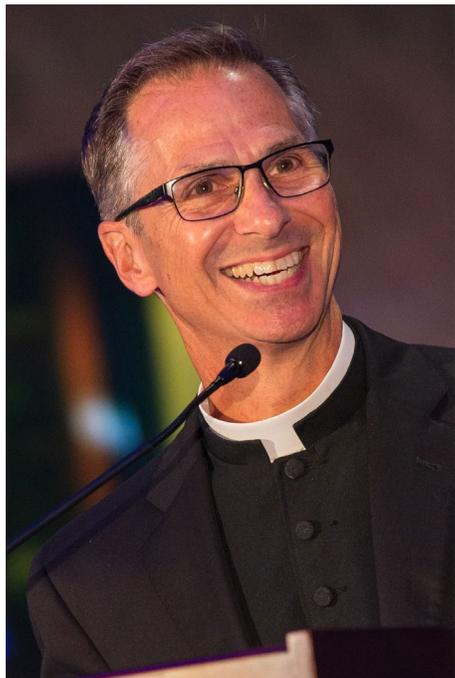




# *2022 Annual Report*





We are pleased to include the Fiscal Year 2022 Report for the Clergy Trust. The Executive Director's report and commentary are included, along with the independent auditor's report.

BOARD OF TRUSTEES

Mr. Mark Vachon

*Chair*

Most Rev. Mark O'Connell

*Vice-Chair*

Very Rev. Richard W. Fitzgerald

Very Rev. William P. Joy

Very Rev. Brian Kiely

Very Rev. Linh T. Nguyen

Ms. Ann Carter

Mr. Charles I. Clough, Jr.

Mr. Paul Currie

Mr. Daniel T. Flatley

Mr. David Hegarty

Ms. Maureen Joyce

Mr. James P. McDonough

Ms. Sharon McNally

Mr. Kevin C. Phelan

Mr. Michael P. Shaughnessy

Please know you have a committed Board of Trustees and a highly competent staff in your service.

While continued to be challenged by reduced collections we are managing operations effectively and actively seeking additional sources of revenue.

For both active or senior priests, both within and beyond the boundaries of our parishes, the support and service of all our priests makes our communities stronger.

It is the mission of the Clergy Trust to ensure the health and well-being of our priests so that all priests may continue their important work. Clergy Trust offers preventive health and wellness programs, provides one-on-one support and advocacy to priests with health concerns and operates Regina Cleri. The Clergy Trust ensures all priests are cared for throughout active and senior priesthood.

We welcome questions, comments and suggestions directly to either of us. Thank you for your continued prayers and generous support. May you continue to be blessed in all ways.

On behalf of the Board of Trustees,

Mark Vachon  
Chairman

Most Reverend Mark O'Connell  
Vice-Chairman



## REGINA CLERI

A state-of-the-art facility and faith community for senior priests.

## INTENTIONAL LIVING PROGRAM

Preventive health and wellness programs for all priests in good standing.



## DEDICATED CARE TEAM

One-on-one support and advocacy to priests with health concerns.





**Michael Scannell, Executive Director**

## **Executive Summary**

### BOARD OF TRUSTEES

Mr. Mark Vachon  
*Chair*

Most Rev. Mark O'Connell  
*Vice-Chair*

Very Rev. Richard W. Fitzgerald

Very Rev. William P. Joy

Very Rev. Brian Kiely

Very Rev. Linh T. Nguyen

Ms. Ann Carter

Mr. Charles I. Clough, Jr.

Mr. Paul Currie

Mr. Daniel T. Flatley

Mr. David Hegarty

Ms. Maureen Joyce

Mr. James P. McDonough

Ms. Sharon McNally

Mr. Kevin C. Phelan

Mr. Michael P. Shaughnessy

### TRUSTEE EMERITUS

Rev. Gerard Petringa

Mr. C. Michael Daley

Ms. Jean Tempel

The Clergy Trust is committed to fulfilling the vital mission of maintaining the health, welfare and retirement needs of the eligible active and senior priests of the Archdiocese of Boston. In fiscal year 2022, the Clergy Trust team cared for 198 senior and 314 active priests. Our mission of caring for our priests so that they in turn can care for their faithful's spiritual needs guides our focus on promoting good health and wellness along with proactive programs and prevention practices. The Clergy Trust believes that healthier priests build stronger communities. Our three programs include Intentional Living which provides preventative health and wellness programs for a balanced lifestyle, a Dedicated Care Team which offers one-on-one support and guidance for priests, and Regina Cleri residence which offers care and fraternal community for up to 64 senior priests.

The Clergy Trust is blessed with a group of professionals that are dedicated to fulfilling the mission of caring for priests in a dignified and thoughtful way. This team continues to be responsive and deliver innovative programs and services for our priests aimed at leading health care and wellness practices. This team is fortunate to be led by a dedicated and engaged Board of Trustees who provide strategic guidance and support.

As we move to a post-pandemic world, we continue to operate in a particularly challenging environment where health concerns continue to impact all aspects of daily life, including mass attendance. The Clergy Trust, along with parishes, continues to see mass attendance and general offertory trends and collection revenue at much lower levels than pre-pandemic. This challenge combined with rising healthcare expenses and economic instability provide an uncertain backdrop as we continue to manage the trust.



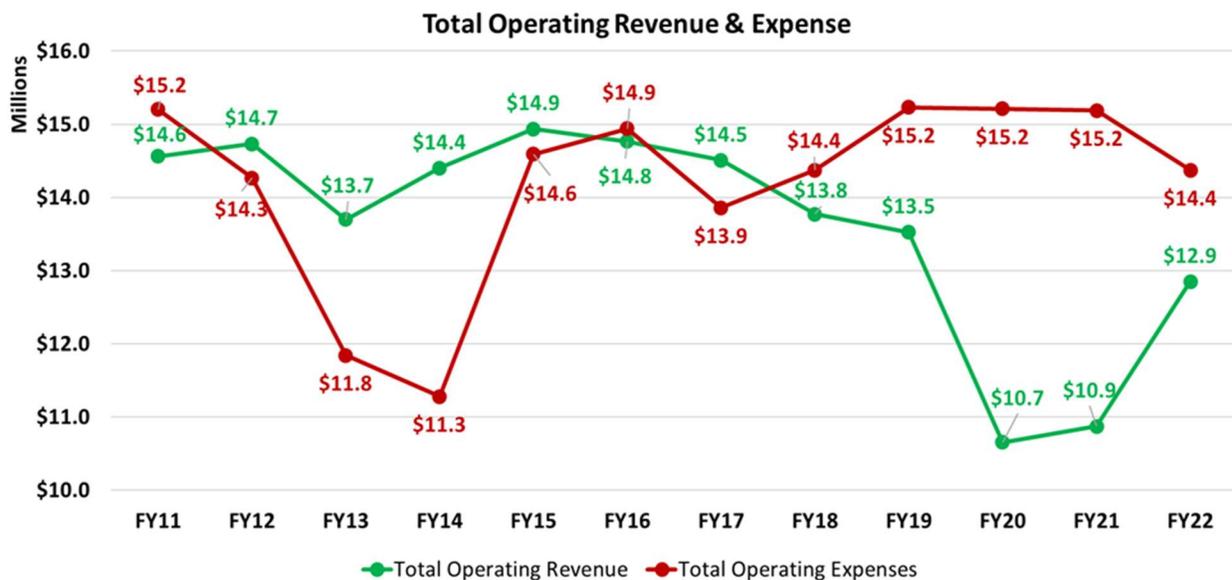
## Fiscal Year 2022 Highlights

Our focus on sound financial stewardship and fiscal discipline are two major priorities. The economic environment that we experienced this past fiscal year presented significant headwinds, and we navigated as we have in the past, with a heavy focus on our operating income and operating expenses-the areas that we can best control. Our financial focus remains:

- Maximizing revenue received from 3 parish collections and our fundraising efforts
- Generating awareness of the Clergy Trust programs and securing new donors
- Growing our operating reserve to cover future benefit obligations

Managing to these objectives allows us to maintain the high level of care and security that current and future generations of priests expect. We can maintain a focus on these priorities because we have support from all our stakeholders. Management and the Board of Trustees work in partnership in meeting our financial priorities; our priests provide financial support while they proactively advocate for their own care, and we have a committed group of donors incredibly loyal to the mission of care and wellness for the clergy.

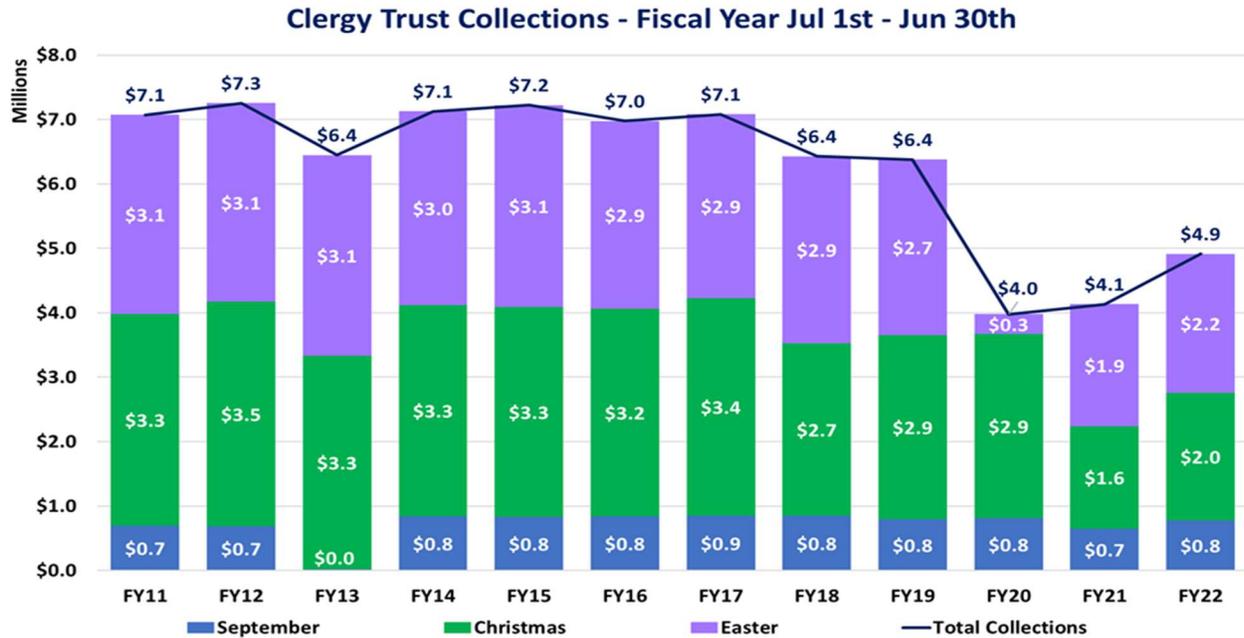
Fiscal year 2022 financial results are challenging with total operating revenue of \$12.9M and total operating expenses of \$14.4M for an overall operating deficit of \$1.5M.



Notes: 1) FY13 & FY14 included a spend down of the Regina Cleri reserves.  
 2) In FY15 Regina Cleri trust became part of CT.



