

Consolidated Financial Statements and  
Supplemental Information Together  
with Report of Independent Certified  
Public Accountants

**The Bridgeport Roman Catholic Diocesan  
Corporation and Affiliates**

June 30, 2024 and 2023

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Most Reverend Frank J. Caggiano  
Bishop of the Roman Catholic Diocese of Bridgeport

### Opinion

We have audited the consolidated financial statements of The Bridgeport Roman Catholic Diocesan Corporation and Affiliates (collectively, the "Diocese"), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expense, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Diocese as of June 30, 2024 and 2023, and the results of its operations and its cash flows 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 of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US 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 the Diocese 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 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 the Diocese'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 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 US 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 US 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 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 Diocese'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 the Diocese'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.

#### **Supplementary information**

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

*Grant Thornton LLP*

New York, New York  
December 23, 2024

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30,

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 18,567,759	\$ 11,459,663
Restricted cash	358,169	641,300
Properties held for sale	699,769	183,742
Cemeteries and other accounts receivable, net	2,036,933	2,388,642
Due from related Diocesan entities, net	729,939	1,641,329
Prepaid expenses and other assets	573,873	890,168
Contributions receivable, net	1,251,558	2,346,830
Insurance recoveries receivable	729,275	675,222
Notes receivable, net	12,748,305	12,777,252
Investments, at fair value	37,014,091	38,766,713
Cemetery inventory	4,982,430	5,310,998
Beneficial interest in trust held by others	473,802	441,527
Beneficial interest in assets held by Foundations in Faith, Inc.	12,085,781	11,048,447
Property, buildings and equipment, net	34,916,368	33,953,495
Operating lease right of use assets	112,161	159,570
	<u>\$ 127,280,213</u>	<u>\$ 122,684,898</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 4,322,037	\$ 2,539,129
Special collections payable	358,169	884,793
Medical premiums and other amounts payable	1,165,045	3,457,029
Deferred revenue and refundable advances	980,246	1,542,558
Deferred revenue - ground lease	957,178	985,739
Deferred revenue - life use fees	492,561	717,661
Due to related Diocesan entities	1,167,574	1,306,695
Note payable	3,228,100	4,083,211
Operating lease obligations	112,161	159,570
Conditional asset retirement obligations	6,272,987	6,330,151
Priest pension and other postretirement benefit obligations, net	11,150,324	11,227,989
	<u>30,206,382</u>	<u>33,234,525</u>
<b>Contingencies</b>		
<b>Net assets</b>		
Without donor restrictions	77,166,117	73,650,178
With donor restrictions	19,907,714	15,800,195
	<u>97,073,831</u>	<u>89,450,373</u>
Total liabilities and net assets	<u>\$ 127,280,213</u>	<u>\$ 122,684,898</u>

The accompanying notes are an integral part of these consolidated financial statements.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, support and other changes</b>			
Annual Bishop's Appeal	\$ 8,109,785	\$ 689,713	\$ 8,799,498
Contributions and bequests	3,018,543	4,448,025	7,466,568
Cathedraticum from parishes	6,389,318	-	6,389,318
Employee benefit and insurance programs	19,114,317	-	19,114,317
Cemeteries operations	11,120,709	-	11,120,709
Interest income	1,545,582	-	1,545,582
Elderly housing and other rental income	2,095,615	-	2,095,615
Professional services	625,469	-	625,469
Advertising	180,685	-	180,685
Other operating revenues	249,637	-	249,637
Net assets released from restrictions	2,103,481	(2,103,481)	-
	<u>54,553,141</u>	<u>3,034,257</u>	<u>57,587,398</u>
Total revenues, support and other changes			
<b>Expenses</b>			
Programs	16,501,906	-	16,501,906
Employee benefits and insurance	20,765,777	-	20,765,777
Cemeteries operations	6,010,172	-	6,010,172
Elderly housing and Diocesan LLC properties operations	854,725	-	854,725
Management and general	6,970,653	-	6,970,653
Stewardship and development	1,320,473	-	1,320,473
	<u>52,423,706</u>	<u>-</u>	<u>52,423,706</u>
Total expenses			
Income from operations before depreciation and accretion	2,129,435	3,034,257	5,163,692
Depreciation and accretion	(1,218,654)	-	(1,218,654)
	<u>910,781</u>	<u>3,034,257</u>	<u>3,945,038</u>
Income from operations before nonoperating activities			
<b>Nonoperating activities</b>			
Gain on sale of assets, net	570,883	-	570,883
Priest pension-related net activity other than service cost	(257,740)	-	(257,740)
Change in value of beneficial interest in Foundations in Faith and a third-party trust	-	1,069,609	1,069,609
Investment income, net	1,621,895	3,653	1,625,548
Contributions - nonoperating	2,562,223	-	2,562,223
Bad debt expense, net	(808,247)	-	(808,247)
Contributions to lay pension	(900,000)	-	(900,000)
Change in discount on notes receivable	467,569	-	467,569
Support to Diocesan entities - capital projects and other	(603,944)	-	(603,944)
Miscellaneous non-operating expenses, net	(47,481)	-	(47,481)
	<u>3,515,939</u>	<u>4,107,519</u>	<u>7,623,458</u>
<b>CHANGE IN NET ASSETS</b>			
<b>Net assets - beginning of year</b>	<u>73,650,178</u>	<u>15,800,195</u>	<u>89,450,373</u>
<b>Net assets - end of year</b>	<u>\$ 77,166,117</u>	<u>\$ 19,907,714</u>	<u>\$ 97,073,831</u>

The accompanying notes are an integral part of this consolidated financial statement.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, support and other changes</b>			
Annual Bishop's Appeal	\$ 7,953,957	\$ 794,166	\$ 8,748,123
Contributions and bequests	1,987,298	2,122,109	4,109,407
Cathedraticum from parishes	6,201,875	-	6,201,875
Employee benefit and insurance programs	19,834,635	-	19,834,635
Cemeteries operations	13,808,130	-	13,808,130
Interest income	771,216	-	771,216
Elderly housing and other rental income	2,036,172	-	2,036,172
Professional services	614,469	-	614,469
Advertising	247,724	-	247,724
Other operating revenues	319,166	-	319,166
Net assets released from restrictions	3,552,645	(3,552,645)	-
	<u>57,327,287</u>	<u>(636,370)</u>	<u>56,690,917</u>
<b>Expenses</b>			
Programs	13,923,748	-	13,923,748
Employee benefits and insurance	21,076,158	-	21,076,158
Cemeteries operations	7,370,744	-	7,370,744
Elderly housing and Diocesan LLC properties operations	761,159	-	761,159
Management and general	6,677,170	-	6,677,170
Stewardship and development	1,046,777	-	1,046,777
	<u>50,855,756</u>	<u>-</u>	<u>50,855,756</u>
Income (loss) from operations before depreciation and accretion	6,471,531	(636,370)	5,835,161
Depreciation and accretion	(1,536,934)	-	(1,536,934)
Income (loss) from operations before nonoperating activities	4,934,597	(636,370)	4,298,227
<b>Nonoperating activities</b>			
Gain on sale of assets, net	494,545	-	494,545
Priest pension-related activity other than service cost	4,367,795	-	4,367,795
Change in value of beneficial interest in Foundations in Faith and a third-party trust	-	677,955	677,955
Investment income, net	1,223,250	7,840	1,231,090
Contributions - nonoperating	645,379	-	645,379
Bad debt recoveries, net	429,950	-	429,950
Contributions to lay pension	(800,000)	-	(800,000)
Change in discount on notes receivable	175,801	-	175,801
Support to Diocesan entities - capital projects and other	(1,943,664)	-	(1,943,664)
Miscellaneous non-operating expenses, net	(74,054)	-	(74,054)
	<u>9,453,599</u>	<u>49,425</u>	<u>9,503,024</u>
<b>CHANGE IN NET ASSETS</b>	<u>9,453,599</u>	<u>49,425</u>	<u>9,503,024</u>
<b>Net assets - beginning of year</b>	<u>64,196,579</u>	<u>15,750,770</u>	<u>79,947,349</u>
<b>Net assets - end of year</b>	<u>\$ 73,650,178</u>	<u>\$ 15,800,195</u>	<u>\$ 89,450,373</u>

The accompanying notes are an integral part of this consolidated financial statement.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2024

	Programs	Employee Benefits and Insurance	Cemeteries Operations	Elderly Housing and Diocesan LLC Properties Operations	Management and General	Stewardship and Development	Total
Personnel costs - lay	\$ 4,004,550	\$ -	\$ 3,022,321	\$ -	\$ 4,175,661	\$ 716,937	\$ 11,919,469
Personnel costs - religious	2,661,410	-	-	-	19,849	-	2,681,259
Total personnel costs	6,665,960	-	3,022,321	-	4,195,510	716,937	14,600,728
Insurance	89,529	20,536,921	-	-	47,322	-	20,673,772
Grants and contributions	6,235,317	-	-	-	-	-	6,235,317
Professional fees	759,415	228,686	444,505	-	1,202,799	28,555	2,663,960
Occupancy	566,007	-	279,732	-	751,419	1,001	1,598,159
Operations	-	-	2,102,362	854,725	59,293	-	3,016,380
Office	54,869	170	120,209	-	467,088	156,566	798,902
Dues, fees and memberships	513,009	-	4,054	-	50,965	2,342	570,370
Printing	336,680	-	-	-	145	204,649	541,474
Travel and seminars	946,403	-	7,127	-	46,788	82,510	1,082,828
Interest	-	-	-	-	122,075	-	122,075
Miscellaneous	115,412	-	-	-	12,888	178	128,478
Postage	219,305	-	29,862	-	14,361	127,735	391,263
Total expenses before depreciation and accretion	16,501,906	20,765,777	6,010,172	854,725	6,970,653	1,320,473	52,423,706
Depreciation and accretion	479,262	-	359,681	59,050	259,020	61,641	1,218,654
Total expenses	\$ 16,981,168	\$ 20,765,777	\$ 6,369,853	\$ 913,775	\$ 7,229,673	\$ 1,382,114	\$ 53,642,360

The accompanying notes are an integral part of this consolidated financial statement.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2023

	Programs	Employee Benefits and Insurance	Cemeteries Operations	Elderly Housing and Diocesan LLC Properties Operations	Management and General	Stewardship and Development	Total
Personnel costs - lay	\$ 3,397,770	\$ -	\$ 3,026,154	\$ -	\$ 4,164,069	\$ 542,302	\$ 11,130,295
Personnel costs - religious	2,721,050	-	-	-	32,298	-	2,753,348
Total personnel costs	6,118,820	-	3,026,154	-	4,196,367	542,302	13,883,643
Insurance	80,329	20,917,215	-	-	44,180	-	21,041,724
Grants and contributions	5,065,668	-	-	-	-	-	5,065,668
Professional fees	633,392	158,536	780,158	-	895,217	28,951	2,496,254
Occupancy	550,811	-	279,727	-	741,106	924	1,572,568
Operations	-	-	3,070,308	761,159	59,891	-	3,891,358
Office	40,201	407	94,376	-	480,896	129,720	745,600
Dues, fees and memberships	506,639	-	3,952	-	55,104	835	566,530
Printing	260,236	-	-	-	265	211,464	471,965
Travel and seminars	423,892	-	31,102	-	56,938	36,242	548,174
Interest	-	-	-	-	109,210	-	109,210
Miscellaneous	63,170	-	33,758	-	18,346	242	115,516
Postage	180,590	-	51,209	-	19,650	96,097	347,546
Total expenses before depreciation and accretion	13,923,748	21,076,158	7,370,744	761,159	6,677,170	1,046,777	50,855,756
Depreciation and accretion	652,539	-	375,431	47,778	384,074	77,112	1,536,934
Total expenses	\$ 14,576,287	\$ 21,076,158	\$ 7,746,175	\$ 808,937	\$ 7,061,244	\$ 1,123,889	\$ 52,392,690

