, 2024.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 12: Operating Leases

On May 1, 2022, the Diocese entered into a lease for a condo in Helena for the Bishop. This lease expires on April 30, 2032 with monthly payments of \$100. As described in Note 1's Lease Accounting policy, the leasing arrangements are not material to the financial statements and therefore no right-of-use asset and operating lease liability has been recognized in the accompanying financial statements for this lease.

The Diocese also rents parking and storage space on a month to month basis with monthly payments of \$1,005 and \$71, respectively.

Lease expense was \$21,132 for the year ended June 30, 2024.

Note 13: Disaggregation of Revenues from Contracts with Customers

The following is a breakdown of the Diocese's 'Fees for service' by revenue source:

Year ended June 30,	2024
Legendary Lodge camp fees	\$ 285,653
Youth ministry events	3,063
NCYC/CYC	118,813
CSSM contract accounting services	6,875
Priest healthcare and clergy benefit fees	563,911
Other income	740
Total fees for service revenue	\$ 979,055

For 2024, revenues that would fall under the purview of ASC 606 - Revenues from Contracts with Customers totaled:

Year ended June 30,	2024
Revenues recognized at a point in time	\$ 407,529
Revenues recognized over time	571,526
Total	\$ 979,055

Note 14: Endowment Funds

The Roman Catholic Bishop's (RCB) endowment consists of one fund managed by the RCB. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Bishop to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 14: Endowment Funds (Continued)

Interpretation of Relevant Law

The Diocese has interpreted the Montana Uniform Prudent Management of Institutional Funds Act ("MUPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the RCB classifies as net assets restricted into perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. A portion of the donor-restricted endowment fund that is not classified in net assets held in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the RCB in a manner consistent with the standard of prudence prescribed by MUPMIFA. The remaining portion of the endowment funds are net assets without donor restrictions, quasi-endowments managed in a manner consistent with the standard of prudence prescribed by MUPMIFA under the direction of the Diocese.

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

1. The duration and preservation of the fund;
2. The purposes of the Diocese and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Diocese; and
7. The investment policies of the Diocese.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or MUPMIFA requires the Diocese to retain as a fund of perpetual duration. There were no such deficiencies of this nature as of June 30, 2024.

Return Objectives and Risk Parameters

The Diocese has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Diocese must hold in perpetuity or for a donor-specified period(s) and also holds the funds without restrictions designated by the Bishop. The Diocese expects its endowment funds, over time, to provide a reasonable level of current income to support the spending policy authorized by the Bishop and to grow equity assets. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Diocese relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Endowment assets are to be invested in stock and/or bond funds and/or specified alternative investments, and/or certificates of deposit, augmented by bank and mutual savings bank accounts for short-term holdings. All investments must be in conformity with the socially-responsible tenets of the mission philosophy of the Roman Catholic Church.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 14: Endowment Funds (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Diocese has a policy of appropriating for distribution each year only the current yield (interest and dividends) for that year.

	Net assets with donor restriction - temporary	Net assets with donor restriction - perpetual	Total
Endowment net assets, June 30, 2023	\$ -	\$ 287,556	\$ 287,556
Net realized and unrealized gains	-	9,385	9,385
Investment income, net of fees	-	401	401
Endowment net assets, June 30, 2024	\$ -	\$ 297,342	\$ 297,342

Note 15: Net Assets with Donor Restriction

Net assets with donor restrictions are restricted for the following purposes or periods.

<i>As of June 30,</i>	2024
Clergy personnel development - perpetuity	\$ 297,342
Clergy personnel development	23,811
Contributions - parishes, institutions, other	16,221
Pastoral	7,572
Promises to give	38,059
Religious and charitable	3,614,815
Religious education	33,154
Social services and aid to the needy	2,020
Annuity funds	23,261
Total	\$ 4,056,255

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30:

	2024
Religious and charitable, Clergy personnel development, social services and aid to the needy, and religious education	\$ 1,953,968
Total	\$ 1,953,968

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 16: Commitments and Contingencies

Annuity Contracts

The annuity fund holds annuity contracts guaranteeing a specified rate of return to the annuitants during their lifetime. At the time of death, portions of, or the entire remaining principal reverts to either the Diocese or the Foundation for the Diocese of Helena, Inc. Approximately 2.8% of the total value of these annuities is being held for the Diocese's benefit. Amounts shown in these financial statements represent only those portions related to the Diocese's interest in these annuities.

