ARCHDIOCESE OF BOSTON

2022 Financial Report

Archdiocese of Boston Financial Report for the Year Ending June 30, 2022

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SECTION 1 – Chancellor's Annual Overview

John E. Straub, Chancellor

This Annual Financial Report presented for review includes the audited financial results of the Roman Catholic Archbishop of Boston, A Corporation Sole (RCAB) for the fiscal year ended June 30, 2022. This report, found in Section 3, provides the financial position, changes in net assets and cash flow of RCAB, fulfilling an ongoing commitment to financial transparency. These financial statements present the combined results of our 258 parishes, 48 schools, 42 cemeteries, central administrative activities and programs. That financial information and that of RCAB's related organizations can be found on the Archdiocesan website, www.bostoncatholic.org, by clicking on the "About" link at the top of the home page and then the "Annual Report" link.

In March 2020, when the initial impact of COVID-19 changed our world, Cardinal Seán announced the suspension of public Masses and issued a dispensation from the obligation to attend Mass. Parishes began to reopen in late May 2020 at a limited capacity. That limited capacity averaged approximately 40% through the majority of fiscal 2021. Our Catholic schools reopened with in person classes in September 2020, an incredible success. Our churches fully reopened on May 29, 2021 and Cardinal Seán reinstated the Mass obligation on June 19, 2021.

As we emerged from a COVID-19 world and back to a state of normalcy at the conclusion of fiscal 2021, we found that our journey to recovery would take both time and significant effort.

We continue to be very grateful for the willingness of pastors and parishioners to work together for the good of their faith communities. In certain instances, that requires parishes to make the difficult decision to merge in order to maintain and strengthen parish life.

We in Central Ministries remain vigilant in managing operating expenses at a level that recognizes revenue trends and the evolving needs of parishes, while maintaining our programs and evangelization efforts. Please find the fiscal 2022 financial highlights below. The Management's Discussion and Analysis of Financial Position and Results of Activities, found in Section 2, offers additional analysis.

FISCAL 2022 FINANCIAL HIGHLIGHTS

We continue to be extremely fortunate to have parishioners that have supplemented their normal giving and parishes that are carefully managing their spending. However, we also continue to be faced with new challenges that include a fragile economy.

Our parish challenges continue as we deal with the lasting effects of the pandemic, the reduction in the number of parishioners attending regular Sunday worship in our churches and the decline in the number of active priests. The need for collaboration among parishes will remain. From the on-going collaborative efforts, the remaining 47 collaboratives will be formed in June 2023. This includes a mixture of both single-parish and multi-parish collaboratives. Mergers and relegations will continue to happen in an organic and flexible way to right size the number of parishes needed to correspond to the number of priests and Catholics in the Archdiocese.

Our Catholic schools continued their success. In fiscal 2022, new principals were recruited who are not only strong from an academic standpoint, but are also forward thinkers and solid administratively. School leaders are focused on student families, understanding their needs and meeting their educational expectations. An investment in technology and data gathering has resulted in a heightened level of information sharing that has benefited our schools and their leaders. A significant investment in early childhood education was also made in fiscal 2022. Those initiatives contributed to an increase in enrollment for the year.

Corporation Sole operating income decreased from $15.7 million in fiscal 2021 to $7.2 million in fiscal 2022. Parish offertory collections increased in fiscal 2022, but they have yet to return to corresponding pre-COVID-19 levels. This presents a challenge as Parish, Life, Leadership and Evangelization expenses are approaching pre-COVID-19 levels. School tuition revenue increased due to an overall increase in headcount and the continuation of extended day programs. Those revenues exceeded pre-COVID-19 levels, which is impressive considering that seven schools were closed in fiscal 2020. Other revenue streams including contributions and bequests and parish fundraiser events also experienced increases in fiscal 2022. The change in the beneficial interest in The Catholic Community Fund of the Archdiocese of Boston, Inc. (CCF) decreased in fiscal 2022 compared to a positive change in fiscal 2021. This was primarily the result of negative investment conditions in fiscal 2022 and unrealized losses incurred.

Catholic Appeal revenues remained stable at $14.8 million for fiscal 2022 as compared to fiscal 2021 results. However, the $14.8 million total for fiscal year 2022 does fall short of the fiscal 2018 pre-COVID-19 total of $15.8 million.

Total operating expenses increased from $307.7 million in fiscal 2021 to $342.0 million in fiscal 2022, an increase of $34.3 million. An increase was realized in the Parish Life, Leadership and Evangelization line item primarily due to parishes being fully reopened for the entire fiscal year. Those expenses are approaching pre-COVID-19 expense levels, as noted above. An increase was also realized in the Catholic Education line item primarily due to increased enrollment and the full resumption of after school activities and extended day programs. Those expenses are also approaching pre-COVID-19 levels. However, tuition and fees now exceed pre-COVID-19 levels.

Nonoperating income, which includes transactions not driven by operations, decreased from $103.4 million in fiscal 2021 to a loss of $11.4 million in fiscal 2022. Nonoperating income was impacted by net realized and unrealized losses on investments of $40.9 million in fiscal 2022 as compared to a $33.5 gain in fiscal 2021, the result of negative investment conditions in fiscal 2022. The majority of those losses were unrealized and earned on investments held by parishes in our pooled investment programs. Gain on sale of land and buildings decreased $14.0 million. Property sales fluctuate from year to year. The majority of property sales are driven by parishes. Nonoperating income also includes gain on extinguishment of SBA PPP loans of $4.6 million in fiscal 2022 as compared to a $33.5 million gain in fiscal 2021. The bulk of the loan forgiveness was realized in fiscal 2021.

Nonoperating expenses include $2.4 million expended to administer abuse prevention efforts and fund outreach to promote healing and reconciliation among survivors and others harmed by sexual abuse.