The accompanying notes are an integral part of this consolidated financial statement.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30,

	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 7,623,458	\$ 9,503,024
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and accretion	1,218,654	1,536,934
Gain on sale of assets	(570,883)	(494,545)
Change in fair value of beneficial interests	(1,069,609)	(677,955)
Change in discount on notes receivable	(467,569)	(175,801)
Bad debt expense (recovery), net	808,247	(429,950)
In-kind donations of securities	(1,374,544)	(868,314)
Net appreciation in fair value of investments	(1,147,912)	(843,888)
(Increase) decrease in assets:		
Cemeteries and other accounts receivable, net	107,942	1,292,622
Due from related Diocesan entities, net	914,348	(826,242)
Prepaid expenses and other assets	316,295	(540,254)
Contributions receivable, net	1,024,350	128,050
Insurance recoveries receivable	(54,053)	(322,348)
Cemetery inventory	328,568	210,708
Operating lease right of use assets	47,409	37,847
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	1,782,908	(2,596,768)
Special collections payable	(526,624)	469,099
Self-insurance claims and deductible amounts payable	(2,291,984)	(696,616)
Deferred revenue and refundable advances	(562,312)	(2,217,906)
Deferred revenue - ground lease	(28,561)	(28,560)
Deferred revenue - life use fees	(225,100)	(335,732)
Due to related Diocesan entities	(139,121)	438,988
Operating lease obligations	(47,409)	(37,847)
Priest pension and other postretirement benefit obligations	(77,665)	(3,730,617)
	<u>5,588,833</u>	<u>(1,206,071)</u>
Net cash provided by (used in) operating activities		
<b>Cash flows from investing activities:</b>		
Purchases of investments	(3,075,042)	(27,463,067)
Proceeds from sales of investments and securities reclassified as cash and cash equivalents	7,350,121	1,606,630
Purchases of property and equipment	(2,779,844)	(2,925,128)
Net proceeds from sales of property	596,008	750,000
	<u>2,091,243</u>	<u>(28,031,565)</u>
Net cash provided by (used in) investing activities		
<b>Cash flows from financing activities:</b>		
Borrowings from note payable	-	3,991,000
Principal payments on note payable	(855,111)	(416,789)
	<u>(855,111)</u>	<u>3,574,211</u>
Net cash (used in) provided by financing activities		
<b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<u>6,824,965</u>	<u>(25,663,425)</u>
<b>Cash, cash equivalents and restricted cash - beginning of year</b>	<u>12,100,963</u>	<u>37,764,388</u>
<b>Cash, cash equivalents and restricted cash - end of year</b>	<u>\$ 18,925,928</u>	<u>\$ 12,100,963</u>
<b>Supplementary Information:</b>		
Cash paid for interest on indebtedness	<u>\$ 122,075</u>	<u>\$ 109,210</u>
Right-of-use assets acquired under operating lease liabilities	<u>\$ 112,161</u>	<u>\$ 159,570</u>

The accompanying notes are an integral part of these consolidated financial statements.

## The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2024 and 2023

#### NOTE 1 - ORGANIZATION

The Bridgeport Roman Catholic Diocesan Corporation (the "Diocese") is a Connecticut not-for-profit, religious non-stock corporation formed in 1953 serving more than 385,000 registered Catholics in Fairfield County. The Diocese's principal programs provide for pastoral, religious personnel services, care and support for retired clergy (including Queen of Clergy), Catholic education and faith formation, educational administration and curriculum, pastoral and human services focused on prison ministry and pastoral care of the aged, vocations and seminarian education, parish finance and other support services to parishes and individuals within the Fairfield county area.

The Diocese relies principally on contributions received through the Annual Bishop's Appeal and fundraising efforts to support the mission related services the Diocese provides. Cathedralium from parishes together with residual Catholic cemeteries revenues support the administration and general activities of the Diocese. In addition, the Diocese sponsors medical and dental care, workers' compensation programs, property, casualty, liability and other insurance programs, and Priest pension and postretirement benefit plans for the Diocese and other Diocesan entities and their employees. The other Diocesan entities are responsible for their respective portions of the cost of these programs.

Additionally, the Diocese operates elderly housing facilities, life use and rental properties for elderly residents (Teresian Towers and Carmel Ridge Estates), and pastoral care services for residents at nursing homes. In addition, the Diocese directly operates fifteen Catholic cemeteries and publishes the Fairfield County Catholic, a monthly publication available to all Catholics in the Roman Catholic Diocese of Bridgeport.

On July 1, 2021, cemeteries operations was established as a single member limited liability company, named Fairfield County Catholic Cemeteries of the Diocese of Bridgeport LLC ("Catholic Cemeteries"). Catholic Cemeteries is wholly owned by its Member, the Diocese, and its named Manager is the Bishop of the Diocese of Bridgeport. Catholic Cemeteries has a Board of Directors that oversees, administers and otherwise operates the cemetery business. Catholic Cemeteries mission is to provide for the burial of the faithful according to the rites and disciplines of the Catholic Church and for the care and maintenance of their resting places. Catholic Cemeteries also provides advance/pre-planning needs and bereavement programs for those in need.

The Diocese has established other single member limited liability companies ("LLC's"), wholly owned by the Diocese to acquire, hold, maintain or improve real property and improvements. These properties consist of the original land, buildings and certain property additions and of parish properties that have been closed or separated from an original parish. These LLCs are St. Raphael LLC and St. Joseph Properties, LLC. (collectively, "Diocesan LLC Properties"). The consolidated financial statements reflect the financial activities of these entities.

The following related Diocesan entities throughout Fairfield County, Connecticut are separately incorporated and independently controlled and/or managed on a day-to-day basis and their activities are not included in the accompanying consolidated financial statements:

- 75 parishes, three quasi-parishes, one shrine and oratory
- 20 elementary schools and five high schools
- The Sacred Heart Guild, Inc.
- Bridgeport Diocesan Schools Corporation
- Catholic School Properties Fairfield County, Inc.
- Foundations in Faith, Inc.
- Foundations in Education, Inc.
- Foundations in Charity, Inc. (dissolved June 30,2024)
- We Stand with Christ Inc.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

- The Seton Collaborative, Inc.
- Marian Work Study, Inc.
- Augustana Homes, Inc. (sold June 24, 2024)
- Cardinal Shehan Center and the McGivney Community Center, after school programs for children
- St. Catherine Center for Special Needs, Inc., which provides educational and pastoral services for people with developmental disabilities including autism.
- Catholic Charities of Fairfield County, Inc. ("Catholic Charities")
- The Carmelite Foundation

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting and Presentation***

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). All significant intercompany balances and transactions have been eliminated in consolidation.

***Classifications of Net Assets***

The Diocese reports its net assets and changes therein based on the existence or absence of donor-imposed restrictions as follows:

*Net Assets Without Donor Restrictions* - consist of resources available for the general support of the Diocese's operations, which may be used at the discretion of management and the Bishop of the Roman Catholic Diocese of Bridgeport.

Net assets without donor restrictions also include assets subject to legal, contractual or internal imposed limitations that they be segregated and used for the perpetual care and maintenance of cemetery property.

The State of Connecticut requires the establishment of a fund for the perpetual care and maintenance of each mausoleum, columbarium and sale of each crypt or niche. Catholic Cemeteries deposits amounts into the perpetual care fund that equal or exceed the amounts required by the State of Connecticut. Additionally, Catholic Cemeteries designates and deposits a portion of sales of grave burial and entombment rights into this perpetual care fund, which is not mandated by the State of Connecticut.

Certain contracts for private estates also established specific amounts to be designated for individual perpetual care needs.

Such funds are classified as without donor restrictions committed to perpetual care and maintenance within the accompanying statement of financial position. These funds were not contributions; therefore, they are not donor restricted under US GAAP. As of June 30, 2024 and 2023 contractually committed amounts were \$3,227,641 and \$2,830,905 and designated amounts were \$9,612,714 and \$7,684,482, respectively.

*Net Assets With Donor Restrictions* - net assets subject to the following donor-imposed stipulations:

- Some donor restrictions are temporary in nature that either expire with the passage of time or can be fulfilled by the actions of the Diocese pursuant to those stipulations. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

restrictions. However, when restrictions on donor-restricted contributions and investment return are met in the same accounting period, such amounts are reported as part of net assets without donor restrictions.

- Other donor restrictions consist of funds that are subject to donor-imposed restrictions requiring that the principal be invested in perpetuity and the income be used for specific or general purposes.

***Cash and Cash Equivalents***

Cash and cash equivalents are defined as highly liquid investments with original maturities of up to 90 days from the date of purchase, except for money market accounts held with investment brokers, which are considered to be held for long-term investment purposes.

***Restricted Cash and Special Collections Payable***

Restricted cash and special collections payable represent funds received from parishes throughout the Diocese for special offertory collections on designated days for the benefit of other non-Diocesan Catholic entities at the direction of the U.S. Conference of Catholic Bishops, which are being held until future payment.

***Investments***

Investments in equity and debt securities with readily determinable fair values are recorded at fair value determined on the basis of quoted market values as of the reporting date. Investments in non-exchange traded alternative investments are recorded at the fair value of the Diocese's unit value in these funds as reported by the respective external investment managers. All investments are managed by outside investment advisors subject to the review, approval, and control of the Diocese. Such valuations involve assumptions and methods that are reviewed by the Diocese for reasonableness.

Purchases and sales of securities are recorded on the trade-date basis. Dividends and interest are recognized as earned. Realized and unrealized gains include the Diocese's gains and losses on investments purchased and sold as well as held during the year.

***Fair Value Measurements***

The Diocese follows guidance which establishes a framework for measuring fair value and expands disclosures about fair value measurements and provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction. The guidance also prioritizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the respective asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is categorized into three levels based on the transparency of inputs as follows:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the report date. The nature of these securities include investments

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.

Level 3 - Securities that have little to no pricing observability as of the report date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the reporting entity. The Diocese considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Diocese's perceived risk of that instrument.

The Diocese's policy is to recognize transfers in and transfers out of levels at the end of the reporting period.

***Due from Related Diocesan Entities***

Amounts due from related Diocesan entities relate primarily to amounts due for employee benefits, insurance premiums, pension premiums, Cathedraticum from parishes and advances made to parishes, educational institutions, and other Diocesan affiliated organizations that are in financial need. Because of the uncertainty surrounding collection, management provides an allowance for credit losses based on consideration of the type of receivable, responsible party, the known financial condition of the respective parish or Diocesan affiliated organization, historical collection patterns and comparative aging. These estimates are reviewed periodically and if the financial condition of the responsible party changes significantly, the Diocese will re-evaluate the recoverability of any amounts due from that organization. The Diocese writes off any amounts that are no longer considered to be recoverable, and any payments subsequently received on such receivables are recorded as income in the period received.

***Cemetery Inventory***

Cemetery inventory, which represents the cost of each unsold space, is stated at the lower of cost (computed based on the allocation of total costs incurred in the construction of the mausoleums) or market. As sales are recognized, inventory is reduced by the cost of the space sold.