The Diocese is involved in various legal proceedings from time-to-time in the normal course of business. It is the opinion of management that any judgment or settlement resulting from pending or threatened litigation would not have a material adverse effect on the financial position or operations of the Diocese.

Note 17: Related Parties

Receivables

Accounts receivable includes related parties due to operational transactions between the Diocese and the Foundation for the Diocese of Helena (FDH), Clergy Senior Status and Security Trust (CSS&ST), Catholic Social Services of Montana, Inc. (CSSM), Montana Catholic Conference (MCC), and Resurrection Cemetery Association (RCA). As of June 30, 2024, amounts due from related parties is \$286,386 and are included in accounts receivable.

Foundation for the Diocese of Helena, Inc.

The Diocese approved the initiation of a comprehensive, multi-year capital fundraising campaign to fund multiple core programs, activities, and assets essential to its religious purposes. Although the Foundation for the Diocese of Helena, Inc. is administering the campaign, the Diocese agreed to ultimately bear responsibility for all costs and expenses associated with the campaign. Reimbursements for all campaign expenses, totaling \$1,810,024, are shown on the statement of activities as reimbursed expense - capital campaign, and on the statement of functional expense as fundraising expense for capital campaign expenses.

Legendary Lodge In-Kind Contribution

On March 17, 2015, FDH purchased the property known as Legendary Lodge from the Diocese. Prior to purchase, FDH obtained an independent appraisal of the property (including land, buildings, and improvements) from a commercial real estate appraiser. FDH purchased for cash the Legendary Lodge property from the Diocese in an arms-length transaction for the appraised value of \$3,585,000 on that date.

In March 2015, FDH signed a 100 year lease with the Diocese, donating the exclusive use of all buildings, land and water rights of the Legendary Lodge to the Diocese. The terms of the lease are as follows:

The Diocese shall pay FDH \$1 per year.

The Diocese is responsible for maintenance costs and is responsible for loss, liability, damage or expense.

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 17: Related Parties (Continued)

Under generally accepted accounting principles, the lease constituted an in-kind contribution to the Diocese. For the year ended June 30, 2015, the Diocese recognized an in-kind contribution receivable for the full value of the Legendary Lodge (\$3,585,000) and net assets with donor restrictions, representing the in-kind contribution revenue. On an annual basis, the in-kind contribution receivable will be reduced and Legendary Lodge lease expense will be recognized at an amortized rate of 3% over 100 years.

Other

As described in Note 1, schools, parishes, and their related institutions are not included in these financial statements. However, they are under the control of the Bishop. These financial statements includes various payables and receivables between the Diocese and related schools, parishes, and their related institutions.

Resurrection Cemetery Association - Standalone

A summarized statement of financial position and statement of activities are as follows for RCA:

Statement of Financial Position - Standalone

<i>As of June 30,</i>	2024
Total assets	\$ 3,427,616
Total liabilities	1,033,774
Total net assets	2,393,842
Total liabilities and net assets	\$ 3,427,616

Statement of Activities - Standalone

<i>Year Ended June 30,</i>	2024
Support and revenue	\$ 1,148,437
Expenses	1,236,537
Change in net assets	(88,100)
Net assets, beginning	2,481,942
Net assets, ending	\$ 2,393,842

Roman Catholic Bishop of Helena Montana

Notes to Financial Statements

Note 18: Liquidity and Availability of Financial Resources

The Diocese strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds and other short-term investments.

The following table reflects the Diocese's financial assets as of June 30, 2024 reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or internal board designations. In the event the need arises to utilize the Bishop-designated funds for liquidity purposes, the reserves could be drawn upon through board resolution. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions.

<i>As of June 30,</i>	2024
Cash and cash equivalents	\$ 2,663,657
Certificates of deposit	1,150,000
Accounts receivable, net of allowance	460,172
Promises receivable, net of allowance	38,058
Grants receivable	173,769
Accrued investment interest receivable	5,720
Less: board designated funds	(211,827)
Total	\$ 4,279,549

Note 19: Risks and Uncertainties

The Diocese has potential claims pending that arise in the normal course of business. While it is impossible to estimate ultimate liability, if any, with respect to these matters, management believes the Diocese does not have any current claims which have an identifiable material adverse effect on the financial position of the Diocese at this time.