The impact of the operating and nonoperating income and expenses above resulted in a $4.2 million or 0.50% decrease in net assets. The Combined Statement of Activities further explains the changes in net assets.

The accrued clergy pension and post retirement obligations of $27.4 million, $34.6 million in debt owed to St. John's Seminary and the $21.8 million net unfunded liability of the lay pension plan related to RCAB continue to represent the significant long-term liabilities.

BEST PRACTICES AND INTERNAL CONTROLS FOR PARISHES AND AFFILIATED ORGANIZATIONS

The Archdiocese follows generally accepted accounting principles (GAAP) and the Archdiocesan financial statements are prepared on an accrual basis of accounting. To provide the Archdiocese with reasonable assurance that its financial resources are safeguarded against waste, loss and misuse, and that reliable accounting and financial data are timely, complete, relevant, accurate and fairly disclosed in reports, the Archdiocese has in place a system of internal controls. These internal controls provide the Archdiocese with financial and accounting records from which financial statements are prepared. The Archdiocese's accounting, finance and internal audit functions maintain oversight of the key areas of the Archdiocesan business and financial processes and controls. In addition, the Archdiocese's Finance Council's Audit Committee plays an important role in the oversight of the internal control structure. This committee meets with senior staff of the Archdiocese and has regular communication with the Archdiocese's independent certified public accountants, Grant Thornton, LLP.

Management continually reviews the Archdiocese's internal controls and procedures and believes that existing controls and procedures provide reasonable assurance as to the integrity and accuracy of the financial statements, in all material respects. The concept of reasonable assurance is based on management's assessment of financial risk as well as the recognition that the cost of controls should not exceed the relative benefit of such controls and requires estimates and judgment by management.

FINANCIAL SYSTEMS

In January 2019, Corporation Sole began the migration to Sage Intacct, a cloud based financial software. Central Ministries was implemented successfully in that month. A plan was devised to roll out Sage Intacct to our parishes, schools and cemeteries in phases in order to provide necessary preparation time, required training and to ensure success. While COVID-19 has slowed the process, the implementation will be complete at the close of fiscal 2023. At that point, approximately 350 entities will have migrated to Intacct. The organization wide implementation of Intacct provides many benefits including a standardized chart of accounts, robust reporting, cost allocation capability, a streamlined year end consolidation process and enhanced security including two factor authentication. It also provides improved visibility to vendors on a consolidated basis, which will allow us to better identify and pursue opportunities for volume cost savings. We thank our Pastors, Administrators and Finance & Operations Managers for their cooperation and support throughout this process.

On October 1, 2022, the Corporation Sole entities transitioned to Paylocity, our new payroll provider. Paylocity, founded in 1997, is listed on the NASDAQ and has over 4,100 employees and over 28,000 clients. They have a Diocese/Archdiocese service model and are very familiar with religious organizations. Paylocity offers a fully integrated system that includes Time & Attendance, Employee Self-Service, robust reporting and enhanced security. Feedback from our Finance & Operations Managers has been very positive to date. Again, we thank them for their cooperation and support throughout the implementation process.

CONCLUSION

Fiscal year 2022 was a year of transition. Immediate financial challenges remain and we have a number of initiatives underway to address those challenges.

We are enormously grateful to all of the clergy, religious and laity who assist Cardinal Seán and his leadership team by serving on committees and councils across the Archdiocese of Boston and assist the financial management team, including Cardinal Seán’s Cabinet and the Finance Council and its subcommittees.

John E. Straub, Chancellor
Secretary for Financial and Administrative Services

SECTION 2 – Management's Discussion and Analysis of Financial Position and Results of Activities

Discussion & Analysis of the Financial Statements

The following discussion and analysis should be read in conjunction with the Chancellor's Annual Overview presented in Section 1 and the fiscal year 2022 financial statements and report of independent certified public accountants contained in Section 3 of this financial report. The Chancellor's Annual Overview includes the fiscal 2022 financial highlights. Dollar amounts are presented in this Section 2 in millions for ease of viewing the graphical information. Dollar amounts in the financial statements are presented in thousands.

Introduction

The Roman Catholic Archbishop of Boston, A Corporation Sole (the "Corporation Sole"), is a legal entity created under Massachusetts civil law in 1897 to provide the Roman Catholic Archbishop of Boston with a means to operate within the public statutes of the Commonwealth of Massachusetts. The Corporation Sole, as an entity, is distinguishable from the Roman Catholic Archbishop of Boston whose powers and responsibilities are established by Canon Law.

The combined financial statements of the Corporation Sole include the results of the activities of the 258 parishes, 48 schools and 42 cemeteries located within the Archdiocese along with the central administrative activities and programs of the Archdiocese including Central Operations, Self-Insurance, the Revolving Loan Fund and Parish Reconfiguration. The financial statements include the net unfunded liabilities of the Clergy Retirement Trust, the Clergy Medical/Hospitalization Trust, the Clergy Benefit Funding Trust and the Regina Cleri Trust (collectively, the Archdiocese of Boston Clergy Trust ("CT")). It should be noted that the financial activities of the CT, other than the net unfunded liabilities, are not included in the Corporation Sole financial statements.

The Revolving Loan Fund noted above provides parishes, as well as parish schools and other Catholic organizations operating under the auspices of the Archdiocese, with savings and loan services. The Revolving Loan Fund also provides a vehicle through which parishes, parish schools and other institutions within the Archdiocese can aggregate funds to earn interest. It should be noted that loans to parishes, parish schools and central operations are eliminated in consolidation.