Cemetery inventory consists of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Crypts	\$ 4,360,429	\$ 4,206,914
Niches	622,001	450,908
Construction in progress (Mausoleum)	<u>-</u>	<u>653,176</u>
Total inventory	<u>\$ 4,982,430</u>	<u>\$ 5,310,998</u>

Many land graves were acquired by the Diocese when formed in 1953 and within certain cemeteries that were established years before, which inventory values are considered de minimis.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

***Beneficial Interest in Trust Held by Others***

The Diocese has been named as a beneficiary of a perpetual trust held by a third party. Perpetual trusts are initially recorded as permanently restricted support at fair value, based on the Diocese's beneficial interest in the fair value of the underlying trust assets at the time of gift. Subsequent changes in the trust's fair value are reported as changes in value in beneficial interests on the consolidated statements of activities. At June 30, 2024 and 2023, the balance of the Diocese's beneficial interest in a perpetual trust is \$473,802 and \$441,527, respectively, and is classified as Level 3 within the fair value hierarchy. The income received from the trust is designated for the benefit of seminarian education and recorded as part of investment income with donor restrictions.

The table below sets forth a summary of changes in fair value of the Diocese's Level 3 beneficial interest in trust held by others for the years ended June 30:

	2024	2023
Balance, beginning of year	\$ 441,527	\$ 431,983
Distributions	(15,000)	(30,000)
Change in fair value of beneficial interest in trust	47,275	39,544
Balance, end of year	\$ 473,802	\$ 441,527

***Property, Buildings and Equipment***

Property acquisitions and improvements are stated at cost, or in the case of donations, at fair value as determined on the date of gift. Additions and improvements that exceed \$2,500 and with useful lives greater than one year are capitalized and depreciated on a straight-line basis over the following estimated useful lives:

Furniture and fixtures	10 years
Vehicles, computers and other equipment	5 - 12 years
Buildings and related improvements	30 - 40 years
Land improvements	30 years

Repairs and maintenance are charged to expense as incurred.

***Leases***

The Diocese determines if an arrangement contains a lease at inception based on whether there is an identified asset and whether the Diocese controls the use of the identified asset throughout the period of use. The Diocese classifies leases as either financing or operating. Right-of-use ("ROU") assets are recognized at the lease commencement date and represent the Diocese's right to use an underlying asset for the lease term and lease liabilities represent the Diocese's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the remaining lease term. Present value of lease payments is discounted based on the risk-free rate. Expenses related to leases determined to be operating leases are recognized on a straight-line basis, while those determined to be finance leases are recognized following a front-loaded expense pattern in which interest and amortization are presented separately in the income statement. Operating leases are presented separately as operating lease ROU assets and operating lease liabilities in the consolidated statement of financial position. The Diocese does not have any financing leases.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

The Diocese elected certain practical expedients permitted under the standard which eliminate the need to separately assess lease and non-lease components, and recognize ROU lease assets or lease liabilities for leases with terms of less than 12 months. In addition, the Diocese utilized the portfolio approach to group leases with similar characteristics.

***Deferred Revenue and Refundable Advances***

Funds that are received from related entities for insurance premiums relating to future periods and certain cemetery revenues where the related performance obligation has not yet been completed as of year-end are reflected within deferred revenue and refundable advances on the consolidated statements of financial position and are subsequently reflected in the consolidated statements of activities during the period in which they apply and are earned. As of June 30, 2024 and 2023, \$159,150 and \$759,375, are within deferred revenue and refundable advances pertaining to cemetery revenues and are also included in cemeteries and other accounts receivable, net.

Amounts of grants and contracts that are received but unearned are reflected within deferred revenue and refundable advances on the consolidated statements of financial position and are subsequently reflected in the consolidated statements of activities during the period to which they apply as funds are expended or earned.

***Deferred Revenue - Life Use Fees and Rental Income***

The Diocese operates certain homes for life use and rental properties for elderly residents (Teresian Towers and Carmel Ridge Estates) in which certain residents have entered into a residency agreement requiring the payment of a one-time life use fee and a monthly service fee. These fees are exclusively for the costs of occupancy of the residential unit for life and no portion of the fee is allocated for medical care or services for the resident. The life use fee is refundable at a rate of 10% per annum from the date the resident is entitled to occupancy under the agreement to the date the unit is vacated by the resident. Teresian Towers also provides other senior living options that operate under operating lease agreements that do not require payment of a life use fee and are recorded as rental income in the period earned.

Life use fees paid by the resident upon executing a residency agreement are recorded as deferred revenue and amortized into rental income based on the longer of the actuarially determined remaining estimated life of the respective resident or the remaining refundable term under the executed contract. Monthly service fees include resident maintenance fees and are recognized as part of rental income in the month in which they are earned.

***Due to Related Diocesan Entities***

Amounts received from the Annual Bishop's Appeal and other contributions earmarked for support of the related entities are recorded as due to related diocesan entities on the consolidated statements of financial position.

***Conditional Asset Retirement Obligations***

The Diocese has conditional asset retirement obligations ("CARO") for asbestos materials and underground storage tanks associated with buildings it owns. Those obligations are defined as legal obligations associated with the eventual retirement of tangible long-lived assets in which the timing and/or the method of settlement is conditional on a future event that may or may not be within the control of the Diocese. The present value of those obligations and the resulting accretion expense, together with the related asset retirement cost capitalized, accumulated depreciation and depreciation expense are recognized in the consolidated financial statements. As of June 30, 2024 and 2023, the CARO liability totaled \$6,272,987 and \$6,330,151. For the years ended June 30, 2024 and 2023, accretion of interest related to these

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

obligations totaled \$383,893 and \$336,897. During 2024, an additional adjustment totaling \$(441,057) was captured related to the sale of a property. Additionally, as of June 30, 2024 and 2023, included in buildings and improvements are capitalized CARO at a cost of \$179,825 and accumulated depreciation of \$177,450 and \$175,962, respectively.

***Revenue Recognition***

The Diocese recognizes revenue when control of the promised goods or services are transferred to the Diocese's customers in an amount that reflects the consideration the Diocese expects to be entitled to in exchange for those goods or services. The Diocese has identified employee benefit and insurance programs, cemeteries operations and elderly housing and other rental income as the primary revenue categories subject to this guidance.

Payments received in advance of the Diocese satisfying its performance obligations are recorded within deferred revenue and refundable advances in the consolidated statements of financial position. The changes in deferred revenue were caused by normal timing differences between the satisfaction of performance obligations and customer payments. The Diocese's contracts with customers generally contain terms that are less than one year. Accordingly, The Diocese elected the practical expedients to not assess whether a contract has a significant financing component or disclose the information regarding the remaining performance obligations for contracts with customers.

***Cemeteries Revenues***

Catholic Cemeteries sell rights to interment and entombment on retail installment agreements generally of not more than two-year's duration, without interest. These amounts are recognized as revenue at the point in time when the contract is executed. Other specific revenues generated from sales of pre-construction mausoleums are deferred until the construction is completed and corresponding mausoleum is available for use, at which time the corresponding revenue is recognized. Revenues related to the sales of cemetery merchandise or cemetery burial site openings and closings are recorded at the point in time of delivery or performance of the related services.

A portion of revenue from certain sales is invested, at an amount determined by management that meets or exceeds what is required by Connecticut regulations and, together with the investment income therefrom, is available for perpetual care and maintenance of cemetery properties. Additionally, Catholic Cemeteries designates and deposits a portion of sales of grave burial and entombment rights into this perpetual care fund, which is not mandated by the State of Connecticut. The value of the investments in this discretionary account totaled \$9,612,714 and \$7,684,482, as of June 30, 2024 and 2023, respectively.

In addition, owners of private property improvements (private mausoleums, estate walls, etc.) at the cemeteries provided additional funds at the time of purchase that are required to be held by the Diocese in a separate investment account and invested in perpetuity. Investment income therefrom, is available for care and maintenance for those specific property improvements. The value of the investments for owners of private property improvements totaled \$3,227,641 and \$2,830,905 as of June 30, 2024 and 2023, respectively.

Cemeteries accounts receivable are shown net of an allowance of \$253,901 and \$373,508 as of June 30, 2024 and 2023, respectively. The majority of these receivables are due within one year.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

***Contributions***

The Diocese recognizes revenues from contributions and grants in accordance with guidance requiring the Diocese to evaluate whether (1) transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions subject to other guidance, and (2) determining whether a contribution is conditional.

Contributions, including unconditional promises to give, are reported as revenues in the period received. Unconditional promises to give that are expected to be received after one year are discounted to reflect the present value of future cash flows using a credit adjusted discount rate assigned in the year the respective pledge originates. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any. An allowance for uncollectible contributions receivable is provided in the net asset class in which the contribution receivable resides based on an assessment of the creditworthiness of the respective donor. Contributions are written off when determined to be uncollectible. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Contributed services are recognized in the consolidated financial statements if they enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. General volunteer services do not meet this criteria for recognition.

Intentions to give under various wills and trust agreements are recorded as bequests receivable when the Diocese has an irrevocable right to the bequest and the proceeds are measurable.

***Annual Bishop's Appeal***

The Annual Bishop's Appeal provides support for Diocesan mission related programs and program support for certain related entities. Appeal goals are established annually for parishes as well as solicitations to parishioners. The Annual Bishop's Appeal is conducted on a calendar year basis. Contributions are recorded in the period received.

***Cathedraticum***

Annually, a Cathedraticum assessment is determined for each parish, which is based on certain revenues of the parish. The Cathedraticum assessment helps to support the Diocesan ministries and necessary administrative services that directly benefit the Diocesan parishes. Assessments are billed monthly during the fiscal year. Revenue related to the Cathedraticum assessments are recorded when billed.

***Rental Income***

Elderly housing and other rental income is recognized over the period the related performance obligations are satisfied.

The Diocese leases office and other space to related entities under short-term leases and recognizes rental income ratably over the lease term. The lease agreements are executed on an annual basis.

Catholic Cemeteries leases a residence on cemetery grounds under a short-term lease and recognizes rental income ratably over the lease term. The lease agreement is executed on an annual basis.

***Employee Benefit and Insurance Programs***

Premiums for employee benefits, property, liability and workers compensation insurance are billed by the Diocese or a third-party vendor on a monthly basis to parishes, schools and other entities related to the Diocese and are recognized as revenue in the period for which the coverage pertains.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

***Functional Expense Allocation***

Expenses are charged directly to Diocesan program services, management and general, and stewardship and development based on specific identification, to the extent practicable. Expenses related to more than one function have been allocated using reasonable ratios, as determined by management, amongst the programs and supporting services benefited. Those expenses include personnel costs, insurance, professional fees, occupancy, operations, office and depreciation. Management and general expenses include those expenses that are not directly identifiable with a specific function but provide for the overall support and direction of the Diocese.

***Operating Measure***

The Diocese classifies its consolidated statements of activities into operating and nonoperating activities. Operating activities principally include all income and expenses related to carrying out the Diocese's mission, including interest and dividends from Diocesan operations and rental income. Nonoperating activities include interest and dividends not included in operating activities, realized and unrealized gains (losses) on investments, change in value of beneficial interests, insurance proceeds, recovery of bad debt, gain or loss on sale of assets, contributions from dissolved related entities, pension activity other than service cost, support to certain diocesan schools and other activities considered to be of a more unusual or nonrecurring nature, if any.

***Use of Estimates***

The preparation of the consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated statement of financial position and the reported amounts of revenues and expenses during the reporting period. The most significant management judgments and estimates used in the preparation of the consolidated financial statements relate to the determination of depreciation and accretion expense, the reported fair value of certain financial instruments, the actuarial assumptions used to determine the reserves for self-insurance, liability for Priest pension and other postretirement benefits, provision for operating accruals, and the collectability of amounts due from related Diocesan entities, contributions receivable, notes receivable and cemetery installment contracts. Actual results could differ from those estimates.