Operating Revenue is comprised of the three annual collections, Celebration of Priesthood and benefit assessments. In fiscal year 2022 the Clergy Trust generated \$4.9M from the parish collections, an \$800K (19.5%) improvement from fiscal year 2021. That said, total collection revenue is still down \$2.0M from the 10-year average prior to the pandemic.



Note: In FY13 there was no September collection. The timing of CT's annual 2nd collection transitioned from a June date in FY11 & FY12 to a Sept date starting in FY14. In FY20 the Easter collection was not a required collection following the suspension of in-person masses on 3/13/20 due to the Covid-19 pandemic.

We continue to actively manage operating expenses while carefully determining how resources are utilized. We continue to encourage and coach priests' on completing all necessary elective procedures and the Care Team works closely with those navigating medical challenges. Through the Intentional Living Program, the team promotes healthy practices of sleep, nutrition, and exercise along with preventative measures focusing on critical health and wellness factors. The total cost of benefits in fiscal year 2022 was \$12.5M including \$3.5M of Regina Cleri operations costs.

Closing this operating deficit remains a priority through our 'Close the Gap' strategy as we seek to raise operating income and create a path to break even. We continue to grow our prospective donor base through our e-mail reach with over 9,300 unique e-mail addresses. Importantly we experience an extraordinarily strong open rate of 35-40% compared with a non-profit average open rate of approximately 20-25%. Our direct mail campaign is an essential element of our collection campaign and donor stewardship



strategy with a reach of close to 13,000 households. We have strengthened the brand and awareness of Clergy Trust through an increased and sustained presence on social media.

Growing support for the St. John Vianney Society annual appeal provides an opportunity for all priests to support their brethren and demonstrate, in a powerful way, their support for each other. 133 priests contributed to the St. John Vianney Society appeal by donating \$294k this fiscal year and we appreciate this extraordinary legacy of support, and we continue to promote and encourage participation in this important appeal.

The fiscal year 2022 overall change in net assets available for benefits (operating and non-operating) was a net loss of \$9.4 million. This includes the \$1.5M Operating Loss discussed above along with a net \$513k in gifts bequests, capital campaign, depreciation and other non-operating revenue and expenses offset by an unrealized investment loss of \$8.4 million. This unrealized investment loss demonstrates the volatility in the markets year over year. Therefore, the priority of building the operating reserve is so critically important as this reserve is intended for the future payments for priests currently in active ministry. This continuous cycle of support from one generation of priests to the next generation is a unique characteristic of the Clergy Trust. While we navigated through this difficult year, we recognize that collection revenue and operating revenue will continue to be impacted and this pressure underscores the need to generate new donor support.

The Dedicated Care Team focused over the past year on continuing to prioritize care and professional advocacy for the health needs of all 314 active and 198 senior priests across the Archdiocese of Boston. This team represents over 85 years of professional experience and includes the Senior Care Manager, the Wellness Coordinator, the Director of Regina Cleri and the Director of Nursing of Regina Cleri. This team continues to provide proactive support that enables all priests to live healthier lifestyles, while improving their overall quality of life. The Care team meets weekly to review all aspects of care management including ways to engage all priests and encourage utilization of the resources and programs available to them, while also maintaining a high level of care to our priests. In fiscal year 2022, the Care Team conducted 153 in person visits along with 474 telephone calls/virtual check ins for a total of 627 outreach engagements for all priests.



Our Senior Care Manager and Wellness Coordinator each received their Massachusetts Certified Clinical Medical Assistants' Certification (CCMA) and have since introduced optional vital sign checks for priest visits including temperature, blood pressure, pulse oximetry and heart rate assessments.

The respite care program at Regina Cleri continues to provide exceptional service to priests recovering from serious medical conditions. This year seventeen respite care stays took place for twelve active and senior priests with combined care totaling over 357 days. This program also provided emergency admissions as well as planned admissions for surgeries and procedures requiring extensive preparation and 24-hour post-op observation.

The Clergy Trust team continues to 'meet priests where they are' by providing timely and relevant workshops. These sessions, offered during lunchtime, allow priest across all five regions of the Archdiocese to come together in community and hear speakers address important topics related to health, wellness and future planning. The workshops, hosted by the Clergy Trust team include speakers and subject matter experts. This year, three lunchtime workshop sessions were offered for priests on a range of health and wellness topics including Pastoral Care to those living with Mental Health Concerns: Successful Planning for All Ages and Phases of Life and Caring for Elderly Parents as a Priest. Presenters included mental health and medical professionals along with elder law and estate planning attorney and a career coach.

### **Looking Forward**

In summarizing this fiscal year, the Management Team is committed to pursuing a challenging but realistic financial plan to address our operating revenue gap. We aim to develop support from donors, both priests and lay, committed to the mission of the Clergy Trust. The *Friends of Regina Cleri* program was a new effort introduced during fiscal year 2022. The initiative seeks to identify and develop relationships with new donors who have demonstrated a commitment to the Clergy Trust mission. The program provides an opportunity for supporters to engage with beloved priests and experience the community of care and brotherhood that Regina Cleri represents. Donors have the special opportunity to participate in morning mass, tour the residence, dine and spend time with and be thanked by the community. Our supporters have appreciated the privilege to participate in these special visits as they are welcomed into the senior priest's home.



Management is doubling down on the efforts to maximize each existing revenue opportunity. To this end, we will increase engagement on the St. John Vianney Society as we look to engage broader participation by priests willing to support their brethren. Also, by continuing to promote the ability of our senior priests to age in place, we will maximize the full capabilities of the Regina Cleri Community for both permanent residents along with respite stays. Finally, we are introducing new social media efforts to maintain greater visibility and awareness of the Clergy Trust. Efforts such as the recently concluded *'Give Thanks for Priests'* social media campaign introduced a month-long effort for followers to engage in expressing appreciation for the gift of priesthood while also serving to steadily promote the Clergy Trust. We will continue to develop new efforts to build awareness, engage new donors and steward a new generation of supporters.

I am committed to continue the important mission of the Clergy Trust and work to support the health and wellness of our priests. This remains the goal of our team, and our commitment to you in continuing this important work.

Thank you for all that you do in prayer and action to support the Clergy Trust and you can be assured of our prayers for your own wellbeing.

God Bless,

Michael Scannell  
Executive Director, Clergy Trust



# *Salve Regina*

---

*Salve, Regina, mater misericordiae; vita, dulcedo et spes nostra, salve. Ad te clamamus exsules filii Hevae. Ad te suspiramus gementes et flentes in hac lacrimarum valle. Eia ergo, advocata nostra, illos tuos misericordes oculos ad nos converte. Et Iesum, benedictum fructum ventris tui, nobis post hoc exilium ostende. O clemens, o pia, o dulcis Virgo Maria.*

Hail, Holy Queen, Mother of Mercy, our life, our sweetness, and our hope To thee do we cry, poor banished children of Eve; to thee do we send up our sighs, mourning and weeping in this valley of tears. Turn then, most gracious advocate, thine eyes of mercy toward us; and after this our exile, show unto us the blessed fruit of thy womb, Jesus. O clement, O loving, O sweet Virgin Mary.

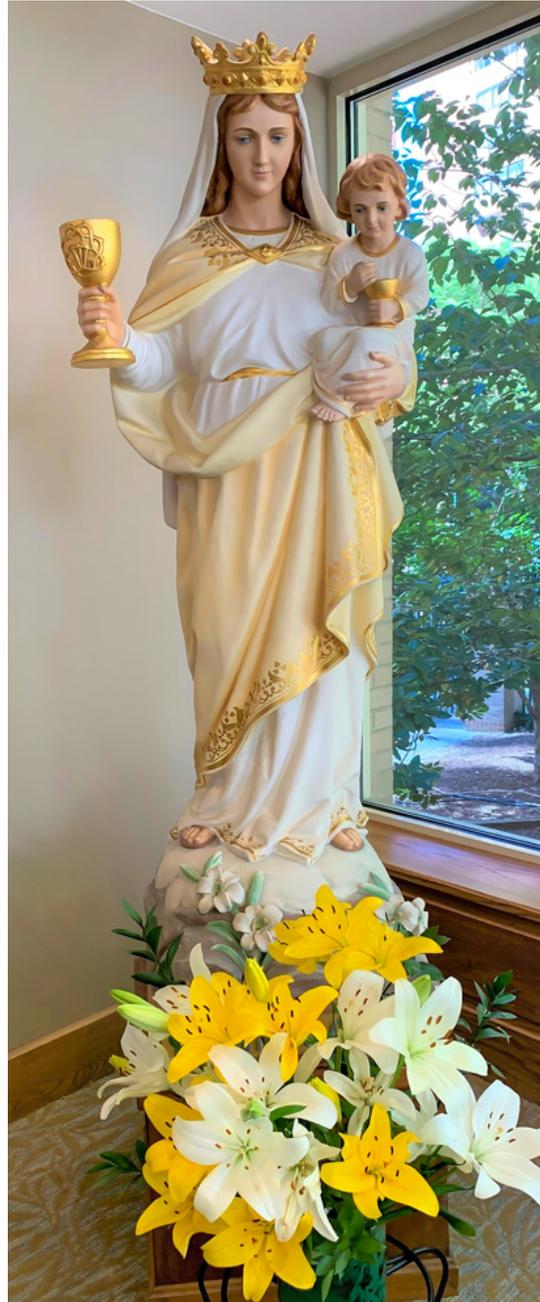
---

*Thank you to all the priests who have joined the Salve Regina Legacy Society by remembering us in their plans*

# In Memoriam

---

Rev. Garrett J. Barry  
Rev. A. James Bertelli  
Rev. Stephen M. Boyle  
Rev. Thomas W. Buckley  
Rev. Henry G. Chambers  
Rev. Martin P. Connor  
Rev. Thomas B. Corcoran  
Rev. Vincent E. Daily  
Rev. James F. Darcy  
Rev. Hubert E. Desmond  
Rev. William J. English  
Rev. Michael M. Ferraro  
Rev. John E. Gallagher  
Rev. Francis M. Glynn  
Rev. Raymond P. Kiley  
Rev. Michael W. MacEwen  
Rev. Daniel D. Magni  
Rev. Msgr. John P. McDonough  
Rev. Paul A. Phinn  
Rev. Thomas J. Powers  
Rev. Edward T. Serena  
Rev. Robert J.M. Sullivan  
Rev. Walter J. Waldron