The Archbishop of Boston, by virtue of his office, serves as chairman or president of numerous separately incorporated Catholic organizations that operate within the Archdiocese of Boston. While these organizations are considered to be related organizations of the Corporation Sole, they are not under the direct control of the Corporation Sole and, accordingly, their financial activities are not presented as part of the Corporation Sole's financial statements. In addition, the net unfunded liability and activities of the lay pension plan, which operates under a separate trust, are not required to be and therefore are not presented as part of the Corporation Sole financial statements because other Catholic organizations participate in this plan. The listing of the related organizations that operate within the Archdiocese of Boston is included in Section 6 of this financial report. The financial information of those related organizations can be found on the Archdiocesan website, www.bostoncatholic.org, by clicking on the “About” link at the top of the home page and then clicking “Annual Report”.

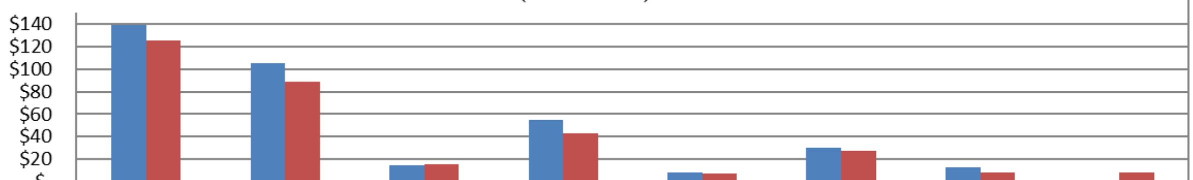
Key Discussion Points

1) Operating Activities-Revenues

Overall, total operating revenues increased from $323.4 million in fiscal 2021 to $349.1 million in fiscal 2022, a $25.7 million or 7.9% increase. Eliminating the negative year over year change in the interest of a foundation of $23.1 million results in a total operating revenue increase of $48.8 million or 15.53% increase. The change in interest of a foundation increases when investment conditions are positive and can decline when investment conditions are negative.

The table below summarizes the comparable revenues, gains and other support for fiscal 2022 and 2021.

Corporation Sole
Revenue & Other Support Categories
(in millions)



	Parish collections and other fundraising	Tuition and fees	Catholic Appeal	Gifts, grants and bequests	Investment income	Rental and revenue from services provided including parish cemetery operations	Other revenues	Change in interest of a foundation
2022	$138.9	$105.4	$14.8	$54.9	$7.7	$29.9	$12.4	$(14.9)
2021	$125.4	$88.8	$15.0	$42.9	$7.2	$27.7	$8.2	$8.2

Parish collections and other fundraising revenues increased from $125.4 million in fiscal 2021 to $138.9 million in fiscal 2022, a $13.5 million or 10.8% increase. Those revenues include parish offertory collections, the Clergy Benefit Trust collections, other special collections, parish fundraiser events and sacramental offerings.

Parish offertory collections increased from $102.5 million in fiscal 2021 to $108.7 million in fiscal 2022, a $6.2 million or 6.0% increase. The fiscal year increase can be directly attributed to churches being fully reopened for the entire fiscal year and increased online giving.

The collections to benefit the clergy and other special collections increased from $9.6 million to $11.4 million, a $1.8 million or 18.8% increase. This can be also be attributed to churches being fully reopened for the entire fiscal year, resulting in increased attendance at the Christmas and Easter Masses.

Parish fundraiser events and sacramental offerings increased from $13.3 million in fiscal 2021 to $18.8 million in fiscal 2022, a $5.5 million or 41.3% increase. Parish fundraiser events include various events including bingo, galas and golf tournaments. Sacramental offerings include baptisms, weddings and funerals. Parish fundraiser events increased $4.0 million in fiscal 2022 as compared to fiscal 2021. Sacramental offerings increased $1.5 million, which coincided with church reopenings.

Tuition and fees increased from $88.8 million in fiscal 2021 to $105.4 million in fiscal 2022, a $16.6 million or 18.7% increase. A significant portion of the increase, $10.0 million, is attributed to an increase in enrollment and tuition increases. The continuation of extended day programs resulted in a $5.4 million increase in revenues.

The Catholic Appeal decreased from $15.0 million in fiscal 2021 to $14.8 million in fiscal 2022, a $0.2 million or 1.3% decrease. Typically, the Catholic Appeal in-pew solicitation launches in March each year and the majority of in-pew gifts are recognized in that fiscal year. Due to church closures as the result of COVID-19, the March 2020 in-pew solicitation campaign was not launched until August 2020. Consequently, in-pew gifts that would typically have been received in fiscal 2020 were received in fiscal 2021. The Appeal averaged $13.4 million in fiscal years 2020 and 2021. Comparing the fiscal 2022 Appeal of $14.8 million to the fiscal 2020 and fiscal 2021 average, results in a $1.4 million or 10.5% increase. The fiscal 2022 Appeal approaches pre-pandemic levels.

Gifts, grants and bequest income increased from $42.9 million in fiscal 2021 to $54.9 million in fiscal 2022, an $12.0 million or 28.0% increase. Several parishes and Central Ministries experienced an increase in bequest income and other donations as compared to the prior fiscal year.

Investment income remained stable at $7.7 million in fiscal 2022 and $7.2 million in fiscal 2021. Investment income includes the yield from the Fixed Income Fund, Income Opportunity Fund, other investments and the 1% quarterly distribution made from the Common Investment Fund to its members (primarily parishes). Investment income excludes realized and unrealized gains and losses, which are a component of nonoperating income.