***Concentration of Market and Credit Risks***

Cash, cash equivalents and investments are exposed to interest rate, market, and credit risks. The Diocese maintains its cash and cash equivalents in various bank deposit accounts that, at times, may exceed federally insured limits. To minimize risk, the Diocese's cash accounts are placed with high-credit quality financial institutions, and the Diocese's investment portfolio is diversified with several investment managers in a variety of asset classes. The Diocese regularly evaluates its depository arrangements and investments, including performance thereof.

***Income Taxes***

The Diocese recognizes an individual tax position in its consolidated financial statements based upon whether the tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Diocese has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; determine its filing and tax obligations in jurisdictions for which it has nexus; and to review other matters that may be considered tax positions. As of June 30, 2024 and 2023, management has determined that the Diocese has no material uncertain tax positions that would require recognition or disclosure in its consolidated financial statements.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

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

***Liquidity and Availability***

The Diocese’s working capital and cash flows have cyclical variations during the year attributable to the cash receipts for contributions from the Annual Bishop’s Appeal, Cathedralicum assessment paid by parishes, rental income and other program fees as well as billings for medical, self-insurance and other fees to related entities.

Total financial assets available to meet cash needs for general expenditures as of June 30, 2024 and 2023 are as follows:

	2024	2023
Cash and cash equivalents	\$ 18,567,759	\$ 11,459,663
Cemeteries and other accounts receivable, net, due within one year	2,028,857	1,843,023
Due from related Diocesan entities, net	729,939	1,641,329
Contributions receivable, net, due within one year	1,251,558	2,346,830
Insurance recoveries receivable	729,275	675,222
Notes receivable, net, amounts collectible within one year	2,239,282	586,809
Investments, at fair value	37,014,091	38,766,713
Financial assets as of fiscal year end	62,560,761	57,319,589
Less: amounts unavailable for general expenditures due to:		
Designated for cemetery care and maintenance	(12,840,355)	(10,515,387)
Subject to grantor time and purpose restrictions	(7,348,131)	(4,310,221)
Financial assets as of fiscal year end available to meet needs for general expenditures	\$ 42,372,275	\$ 42,493,981

***New Pronouncements***

Credit Losses

On July 1, 2023, the Diocese adopted ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (“CECL”)*, or ASU No. 2016-13, using the modified retrospective approach. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, including customer accounts receivable. Following the adoption of the new standard, the Dioceses’ process of estimating expected credit losses remains materially consistent with its historical practice. Therefore, the adoption did not have a material effect on reported assets, liabilities, or net assets.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**NOTE 3 - CONTRIBUTIONS RECEIVABLE, NET**

Contributions receivable, net, consist of the following unconditional promises to give as of June 30:

	2024	2023
Amounts expected to be collected in:		
Less than one year	\$ 1,315,774	\$ 2,407,330
One to four years	-	-
	1,315,774	2,407,330
Less:		
Provision for credit losses	(64,216)	(60,500)
	\$ 1,251,558	\$ 2,346,830

**NOTE 4 - NOTES RECEIVABLE, NET**

During March, April and June 2024, the Diocese received three non-interest bearing notes receivable from a school totaling \$1,050,000. These notes are payable on demand. The outstanding balance on these notes receivable is \$1,050,000 as of June 30, 2024. Full repayment is expected prior to July 2025, upon the schools receipt of an Employee Retention Credit IRS refund.

During April 2023, the Diocese received a non-interest bearing note receivable from a parish totaling \$178,724 for settlement of outstanding obligations. Under the terms of the agreement annual payments of \$17,872 (final payment of \$17,976) commenced in December 2023, maturing in 2033. The outstanding balance on this note receivable as of June 30, 2023 totaled \$146,339, net of a discount for present value of \$32,385 (discount rate of 3.81%) This note was forgiven in full during April 2024.

During February 2023, the Diocese received a non-interest bearing note receivable from a school totaling \$122,312 for settlement of outstanding obligations. Under the terms of the agreement three payments totaling \$40,770 were payable by April 2023. The next payment of \$16,308 was due in January 2024 followed by three additional annual payments of \$16,308 and a final payment of \$16,309, maturing in 2028. This school was sold during July 2024,. The outstanding balance on this note receivable as of June 30, 2024 and 2023 totaled \$65,231 and \$72,337, net of a discount for present value of \$0 and \$9,204 (discount rate of 4.13%). Full repayment is expected prior to July 2025, upon the schools receipt of an Employee Retention Credit IRS refund.

During November 2022, the Diocese received a non-interest bearing note receivable from a school totaling \$133,390 for settlement of outstanding obligations. Under the terms of the agreement a payment totaling \$43,103 was payable by December 2022. Annual payments of \$17,572 commenced in September 2023, maturing in 2026. The outstanding balance on this note receivable as of June 30, 2024 and 2023 totaled \$48,645 and \$63,590, net of a discount for present value of \$4,071 and \$6,697 (discount rate of 4.13%).

During November 2022, the Diocese received a non-interest bearing note receivable from a school totaling \$320,000 for capital improvements. This note is payable on demand. The outstanding balance on this note receivable as of June 30, 2023 totaled \$320,000. This note was forgiven in full during February 2024.

During August 2022, the Diocese received a non-interest bearing note receivable from a related not-for-profit corporation totaling \$200,000 for capital improvement needs. This note is secured by real property and payable on demand. The outstanding balance on this note receivable as of June 30, 2024 and 2023 is \$200,000.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

During March 2022, the Diocese received a non-interest bearing note receivable from a school totaling \$518,348 for settlement of outstanding obligations. Under the terms of the agreement annual payments of \$34,555 commenced in fiscal year 2024, maturing in 2039. The outstanding balance on this note receivable as of June 30, 2024 and 2023 totaled \$360,294 and \$369,120, net of a discount for present value of \$140,777 and \$149,228 (discount rate of 4.01%).

During June 2022, the Diocese received a non-interest bearing note receivable from a parish totaling \$500,000 for settlement of outstanding obligations. Under the terms of the agreement annual payments of \$62,500 commenced in fiscal year 2023, maturing in 2031. The outstanding balance on this note receivable as of June 30, 2024 and 2023 totaled \$327,208 and \$374,575, net of a discount for present value of \$47,792 and \$62,925 (discount rate of 4.04%).

During June 2022, the Diocese received a non-interest bearing note receivable from a parish totaling \$269,577 for settlement of outstanding obligations. Under the terms of the agreement annual payments of \$26,958 commenced in fiscal year 2023, maturing in 2033. The outstanding balance on this note receivable as of June 30, 2024 and 2023 totaled \$189,869 and \$193,811, net of a discount for present value of \$43,707 and \$47,266 (discount rate of 4.04%). The terms of this note payable was modified on June 1, 2023 requiring monthly payments of \$1,500 from July 1, 2023 through June 1, 2025 with monthly payments increasing to \$2,250 in July 2025, continuing until the note is paid in full.

During March 2021, the Diocese received a non-interest bearing note for \$10,072,500 from a buyer who purchased a Diocesan school property. Under the terms of the agreement a balloon payment for the balance of the note is due during March 2026. The note is secured by the property sold. The outstanding balance on this note receivable as of June 30, 2024 and 2023 totaled \$9,716,032 and \$9,537,799, net of a discount for present value of \$356,468 and \$534,701, (discount rate of 1.87%).

During June 2018, the Diocese received a non-interest bearing note receivable from a parish totaling \$100,000 for capital improvement needs. This note is payable on demand and unsecured. The outstanding balance on this note receivable is \$100,000 as of June 30, 2024 and 2023, however, this note has been totally reserved for.

During fiscal 2017, the Diocese converted \$1,747,965 of amounts due from a related Diocesan corporation, which pertain to receivables due from suppressed parishes to a non-interest bearing note receivable that is secured by the borrower's real property and rental income. This note receivable is due on demand and the outstanding balance as of June 30, 2024 and 2023 totaled \$797,242 and 1,406,203, net of a discount for present value of \$85,182 and \$341,761 (discount rate of 3.31%).

During January 2012, the Diocese received a non-interest bearing note receivable from a parish totaling \$434,569 for outstanding obligations. The note is secured by real property and is due and payable during January 2032. The outstanding balance on this note receivable is \$0 and \$93,478 as of June 30, 2024 and 2023, respectively. The outstanding balance was paid in full during June 2024.

The Diocese has recorded the amortization of the discount on its notes receivables within nonoperating activities in the consolidated statement of activities.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

At June 30, 2024, payments due under notes receivable follow:

<u>Year Ending June 30,</u>			
2025		\$	2,239,282
2026			10,314,127
2027			141,627
2028			124,055
2029			124,055
Thereafter			<u>589,372</u>
			13,532,518
Less:			
Discount to net present value			(684,213)
Provision for credit losses			<u>(100,000)</u>
		\$	<u>12,748,305</u>

**NOTE 5 - DUE FROM RELATED DIOCESAN ENTITIES, NET**

Due from related Diocesan entities, net, consists of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Parishes	\$ 5,829,302	\$ 5,862,909
Schools	4,593,849	5,549,527
Other	<u>101,939</u>	<u>127,972</u>
	10,525,090	11,540,408
Less: provision for credit losses	<u>(9,795,151)</u>	<u>(9,899,079)</u>
	<u>\$ 729,939</u>	<u>\$ 1,641,329</u>

A significant portion of amounts due from related Diocesan entities have accumulated over many years and relates to financial transactions with related Diocesan entities. Such transactions include billings for Cathedralricum, employee benefits, insurance premiums, pension premiums as well as advances made to such entities that are in financial need.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**NOTE 6 - INVESTMENTS, AT FAIR VALUE**

As of June 30, 2024, investments, at fair value, by fair value hierarchy level, consist of the following:

<u>Description</u>	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
U.S. Treasury Bills	\$ 22,297,326	\$ -	\$ 22,297,326
Equity mutual funds	9,790,685	-	9,790,685
Bond mutual funds	4,286,012	-	4,286,012
Catholic Umbrella Pool	-	640,068	640,068
	<u>\$ 36,374,023</u>	<u>\$ 640,068</u>	<u>\$ 37,014,091</u>

As of June 30, 2023, investments, at fair value, by fair value hierarchy level, consist of the following:

<u>Description</u>	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
U.S. Treasury Bills	\$ 26,514,614	\$ -	\$ 26,514,614
Equity mutual funds	8,150,966	-	8,150,966
Bond mutual funds	3,541,328	-	3,541,328
Catholic Umbrella Pool	-	559,805	559,805
	<u>\$ 38,206,908</u>	<u>\$ 559,805</u>	<u>\$ 38,766,713</u>

The following table summarizes the changes in the Diocese's Level 3 investments for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 559,805	\$ 428,151
Change in value	80,263	131,654
	<u>\$ 640,068</u>	<u>\$ 559,805</u>

**NOTE 7 - CEMETERIES AND OTHER ACCOUNTS RECEIVABLE**

Cemeteries and other accounts receivable, net, consist of the following payments due as of June 30:

	<u>2024</u>	<u>2023</u>
Amounts expected to be collected in:		
Less than one year	\$ 2,276,804	\$ 2,196,937
One to two years	34,865	585,423
	2,311,669	2,782,360
Less: provision for credit losses	<u>(274,736)</u>	<u>(393,718)</u>
	<u>\$ 2,036,933</u>	<u>\$ 2,388,642</u>

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**NOTE 8 - PROPERTY, BUILDINGS AND EQUIPMENT, NET**

Property, buildings and equipment, net, consist of the following as of June 30:

	2024	2023
Furniture and fixtures	\$ 3,277,559	\$ 3,102,554
Vehicles, computers and other equipment	4,797,533	4,547,838
Buildings and improvements	58,808,817	60,503,497
	66,883,909	68,153,889
Less: accumulated depreciation	(52,618,180)	(53,474,287)
	14,265,729	14,679,602
Construction in progress	1,649,588	120,269
Land improvements	6,895,589	6,733,454
Land	12,105,462	12,420,170
Property, buildings and equipment, net	\$ 34,916,368	\$ 33,953,495
Properties held for sale	\$ 699,769	\$ 183,742

Certain land and buildings owned by the Diocese, with a net book value of \$9,159,914 and \$10,045,848 at June 30, 2024 and 2023, are made available to Diocesan high schools, elementary schools and the middle school for their use, free of rent. In addition, land and buildings owned by the Diocese with a net book value of \$141,688 and \$248,645 at June 30, 2024 and 2023, are leased to Sacred Heart University through April 30, 2080, with Sacred Heart University paying for all utilities, maintenance, repairs, and insurance, in exchange for tuition credits, which totaled approximately \$210,000 and \$218,000 for 2024 and 2023, respectively. The tuition credits are utilized by Diocesan seminarians seeking undergraduate degrees or individual courses.