# *Saint John Vianney Society*

---

Anonymous (2)  
Rev. Michael A.J. Alfano  
Rev. David J. Barnes  
Rev. Robert M. Blaney  
Rev. Joseph K. Boaf C.S.Sp.  
Rev. Derek J. Borek  
Rev. Thomas C. Boudreau  
Rev. Msgr. Charles J. Bourque  
Rev. Thomas F. Bouton  
Rev. Richard S. Bradford  
Rev. James G. Burke  
Rev. Allan L.W. Butler  
Rev. Robert J. Butler  
Rev. Eric F. Cadin  
Rev. David P. Callahan  
Rev. Kenneth V. Cannon  
Rev. Msgr. George F. Carlson  
Rev. John F. Carmichael  
Rev. Walter A.M. Carreiro  
Very Rev. Christopher J. Casey  
Rev. Peter J. Casey  
Rev. Brian M. Clary  
Rev. Donald P. Clifford  
Rev. Francis J. Cloherty  
Rev. Msgr. Peter V. Conley Very  
Rev. Robert L. Connors Rev.  
Francis M. Conroy  
Rev. Richard C. Conway Rev.  
Roger C. Cormier  
Rev. Richard P. Cornell  
Rev. William D. Coughlin Rev.  
Ronald D. Coyne  
Rev. Daniel J. Crowley  
Rev. Richard P. Crowley Rev.  
John P. Culloty  
Rev. Thomas M. Curran Rev.  
Francis J. Daly  
Very Rev. Robert J. Deehan  
Rev. Kevin J. Deeley  
Very Rev. John W. Delaney  
Rev. Donald R. Delay  
Rev. Richard S. DeVeer Rev.  
James M. DiPerri  
Very Rev. Thomas S. Domurat



# *Saint John Vianney Society*

---

Rev. Stephen S. Donohoe  
Rev. Richard M. Erikson  
Rev. Scott A. Euvrard  
Very Rev. George P. Evans  
Rev. Joseph K. Fagan †  
Rev. Msgr. William P. Fay  
Rev. Daniel J. Finn  
Rev. Thomas S. Foley  
Rev. Msgr. Paul V. Garrity  
Rev. Vincent J. Gianni  
Rev. Francis M. Glynn †  
Rev. John J. Grimes  
Rev. R. Michael Guarino  
Rev. John J. Healy  
Rev. Joseph M. Hennessey  
Rev. James F. Hickey  
Rev. Kevin T. Hickey  
Rev. Paul K. Hurley  
Rev. Timothy P. Hynes  
Rev. Msgr. Francis H. Kelley  
Rev. William T. Kelly  
Rev. Walter F. Keymont

Rev. Robert T. Kickham  
Very Rev. Brian R. Kiely  
Rev. Paul E. Kilroy  
Rev. William T. Kremmell  
Rev. J Michael Lawlor  
Rev. Kevin P. Leaver  
Rev. William T. Leonard  
Rev. Stephen J. Linehan  
Rev. John E. MacInnis  
Rev. Arthur T. MacKay  
Rev. Thomas A. Mahoney  
Rev. Leo E. Martel  
Rev. Francis X. Mawn  
Rev. Joseph M. Mazzone  
Rev. John W. McElroy  
Rev. Philip E. McGaugh  
Very Rev. Brian J. McHugh  
Rev. Martin J. McNulty  
Rev. Msgr. Cornelius M. McRae  
Rev. Vincent P. Mellone  
Rev. Paul E. Miceli  
Rev. John F. Mulloy



# *Saint John Vianney Society*

---

Rev. John R. Mulvehill  
Rev. Msgr. Frederick J. Murphy  
Rev. William F. Murphy  
Very Rev. Thomas F. Nestor  
Rev. Joseph Chinh Nguyen  
Rev. Henry P. Nichols  
Rev. Michael L. Nolan  
Rev. Mark L. Noonan  
Most Rev. Mark O'Connell  
Rev. David M. O'Leary  
Rev. James E. O'Leary  
Very Rev. William B. Palardy  
Rev. Louis R. Palmieri  
Rev. Gerard Petringa  
Rev. Thomas F. Powers  
Rev. Thomas J. Powers †  
Rev. Lawrence E. Pratt †  
Rev. Oscar J. Pratt  
Rev. Bertrand L. Proulx  
Rev. Peter F. Quinn  
Rev. James F. Rafferty  
Rev. Thomas S. Rafferty

Rev. Redmond M. Raux  
Rev. Daniel J. Riley  
Rev. Edward M. Riley  
Rev. James H. Riley  
Rev. William H. Robinson  
Rev. Lawrence J. Rondeau  
Rev. Charles E. Salamone  
Rev. William F. Salmon  
Very Rev. Stephen E. Salocks  
Rev. Robert P. Soucy  
Rev. Eugene P. Sullivan  
Rev. Paul V. Sullivan  
Rev. Desmond A. Tynan  
Rev. John J. Unni  
Rev. Christopher W. Wallace  
Rev. Thomas J. Walsh  
Rev. Matthew J. Westcott  
Rev. David P. White  
Rev. Matthew M. Williams  
Rev. Walter J. Woods  
Rev. Arthur F. Wright  
Rev. Thomas F. Wyndham











**Finance & Audit Committee**  
Financial Report for the Year Ending June 30, 2022

BOARD OF TRUSTEES

Mr. Mark Vachon  
*Chair*

Most Rev. Mark O'Connell  
*Vice-Chair*

Very Rev. Richard W. Fitzgerald

Very Rev. William P. Joy

Very Rev. Brian Kiely

Very Rev. Linh T. Nguyen

Ms. Ann Carter

Mr. Charles I. Clough, Jr.

Mr. Paul Currie

Mr. Daniel T. Flatley

Mr. David Hegarty

Ms. Maureen Joyce

Mr. James P. McDonough

Ms. Sharon McNally

Mr. Kevin C. Phelan

Mr. Michael P. Shaughnessy

TRUSTEE EMERITUS

Rev. Gerard Petringa

Mr. C. Michael Daley

Ms. Jean Tempel

The Clergy Trust Finance & Audit Committee is pleased to present the audited financial statements of the Clergy Trust for the fiscal year ended June 30, 2022.

These statements are the responsibility of the management of the Clergy Trust and have been audited by Grant Thornton LLP. Our auditors have issued an unmodified opinion that the statements fairly present, in all material aspects, the financial position of the Clergy Trust in conformity with generally accepted accounting principles as of and for the year ended June 30, 2022.

The success of this organization is through the efforts of many but starts with the leadership of the Clergy Trust team. Their dedication to the health and wellness of our priests is exceptional. We are blessed that our priests also play an important role through their leadership at the parish level.

The Finance & Audit Committee consists of:

James P. McDonough (Chair)

Reverend Thomas S. Rafferty, Pastor, St. Oscar Romero Parish, Canton

Michael K. Devlin, CPA

David J. Hegarty, CPA

James Mullaney, CPA

Richard F. Reilly, CPA

Michael Shaughnessy

On behalf of the Finance & Audit Committee,

James P. McDonough  
Chairman, Finance & Audit Committee  
Clergy Trust



Combined Financial Statements and  
Report of Independent Certified Public  
Accountants

**ARCHDIOCESE OF BOSTON  
CLERGY TRUST  
Clergy Medical/Hospitalization Trust  
Clergy Retirement Trust  
Clergy Benefit Funding Trust  
Regina Cleri Trust**

June 30, 2022 and 2021

## Contents

	Page
Report of Independent Certified Public Accountants	3
Combined Financial Statements	
Combined Statements of Net Assets Available for Benefits	6
Combined Statements of Changes in Net Assets Available for Benefits	7
Combined Statements of Accumulated Plan Benefits	8
Combined Statements of Changes in Accumulated Plan Benefits	9
Notes to Combined Financial Statements	10
Supplementary Information	
Combining Statement of Net Assets Available for Benefits at June 30, 2022	25
Combining Statement of Net Assets Available for Benefits at June 30, 2021	26
Combining Statement of Activities and Changes in Net Assets Available for Benefits for the year ended June 30, 2022	27
Combining Statement of Activities and Changes in Net Assets Available for Benefits for the year ended June 30, 2021	28
Regina Cleri Trust - Statement of Activities and Changes in Net Assets Available for Benefits for the year ended June 30, 2022	29
Regina Cleri Trust - Statement of Activities and Changes in Net Assets Available for Benefits for the year ended June 30, 2021	30

---

**GRANT THORNTON LLP**

75 State Street  
13th Floor  
Boston, MA 02019

D +1 617 723 7900  
F +1 617 723 3640

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Trustees  
Archdiocese of Boston Clergy Trust

**Opinion**

We have audited the combined financial statements of the Archdiocese of Boston Clergy Trust (“CT” or “the Plan”), which comprise the combined statements of net assets available for benefits and combined statements of accumulated plan benefits as of June 30, 2022 and 2021 and the related combined statements of changes in net assets available for benefits and the related combined statement of changes in accumulated plan benefits for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined net assets available for benefits and the accumulated plan benefits of the Plan as of June 30, 2022 and 2021, and the combined changes in its net assets available for benefits and the changes in its accumulated plan benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for opinion**

We conducted our audits of the combined 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 Combined Financial Statements section of our report. We are required to be independent of the Plan 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 combined financial statements**

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's responsibilities for the audit of the combined financial statements**

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined 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 combined 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 Plan'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan'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.

**Supplemental schedules**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental schedules of combining statements of net assets available for benefits as of June 30, 2022 and 2021, the combining statements of changes in net assets available for benefits and the combining statements of activities and changes in net assets available for benefits - Regina Cleri Trust for the years ended June 30, 2022 and 2021 are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined 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 combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with US GAAS.

In our opinion, the information in the accompanying supplemental schedules are fairly stated, in all material respects, in relation to the combined financial statements as a whole.

*Grant Thornton LLP*

Boston, Massachusetts  
October 28, 2022

**ARCHDIOCESE OF BOSTON CLERGY TRUST**  
**Combined Statements of Net Assets Available for Benefits**  
**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Cash and cash equivalents (Note 3)	\$ 7,013,629	\$ 7,674,349
Accounts receivable, net (Note 3)	423,738	317,801
Contributions receivable, net (Note 3)	1,742,272	2,434,963
Prepaid expenses (Note 3)	357,244	380,257
Investments, at fair value (Notes 3, 6 and 11)	44,934,220	53,241,130
Land, buildings and equipment, net (Notes 3 and 7)	17,589,975	17,994,089
	<u>72,061,078</u>	<u>82,042,589</u>
Total assets	<u>\$ 72,061,078</u>	<u>\$ 82,042,589</u>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 724,261	\$ 747,926
Line of credit - related party (Note 8)	-	2,223,609
Notes payable - related party (Note 8)	1,641,332	-
Deferred income (Note 3)	141,012	145,962
	<u>2,506,605</u>	<u>3,117,497</u>
Total liabilities	<u>\$ 2,506,605</u>	<u>\$ 3,117,497</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>		
Without donor restrictions:		
Undesignated	\$ 61,964,202	\$ 64,801,984
Designated for endowment (Note 9)	5,120,117	5,480,042
Total without donor restrictions	<u>67,345,452</u>	<u>70,282,026</u>
With donor restrictions (Note 15)	2,470,154	8,643,066
	<u>69,554,473</u>	<u>78,925,092</u>
Total net assets available for benefits	<u>\$ 69,554,473</u>	<u>\$ 78,925,092</u>