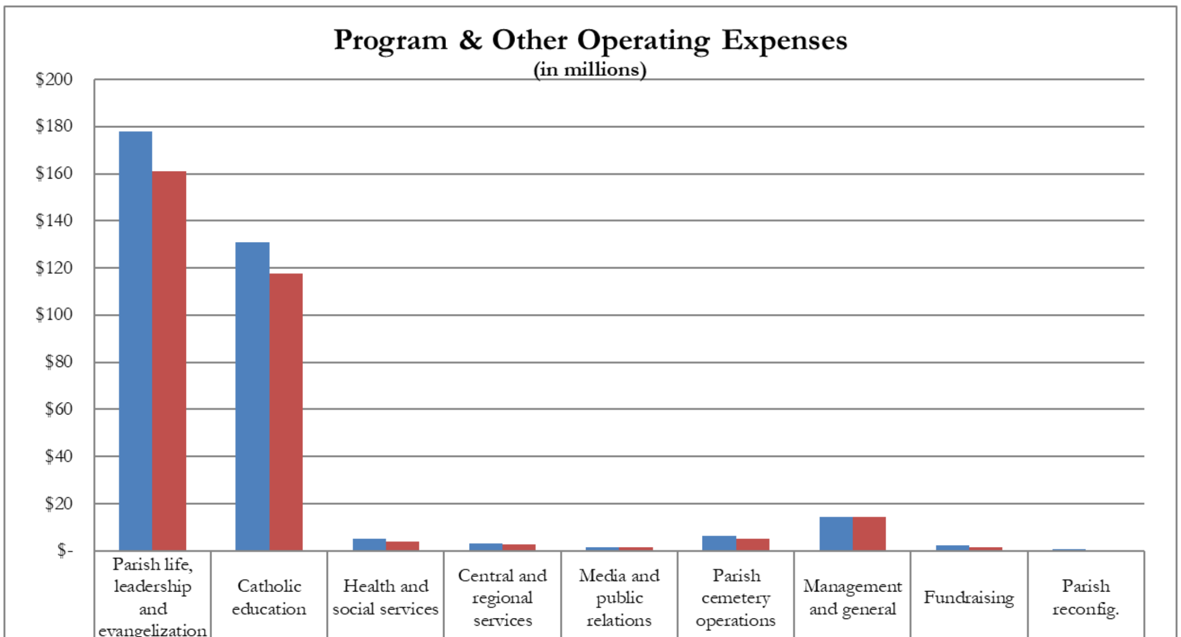
Rental income and revenue from services provided increased from $27.7 million in fiscal 2021 to $29.9 million in fiscal 2022, a $2.2 million or 7.9% increase. The increase is due to new leases of parish and school properties resulting in growth of rental income.

Other revenues increased $4.2 million or 51.2% from $8.2 million in fiscal 2021 to $12.4 million in fiscal 2022. Other revenues consist primarily of all parish and school revenue that does not fall into other categories and are generated from a variety of sources including youth/adult ministries, athletic events, school cafeteria sales and candle and flower donations. That increase can also be attributed to church reopenings and resumption of after school activities.

The change in interest in net assets of a foundation, which represents the Corporation Sole's interest in The Catholic Community Fund of the Archdiocese of Boston, Inc. (The Catholic Community Fund), a separate but related entity, decreased by $23.1 million or 281.7% from a positive change of $8.2 million in fiscal 2021 to a negative change of $14.9 million in fiscal 2022. The fiscal 2022 decrease is largely attributable to net investment income and market losses totaling $11.4 million. For fiscal 2022, contributions totaled $5.4 million, net investment earnings and market loss totaled $11.4 million and distributions totaled $8.9 million. Included in those totals are capital campaign contributions of $1.4 million and capital campaign distributions of $6.7 million. Distributions totaled $5.5 million to our parishes and parish schools and $1.2 to Central Ministries to fund various initiatives.

2) Operating Activities-Expenses

Overall operating expenses increased from $307.7 million in fiscal 2021 to $342.0 million in fiscal 2022, a $34.3 million or 11.1% increase. The composition of Corporation Sole's program and other expenses, which are incurred primarily at the parish level, includes the following:



	Parish life, leadership and evangelization	Catholic education	Health and social services	Central and regional services	Media and public relations	Parish cemetery operations	Management and general	Fundraising	Parish reconfig.
2022	$178.0	$130.9	$5.0	$2.9	$1.6	$6.2	$14.5	$2.4	$0.5
2021	$160.9	$117.6	$3.7	$2.8	$1.5	$5.1	$14.2	$1.6	$0.3

Parish life, leadership and evangelization expense increased from $160.9 million in fiscal 2021 to $178.0 million in fiscal 2022, a $17.1 million or 10.6% increase. The increase includes a $5.0 million increase in parish compensation and benefits that can be attributed to cost of living increases and the impact of churches being fully reopened including the increased need for musicians, cantors and program staff. Pastoral and liturgical expenses also increased $3.0 million, which includes altar supplies, missalettes, youth and adult programs, youth athletics and other program activities. Facilities expense increased $3.5 million, which includes repairs and maintenance, landscaping, snow removal and utilities. Utilities increased $2.3 million due to increases in electricity rates and heating fuel costs. Office, household, travel/conference and other miscellaneous expenses also increased a combined $1.9 million. Those expenses were previously directly impacted by the closure or limited use caused by COVID-19. Fiscal 2022 also included a special collections distribution of $0.9 million that occurs every five years.

Catholic education expense increased from $117.6 million in fiscal 2021 to $130.9 million in fiscal 2022, a $13.3 million or 11.3% increase. The increase includes an $8.1 million increase in compensation and benefits. This includes cost of living increases for teachers and compensation and benefits for new hires related to extended day program staffing. Program activity expense increased $1.8m due to the resumption of programs that were previously suspended due to COVID-19 and an increased enrollment. Cafeteria expense increased $0.9 million due to post COVID-19 impact and an increased enrollment. Facilities expense also increased $1.9 million. That was impacted by increases in electricity rates, heating fuel costs, snow removal and general maintenance.

Health and social services increased from $3.7 million to $5.0 million in fiscal 2022, a $1.3 million or 35.1% increase. This change includes increases in expenses for Fidelity House – Arlington and Cor Unum Meal Center – Lawrence. The increases coincide with post-pandemic reopenings.