**NOTE 9 - BENEFICIAL INTEREST IN ASSETS HELD BY FOUNDATIONS IN FAITH, INC.**

Foundations in Faith, Inc., a related Diocesan entity, is a Connecticut nonprofit, non-stock corporation formed in February 1996. Foundations in Faith was established to raise, manage and disburse funds raised by the Foundations in Faith Endowment Campaign of the Diocese. The campaign purposes were to create a permanent endowment to support Catholic education, vocation and seminary education, priests' residence and retirement fund and Diocesan ministries and programs that benefit Diocesan elementary schools and the Diocese. Foundations in Faith and the Diocese are considered to be financially interrelated under US GAAP as both entities are under common control of the Bishop of the Diocese and the Diocese is the beneficiary of certain endowment funds held by Foundations in Faith. Accordingly, the Diocese records its respective interest in the assets of Foundations in Faith and the change in its interest using a method similar to the equity method of accounting. As of June 30, 2024 and 2023, the Diocese has recorded a beneficial interest in assets held by Foundations in Faith of \$12,085,781 and \$11,048,447, on the accompanying consolidated statements of financial position and are classified as Level 3 within the fair value hierarchy.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**NOTE 10 - DUE TO RELATED DIOCESAN ENTITIES**

Amounts due to related Diocesan entities consist of the following as of June 30:

	2024	2023
Catholic Charities of Fairfield County, Inc.	\$ -	\$ 121,379
Foundations in Education, Inc.	126,137	346,809
The Catholic Academy of Bridgeport Inc.	46,967	141,850
Parishes - Annual Bishop's Appeal over-goal rebates	631,054	267,213
Related entities - Annual Bishop's Appeal	110,216	236,244
Other related entities	253,200	193,200
	\$ 1,167,574	\$ 1,306,695

**NOTE 11 - INSURANCE PROGRAMS**

The Diocese participates and maintains insurance programs for medical, dental, prescription drugs, property, liability, automobile, workers compensation and unemployment compensation (unemployment compensation only for those entities who elected to opt in). The participants of these programs also include the parishes, schools and other entities owned by or related to the Diocese. Premiums charged to the various participating entities and payments made on insurance claims are reported as revenues and expenses, within the employee benefit and insurance programs in the consolidated statement of activities. Insurance program costs are reflected in the consolidated statements of activities within their respective functional classification.

Medical, dental and prescription drug coverages were self-insured until December 31, 2023 and claims were processed by a third-party provider. On January 1, 2023, the Diocese joined a Catholic not-for-profit healthcare benefits trust, which provides medical, dental and prescription drug coverages, within a fully insured plan. Property, liability, automobile, workers compensation and unemployment compensation (unemployment compensation only for those entities who elected to opt in) are also fully insured. Fully insured coverages are subject to certain deductibles and limits per respective policies.

**NOTE 12 - NOTE PAYABLE**

On December 16, 2020, the Diocese obtained a construction loan totaling \$4.5 million, with a fixed interest rate of 3.25%, to be utilized for the construction of a mausoleum in Trumbull, Connecticut. The loan has a total term of 84 months with the initial 24 months pertaining to the construction phase, followed by 60-month permanent term. During the construction phase interest only payments were due, with the remaining permanent term requiring principal and interest payments. The Diocese was in compliance with the terms of the loan or received a covenant waiver at June 30, 2024 and 2023. As of June 30, 2024 and 2023, the outstanding balance on this loan totaled \$3,228,100 and \$4,083,211, respectively.

Scheduled payments due on notes payable at June 30, 2024 are as follows:

2025	\$ 884,336
2026	913,920
2027	944,494
2028	485,350
Total	\$ 3,228,100

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**NOTE 13 - LINE OF CREDIT**

The Diocese maintained a revolving line of credit agreement with a bank with maximum borrowings of \$3 million that expired in April 2023 with interest equal to the SOFR loan rate, plus 1.5%.

During March 2024 this \$3 million line of credit was renewed and will expire during March 2026. This credit agreement bears interest equal to the SOFR rate, plus 1.5% (rate of 6.83%) as of June 30, 2024 and contains various covenants. Neither line of credit has not been utilized since obtaining. The Diocese was in compliance with the terms of the line of credit as of June 30, 2024.

**NOTE 14 - NET ASSETS WITH DONOR RESTRICTIONS**

Restricted net assets as of June 30:

	<u>2024</u>	<u>2023</u>
Subject to an expenditure for a specific purpose:		
Capital improvements and other - school	\$ 1,853,679	\$ -
"The One" Bishop's ministry initiative	1,302,443	-
Catholic Leadership Institute	1,076,826	77,459
Queen of Clergy capital improvements and other	828,726	504,937
Other Diocesan Programs	445,897	524,977
Education grants	242,863	299,625
Seminary capital improvements and other	176,182	277,312
Newman center - ministry programs	169,957	160,749
World youth day	-	118,332
	<u>6,096,573</u>	<u>1,963,391</u>
Subject to the passage of time:		
Contributions receivable	<u>1,251,558</u>	<u>2,346,830</u>
	<u>1,251,558</u>	<u>2,346,830</u>
Perpetual in nature:		
Beneficial interest in trust held by others	473,802	441,527
Beneficial interest in assets held by Foundations in Faith	<u>12,085,781</u>	<u>11,048,447</u>
	<u>12,559,583</u>	<u>11,489,974</u>
<b>Total net assets with donor restrictions</b>	<u><b>\$ 19,907,714</b></u>	<u><b>\$ 15,800,195</b></u>

Net assets were released from restrictions by incurring expenses satisfying the following purpose or time restrictions for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Purpose restrictions	\$ 1,352,841	\$ 2,069,258
Time restrictions	<u>750,640</u>	<u>1,483,387</u>
<b>Total net assets released from restrictions</b>	<u><b>\$ 2,103,481</b></u>	<u><b>\$ 3,552,645</b></u>

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**NOTE 15 - SALE OF PROPERTIES**

During February 2023, the Diocese sold a property in Bridgeport, Connecticut for \$750,000. This property was fully depreciated for a gain, after sales expenses, totaling \$494,545.

During July 2023, the Diocese sold a property in Trumbull, Connecticut for \$650,000, resulting in a gain of \$570,883. The net book value of this property was classified within properties held for sale as June 30, 2023.

During March 2021, the Diocese executed an asset sale agreement for school buildings and improvements in Stamford, Connecticut. In connection with the asset and sale agreement the Diocese also executed a land lease for the underlying property. The land lease has an initial term of 99 years at a cost of \$2,827,500, of which \$1,050,000 was received at closing and the remaining balance of \$1,620,235 is due during March 2026. The Diocese is recognizing revenue pertaining to the ground lease ratably over the 99-year term. Amounts received in advance of recognition are recorded as deferred revenue. As of June 30, 2024 and 2023, the deferred revenue balance totaled \$957,178 and \$985,739.

**NOTE 16 - DEFINED BENEFIT PLANS**

***Bridgeport Diocesan Pension Plan (Lay Plan)***

The Diocese participates in the Bridgeport Diocesan Pension Plan (the "Lay Plan"), a multiemployer, defined benefit plan sponsored by the Roman Catholic Diocese of Bridgeport. The Lay Plan covers lay employees of the Diocese and other Diocesan entities who worked at least 20 hours per week and met the eligibility requirements of three years of continuous service and 30 years of age on or before July 2, 2008. Effective July 31, 2010, pension benefits under the plan were frozen. No additional benefits will be earned by participants for services rendered after that date. Pension benefits are based on years of service and average compensation over a five-year period during the last ten years of employment prior to July 31, 2010.

Due to the nature of the Lay Plan, it is not practicable to determine the extent to which the assets of the Lay Plan cover the actuarially computed value of vested benefits for the Diocese on a standalone basis. In addition, because the Lay Plan is considered to be a multi-employer plan, it is only subject to certain minimum reporting requirements. Pension expense allocated to the Diocese for the Lay Plan for the years ended June 30, 2024 and 2023 amounted to approximately \$587,000 and \$475,000 and is expected to approximate \$646,000, for the year ending June 30, 2025. During the years ending June 30, 2024 and 2023, the Diocese contributed an additional \$400,000 and \$300,000 and expects to contribute an additional \$400,000 for the year ended June 30, 2025 to the Lay Plan from proceeds received from the sale of properties, to fund the accumulated benefit obligation. Additionally, cemetery operations contributed an additional \$500,000 to the Lay Plan for the years ended June 30, 2024 and 2023.

The Lay Plan is considered a church plan and is therefore exempt from the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

At June 30, 2024 and 2023, the date of the most recent valuation, the Lay Plan's projected benefit obligation exceeded the fair value of its assets by approximately \$57.2 million and \$60.9 million (unaudited).

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

***Diocese of Bridgeport Retirement Plan for Priests***

The Diocese of Bridgeport Retirement Plan for Priests (“Priest Plan”) is a non-contributory, defined benefit plan qualified under IRS regulations. The Priest Plan covers incardinated Diocesan priests and non-incardinated priests who meet certain minimum requirements and funding with pension benefits provided at a uniform monthly amount that may be increased from time to time, with a current benefit of \$2,200 for all active and retired priests. This payment increased to \$2,300 for fiscal year 2025 and thereafter. Plan assets are held by a third-party trustee.