The accompanying notes are an integral part of these combined statements.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**  
**Combined Statements of Changes in Net Assets Available for Benefits**  
**For the years ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>OPERATING REVENUE</b>		
Collections from parishes (Note 3)	\$ 4,912,645	\$ 4,131,808
Assessments to participating entities	5,763,391	5,068,452
Special event, net of costs of \$184,250 in 2022 and \$158,586 in 2021	1,253,031	1,268,495
Room and board assessments	134,903	137,670
Giving societies (Note 3)	293,515	142,890
Medicare reimbursement and miscellaneous income	121,503	124,908
Net assets released from restrictions (Notes 4 and 15)	371,268	-
Total operating revenue	<u>12,850,256</u>	<u>10,874,223</u>
<b>OPERATING EXPENSES</b>		
Benefits:		
Claims paid	4,492,347	4,758,860
Retirement benefits	3,488,904	3,419,991
Regina Cleri residence operations, including depreciation of \$49,041 in 2022 and \$171,767 in 2021 (Note 7)	3,463,588	3,635,459
Room and board	473,648	459,898
Unassigned and health leave benefits	256,597	266,975
Plan administrator	221,482	221,592
Disability benefits	43,323	40,761
Other benefits	57,769	8,207
Legal - estate planning	-	12,000
Total benefits	<u>12,497,658</u>	<u>12,823,743</u>
Administration:		
Salaries and benefits	1,009,615	1,088,575
Service fees (Note 8)	193,906	207,666
Contract services (Note 13)	87,989	582,004
Fundraising expenses (Note 8)	323,850	271,885
Professional fees	112,344	111,850
Other administrative expenses	146,730	102,958
Total administration	<u>1,874,434</u>	<u>2,364,938</u>
Total operating expenses	<u>14,372,092</u>	<u>15,188,681</u>
<b>Change in net assets from operations</b>	<b><u>(1,521,836)</u></b>	<b><u>(4,314,458)</u></b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Gifts, bequests and donations (Note 3)	1,525,261	1,359,051
Contributions - capital campaign (Note 4)	70,368	446,173
Interest and dividends	13,133	76,290
Gain on extinguishment of debt (Note 12)	-	633,700
Grant income	5,000	32,000
Other income	15,788	137,618
Net realized and unrealized (losses) gains on investments	(8,361,875)	10,794,967
Interest expense and stewardship fees - capital campaign (Note 4)	(152,631)	(82,628)
Net assets released from restrictions (Notes 4 and 15)	(371,268)	-
Depreciation expense (Note 7)	(592,559)	(336,183)
<b>Total non-operating revenues (expenses)</b>	<b><u>(7,848,783)</u></b>	<b><u>13,060,988</u></b>
<b>Change in net assets available for benefits</b>	<b><u>(9,370,619)</u></b>	<b><u>8,746,530</u></b>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>		
<b>Beginning of year</b>	<b><u>78,925,092</u></b>	<b><u>70,178,562</u></b>
<b>End of year</b>	<b><u>\$ 69,554,473</u></b>	<b><u>\$ 78,925,092</u></b>

The accompanying notes are an integral part of these combined statements.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**  
**Combined Statements of Accumulated Plan Benefits**  
**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>ACCUMULATED PLAN BENEFIT OBLIGATIONS:</b>		
<b>ACTUARIAL PRESENT VALUE OF ACCUMULATED RETIREMENT PLAN BENEFITS</b>		
Retired and disabled participants currently receiving retirement benefits	\$ 40,541,087	\$ 46,547,660
Active participants	<u>22,403,951</u>	<u>32,120,234</u>
<b>TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED RETIREMENT PLAN BENEFITS</b>	<u>62,945,038</u>	<u>78,667,894</u>
<b>ACTUARIAL PRESENT VALUE OF OTHER POST-RETIREMENT BENEFIT OBLIGATIONS</b>		
Retired and disabled participants currently receiving health, dental and subsistence benefits	14,991,887	21,012,256
Active participants	<u>15,524,630</u>	<u>15,864,168</u>
<b>TOTAL ACTUARIAL PRESENT VALUE OF OTHER POST-RETIREMENT BENEFIT OBLIGATIONS</b>	<u>30,516,517</u>	<u>36,876,424</u>
<b>RESERVE FOR HEALTH INSURANCE CLAIMS</b>		
Claims payable and claims incurred but not reported for retired participants	146,061	146,366
Claims payable and claims incurred but not reported for active participants	<u>332,939</u>	<u>333,634</u>
<b>TOTAL RESERVE FOR HEALTH INSURANCE CLAIMS</b>	<u>479,000</u>	<u>480,000</u>
<b>TOTAL ACCUMULATED PLAN BENEFIT OBLIGATIONS</b>	<u>\$ 93,940,555</u>	<u>\$ 116,024,318</u>

The accompanying notes are an integral part of these combined statements.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**  
**Combined Statements of Changes in Accumulated Plan Benefits**  
**For the years ended June 30, 2022 and 2021**

	2022	2021
<b>ACCUMULATED PLAN BENEFIT OBLIGATIONS</b>		
<b>AT THE BEGINNING OF YEAR</b>	<b>\$ 116,024,318</b>	<b>\$ 115,635,470</b>
<b>CHANGES IN ACCUMULATED RETIREMENT PLAN BENEFITS</b>		
Actuarial present value of accumulated retirement plan benefits at beginning of year	78,667,894	78,477,900
Changes during the year attributable to:		
Benefits accumulated	2,563,625	2,894,781
Increase for interest due to the decrease in the discount period	2,122,139	2,067,470
Benefits paid	(7,615,466)	(6,347,309)
Changes in assumptions (Note 5)	(12,793,154)	1,575,052
Net (decrease) increase	(15,722,856)	189,994
Actuarial present value of accumulated retirement plan benefits at end of year	62,945,038	78,667,894
<b>CHANGES IN OTHER POST-RETIREMENT BENEFIT OBLIGATIONS</b>		
Actuarial present value of other post-retirement benefit obligations at beginning of year	36,876,424	36,607,570
Changes during the year attributable to:		
Benefits accumulated	726,327	1,046,476
Increase for interest due to the decrease in the discount period	1,129,720	1,125,797
Benefits paid	(1,727,815)	(1,407,981)
Changes in assumptions (Note 5)	(6,488,139)	(495,438)
Net (decrease) increase	(6,359,907)	268,854
Actuarial present value of other post-retirement benefit obligations at end of year	30,516,517	36,876,424
<b>CHANGES IN RESERVE FOR HEALTH INSURANCE CLAIMS</b>		
Reserve for health insurance claims at beginning of year	480,000	550,000
Changes during the year attributable to:		
Claims reported and approved and claims incurred but not yet reported	4,491,347	4,688,860
Claims paid	(4,492,347)	(4,758,860)
Net (decrease) increase	(1,000)	(70,000)
Reserve for health insurance claims at end of year	479,000	480,000
<b>ACCUMULATED PLAN BENEFIT OBLIGATIONS AT THE END OF YEAR</b>	<b>\$ 93,940,555</b>	<b>\$ 116,024,318</b>

The accompanying notes are an integral part of these combined statements.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**  
**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**June 30, 2022 and 2021**

**NOTE 1 - DESCRIPTION OF THE CLERGY TRUST**

**Description of the Trusts**

The Archdiocese of Boston Clergy Trust (the “CT”) represents collectively all trusts, as they may exist from time to time, that provide for the health, welfare, disability, and retirement of priests incardinated in the Roman Catholic Archdiocese of Boston (“RCAB”) who are in good standing within the norms of canon law (“Eligible Priests”). The CT combined financial statements include the financial position and activities of the Archdiocese of Boston Clergy Benefit Funding Trust (the “Funding Trust”), the Archdiocese of Boston Clergy Retirement Trust (the “Retirement Trust”), the Archdiocese of Boston Clergy Medical/Hospitalization Trust (the “Medical Trust”) and the Archdiocese of Boston Regina Cleri Trust (“Regina Cleri Trust”).

The CT was established for the purpose of generating and providing support for the benefit of Eligible Priests incardinated in the RCAB, as directed by the Roman Catholic Archbishop of Boston. The CT is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

The Archbishop of Boston, by virtue of his office, is responsible for providing for health, welfare, disability, and retirement benefits of Eligible Priests. He appoints the Board of Trustees of the CT, but does not serve as a Trustee. Additionally, the Archbishop of Boston serves as Chairman to numerous separately incorporated Catholic organizations that operate within the Archdiocese of Boston. These organizations are considered to be related organizations.

The Board of Trustees assists the Archbishop of Boston in his responsibilities to Eligible Priests by administering the CT. The Trustees are authorized and empowered to manage the assets of, and benefits provided by the CT as deemed necessary.

**Reporting and Disclosure by Corporation Sole**

The accounting and financial disclosures within this report for the CT are prepared under U.S. generally accepted accounting principles (“U.S. GAAP”) applicable to defined benefit pension plans and health and welfare plans. The primary objective of the CT combined financial statements is to provide financial information that is useful in assessing the CT’s present and future ability to pay benefits when due.

The CT is the retirement vehicle for the Eligible Priests assigned to the RCAB. Accordingly, the financial reporting of Corporation Sole, as the employer of these priests, includes corresponding accounting and financial disclosures relating to the CT retirement and other post-retirement benefits.

**COVID-19**

The outbreak of COVID-19 has caused domestic and global disruption in the operations of religious organizations. Following a temporary suspension of all in-person masses on March 13, 2020, the Archdiocese of Boston began the process of reopening parishes on May 22, 2020. The Archdiocese gradually loosened restrictions and began to increase capacity over the course of fiscal 2021. The Archdiocese of Boston issued parishioners a dispensation from the obligation to attend Mass on March 13, 2020, which lasted 14 months, until the Mass obligation was reinstated on June 19, 2021.

COVID-19 has adversely impacted CT’s revenues. Prior to the pandemic, collections from parishes for fiscal 2019 were \$6.4 million, while fiscal 2020 was \$4.0 million (with no Easter collection), fiscal 2021 was \$4.1 million and fiscal 2022 was \$4.9 million.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

**NOTE 2 - DESCRIPTION OF THE PLANS**

The following brief description of the CT plans is provided for general information purposes only. Participants should refer to each plan agreement for more complete information.

**Funding and Benefits**

The CT's primary source of funding for benefits is from special collections from parishes in the Archdiocese of Boston and assessments to parishes and other Catholic organizations within the Archdiocese of Boston. As collections are received from the parishes, they are held in the Funding Trust. Funds are transferred to the Medical Trust, the Retirement Trust, and Regina Cleri Trust at the discretion of the Trustees.

The Medical Trust was established to provide substantially all medical and/or hospitalization coverage to Eligible Priests.

The Retirement Trust is a noncontributory defined benefit pension plan that provides retirement benefits, which includes a stipend and room and board covering Eligible Priests.

Regina Cleri is a nonprofit Massachusetts corporation. Regina Cleri is a religious community in the West End of Boston, committed to supporting the health and vocation of the Eligible Priests of the Archdiocese of Boston. Regina Cleri provides resident senior priests with support for their physical and emotional health, quality of life and spiritual life, thereby allowing them to dedicate their later years to their lifelong commitment to their vocation.

The primary benefits provided by the Funding Trust relate to funding of the Medical Trust, the Retirement Trust and Regina Cleri Trust where necessary. The Funding Trust also pays substantially all benefits for Eligible Priests who are currently on health leave and waiting assignment for up to six months. Additional benefits include support for the well-being of Eligible Priests at the discretion of the Trustees.