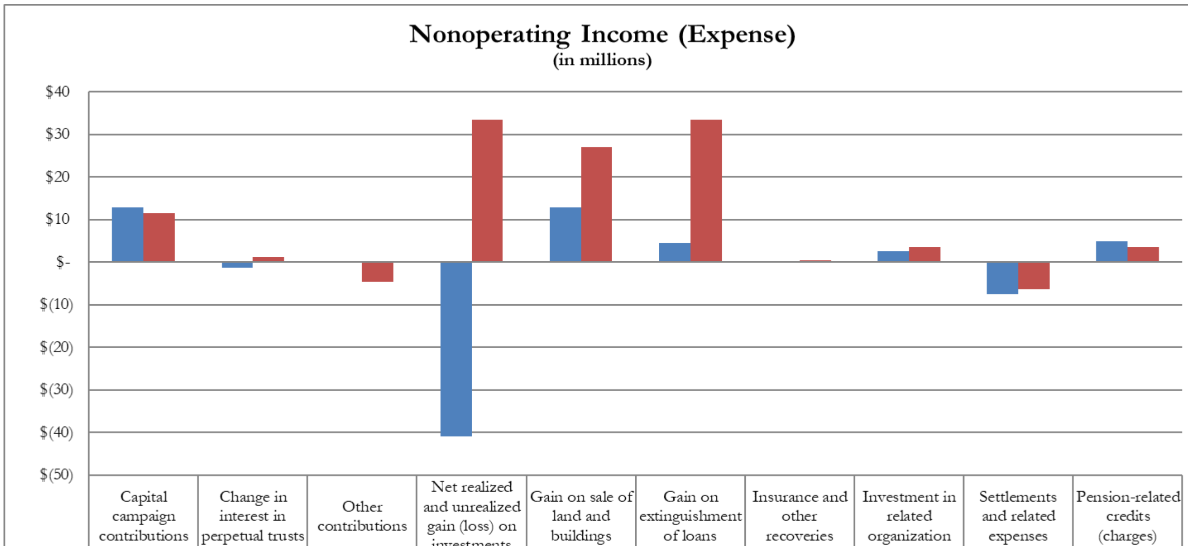
Central and Regional Services, Media and Public Relations and Management and General expenses remained stable year over year.

Cemetery operations increased from $5.1 million to $6.2 million in fiscal 2022, a $1.1 million or 21.6% increase. The majority of the increase relates to an increase in facilities maintenance expense.

Fundraising expense increased from $1.6 million in fiscal 2021 to $2.4 million in fiscal 2022, a $0.8 million or 50.0% increase. A portion of the increase relates to staffing transition for Boston Catholic Development Services, Inc. (BCDS) in fiscal 2022. Fiscal 2021 included a reduction in expense of approximately $0.4 million due to the impact of SBA PPP funds.

Parish reconfiguration expense increased from $0.3 million in fiscal 2021 to $0.5 million in fiscal 2022, a $0.2 million or 66.7% increase. These expenses related to property management, maintenance, insurance, utilities, real estate taxes and other expenses related to the remaining properties. These costs fluctuate from year to year.

3) Nonoperating Income (Expense)



	Capital campaign contributions	Change in interest in perpetual trusts	Other contributions	Net realized and unrealized gain (loss) on investments	Gain on sale of land and buildings	Gain on extinguishment of loans	Insurance and other recoveries	Investment in related organization	Settlements and related expenses	Pension-related credits (charges)
2022	$12.9	$(1.4)	$0.3	$(40.9)	$12.9	$4.6	$0.3	$2.5	$(7.6)	$5.0
2021	$11.6	$1.3	$(4.7)	$33.5	$27.0	$33.5	$0.4	$3.6	$(6.4)	$3.6

Capital campaign contributions increased from $11.6 million in fiscal 2021 to $12.9 million in fiscal 2022, a $1.3 million or 11.2% increase. This is the result of new capital campaign activity at St. Catherine Parish – Norwood, St. Margaret-Mary Parish – Westwood and St. Paul Parish – Cambridge.

Change in interest in perpetual trusts decreased from a gain of $1.3 million in fiscal 2021 to a loss of $1.4 million in fiscal 2022, a $2.7 million change year over year. The decrease is attributed to negative investment conditions in fiscal 2022.

Other contributions totaled $4.7 million in fiscal 2021. This is attributed to the Central Ministries $4.4 million contribution to the Inspiring Hope capital campaign in fiscal 2021. This is not a reoccurring item.

Fiscal 2022 included net realized and unrealized loss on investments of $40.9 million vs. a $33.5 million gain in fiscal 2021, resulting in a $74.4 million negative change year over year. The majority of those losses were unrealized and relate to investments held by parishes. The decrease in total return reflected negative investment conditions during fiscal year 2022. The net realized and unrealized gain on investments can fluctuate significantly from year to year due to market volatility. Investments in the Common Investment Fund experienced a -18.3 % return in fiscal 2022 primarily related to global equity market and manager performance, fueled by an overweighted allocation to equities throughout the year. Investments in the Fixed Income Fund experienced a -2.4% return in fiscal 2022 due to the rising interest rate environment. Amounts invested in the Income Opportunity Fund, which holds a combination of fixed income and more conservative equities positions, experienced a -8.8% return in fiscal 2022.

The gain on sale of land and buildings decreased from $27.0 million in fiscal 2021 to $12.9 million in fiscal 2022, a $14.1 million or 52.2% decrease. Fiscal 2022 significant sales included the $3.1 million St. Oscar Romero – Canton sale, the $1.9 million St. Francis Xavier – South Weymouth sale, the $1.8 million St. Mary – Waltham sale and the $1.4 million John Paul II Divine Mercy Shrine – Salem sale. The majority of property sales are driven by parishes and include the sales of surplus land and buildings no longer in use. Sales volume tends to fluctuate year to year. Net parish property sale proceeds remain with the parishes.