The following tables provide a reconciliation of the changes in the Priest Plan’s funded status to the benefit obligation recorded in the consolidated statements of financial position as of June 30, 2024 and 2023:

	2024	2023
Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	\$ 21,779,444	\$ 23,357,624
Service cost	483,230	519,791
Interest cost	1,190,556	1,122,956
Actuarial loss (gain)	949,929	(1,543,781)
Benefits paid	(1,763,206)	(1,677,146)
Plan amendments	-	-
	<u>\$ 22,639,953</u>	<u>\$ 21,779,444</u>
Change in fair value of plan assets:		
Fair value of plan assets at beginning of year	\$ 17,335,091	\$ 16,636,634
Actual return on plan assets	1,904,601	1,666,697
Benefits paid	(1,763,206)	(1,677,146)
Plan sponsor contributions	682,162	708,906
	<u>\$ 18,158,648</u>	<u>\$ 17,335,091</u>
Unfunded status (liability)	<u>(4,481,305)</u>	<u>(4,444,353)</u>
Accumulated benefit obligation	<u>\$ 22,639,953</u>	<u>\$ 21,779,444</u>

Cumulative amounts recognized in changes in unrestricted net assets and not yet recognized in net periodic benefit cost consist of the following as of June 30:

	2024	2023
Net (gain)	\$ (110,525)	\$ (246,966)
Unrecognized prior service cost	3,763,233	4,071,638
	<u>\$ 3,652,708</u>	<u>\$ 3,824,672</u>

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

Net periodic benefit cost for the Priest Plan includes the following components during the years ended June 30:

	2024	2023
Service cost	\$ 483,230	\$ 519,791
Interest cost	1,190,556	1,122,956
Expected return on plan assets	(1,091,113)	(1,039,018)
Amortization of unrecognized prior service cost	308,405	322,943
Net periodic benefit cost	\$ 891,078	\$ 926,672

Amounts recognized in changes in unrestricted net assets consist of the following for the years ended June 30:

	2024	2023
Net loss (gain)	\$ 136,441	\$ (2,171,460)
Amortization of unrecognized net loss	-	-
Prior service cost arising in current year	-	-
Amortization of unrecognized prior service cost	(308,405)	(322,943)
Pension-related activity other than net periodic benefit cost	\$ (171,964)	\$ (2,494,403)

**Assumptions**

Weighted-average assumptions used to determine the benefit obligation are as follows as of June 30:

	2024	2023
Discount rate	5.70%	5.70%
Rate of compensation increase	N/A	N/A

Weighted-average assumptions used to determine net periodic benefit cost are as follows for the years ended June 30:

	2024	2023
Discount rate	5.70%	5.70%
Expected long-term return on plan assets	6.50%	6.50%

**Contributions**

The Diocese expects to contribute approximately \$671,000 to the Priest Plan during the fiscal year ended June 30, 2025.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

***Estimated Future Benefit Payments***

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

2025	\$ 1,929,000
2026	1,895,000
2027	1,823,000
2028	1,801,000
2029	1,774,000
2030 to 2034	8,387,000

***Plan Assets***

Asset management objectives include maintaining an adequate level of diversification to reduce interest rate and market risk while also providing adequate liquidity to meet benefit payment requirements.

The Diocese's long-term investment objective is to achieve the actuarial target return, maintain sufficient liquidity to meet the obligations of the plan, diversify the investments to reduce risk, and achieve investment results over the long term that compare favorably with those of other pension plans, professionally managed portfolios and appropriate benchmark indices. Consistent with this long-term objective, the composition of plan investments is managed within a range that targets the following allocations by asset type:

	Minimum	Target	Maximum
Asset class:			
Equities	45%	76%	80%
Fixed income	14	24	50
Cash equivalents	-	-	20

The Diocese's Investment Committee regularly reviews the plan assumptions, asset allocation and performance of the investments in the Priest Plan.

The expected rate of return on pension plan assets is determined by those assets' historical long-term investment performance, current asset allocation and estimates of future long-term returns by asset class.

As of June 30, 2024 and 2023, the Diocese's Priest Plan assets that are classified as Level 1 within the fair value hierarchy consist of the following:

	2024	2023
Cash equivalents	\$ 8,946	\$ 5,340
Equity mutual funds	12,918,380	12,307,944
Bond mutual funds	5,231,322	5,021,807
Total	\$ 18,158,648	\$ 17,335,091

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

The Diocese's pension plan weighted-average asset allocations at June 30, by asset category are as follows:

	2024	2023
Equity mutual funds	71.14%	71.00%
Bond mutual funds	28.81	28.97
Cash equivalents	0.05	0.03
Total	100.00%	100.00%

**NOTE 17 - DEFINED CONTRIBUTION PLANS**

The Diocese maintains a defined contribution 401(a) thrift plan covering all lay employees of the Diocese and other Diocesan entities working at least 30 hours per week who meet the eligibility requirements of one year of service and 21 years of age. Contributions are based on years of service to Diocesan entities at rates of 3% after the one-year eligibility period and increasing to 5% on the fifth anniversary of full-time employment. The Diocese's contributions totaled approximately \$414,000 and \$353,000 for the years ended June 30, 2024 and 2023.

The Diocese also provides for a non-contributory 403(b) salary reduction plan for all employees who wish to participate. The Diocese does not make employer contributions to the 403(b) plan.

As of May 1, 2024, the 403(b) Tax-Deferred Annuity Plan of the Diocese was amended and restated, which merged the 401(a) Retirement Plan for Employees of the Diocese into this plan. Employee 401(a) balances were transferred into the 403(b) plan subsequent to May 1, 2024 and became fully vested. As of May 1, 2024, all employer contributions on behalf of eligible employees and employee tax deferred funds are contributed into the amended and restated 403(b) Tax-Deferred Annuity Plan.

**NOTE 18 - POSTRETIREMENT PRIESTS' MEDICAL AND DENTAL PLAN**

The Diocese provides a postretirement medical and dental benefits plan for retired priests on an unfunded basis through insurance purchased annually from a third party. The following provides further information about the priests' postretirement medical and dental plan.

The following table provides a reconciliation of the changes in the priests' postretirement medical and dental funded status to the benefit obligation recorded in the consolidated statements of financial position as of June 30:

	2024	2023
Change in projected benefit obligation:		
Accumulated benefit obligation at beginning of year	\$ 6,783,636	\$ 8,231,616
Service cost	218,292	253,998
Interest cost	325,589	357,716
Actuarial gain	(303,733)	(1,771,156)
Benefits paid	(354,765)	(288,538)
Accumulated benefit obligation at end of year	\$ 6,669,019	\$ 6,783,636

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

Cumulative amounts recognized in changes in unrestricted net assets and not yet recognized in net periodic benefit cost consist of the following as of June 30:

	2024	2023
Net gain	\$ (6,874,166)	\$ (6,853,162)
Transition obligation	-	195,000
Prior service cost	1,270,740	1,402,478
	\$ (5,603,426)	\$ (5,255,684)

Net periodic benefit cost for the priest postretirement medical and dental plan includes the following components during the years ended June 30:

	2024	2023
Service cost	\$ 218,292	\$ 253,998
Interest cost	325,589	357,716
Amortization of actuarial (gain)	(282,729)	(227,502)
Amortization of transition obligation	195,000	195,000
Amortization of prior service cost	131,738	134,738
Net periodic benefit cost	\$ 587,890	\$ 713,950

Amounts recognized in changes in unrestricted net assets consist of the following for the years ended June 30:

	2024	2023
Actuarial gain	\$ (303,733)	\$ (1,771,156)
Amortization of actuarial gain	282,729	227,502
Amortization of transition obligation	(195,000)	(195,000)
Amortization of prior service cost	(131,738)	(134,738)
Pension-related activity other than net periodic benefit cost	\$ (347,742)	\$ (1,873,392)

The estimated net gain, transition obligation and prior service cost for the Diocese's priests' postretirement medical and dental plan that will be amortized into net periodic benefit cost over the next fiscal year are \$282,729, \$195,000 and \$131,738.

**Assumptions**

Weighted-average assumptions used to determine the benefit obligation are as follows as of June 30:

	2024	2023
Discount rate	5.33%	4.91%
Health-care cost trend rate assumed for next year	7.00	7.00
Ultimate health-care cost trend rate	5.00	5.00
Year ultimate health-care cost trend rate is achieved	2028	2027

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

Weighted-average assumptions used to determine net periodic benefit cost are as follows for the years ended June 30:

	2024	2023
Discount rate	4.91%	4.44%
Health-care cost trend rate assumed for next year	7.00	7.00
Ultimate health-care cost trend rate	5.00	5.00

The effect of a 1% change in the health care cost trend rate is as follows as of and for the years ended June 30:

	2024	
	1% Increase	1% Decrease
Effect on net periodic benefit cost	\$ 131,669	\$ (98,461)
Effect on accumulated benefit obligation	1,246,186	(980,478)
	2023	
	1% Increase	1% Decrease
Effect on net periodic benefit cost	\$ 147,939	\$ (110,941)
Effect on accumulated benefit obligation	1,332,869	(1,040,408)

***Estimated Future Benefit Payments***

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

2025		\$ 316,160
2026		321,901
2027		322,221
2028		339,855
2029		338,692
2030 to 2034		1,695,341

***Contributions***

Because the priests' postretirement medical and dental plan is unfunded, the future benefit payments also represent the expected contributions to the plan for that year.

**NOTE 19 - LEASES**

The Diocese leases office and other equipment under operating leases that expire at various dates through the year ending June 30, 2029. The operating lease costs are reflected on the consolidated statements of functional expenses within office expense.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

Supplemental cash flow information related to leases for the year ended June 30, is as follows:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 66,229	\$ 65,866
Supplemental disclosure of noncash leasing activities:		
ROU obtained in exchange for new operating lease liabilities	\$ 4,581	\$ 23,284

The following table represents the weighted-average remaining lease term and discount rate as of June 30, 2024:

Weighted-average remaining lease term (expressed in years)	2.30	3.90
Weighted-average discount rate	3.05%	2.92%

Future undiscounted lease payments for the Diocese's operating lease liabilities are as follows as of June 30, 2024:

Years Ending June 30:		
2025		\$ 58,918
2026		38,896
2027		9,421
2028		6,161
2029		606
Total minimum lease payments		114,002
Less: imputed interest		(1,841)
Present value of future minimum lease payments		\$ 112,161

**NOTE 20 - CONTINGENCIES**

The Diocese, in the normal course of its operations, is a party to various legal proceedings and complaints, some of which are covered by insurance. While it is not feasible to predict the ultimate outcomes of such matters, management of the Diocese is not aware of any claims or contingencies which are not covered by insurance that would have a material adverse effect on the Diocese's consolidated financial statements.

The Diocese has unconditionally guaranteed, in the event of default, loans from banks to other Diocesan entities principally related to the construction of facilities. At June 30, 2024 and 2023, the aggregate balances outstanding on these loans, which the Diocese has guaranteed, approximated \$731,000 and \$888,000. Management is currently not aware of any defaults or circumstances that would require the Diocese to perform under such guarantees and as such, no loss provision has been recognized as of June 30, 2024 and 2023.

**The Bridgeport Roman Catholic Diocesan Corporation and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2024 and 2023**

**NOTE 21 - SUBSEQUENT EVENTS**

The Diocese evaluated its June 30, 2024 consolidated financial statements for subsequent events through December 23, 2024, the date the consolidated financial statements were available to be issued. The Diocese is not aware of any material subsequent events which would require recognition or disclosure in the accompanying consolidated financial statements except as follows.

During July 2024, the Diocese sold a high school property, equipment and operations in Fairfield, Connecticut to a Catholic higher education institution for \$15 million, resulting in a gain after expenses of approximately \$14,350,000. Terms of this sale included a cash payment on closing of approximately \$10 million and a promissory note totaling \$5 million. Five annual payments of \$1 million plus accrued interest will commence on July 1, 2025 until July 1, 2029. The net book value of the property was classified within properties held for sale as of June 30, 2024. The Diocese contributed approximately \$8.5 million from the sale proceeds to a related foundation restricted for annual scholarships within a permanent endowment fund. An additional \$375,000 was contributed to the three remaining Diocesan High Schools for scholarships. Another \$900,000 was designated for Diocesan or related entities mission related projects. When future payments are received, the funds will be utilized for additional contributions into the endowment fund, high school scholarships and mission related projects.