**Assessments to Participating Entities**

The Funding Trust charges assessments to parishes and related Catholic organizations for medical and hospitalization coverage of, and the retirement and other benefits for Eligible Priests assigned thereto. The annual assessments are calculated based on the expected claims, expected benefits and the total number of priests.

**Retirement Benefits**

The monthly retirement benefits available to a priest who retires at the general retirement age of 75 includes a stipend and room and board, which varies depending upon the retiree's residence. The monthly stipend ranges from \$181 to \$1,582. The monthly room and board benefit is \$600 for those priests living on their own or in a parish. CT does not cover the cost of nursing home care. Additionally, priests can reside at Regina Cleri. A priest who has attained at least age 65 may, with the permission of the Archbishop of Boston, retire early and receive a retirement benefit. Any priest who becomes totally and permanently disabled qualifies for retirement benefits. Retirement benefits are available to all Eligible Priests. This program has no vesting provisions.

**Other Post-Retirement Benefits**

Other post-retirement benefits include health, dental and subsistence benefits.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies followed by the CT are described below:

**Basis of Accounting**

The combined financial statements have been prepared on the accrual basis of accounting in accordance with U.S. GAAP.

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

Without donor restrictions - Net assets that are not subject to donor-imposed restrictions or for which restrictions have expired. Also included in this category are net assets designated by the Trustees, including funds functioning as endowment.

With donor restrictions - Net assets subject to donor-imposed restrictions that permit CT to use or expend the donated assets as specified and are satisfied by either the passage of time or by actions of CT. Also included in this category are net assets subject to donor-imposed restrictions that stipulate that resources be maintained permanently, but may permit CT to use or expend part or all of the economic benefits derived from the donated assets to be used in line with donor restrictions.

**Cash and Cash Equivalents**

Financial instruments with original maturities of three months or less at the purchase date are classified as cash equivalents. Included in cash equivalents are money market funds of \$3,058,049 and \$4,585,062 at June 30, 2022 and 2021, respectively.

CT deposits its cash in major financial institutions that are significant in size and reputation. These deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000, per institution. While at times funds deposited in banks are in excess of FDIC insured limits, CT has not experienced any losses as a result of the use of uninsured deposit accounts.

**Investments**

Investments are carried at fair value. Changes in fair values are reflected in the combined statements of changes in net assets available for benefits as net realized and unrealized gains (losses) on investments. Investment transactions are accounted for as of the date the securities are purchased or sold (trade date). Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

The CT Investment Committee has elected to invest in the RCAB Collective Investment Partnership (the "Investment Partnership" or "CIP"), the RCAB Fixed Income Fund (the "Fixed Income Fund" or "FIF"), the Westwood Income Opportunity Fund (the "Income Opportunity Fund" or "IOF") and the Knights of Columbus Commingled Limited Duration Bond Fund (the "Knights of Columbus Fund" or "KoC"). The funds that are established and maintained by RCAB provide common investment pools in which CT and other organizations related to RCAB may participate. The underlying investments of the Investment Partnership, Fixed Income Fund, Income Opportunity Fund and the Knights of Columbus Fund are primarily equity and fixed-income securities (U.S. Government agency securities, asset-backed securities and corporate bonds) owned either directly or indirectly through mutual funds, private investment entities, and money market funds. The participants in these funds own units based upon a per-unit value at the time of purchase.

Financial instruments with original maturities of greater than three months at the purchase date are classified as investments.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

**Participating Entities Assessments and Accounts Receivable**

CT charges assessments to parishes and related Catholic organizations for medical, dental, hospitalization coverage, retirement and other benefits for Eligible Priests who are assigned. The annual assessments are calculated based on the expected claims, expected benefits and the total number of priests. The monthly assessment was \$1,723 and \$1,470 per individual priest during fiscal years 2022 and 2021, respectively.

Accounts receivable are stated net of an allowance for uncollectible accounts. The allowance is established via a provision for uncollectible assessments charged to operations. Management evaluates its assessments receivable and establishes or adjusts its allowance to an amount that it believes will be adequate to absorb possible losses on accounts that may become uncollectible. Accounts are charged against the allowance when management believes that the collectability of the specific account is unlikely.

**Land, Building and Equipment**

Land, building and equipment are carried at cost, net of accumulated depreciation, or if donated, at appraised value at the time of donation. Depreciation is recorded on the straight-line basis over the estimated useful lives of the assets, which range from three to forty years. Expenditures for maintenance and repairs are expensed as incurred.

**Prepaid Expenses**

Retirement benefit payments are withdrawn from the CT operating cash account by the payroll provider on the last business day of the month in order to be available on the first of the following month for the priests. Included in prepaid expenses are \$289,406 and \$305,655 for retirement benefits prepaid at June 30, 2022 and 2021, respectively.

**Collections from Parishes**

Collections from parishes are recognized in the combined statements of changes in net assets available for benefits as CT receives the contributions. Any amounts reported but not yet received by June 30, 2022 and 2021 are accrued as due from the remitting parish and are included within contributions receivable in the combined statements of net assets available for benefits.

**Contributions Receivable, Gifts, Bequests and Contributions**

Contributions, including unconditional promises to give, are recognized upon receipt. Contributions other than cash are recorded at fair value at the date of contribution. Contributions with donor-imposed restrictions are reclassified to net assets without donor restrictions when an expenditure is incurred that satisfies the restriction or the designated time elapses. Pledges receivable are carried at estimated net present value, net of allowance for uncollectible amounts (if any). Conditional promises to give are not recognized until the conditions on which they depend are substantially met. There were no conditional promises to give at June 30, 2022 and 2021.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

Contributions receivable as of June 30, 2022 and 2021 are presented below.

	<u>2022</u>	<u>2021</u>
Receivables due in less than one year	\$ 1,324,650	\$ 1,252,885
Receivables due in one to five years	<u>515,063</u>	<u>1,258,252</u>
Total unconditional promises to give	1,839,713	2,511,137
Less: present value discount and allowance for uncollectible amounts	<u>(97,441)</u>	<u>(76,174)</u>
Contributions receivable, net	<u>\$ 1,742,272</u>	<u>\$ 2,434,963</u>

Contributions receivable have been discounted using a rate of 1.75% at June 30, 2022 and 0.25% at June 30, 2021.

**Special Events and Deferred Income**

Special event donations are recognized in the changes in net assets available for benefits at the completion of the event. Amounts received prior to the event are recorded as deferred income until the occurrence of the event.

**Giving Societies**

Giving Society donations are recognized in the changes in net assets available for benefits when received.

**Payment of Benefits**

Benefit payments to participants are recorded upon distribution.

**Income Taxes**

The CT is included in the annual United States Conference of Catholic Bishops Internal Revenue Service Group Ruling and is therefore exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. The CT recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the combined financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. The CT management has reviewed the tax positions for open periods and determined that no provision for income tax is required in the CT financial statements.

**Use of Estimates**

The preparation of combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures of assets, liabilities, benefit obligations, contingent assets and liabilities, and changes during the reporting period. Actual results could differ from those estimates. As discussed above, key estimates include the fair value of investments, the allowance for uncollectible assessments, health claims incurred by participants but not yet reported, and accumulated retirement plan benefits and other post-retirement benefits.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

The actuarial present value of accumulated retirement plan benefits and other post-retirement benefit obligations are reported based on certain assumptions pertaining to interest rates, inflation rates, health care inflation rates, and participant demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would affect the combined financial statements.

**Operations**

Changes in net assets from operations includes all operating revenues and expenses that are an integral part of CT's programming and supporting activities.

**Reclassifications**

Certain amounts in the 2021 financial statements have been reclassified to conform to the 2022 presentation.

**NOTE 4 - CAPITAL CAMPAIGN**

In fiscal year 2018, The Catholic Community Fund of the Archdiocese of Boston, Inc. ("CCF"), began the Inspiring Hope Capital Campaign (the "Campaign"). The purpose of the Campaign was to raise funds for the collective mission of the Archdiocese of Boston to strengthen and grow in faith and community.

Contributions received in relation to the Campaign are shown as contributions - capital campaign in the accompanying combined statements of changes in net assets available for benefits.

CT's segment of the Campaign was to support the Ministry of the CT in caring for all eligible priests serving the Archdiocese of Boston. A portion of funds raised were restricted to CT Programs, including the development of priest wellness initiatives. Another portion of funds raised were restricted to the Regina Cleri capital improvement construction project, which added 10 residential rooms to increase occupancy, rebuilt the current chapel to facilitate the population aging in place and provided general building upgrades to the 50+ year old structure.

The Capital Campaign is now closed. The Regina Cleri capital improvement project was completed during fiscal year 2022 and the assets were placed into service at which time CT released restrictions on all Capital Campaign funds received to date.

**NOTE 5 - SUMMARY OF ACTUARIAL ASSUMPTIONS**

**Actuarial Present Value of Accumulated Retirement Plan Benefits**

Accumulated retirement plan benefits, which include a stipend and room and board, are those future periodic payments that are expected to be paid under the Retirement Trust's provisions to retired and active priests.

The actuarial present value of accumulated retirement plan benefits is determined by an actuary, and is the amount that results from applying actuarial assumptions to adjust the accumulated retirement plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

The significant actuarial assumptions used in the valuations are as follows at June 30, 2022 and 2021:

	2022	2021
Discount rate	4.85%	2.81%
Mortality before and after retirement	Society of Actuaries' Retirement Plans Experience Committee Headcount weighted Pri-2012 rates for healthy lives, with generational projection using Scale MP-2021. Separate retiree and active participant rates.	Society of Actuaries' Retirement Plans Experience Committee Headcount weighted Pri-2012 rates for healthy lives (no quartile or collar adjustment), with generational projection using Scale MP-2020. Separate retiree and active participant rates.
Retirement age	Age graded tables	Age graded tables
Asset valuation	Market value	Market value
Retirement benefit	\$1,499 average per month	\$1,432 average per month
Cost of living adjustment	None assumed	None assumed
Salary increases	N/A	5% increase effective July 2021, none thereafter

The foregoing actuarial assumptions are based on the presumption that the Retirement Trust will continue. If the Retirement Trust were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated retirement plan benefits.

**Actuarial Present Value of Other Post-Retirement Benefit Obligations**

Other post-retirement benefit obligations represent the actuarial present value of those estimated future health, dental and subsistence benefits that are attributed to clergy service rendered through the combined financial statement date.

Prior to reaching the eligibility date, the post-retirement benefit obligation is the portion of the expected post-retirement benefit obligation that is attributed to each priest's service rendered to the valuation date.

The actuarial present value of the expected post-retirement benefit obligation is determined by an actuary and is the amount that results from applying actuarial assumptions to historical claims-cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

For measurement purposes, a 6.00% annual rate of increase in the per capita cost of covered health care benefits was assumed for both 2022 and 2021, the rate is assumed to decrease gradually to 4.5% by 2029.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

The following were other significant assumptions used in the valuation as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Discount rate	5.00%	3.13%
Retirement age	Age graded tables	Age graded tables
Mortality	Society of Actuaries' Retirement Plans Experience Committee Headcount weighted Pri-2012 rates for healthy lives, with generational projection using Scale MP-2021. Separate retiree and active participant rates.	Society of Actuaries' Retirement Plans Experience Committee Headcount weighted Pri-2012 rates for healthy lives (no quartile or collar adjustment), with generational projection using Scale MP-2020. Separate retiree and active participant rates.
Effect of 1% increase in healthcare cost trend rate on postretirement obligation	\$4,130,000	\$5,987,000

The foregoing actuarial assumptions are based on the presumption that the Medical Trust will continue. If the Medical Trust were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of other post-retirement benefit obligations.