Gain on extinguishment of loans totaled $4.6 million and $33.5 million in fiscal 2022 and fiscal 2021, respectively. This represents 46 Small Business Association (SBA) Paycheck Protection Program forgiven in fiscal 2022 and 300 loans forgiven in fiscal 2021.

Insurance and other recoveries decreased from $0.4 million in fiscal 2021 to $0.3 million in fiscal 2022, a $0.1 million or 25.0% decrease. Insurance recoveries vary from year to year due to fluctuations in claim volume and dollar amount.

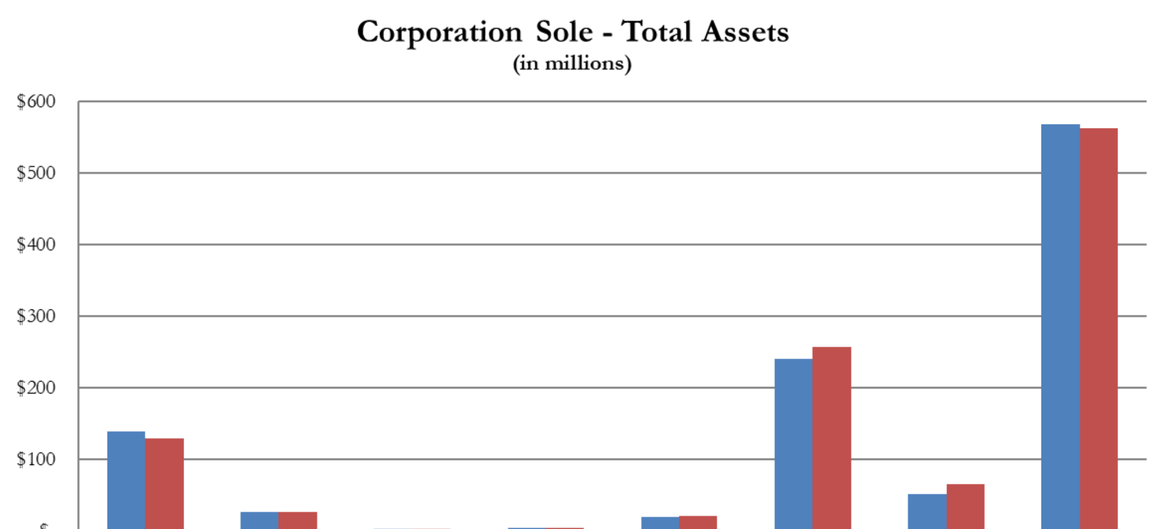
Investment in related organization decreased from $3.6 million in fiscal 2021 to $2.5 million in fiscal 2022, a $1.1 million or 30.6% decrease. This represents the fiscal 2022 investment gain related to the Corporation Sole’s equity interest in Fides Insurance Group, Inc.

Settlement and related expenses increased from $6.4 million in fiscal 2021 to $7.6 million in fiscal 2022, a $1.2 million or 18.7% increase. This is attributed to an increase in the reserve for losses related to abuse settlements in fiscal 2022. This was offset by a decrease in sexual abuse claim settlements from 46 in fiscal 2021 to 20 in fiscal 2022. The continued impact of COVID-19 delayed the processing of claims in the early part of fiscal 2022 resulting in fewer claims being settled in fiscal 2022.

Fiscal 2022 included a clergy pension actuarially determined gain of $5.0 million vs. a $3.6 million gain in fiscal 2021, resulting in a $1.4 million or 38.9% increase. The year over year change is primarily due to the increase in the discount rate partially offset by actual returns less than the assumed rate of return.

4) Assets

Total assets decreased from $1.069 billion in fiscal 2021 to $1.052 billion in fiscal 2022, a $16.7 million or 1.6% decrease.



	Cash and cash equivalents	Prepaid expenses and other assets	Accounts receivable, net	Contributions receivable, net	Loans and notes receivable, net	Investments	Interest in net assets of a foundation	Land, buildings and equipment, net
2022	$138.3	$26.4	$2.9	$4.5	$20.3	$240.3	$51.0	$568.5
2021	$129.3	$26.2	$3.4	$4.6	$21.4	$256.3	$65.9	$561.8

Explanation of changes - Fiscal 2022 versus Fiscal 2021

Cash and cash equivalents increased from $129.3 million in fiscal 2021 to $138.3 million in fiscal 2022, a $9.0 million or 7.0% increase. Parish, Central Operations, Self-Insurance and Parish Reconfiguration operating cash and cash equivalents remained stable. Revolving Loan Fund (RLF) cash and cash equivalents increased $6.8 million in part due to property sale proceeds deposits. The majority of cash and cash equivalents are the financial assets of the parishes and parish schools.

Prepaid expenses and other assets remained consistent at $26.4 million in fiscal 2022 vs. $26.2 million for fiscal 2021.

Accounts receivable decreased from $3.4 million in fiscal 2021 to $2.9 million in fiscal 2022, a $0.5 million or 14.7% decrease. This is primarily attributed to a decrease in school tuition receivable.

Contributions receivable, net remained consistent at $4.5 million in fiscal 2022 vs. $4.6 million in fiscal year 2022.