During August 2024, the Diocese sold a property in Stamford, Connecticut for \$1,900,000 resulting in a gain after expenses of approximately \$1,860,000. The net book value of this property was classified within properties held for sale as of June 30, 2024.

During November 2024, the Diocese sold another property in Stamford, Connecticut for \$2,620,000 resulting in a gain after expenses of \$2,286,000. The net book value of this property was classified within properties held for sale as of June 30, 2024.

During July 2024, The Diocese entered into an office lease agreement in Shelton, Connecticut to begin occupancy on or about November 1, 2024. The initial term is for 60 months, with monthly rent payment of \$28,257 (base rent and additional charges). The lease includes a renewal option for an additional 60 months with an increase in monthly rent payments. The lease can be terminated following the initial twelve-month term with advanced written notice of 12 months.

SUPPLEMENTAL INFORMATION

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

June 30, 2024

	Diocesan Operations	Employee Benefits and Insurance Programs	Cemeteries Operations	Elderly Housing and Diocese LLC Properties Operations	Eliminations	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 12,842,842	\$ 3,497,479	\$ 399,910	\$ 1,827,528	\$ -	\$ 18,567,759
Restricted cash	358,169	-	-	-	-	358,169
Properties held for sale	699,769	-	-	-	-	699,769
Cemeteries and other accounts receivable, net	1,155,509	-	997,905	8,514	(124,995)	2,036,933
Due from related Diocesan entities, net	581,378	271,155	-	40,997	(163,591)	729,939
Prepaid expenses and other assets	480,948	92,925	-	-	-	573,873
Contributions receivable, net	1,251,558	-	-	-	-	1,251,558
Insurance recoveries receivable	456,088	273,187	-	-	-	729,275
Notes receivable, net	12,640,646	107,659	-	-	-	12,748,305
Investments, at fair value	15,487,650	4,724,198	13,898,780	2,903,463	-	37,014,091
Cemetery inventory	-	-	4,982,430	-	-	4,982,430
Beneficial interest in trust held by others	473,802	-	-	-	-	473,802
Beneficial interests in assets held by Foundations in Faith, Inc.	12,085,781	-	-	-	-	12,085,781
Property, buildings and equipment, net	23,097,228	-	11,317,745	501,395	-	34,916,368
Operating lease right of use assets	98,012	-	7,105	7,044	-	112,161
Due from funds	23,202,029	6,097,967	-	-	(29,299,996)	-
Total assets	<u>\$ 104,911,409</u>	<u>\$ 15,064,570</u>	<u>\$ 31,603,875</u>	<u>\$ 5,288,941</u>	<u>\$ (29,588,582)</u>	<u>\$ 127,280,213</u>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Liabilities</b>						
Accounts payable and accrued expenses	\$ 3,082,274	\$ 160,206	\$ 1,204,061	\$ 104,198	\$ (228,702)	\$ 4,322,037
Special collections payable	358,169	-	-	-	-	358,169
Medical premiums and other amounts payable	-	1,165,045	-	-	-	1,165,045
Deferred revenue and refundable advances	673,951	900	159,150	146,245	-	980,246
Deferred revenue - ground lease	957,178	-	-	-	-	957,178
Deferred revenue - life use fees	-	-	-	492,561	-	492,561
Due to related Diocesan entities	935,374	-	-	294,197	(61,997)	1,167,574
Note payable	-	-	3,228,100	-	-	3,228,100
Operating lease obligations	98,012	-	7,105	7,044	-	112,161
Conditional asset retirement obligations	5,809,001	-	-	463,986	-	6,272,987
Priest pension and other postretirement benefit obligations, net	-	11,150,324	-	-	-	11,150,324
Due to funds	2,416,804	26,881,079	-	-	(29,297,883)	-
Total liabilities	<u>14,330,763</u>	<u>39,357,554</u>	<u>4,598,416</u>	<u>1,508,231</u>	<u>(29,588,582)</u>	<u>30,206,382</u>
<b>Net assets (deficit)</b>						
Without donor restrictions	70,672,932	(24,292,984)	27,005,459	3,780,710	-	77,166,117
With donor restrictions	19,907,714	-	-	-	-	19,907,714
Total net assets (deficit)	<u>90,580,646</u>	<u>(24,292,984)</u>	<u>27,005,459</u>	<u>3,780,710</u>	<u>-</u>	<u>97,073,831</u>
Total liabilities and net assets (deficit)	<u>\$ 104,911,409</u>	<u>\$ 15,064,570</u>	<u>\$ 31,603,875</u>	<u>\$ 5,288,941</u>	<u>\$ (29,588,582)</u>	<u>\$ 127,280,213</u>

This consolidating schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

June 30, 2023

	Diocesan Operations	Employee Benefits and Insurance Programs	Cemeteries Operations	Elderly Housing and Diocese LLC Properties Operations	Eliminations	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 7,905,778	\$ 1,619,292	\$ 655,580	\$ 1,279,013	\$ -	\$ 11,459,663
Restricted cash	641,300	-	-	-	-	641,300
Properties held for sale	183,742	-	-	-	-	183,742
Cemeteries and other accounts receivable, net	553,562	-	1,794,736	50,344	(10,000)	2,388,642
Due from related Diocesan entities, net	1,390,290	291,320	-	11,344	(51,625)	1,641,329
Prepaid expenses and other assets	680,880	108,970	17,187	83,131	-	890,168
Contributions receivable, net	2,346,830	-	-	-	-	2,346,830
Insurance recoveries receivable	21,694	653,528	-	-	-	675,222
Notes receivable, net	12,641,325	135,927	-	-	-	12,777,252
Investments, at fair value	17,666,638	5,601,281	12,252,255	3,246,539	-	38,766,713
Cemetery inventory	-	-	5,310,998	-	-	5,310,998
Beneficial interest in trust held by others	441,527	-	-	-	-	441,527
Beneficial interests in assets held by Foundations in Faith, Inc.	11,048,447	-	-	-	-	11,048,447
Property, buildings and equipment, net	22,390,709	-	11,357,170	205,616	-	33,953,495
Operating lease right of use assets	140,926	-	7,301	11,343	-	159,570
Due from funds	22,225,407	6,347,848	-	-	(28,573,255)	-
Total assets	<u>\$ 100,279,055</u>	<u>\$ 14,758,166</u>	<u>\$ 31,395,227</u>	<u>\$ 4,887,330</u>	<u>\$ (28,634,880)</u>	<u>\$ 122,684,898</u>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Liabilities</b>						
Accounts payable and accrued expenses	\$ 1,624,052	\$ 178,875	\$ 733,539	\$ 45,843	\$ (43,180)	\$ 2,539,129
Special collections payable	884,793	-	-	-	-	884,793
Medical premiums and other amounts payable	-	3,457,029	-	-	-	3,457,029
Deferred revenue and refundable advances	631,807	450	759,385	150,916	-	1,542,558
Deferred revenue - ground lease	985,739	-	-	-	-	985,739
Deferred revenue - life use fees	-	-	-	717,661	-	717,661
Due to related Diocesan entities	1,113,495	-	-	214,544	(21,344)	1,306,695
Note payable	-	-	4,083,211	-	-	4,083,211
Operating lease obligations	140,926	-	7,301	11,343	-	159,570
Conditional asset retirement obligations	5,893,458	-	-	436,693	-	6,330,151
Priest pension and other postretirement benefit obligations, net	-	11,227,989	-	-	-	11,227,989
Due to funds	2,666,039	25,904,317	-	-	(28,570,356)	-
Total liabilities	<u>13,940,309</u>	<u>40,768,660</u>	<u>5,583,436</u>	<u>1,577,000</u>	<u>(28,634,880)</u>	<u>33,234,525</u>
<b>Net assets (deficit)</b>						
Without donor restrictions	70,538,551	(26,010,494)	25,811,791	3,310,330	-	73,650,178
With donor restrictions	15,800,195	-	-	-	-	15,800,195
Total net assets (deficit)	<u>86,338,746</u>	<u>(26,010,494)</u>	<u>25,811,791</u>	<u>3,310,330</u>	<u>-</u>	<u>89,450,373</u>
Total liabilities and net assets (deficit)	<u>\$ 100,279,055</u>	<u>\$ 14,758,166</u>	<u>\$ 31,395,227</u>	<u>\$ 4,887,330</u>	<u>\$ (28,634,880)</u>	<u>\$ 122,684,898</u>

This consolidating schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATING SCHEDULE OF ACTIVITIES

Year ended June 30, 2024

	Diocesan Operations	Employee Benefits and Insurance Programs	Cemeteries Operations	Elderly Housing and Diocese LLC Properties Operations	Eliminations	Total
<b>Revenues, support and other changes</b>						
Annual Bishop's Appeal	\$ 8,799,498	\$ -	\$ -	\$ -	\$ -	\$ 8,799,498
Contributions and bequests	8,080,453	-	48,500	-	(662,385)	7,466,568
Cathedraticum from parishes	6,389,318	-	-	-	-	6,389,318
Employee benefit and insurance programs	-	22,653,816	-	-	(3,539,499)	19,114,317
Cemeteries operations	1,499,940	-	11,120,709	-	(1,499,940)	11,120,709
Interest income	1,545,582	-	-	-	-	1,545,582
Elderly housing and other rental income	544,218	-	56,500	1,494,897	-	2,095,615
Professional services	883,849	-	-	-	(258,380)	625,469
Advertising	180,685	-	-	-	-	180,685
Other operating revenues	386,293	-	-	35,203	(171,859)	249,637
<b>Total revenues, support and other changes</b>	<b>28,309,836</b>	<b>22,653,816</b>	<b>11,225,709</b>	<b>1,530,100</b>	<b>(6,132,063)</b>	<b>57,587,398</b>
<b>Expenses</b>						
Programs	18,215,882	-	-	-	(1,713,976)	16,501,906
Employee benefits and insurance	-	20,874,157	-	-	(108,380)	20,765,777
Cemeteries operations	-	-	8,171,133	-	(2,160,961)	6,010,172
Elderly housing and Diocesan LLC properties operations	-	-	-	1,000,670	(145,945)	854,725
Management and general	5,939,939	-	2,122,046	-	(1,091,332)	6,970,653
Stewardship and development	1,476,382	-	-	-	(155,909)	1,320,473
<b>Total expenses</b>	<b>25,632,203</b>	<b>20,874,157</b>	<b>10,293,179</b>	<b>1,000,670</b>	<b>(5,376,503)</b>	<b>52,423,706</b>
Income (loss) from operations before depreciation and accretion	2,677,633	1,779,659	932,530	529,430	(755,560)	5,163,692
Depreciation and accretion	(780,236)	-	(379,368)	(59,050)	-	(1,218,654)
Income (loss) from operations before nonoperating activities	1,897,397	1,779,659	553,162	470,380	(755,560)	3,945,038
<b>Nonoperating activities</b>						
Gain on sale of assets, net	570,883	-	-	-	-	570,883
Priest pension-related net activity other than service cost	-	(257,740)	-	-	-	(257,740)
Change in value of beneficial interest in Foundations in Faith and a third-party trust	1,069,609	-	-	-	-	1,069,609
Investment income, net	3,653	127,269	1,494,626	-	-	1,625,548
Contributions - nonoperating	2,562,223	-	-	-	-	2,562,223
Bad debt expense, net	(610,338)	62,708	(260,617)	-	-	(808,247)
Contributions to lay pension	(400,000)	-	(500,000)	-	-	(900,000)
Change in discount on notes receivable	461,955	5,614	-	-	-	467,569
Support to Diocesan entities - capital projects and other	(1,098,769)	-	(100,000)	-	594,825	(603,944)
Miscellaneous non-operating income (expenses)	(214,713)	-	6,497	-	160,735	(47,481)
<b>CHANGE IN NET ASSETS</b>	<b>4,241,900</b>	<b>1,717,510</b>	<b>1,193,668</b>	<b>470,380</b>	<b>-</b>	<b>7,623,458</b>
<b>Net assets (deficit) - beginning of year</b>	<b>86,338,746</b>	<b>(26,010,494)</b>	<b>25,811,791</b>	<b>3,310,330</b>	<b>-</b>	<b>89,450,373</b>
<b>Net assets (deficit) - end of year</b>	<b>\$ 90,580,646</b>	<b>\$ (24,292,984)</b>	<b>\$ 27,005,459</b>	<b>\$ 3,780,710</b>	<b>\$ -</b>	<b>\$ 97,073,831</b>