**Reserve for Health Insurance Claims**

Reserve for health insurance claims consist of medical and dental claims incurred but not reported as of June 30, 2022 and 2021 for benefits provided to Eligible Priests. Obligations for health claims incurred by Eligible Priests but not reported are estimated by management based on historical experience.

**NOTE 6 - INVESTMENTS**

CT had the following investments as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Collective Investment Partnership	\$ 33,698,626	\$ 41,218,234
Fixed Income Fund	1,135,680	1,239,564
Knights of Columbus Commingled Limited Duration Bond Fund	4,836,909	5,006,711
Westwood Income Opportunity Fund	5,263,005	5,776,621
	<u>\$ 44,934,220</u>	<u>\$ 53,241,130</u>

All investments are reported at fair market value (see Note 11).

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

**NOTE 7 - LAND, BUILDING AND EQUIPMENT**

Land, building and equipment consists of the following at June 30, 2022 and 2021:

	2022	2021
Land	\$ 4,036,578	\$ 4,036,578
Land improvements	550,817	529,925
Building	10,551,225	10,551,225
Building improvements	10,751,450	3,906,925
Construction in process	38,600	7,409,254
Furniture and equipment	1,474,414	731,691
	27,403,084	27,165,598
Less accumulated depreciation	(9,813,109)	(9,171,509)
	<b>\$ 17,589,975</b>	<b>\$ 17,994,089</b>

Depreciation expense totaled \$641,600 and \$507,950 for the fiscal years ended June 30, 2022 and 2021, respectively, which includes \$49,041 and \$171,767, respectively, of depreciation for operating assets of Regina Cleri and \$592,559 and \$336,183, respectively, of non-operating depreciation, representing the depreciation on building improvements and land improvements of the Regina Cleri facility, which is held in the Benefit Funding Trust.

The Regina Cleri capital improvements construction project was completed in August 2021.

**NOTE 8 - RELATED PARTY TRANSACTIONS**

Regina Cleri employees participate in lay employee health, dental, life, disability, and transition assistance plans through RCAB. Expenses incurred by Regina Cleri for the benefit of lay employees under these plans were \$205,149 and \$225,351 for the years ended June 30, 2022 and 2021, respectively.

**Service Fees**

A service fee based on the level of efforts provided for administrative, rent, technology and clerical services is charged to the CT by the RCAB. The fees charged for the years ended June 30, 2022 and 2021 were \$193,906 and \$207,666, respectively.

A service fee based on the level of efforts provided for fundraising is charged to the CT by Boston Catholic Development Services ("BCDS"). The fee charged for the years ended June 30, 2022 and 2021 were \$320,000 and \$270,638, respectively, which are included in fundraising expense in the accompanying statements of changes in net assets available for benefits.

**Line of Credit and Note Payable**

On December 1, 2018, CT entered into a line of credit agreement with the Revolving Loan Fund of RCAB. Under this agreement CT could borrow up to a maximum principal amount of \$4,000,000, which CT could draw upon and repay at any time through the maturity of the agreement. The unpaid principal amount bore daily interest at the Applicable Rate as determined by RCAB (3.25% as of June 30, 2021). The line of credit matured April 1, 2020 but was verbally extended due to the COVID-19 pandemic with no stated maturity date. Accrued and unpaid interest was payable on the 15th day of each calendar month commencing on January 15, 2019 with final payment of principal and unpaid interest due upon maturity.

## ARCHDIOCESE OF BOSTON CLERGY TRUST

### NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

The Regina Cleri capital improvements construction project was completed in August 2021. Following the completion, CT requested that the line of credit be converted to a term note payable requiring monthly payments of principal and interest amortized over a three-year period. Principal will bear interest at the variable Applicable Rate as determined by RCAB (3.25% as of June 30, 2022). CT had an outstanding note payable balance of \$1,641,332 as of June 30, 2022 and an outstanding line of credit balance of \$2,223,609 as of June 30, 2021.

#### **NOTE 9 - ENDOWMENT**

CT's endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as quasi-endowments. Quasi-endowment funds are internally restricted until such time as the Trustees vote to release such funds. Quasi-endowment funds are designated to be used for future support of Regina Cleri and the health, welfare and retirement needs of Eligible senior priests.

#### **Interpretation of Relevant Law**

The net assets associated with CT's endowment funds are classified in accordance with relevant state law as interpreted by the Trustees. As a result of this interpretation, CT has classified as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund (although no existing donor instruments have so directed). The remaining portion of the donor-restricted endowment fund continues to be classified in net assets with donor restrictions and is regarded as "net appreciation" until those amounts are appropriated for expenditure by the Trustees in a manner consistent with CT's spending policy, the Uniform Prudent Management of Institutional Funds Act, other applicable laws, and donor-imposed restrictions, if any.

#### **Funds with Deficiencies**

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the historic-dollar-value. Deficiencies of this nature are reported by a decrease in net assets with donor restrictions. There were no funds with deficiencies as of June 30, 2022 and 2021.

#### **Endowment Investment Policy**

CT has adopted an investment philosophy which, combined with the spending rate, attempts to provide a predictable stream of returns thereby making funds available to programs that are supported, while at the same time seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Regina Cleri must hold in perpetuity or for donor-specified periods. Under CT's Investment Policy and spending rate, both of which are approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce an inflation-adjusted return in excess of the spending rate over a long period of time. Actual returns in any given year may vary.

#### **Endowment Spending Policy**

Under the CT spending policy, 6% of the current year end's market value of qualifying donor restricted endowment investments is appropriated for expenditure. The appropriated amounts for the years ended June 30, 2022 and 2021 have been reinvested with quasi-endowment funds.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, CT relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The CT Investment Committee's investment rationale is to include an array of different strategies and investment managers for the investment portfolio to reduce overall volatility while providing investment returns above industry benchmarks.

Following are balances and the changes in endowment net assets for the fiscal year ended June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, June 30, 2021	\$ 5,480,042	\$ 1,239,564	\$ 6,719,606
Investment return	(432,625)	(31,184)	(463,809)
Spending policy appropriation	72,700	(72,700)	-
Balance, June 30, 2022	\$ 5,120,117	\$ 1,135,680	\$ 6,255,797

Following are balances and the changes in endowment net assets for the fiscal year ended June 30, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, June 30, 2020	\$ 5,956,823	\$ 1,309,974	\$ 7,266,797
Working capital withdrawal	(1,000,000)	-	(1,000,000)
Investment return	444,030	8,779	452,809
Spending policy appropriation	79,189	(79,189)	-
Balance, June 30, 2021	\$ 5,480,042	\$ 1,239,564	\$ 6,719,606

**NOTE 10 - BENEFICIAL INTERESTS**

The CT is a beneficiary under the terms of various wills. The exact value of such interests and the time at which rights to these interests become irrevocable is dependent upon certain future events over which the CT has no control. Accordingly, the CT has not recorded these interests in the accompanying combined financial statements.

**NOTE 11 - FAIR VALUE MEASUREMENTS**

The CT measures the fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement price (an exit price). A fair value hierarchy has been established to prioritize the inputs used in valuation techniques to measure fair value. The three levels of the fair value hierarchy are described below.

Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets as of the measurement date.

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

Level 2 - inputs to the valuation methodology are other observable inputs, including quoted prices for similar assets and liabilities in active or non-active markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are not directly observable, but are corroborated by observable market data.

Level 3 - inputs to the valuation methodology are unobservable for the asset or liability.

A financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The fair values of units held by the CT in mutual funds are valued using the net asset value ("NAV") provided by the administrator of the fund. The NAV price is quoted on active markets and is classified within Level 1 of the valuation hierarchy.

As of June 30, 2022, and 2021, the CT held investments measured at fair value using the NAV per share (or its equivalent) practical expedient and, accordingly, have not been categorized in the fair value hierarchy. The value of these investments at June 30, 2022 and 2021 was \$44,934,220 and \$53,241,130, respectively.

The following table sets forth the liquidity, redemption policies and unfunded commitments of the CT's financial assets that were accounted for at fair values calculated by using NAV per share as practical expedient as of June 30, 2022.

<u>Investments</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>	<u>Liquidity Restrictions</u>
Common Investment Partnership	\$ 33,698,626	\$ -	Monthly	30 days	None
Fixed Income Fund	1,135,680	-	Monthly	30 days	None
Westwood Income Opportunity Fund	5,263,005	-	Monthly	30 days	None
Knights of Columbus Limited Duration Bond Fund	<u>4,836,909</u>	-	Monthly	30 days	None
Total assets	<u>\$ 44,934,220</u>				

The following table sets forth the liquidity, redemption policies and unfunded commitments of the CT's financial assets that were accounted for at fair values calculated by using NAV per share as a practical expedient as of June 30, 2021.

<u>Investments</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>	<u>Liquidity Restrictions</u>
Common Investment Partnership	\$ 41,218,234	\$ -	Monthly	30 days	None
Fixed Income Fund	1,239,564	-	Monthly	30 days	None
Westwood Income Opportunity Fund	5,776,621	-	Monthly	30 days	None
Knights of Columbus Limited Duration Bond Fund	<u>5,006,711</u>	-	Monthly	30 days	None
Total assets	<u>\$ 53,241,130</u>				

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2022 and 2021**

**NOTE 12 - PPP LOANS**

In April 2020, CT received two bank loans (the "Loans") in the aggregate amount of \$633,700, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act. The Loans were scheduled to mature on April 22, 2022 and bore interest at a rate of 1.00% per annum, payable monthly commencing in November 2020.

CT utilized the Loans only for certain qualifying expenses, such as payroll costs and occupancy expenses, as described in the CARES Act. In March 2021, the U.S. Small Business Administration under the authority granted to it by the CARES Act granted CT full forgiveness on both Loans, which is reflected as a gain on extinguishment of debt in the accompanying statement of changes in net assets for the year ended June 30, 2021.