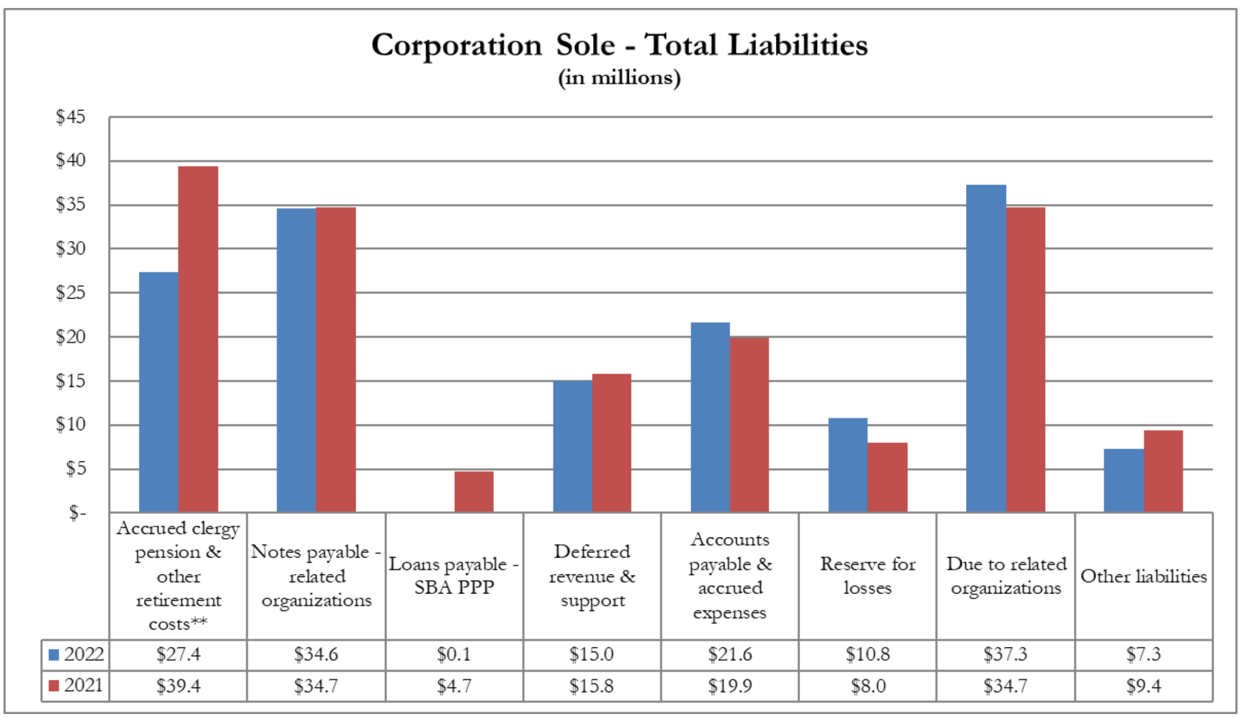
Loans and notes receivable decreased from $21.4 million in fiscal 2021 to $20.3 million in fiscal 2022, a $1.1 million or 5.1% decrease. This is largely attributed to normal loan payment activity.

Investments decreased from $256.3 million in fiscal 2021 to $240.3 million in fiscal 2022, a $16.0 million or 6.2% decrease. Activity included investment purchases of $33.4 million, sales of $8.5 million and net realized and unrealized losses of $40.9 million (previously discussed in the Nonoperating Income section above).

The interest in net assets of a foundation decreased from $65.9 million in fiscal 2021 to $51.0 million in fiscal 2022, a $14.9 million or 22.6% decrease. The decrease can be primarily attributed to a decrease in investment income, market losses and capital campaign activity, which included contributions of $5.4 million offset by distributions of $8.9 million (previously discussed in the Operating Activities – Revenues section above).

5) Liabilities

Total liabilities decreased from $166.6 million in fiscal 2021 to $154.1 million in fiscal 2022, a $12.5 million or 7.5% decrease.



**In accordance with US GAAP, liabilities do not include the net unfunded liability of the lay pension plan in the amount of $23.9 million and $4.0 million at June 30, 2022 and 2021, respectively.

Explanation of changes - Fiscal 2022 versus Fiscal 2021

Accrued clergy pension and other retirement costs decreased from $39.4 million in fiscal 2021 to $27.4 million in fiscal 2022, a $12.0 million or 30.5% decrease. The overall decrease in the net unfunded liability is primarily attributable to the increase in the discount rate partially offset by the decrease in CT net assets driven by unrealized investment losses.

As noted in the introduction, the net unfunded liability of the lay pension plan, which operates under a separate trust as a multi-employer plan, is not required to be and therefore is not included in the Corporation Sole's liabilities because other Catholic organizations participate in the plan. The unfunded liability was $23.9 million and $4.0 million at June 30, 2022 and 2021, respectively. The increase in the unfunded liability can be attributed to negative investment conditions in fiscal 2022.

Notes payable – related organizations totaled $34.6 million and $34.7 million for fiscal 2022 and fiscal 2021, respectively. This represents the note payable balance due to St. John's Seminary.

Loan payable – SBA Paychecks Protection Program decreased from $4.7 million in fiscal 2021 to $0.1 million in fiscal 2022, a $4.6 million or 97.8% decrease. As noted above, SBA Paychecks Protection Program loans of $4.6 million and $33.5 million were forgiven in fiscal 2022 and 2021, respectively. The $0.1 million balance represents one remaining loan outstanding at June 30, 2022. We expect the remaining loan to be resolved in fiscal 2023.

Deferred revenue and support decreased from $15.8 million in fiscal 2021 to $15.0 million in fiscal 2022, a $0.8 million or 5.1% decrease. This decrease is due to fewer school tuition agreements being finalized for the 2022/2023 school year prior to the close of fiscal 2022.

Accounts payable and accrued expenses remained consistent at $21.6 million in fiscal 2022 vs. $19.9 million in fiscal 2021.

Reserve for losses increased from $8.0 million in fiscal 2021 to $10.8 million in fiscal 2022, a $2.8 million or 35.0% increase. The reserve for estimated future clergy misconduct claim settlements increased from $7.7 million in fiscal 2021 to $10.6 million in fiscal 2022, a $2.9 million or 37.7% increase. The increase was driven by the updated actuarial review, which resulted in an increase in projected claims due to the number of reported claims relating to historical occurrences exceeding previous projections. The reserve for self-insurance losses decreased from $0.3 million in fiscal 2021 to $0.2 million in fiscal 2022, a $0.1 million or 33.3% decrease. The decrease is driven by the transition of liability coverages to Fides Insurance Group, Inc., a captive insurance company domiciled in Vermont, which is a related organization and a related reduction in historical reserves.