This consolidating schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATING SCHEDULE OF ACTIVITIES

Year ended June 30, 2023

	Diocesan Operations	Employee Benefits and Insurance Programs	Cemeteries Operations	Elderly Housing and Diocese LLC Properties Operations	Eliminations	Total
<b>Revenues, support and other changes</b>						
Annual Bishop's Appeal	\$ 8,748,123	\$ -	\$ -	\$ -	\$ -	\$ 8,748,123
Contributions and bequests	4,109,407	-	-	-	-	4,109,407
Cathedraticum from parishes	6,201,875	-	-	-	-	6,201,875
Employee benefit and insurance programs	-	23,000,811	-	-	(3,166,176)	19,834,635
Cemeteries operations	1,400,000	-	13,808,130	-	(1,400,000)	13,808,130
Interest income	771,216	-	-	-	-	771,216
Elderly housing and other rental income	565,110	-	63,833	1,455,998	(48,769)	2,036,172
Professional services	1,003,678	-	-	-	(389,209)	614,469
Advertising	247,724	-	-	-	-	247,724
Other operating revenues	376,514	-	-	39,252	(96,600)	319,166
<b>Total revenues, support and other changes</b>	<b>23,423,647</b>	<b>23,000,811</b>	<b>13,871,963</b>	<b>1,495,250</b>	<b>(5,100,754)</b>	<b>56,690,917</b>
<b>Expenses</b>						
Programs	15,406,060	-	-	-	(1,482,312)	13,923,748
Employee benefits and insurance	-	21,356,237	-	-	(280,079)	21,076,158
Cemeteries operations	-	-	9,486,637	-	(2,115,893)	7,370,744
Elderly housing and Diocesan LLC properties operations	-	-	-	901,612	(140,453)	761,159
Management and general	5,791,508	-	1,852,462	-	(966,800)	6,677,170
Stewardship and development	1,161,994	-	-	-	(115,217)	1,046,777
<b>Total expenses</b>	<b>22,359,562</b>	<b>21,356,237</b>	<b>11,339,099</b>	<b>901,612</b>	<b>(5,100,754)</b>	<b>50,855,756</b>
Income from operations before depreciation and accretion	1,064,085	1,644,574	2,532,864	593,638	-	5,835,161
Depreciation and accretion	(1,103,148)	-	(386,008)	(47,778)	-	(1,536,934)
Income (loss) from operations before nonoperating activities	(39,063)	1,644,574	2,146,856	545,860	-	4,298,227
<b>Nonoperating activities</b>						
Gain on sale of assets, net	494,545	-	-	-	-	494,545
Priest pension related-activity other than service cost	-	4,367,795	-	-	-	4,367,795
Change in value of beneficial interest in Foundations in Faith and a third-party trust	677,955	-	-	-	-	677,955
Investment income, net	7,839	109,449	1,113,802	-	-	1,231,090
Contributions - nonoperating	645,379	-	-	-	-	645,379
Bad debt recoveries, net	173,829	168,208	87,913	-	-	429,950
Contributions to lay pension	(300,000)	-	(500,000)	-	-	(800,000)
Change in discount on notes receivable	191,702	(15,901)	-	-	-	175,801
Support to Diocesan entities - capital projects and other	(1,843,664)	-	(100,000)	-	-	(1,943,664)
Miscellaneous non-operating income (expenses)	(81,204)	-	7,150	-	-	(74,054)
<b>CHANGE IN NET ASSETS</b>	<b>(72,682)</b>	<b>6,274,125</b>	<b>2,755,721</b>	<b>545,860</b>	<b>-</b>	<b>9,503,024</b>
<b>Net assets (deficit) - beginning of year</b>	<b>86,411,428</b>	<b>(32,284,619)</b>	<b>23,056,070</b>	<b>2,764,470</b>	<b>-</b>	<b>79,947,349</b>
<b>Net assets (deficit) - end of year</b>	<b>\$ 86,338,746</b>	<b>\$ (26,010,494)</b>	<b>\$ 25,811,791</b>	<b>\$ 3,310,330</b>	<b>\$ -</b>	<b>\$ 89,450,373</b>

This consolidating schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATING SCHEDULES OF MANAGEMENT AND GENERAL EXPENSES

Years ended June 30,

	2024			2023		
	Diocesan Operations	Cemetery Operations	Total	Diocesan Operations	Cemetery Operations	Total
Personnel costs - lay	\$ 3,039,799	\$ 1,135,862	\$ 4,175,661	\$ 3,141,156	\$ 1,022,913	\$ 4,164,069
Personnel costs - religious	19,849	-	19,849	32,298	-	32,298
Total personnel costs	3,059,648	1,135,862	4,195,510	3,173,454	1,022,913	4,196,367
Insurance	47,322	-	47,322	44,180	-	44,180
Professional fees	742,088	460,711	1,202,799	582,532	312,685	895,217
Occupancy	719,357	32,062	751,419	720,664	20,442	741,106
Operations	-	59,293	59,293	-	59,891	59,891
Office	465,037	2,051	467,088	433,515	47,381	480,896
Dues, fees and memberships	43,234	7,731	50,965	52,321	2,783	55,104
Printing	145	-	145	265	-	265
Travel and seminars	34,728	12,060	46,788	49,502	7,436	56,938
Interest	-	122,075	122,075	-	109,210	109,210
Miscellaneous	12,888	-	12,888	11,723	6,623	18,346
Postage	2,472	11,889	14,361	1,982	17,668	19,650
Total expenses before depreciation and accretion	5,126,919	1,843,734	6,970,653	5,070,138	1,607,032	6,677,170
Depreciation and accretion	239,333	19,687	259,020	373,497	10,577	384,074
Total expenses	<u>\$ 5,366,252</u>	<u>\$ 1,863,421</u>	<u>\$ 7,229,673</u>	<u>\$ 5,443,635</u>	<u>\$ 1,617,609</u>	<u>\$ 7,061,244</u>

These consolidating schedules should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATING SCHEDULE OF PROGRAM FUNCTIONAL EXPENSES

Year ended June 30, 2024

	Pastoral Services of the Bishop*	Religious Personnel Services (includes Queen of Clergy)	Catholic Education and Faith Formation	Pastoral and Human Services	Vocations	Communications and Social Media	Other Program Support	Total Programs
Personnel costs - lay	\$ 1,212,863	\$ 1,133,325	\$ 1,136,297	\$ 203,445	\$ 14,995	\$ 303,625	\$ -	\$ 4,004,550
Personnel costs - religious	103,955	401,322	-	998,514	1,157,375	244	-	2,661,410
Total personnel costs	1,316,818	1,534,647	1,136,297	1,201,959	1,172,370	303,869	-	6,665,960
Insurance	2,249	68,600	4,843	10,740	3,097	-	-	89,529
Grants and contributions	-	-	-	-	-	-	6,235,317	6,235,317
Professional fees	165,288	2,119	293,454	118,346	3,535	176,673	-	759,415
Occupancy	117,785	401,539	40,781	5,191	711	-	-	566,007
Office	13,349	10,634	16,369	5,340	576	8,601	-	54,869
Dues, fees and memberships	434,395	4,106	56,489	13,905	3,874	240	-	513,009
Printing	87,976	638	9,697	120	9,102	229,147	-	336,680
Travel and seminars	426,640	57,782	436,666	1,093	24,222	-	-	946,403
Miscellaneous	96,002	10,573	2,737	2,963	3,137	-	-	115,412
Postage	9,483	1,144	1,254	372	1,460	205,592	-	219,305
Total expenses before depreciation and accretion	2,669,985	2,091,782	1,998,587	1,360,029	1,222,084	924,122	6,235,317	16,501,906
Depreciation and accretion	124,640	97,648	93,297	63,488	57,049	43,140	-	479,262
Total expenses	<u>\$ 2,794,625</u>	<u>\$ 2,189,430</u>	<u>\$ 2,091,884</u>	<u>\$ 1,423,517</u>	<u>\$ 1,279,133</u>	<u>\$ 967,262</u>	<u>\$ 6,235,317</u>	<u>\$ 16,981,168</u>

\* Includes the Offices of the Bishop, Vicar General, Chancellor, Strategic and Pastoral Planning, Tribunal, Safe Environment and "The One" in Pastoral Programs.

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The Bridgeport Roman Catholic Diocesan Corporation and Affiliates

CONSOLIDATING SCHEDULE OF PROGRAM FUNCTIONAL EXPENSES

Year ended June 30, 2023

	Pastoral Services of the Bishop*	Religious Personnel Services (includes Queen of Clergy)	Catholic Education and Faith Formation	Pastoral and Human Services	Vocations	Communications and Social Media	Other Program Support	Total Programs
Personnel costs - lay	\$ 860,939	\$ 941,250	\$ 1,107,188	\$ 196,132	\$ 3,837	\$ 288,424	\$ -	\$ 3,397,770
Personnel costs - religious	102,158	356,049	-	990,176	1,272,667	-	-	2,721,050
Total personnel costs	963,097	1,297,299	1,107,188	1,186,308	1,276,504	288,424	-	6,118,820
Insurance	3,215	56,795	4,489	11,638	4,192	-	-	80,329
Grants and contributions	-	-	-	-	-	-	5,065,668	5,065,668
Professional fees	45,920	7,799	251,711	126,632	10,493	190,837	-	633,392
Occupancy	88,050	408,931	45,069	8,533	228	-	-	550,811
Office	15,072	4,159	14,900	2,718	276	3,076	-	40,201
Dues, fees and memberships	427,968	2,527	54,800	15,349	5,575	420	-	506,639
Printing	12,792	2,803	9,444	159	4,297	230,741	-	260,236
Travel and seminars	233,831	30,606	120,349	5,115	33,052	939	-	423,892
Miscellaneous	35,149	13,646	1,961	8,043	4,298	73	-	63,170
Postage	3,957	1,243	1,380	251	1,185	172,574	-	180,590
Total expenses before depreciation and accretion	1,829,051	1,825,808	1,611,291	1,364,746	1,340,100	887,084	5,065,668	13,923,748
Depreciation and accretion	134,739	134,500	118,697	100,535	98,720	65,348	-	652,539
Total expenses	<u>\$ 1,963,790</u>	<u>\$ 1,960,308</u>	<u>\$ 1,729,988</u>	<u>\$ 1,465,281</u>	<u>\$ 1,438,820</u>	<u>\$ 952,432</u>	<u>\$ 5,065,668</u>	<u>\$ 14,576,287</u>

\* Includes the Offices of the Bishop, Vicar General, Chancellor, Strategic and Pastoral Planning, Tribunal and Safe Environment.

This consolidating schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.