**NOTE 13 - OPERATING EXPENSES**

**Regina Cleri Residence Operating Expenses**

Following is CT's operating expenses of the Regina Cleri residence classified by area of service for the year ended June 30, 2022:

	<u>Direct Care</u>	<u>Maintenance</u>	<u>Dining Services</u>	<u>Administration</u>	<u>Mission &amp; Recreation</u>	<u>Total</u>
Salaries and related	\$ 1,218,605	\$ 330,002	\$ 541,104	\$ 385,533	\$ 84,095	\$ 2,559,339
Facility rental and related	47,529	2,989	5,978	64,614	299	121,409
Food, supplies and other	57,056	37,128	223,755	42,830	15,609	376,378
Utilities and communications	-	195,880	-	78,350	-	274,230
Contract labor	402	34,063	-	25,933	-	60,398
Repairs and maintenance	-	71,834	-	-	-	71,834
<b>Total operating expenses</b>	<b><u>\$ 1,323,592</u></b>	<b><u>\$ 671,896</u></b>	<b><u>\$ 770,837</u></b>	<b><u>\$ 597,260</u></b>	<b><u>\$ 100,003</u></b>	<b><u>\$ 3,463,588</u></b>

Following is CT's operating expenses of the Regina Cleri residence classified by area of service for the year ended June 30, 2021:

	<u>Direct Care</u>	<u>Maintenance</u>	<u>Dining Services</u>	<u>Administration</u>	<u>Mission &amp; Recreation</u>	<u>Total</u>
Salaries and related	\$ 1,185,270	\$ 349,974	\$ 533,396	\$ 375,266	\$ 144,128	\$ 2,588,034
Facility rental and related	157,883	9,930	19,860	57,482	993	246,148
Food, supplies and other	73,874	73,931	214,787	25,273	11,985	399,850
Utilities and communications	-	185,183	-	104,502	-	289,685
Contract labor	7,289	27,114	-	33,774	-	68,177
Repairs and maintenance	-	40,332	-	3,233	-	43,565
<b>Total operating expenses</b>	<b><u>\$ 1,424,316</u></b>	<b><u>\$ 686,464</u></b>	<b><u>\$ 768,043</u></b>	<b><u>\$ 599,530</u></b>	<b><u>\$ 157,106</u></b>	<b><u>\$ 3,635,459</u></b>

**Administration Contract Services**

For the year ended June 30, 2021, Administration Contract Services expense includes \$455,486 in nonrecurring costs related to the transition between Executive Directors.

ARCHDIOCESE OF BOSTON CLERGY TRUST

NOTES TO THE COMBINED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

**NOTE 14 - FINANCIAL INSTRUMENTS AND CONCENTRATIONS OF CREDIT RISK**

The CT financial instruments that are potentially subject to concentrations of credit risk consist of cash, cash equivalents (Note 3), and investments (Note 6).

The CT invests in various investment securities through its investments in the CIP, FIF, IOF and KoC. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the combined statements of net assets available for benefits.

**NOTE 15 - NET ASSETS**

Net Assets Without Donor Restrictions

Included in net assets without donor restrictions are \$5,120,117 and \$5,480,042 of board designated (quasi-endowment) funds as of June 30, 2022 and 2021, respectively.

Net Assets With Donor Restrictions

Net assets with donor restrictions consisted of the following at June 30:

	<u>2022</u>	<u>2021</u>
Endowment gifts	\$ 1,073,745	\$ 1,073,745
Appreciation of endowment investments	61,935	165,819
Capital campaign	<u>1,334,474</u>	<u>7,403,502</u>
	<u>\$ 2,470,154</u>	<u>\$ 8,643,066</u>

Net assets released from restrictions during fiscal year 2022 were related to purpose restrictions being met, including the Regina Cleri capital improvement project being placed into service, and Priests Wellness programs.

**NOTE 16 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through October 28, 2022, which is the date the combined financial statements were available to be issued. There were no subsequent events identified that would require recognition or additional disclosure in CT's combined financial statements.

SUPPLEMENTARY INFORMATION

**ARCHDIOCESE OF BOSTON CLERGY TRUST**  
**Combining Statement of Net Assets Available for Benefits**  
**June 30, 2022**

	<u>Medical Trust</u>	<u>Retirement Trust</u>	<u>Funding Trust</u>	<u>Capital Campaign</u>	<u>Regina Cleri Trust</u>	<u>Total</u>
<b>ASSETS:</b>						
Cash and cash equivalents (Note 3)	\$ 1,905,378	\$ 1,225,785	\$ 3,041,833	\$ -	\$ 840,633	\$ 7,013,629
Accounts receivable, net (Note 3)	403,423	600	11,894	-	7,821	423,738
Contributions receivable, net (Note 3)	-	-	407,798	1,334,474	-	1,742,272
Prepaid expenses (Note 3)	3,850	289,406	53,677	-	10,311	357,244
Investments, at fair value (Notes 3, 6 and 11)	7,990,232	-	30,688,191	-	6,255,797	44,934,220
Land, buildings and equipment, net (Notes 3 and 7)	-	-	17,422,429	-	167,546	17,589,975
Due from/(to) related organizations	(1,064,262)	-	1,056,822	-	7,440	-
Total assets	<u>\$ 9,238,621</u>	<u>\$ 1,515,791</u>	<u>\$ 52,682,644</u>	<u>\$ 1,334,474</u>	<u>\$ 7,289,548</u>	<u>\$ 72,061,078</u>
<b>LIABILITIES:</b>						
Accounts payable and accrued expenses	\$ 31,119	\$ -	\$ 441,302	\$ -	\$ 251,840	\$ 724,261
Note payable - related party (Note 8)	-	-	1,641,332	-	-	1,641,332
Deferred income (Note 3)	-	-	130,050	-	10,962	141,012
Total liabilities	<u>\$ 31,119</u>	<u>\$ -</u>	<u>\$ 2,212,684</u>	<u>\$ -</u>	<u>\$ 262,802</u>	<u>\$ 2,506,605</u>
<b>Net assets available for benefits</b>						
Without donor restrictions	\$ 9,207,502	\$ 1,515,791	\$ 50,469,960	\$ -	\$ 5,891,066	\$ 67,084,319
With donor restrictions (Note 15)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,334,474</u>	<u>1,135,680</u>	<u>2,470,154</u>
Total net assets available for benefits	<u>\$ 9,207,502</u>	<u>\$ 1,515,791</u>	<u>\$ 50,469,960</u>	<u>\$ 1,334,474</u>	<u>\$ 7,026,746</u>	<u>\$ 69,554,473</u>

**ARCHDIOCESE OF BOSTON CLERGY TRUST**  
**Combining Statement of Net Assets Available for Benefits**  
**June 30, 2021**

	<u>Medical Trust</u>	<u>Retirement Trust</u>	<u>Funding Trust</u>	<u>Capital Campaign</u>	<u>Regina Cleri Trust</u>	<u>Total</u>
<b>ASSETS:</b>						
Cash and cash equivalents (Note 3)	\$ 1,198,244	\$ 977,865	\$ 4,104,784	\$ 897,979	\$ 495,477	\$ 7,674,349
Accounts receivable, net (Note 3)	176,626	-	137,618	-	3,557	317,801
Contributions receivable, net (Note 3)	-	-	297,897	2,137,066	-	2,434,963
Prepaid expenses (Note 3)	5,100	305,655	59,260	-	10,242	380,257
Investments, at fair value (Notes 3, 6 and 11)	9,438,753	-	36,932,771	150,000	6,719,606	53,241,130
Land, building and equipment, net (Notes 3 and 7)	-	-	10,378,444	7,409,254	206,391	17,994,089
Due from/(to) related organizations	(870,311)	-	870,311	-	-	-
Total assets	<u>\$ 9,948,412</u>	<u>\$ 1,283,520</u>	<u>\$ 52,781,085</u>	<u>\$ 10,594,299</u>	<u>\$ 7,435,273</u>	<u>\$ 82,042,589</u>
<b>LIABILITIES:</b>						
Accounts payable and accrued expenses	\$ 40,989	\$ -	\$ 469,675	\$ -	\$ 237,262	\$ 747,926
Line of credit - related party (Note 8)	-	-	-	2,223,609	-	2,223,609
Deferred income (Note 3)	-	-	135,000	-	10,962	145,962
Total liabilities	<u>\$ 40,989</u>	<u>\$ -</u>	<u>\$ 604,675</u>	<u>\$ 2,223,609</u>	<u>\$ 248,224</u>	<u>\$ 3,117,497</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS:</b>						
Without donor restrictions	\$ 9,907,423	\$ 1,283,520	\$ 52,176,410	\$ 967,188	\$ 5,947,485	\$ 70,282,026
With donor restrictions (Note 15)	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,403,502</u>	<u>1,239,564</u>	<u>8,643,066</u>
Total net assets available for benefits	<u>\$ 9,907,423</u>	<u>\$ 1,283,520</u>	<u>\$ 52,176,410</u>	<u>\$ 8,370,690</u>	<u>\$ 7,187,049</u>	<u>\$ 78,925,092</u>

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

Combining Statement of Activities and Changes in Net Assets Available for Benefits

For the year ended June 30, 2022

	Medical Trust	Retirement Trust	Funding Trust	Capital Campaign	Regina Cleri Trust	Eliminations	Total
<b>OPERATING REVENUE:</b>							
Collections from parishes (Note 3)	\$ -	\$ -	\$ 4,912,645	\$ -	\$ -	\$ -	\$ 4,912,645
Assessments to participating entities	-	35,600	5,727,791	-	-	-	5,763,391
Special event, net of cost of \$184,250	-	-	1,253,031	-	-	-	1,253,031
Room and board assessments military	-	-	-	-	134,903	-	134,903
Room and board for non-military	-	-	-	-	1,029,056	(1,029,056)	-
Giving Societies (Note 3)	-	-	293,515	-	-	-	293,515
Medicare reimbursement and miscellaneous income	111,470	-	5,042	-	4,991	-	121,503
Net assets released from restrictions (Notes 4 and 15)	-	-	371,268	-	-	-	371,268
Total operating revenue	111,470	35,600	12,563,292	-	1,168,950	(1,029,056)	12,850,256
<b>OPERATING EXPENSES:</b>							
<b>Benefits:</b>							
Claims paid	4,492,347	-	-	-	-	-	4,492,347
Retirement benefits	-	3,488,904	-	-	-	-	3,488,904
Regina Cleri residence operations, including depreciation of \$49,041 (Note 7)	-	-	-	-	3,463,588	-	3,463,588
Room and board - Regina Cleri	-	-	1,029,056	-	-	(1,029,056)	-
Room and board	-	-	473,648	-	-	-	473,648
Unassigned and health leave benefits	-	-	256,597	-	-	-	256,597
Plan administrator	221,482	-	-	-	-	-	221,482
Disability benefits	-	43,323	-	-	-	-	43,323
Other Benefits	(14,700)	15,942	56,527	-	-	-	57,769
Total benefits	4,699,129	3,548,169	1,815,828	-	3,463,588	(1,029,056)	12,497,658
<b>Administration:</b>							
Salaries and benefits	193,903	-	815,712	-	-	-	1,009,615
Service fees (Note 8)	-	-	193,906	-	-	-	193,906
Contract services (Note 13)	9,458	-	78,531	-	-	-	87,989
Fundraising expenses (Note 8)	-	-	323,850	-	-	-	323,850
Professional fees	-	-	112,344	-	-	-	112,344
Other administrative expenses	15,995	5,734	125,001	-	-	-	146,730
Total administration	219,356	5,734	1,649,344	-	-	-	1,874,434
Total operating expenses	4,918,485	3,553,903	3,465,172	-	3,463,588	(1,029,056)	14,372,092
Change in net assets from operations	(4,807,015)	(3,518,303)	9,098,120	-	(2,294,638)	-	(1,521,836)
<b>NON-OPERATING REVENUES (EXPENSES):</b>							
Gifts, bequests and donations (Note 3)	-	-	1,443,206	-	82,055	-	1,525,261
Contributions - capital campaign (Note 4)	-	-	80,941	(10,573)	-	-	70,368
Interest and dividends	1,737	574	6,678	-	4,144	-	13,133
Grant income	5,000	-	-	-	-	-	5,000
Other income	-	-	-	-	15,788	-	15,788
Net assets released from restrictions (Notes 4 and 15)	-	-	5,697,760	(6,069,028)	-	-	(371,268)
Net realized and unrealized losses on investments	(1,449,643)	-	(6,444,580)	-	(467,652)	-	(8,361,875)
Interest expense and stewardship fees - capital campaign (Note 4)	-	-	(152,631)	-	-	-	(152,631)
Depreciation expense (Note 7)	-	-	(592,559)	-	-	-	(592,559)
Total non-operating revenues (expenses)	(1,442,906)	574	38,815	(6,079,601)	(365,665)	-	(7,848,783)
Change in net assets available for benefits	(6,249,921)	(3,517,729)	9,136,935	(6,079,601)	(2,660,303)	-	(9,370,619)
Net asset funding and other transfers	5,550,000	3,750,000	(10,843,385)	(956,615)	2,500,000	-	-
Beginning of year	9,907,423	1,283,520	52,176,410	8,370,690	7,187,049	-	78,925,092
End of year	\$ 9,207,502	\$ 1,515,791	\$ 50,469,960	\$ 1,334,474	\$ 7,026,746	\$ -	\$ 69,554,473

**ARCHDIOCESE OF BOSTON CLERGY TRUST**

Combining Statement of Activities and Changes in Net Assets Available for Benefits  
For the year ended June 30, 2021

	Medical Trust	Retirement Trust	Funding Trust	Capital Campaign	Regina Cleri Trust	Eliminations	Total
<b>OPERATING REVENUE:</b>							
Collections from parishes (Note 3)	\$ -	\$ -	\$ 4,131,808	\$ -	\$ -	\$ -	\$ 4,131,808
Assessments to participating entities	4,994,251	27,600	46,601	-	-	-	5,068,452
Special event, net of cost of \$158,586	-	-	1,268,495	-	-	-	1,268,495
Room and board assessments military	-	-	-	-	137,670	-	137,670
Room and board for non-military	-	-	-	-	1,157,424	(1,157,424)	-
Giving Societies (Note 3)	-	-	142,890	-	-	-	142,890
Medicare reimbursement and miscellaneous income	119,265	-	175	-	5,468	-	124,908
Total operating revenue	<u>5,113,516</u>	<u>27,600</u>	<u>5,589,969</u>	<u>-</u>	<u>1,300,562</u>	<u>(1,157,424)</u>	<u>10,874,223</u>
<b>OPERATING EXPENSES:</b>							
<b>Benefits:</b>							
Claims paid	4,758,860	-	-	-	-	-	4,758,860
Retirement benefits	-	3,419,991	-	-	-	-	3,419,991
Regina Cleri residence operations, including depreciation of \$171,767 (Note 7)	-	-	-	-	3,635,459	-	3,635,459
Room and board - Regina Cleri	-	-	1,157,424	-	-	(1,157,424)	-
Room and board	-	-	459,898	-	-	-	459,898
Unassigned and health leave benefits	-	-	266,975	-	-	-	266,975
Plan administrator	221,592	-	-	-	-	-	221,592
Disability benefits	-	40,761	-	-	-	-	40,761
Other Benefits	30,532	20,900	(43,225)	-	-	-	8,207
Legal - estate planning	-	-	12,000	-	-	-	12,000
Total benefits	<u>5,010,984</u>	<u>3,481,652</u>	<u>1,853,072</u>	<u>-</u>	<u>3,635,459</u>	<u>(1,157,424)</u>	<u>12,823,743</u>
<b>Administration:</b>							
Salaries and benefits	173,616	-	914,959	-	-	-	1,088,575
Service fees (Note 8)	-	-	207,666	-	-	-	207,666
Contract services (Note 13)	10,000	-	572,004	-	-	-	582,004
Fundraising expenses (Note 8)	-	-	271,885	-	-	-	271,885
Professional fees	-	-	111,850	-	-	-	111,850
Other administrative expenses	13,139	6,815	83,004	-	-	-	102,958
Total administration	<u>196,755</u>	<u>6,815</u>	<u>2,161,368</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,364,938</u>
Total operating expenses	<u>5,207,739</u>	<u>3,488,467</u>	<u>4,014,440</u>	<u>-</u>	<u>3,635,459</u>	<u>(1,157,424)</u>	<u>15,188,681</u>
Change in net assets from operations	<u>(94,223)</u>	<u>(3,460,867)</u>	<u>1,575,529</u>	<u>-</u>	<u>(2,334,897)</u>	<u>-</u>	<u>(4,314,458)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>							
Gifts, bequests and donations (Note 3)	-	-	1,246,502	-	112,549	-	1,359,051
Contributions - capital campaign (Note 4)	-	-	-	446,173	-	-	446,173
Interest and dividends	13,106	3,925	12,838	3,936	42,485	-	76,290
Gain on extinguishment of debt (Note 12)	-	-	235,300	-	398,400	-	633,700
Grant income	32,000	-	-	-	-	-	32,000
Other income	-	-	137,618	-	-	-	137,618
Net realized and unrealized gains on investments	1,870,020	-	8,510,615	-	414,332	-	10,794,967
Interest expense and stewardship fees - capital campaign (Note 4)	-	-	-	(82,628)	-	-	(82,628)
Depreciation expense (Note 7)	-	-	(336,183)	-	-	-	(336,183)
Total non-operating revenues (expenses)	<u>1,915,126</u>	<u>3,925</u>	<u>9,806,690</u>	<u>367,481</u>	<u>967,766</u>	<u>-</u>	<u>13,060,988</u>
Change in net assets available for benefits	<u>1,820,903</u>	<u>(3,456,942)</u>	<u>11,382,219</u>	<u>367,481</u>	<u>(1,367,131)</u>	<u>-</u>	<u>8,746,530</u>
Net asset funding and other transfers	-	3,500,000	(4,403,269)	403,269	500,000	-	-
Beginning of year	<u>8,086,520</u>	<u>1,240,462</u>	<u>45,197,460</u>	<u>7,599,940</u>	<u>8,054,180</u>	<u>-</u>	<u>70,178,562</u>
End of year	<u>\$ 9,907,423</u>	<u>\$ 1,283,520</u>	<u>\$ 52,176,410</u>	<u>\$ 8,370,690</u>	<u>\$ 7,187,049</u>	<u>\$ -</u>	<u>\$ 78,925,092</u>

**ARCHDIOCESE OF BOSTON CLERGY TRUST****Regina Cleri Trust -****Statement of Activities and Changes in Net Assets Available for Benefits****For the year ended June 30, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Regina Cleri Trust</u>
<b>OPERATING REVENUE:</b>			
Room and board assessments	\$ 134,903	\$ -	\$ 134,903
Room and board for non-military	1,029,056	-	1,029,056
Miscellaneous income	4,991	-	4,991
	<u>1,168,950</u>	<u>-</u>	<u>1,168,950</u>
<b>OPERATING EXPENSES:</b>			
Salaries and related	2,559,339	-	2,559,339
Facility rental and related	121,409	-	121,409
Food, supplies and other	376,378	-	376,378
Utilities and communications	274,230	-	274,230
Contract labor	60,398	-	60,398
Repairs and maintenance	71,834	-	71,834
	<u>3,463,588</u>	<u>-</u>	<u>3,463,588</u>
Changes in net assets from operations	<u>(2,294,638)</u>	<u>-</u>	<u>(2,294,638)</u>
<b>NON-OPERATING ACTIVITY:</b>			
Net realized and unrealized loss on investments	(363,768)	(31,184)	(394,952)
Gifts, bequests and donations	82,055	-	82,055
Other income	15,788	-	15,788
Interest and dividend income	4,144	-	4,144
Investment return designated for unrestricted	-	(72,700)	(72,700)
	<u>(261,781)</u>	<u>(103,884)</u>	<u>(365,665)</u>
Changes in net assets	(2,556,419)	(103,884)	(2,660,303)
Net asset funding from Funding Trust	2,500,000	-	2,500,000
Net assets, beginning of year	<u>5,947,485</u>	<u>1,239,564</u>	<u>7,187,049</u>
Net assets, end of year	<u>\$ 5,891,066</u>	<u>\$ 1,135,680</u>	<u>\$ 7,026,746</u>

**ARCHDIOCESE OF BOSTON CLERGY TRUST**  
**Regina Cleri Trust -**  
**Statement of Activities and Changes in Net Assets Available for Benefits**  
**For the year ended June 30, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>OPERATING REVENUE:</b>			
Room and board assessments	\$ 137,670	\$ -	\$ 137,670
Room and board for non-military	1,157,424	-	1,157,424
Miscellaneous income	5,468	-	5,468
	<u>1,300,562</u>	<u>-</u>	<u>1,300,562</u>
<b>OPERATING EXPENSES:</b>			
Salaries and related	2,588,034	-	2,588,034
Facility rental and related	246,148	-	246,148
Food, supplies and other	399,850	-	399,850
Utilities and communications	289,685	-	289,685
Contract labor	68,177	-	68,177
Repairs and maintenance	43,565	-	43,565
	<u>3,635,459</u>	<u>-</u>	<u>3,635,459</u>
Changes in net assets from operations	<u>(2,334,897)</u>	<u>-</u>	<u>(2,334,897)</u>
<b>NON-OPERATING ACTIVITY:</b>			
Net realized and unrealized gain on investments	484,742	8,779	493,521
Gifts, bequests and donations	112,549	-	112,549
Gain on extinguishment of debt	398,400	-	398,400
Interest and dividend income	42,485	-	42,485
Investment return designated for unrestricted	-	(79,189)	(79,189)
	<u>1,038,176</u>	<u>(70,410)</u>	<u>967,766</u>
Changes in net assets	(1,296,721)	(70,410)	(1,367,131)
Net asset funding from Funding Trust	500,000	-	500,000
Net assets, beginning of year	<u>6,744,206</u>	<u>1,309,974</u>	<u>8,054,180</u>
Net assets, end of year	<u>\$ 5,947,485</u>	<u>\$ 1,239,564</u>	<u>\$ 7,187,049</u>

THIS PAGE INTENTIONALLY LEFT BLANK



*The Clergy Trust team congratulates*

# Reverend Gerard Petringa

recipient of the 2022

## **St. Joseph Exemplar Opificum Award**

In honor of St. Joseph, this award recognizes the special efforts of those who have labored in the background on behalf of Clergy Trust for the priests of the Archdiocese of Boston.

Fr. Gerry has been a faithful leader throughout his 34 years of ministry. As one of the original board members of the Clergy Trust, his hard work was integral to laying the foundation for an organization whose sole mission is to care for our priests. His dedication, commitment, and advocacy have helped to ensure the health and well-being of his brother priests today and in the future.

Thank you for your dedication





 **clergytrust** healthier priests.  
stronger communities.

[clergytrust.org](http://clergytrust.org)