Amounts due to related organizations increased from $34.7 million in fiscal 2021 to $37.3 million in fiscal 2022, a $2.6 million or 7.5% increase. The increase is primarily due to an increase in Revolving Loan Fund savings deposits held by related entities.

Other liabilities decreased from $9.4 million in fiscal 2021 to $7.3 million in fiscal 2022, a $2.1 million or 22.3% decrease. This change was due to a decrease in other parish liabilities of $1.1 million and principal payments on the five-year $5.0 million unsecured note payable of $1.0 million.

The Corporation Sole maintains a $10.0 million unsecured line of credit agreement at the bank's prime rate minus 1.3% (3.45% at June 30, 2022) to support Central Ministries activities. The agreement requires that the line of credit is paid down to a zero balance for at least thirty consecutive days annually. There were no borrowings on the line during the fiscal year.

On February 11, 2020, the Corporation Sole entered into a secured line of credit agreement with a bank to also support Central Ministries activities, which allows for borrowings up to $8.0 million at the bank's prime rate minus 0.75%. Loan advances are capped at 50% of the value of pledged real estate owned by Central Ministries. Advances are secured by a first mortgage plus assignment of leases and rents on pledged real estate. The rate was 4.0% at June 30, 2022. There were no borrowings on the line during the fiscal year.

6) Ongoing Survivor Care and Related Costs

In fiscal 2022, the Archdiocese of Boston expended a total of $4.0 million associated with ongoing survivor care and related costs. Those costs include the funding of outreach to promote healing and reconciliation among survivors and others harmed by sexual abuse and administering abuse prevention efforts. It also includes the settlement of claims arising from sexual abuse. The $4.0 million expended in total for fiscal 2022 is detailed below:

> $2.2 million was expended to administer abuse prevention efforts and fund outreach to promote healing and reconciliation among survivors and others harmed by sexual abuse. This includes the expenses incurred by two principal offices of the Archdiocese: the Office of Child Advocacy, Implementation, and Oversight (which oversees abuse prevention training) and the Office of Pastoral Support and Outreach (which administers the program of the Archdiocese to fund therapy and related services to survivors of abuse).
>
> $1.1 million was expended by the Archdiocese (net of insurance and other recoveries of $0.3 million) to settle claims arising from sexual abuse, representing payments on 20 claims. An additional $0.7 million in legal and other fees were incurred to facilitate the settlement of those claims. Please see note 10 of the fiscal 2022 financial statements for additional information.

Combined Financial Statements and Report of Independent Certified Public Accountants

Roman Catholic Archbishop of Boston, A Corporation Sole

June 30, 2022 and 2021

Contents

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

His Eminence
Cardinal Sean Patrick O'Malley, O.F.M. Cap.

Opinion
We have audited the accompanying combined financial statements of the Roman Catholic Archbishop of Boston, a Corporation Sole (the "Corporation Sole"), which comprise the combined statements of financial position as of June 30, 2022 and June 30, 2021, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Corporation Sole as of June 30, 2022 and June 30, 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion
We conducted our audits of the 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 Financial Statements section of our report. We are required to be independent of the Corporation Sole and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements
Management is responsible for the preparation and fair presentation of the 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 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 Corporation Sole's ability to continue as a going concern for one year after the date the financial statements are issued.

Auditor's responsibilities for the audit of the 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 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 Corporation Sole'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 Corporation Sole'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.

Grant Thornton LLP

Boston, Massachusetts
December 22, 2022

Roman Catholic Archbishop of Boston,
A Corporation Sole

COMBINED STATEMENTS OF FINANCIAL POSITION

June 30,
(Dollars in thousands)

	2022	2021
ASSETS		
Cash and cash equivalents		
Parish operations	$ 109,339	$ 108,382
Revolving loan fund	16,445	9,692
Central operations	10,842	9,674
Insurance operations	1,592	1,439
Parish reconfiguration	71	70
Total cash and cash equivalents	138,289	129,257
Interest and dividends receivable, net	1,679	1,592
Prepaid expenses and other assets	24,849	24,609
Accounts receivable, net	2,897	3,437
Contributions receivable, net (Note 4)	4,478	4,630
Loans and notes receivable, net (Note 4)	20,266	21,362
Land and buildings held for sale (Note 6)	2,950	785
Investments (note 5)	240,306	256,326
Interest in net assets of a foundation (Note 9)	51,025	65,907
Land, buildings and equipment, net (Note 6)	565,465	561,021
Total assets	$ 1,052,204	$ 1,068,926
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	$ 21,550	$ 19,857
Agency obligations	2,148	2,064
Reserves for losses (Note 10)	10,831	8,047
Due to related organizations	37,288	34,694
Deferred revenue and support	15,039	15,783
Accrued pension and other post-retirement benefits (Note 13)	27,425	39,433
Other liabilities	5,173	7,339
Loans payable - Small Business Administration Paycheck Protection Program (Note 7)	33	4,662
Notes payable - related organizations (Note 7)	34,616	34,730
Total liabilities	154,103	166,609
Commitments and contingencies (Note 11)		
Net assets		
Net assets without donor restrictions	767,977	759,769
Net assets with donor restrictions (Note 8)	130,124	142,548
Total net assets	898,101	902,317
Total liabilities and net assets	$ 1,052,204	$ 1,068,926

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

Roman Catholic Archbishop of Boston,
A Corporation Sole

COMBINED STATEMENTS OF ACTIVITIES

For the year ended June 30, 2022 (with summarized comparative total information for the year ended June 30, 2021)
(Dollars in thousands)

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2022 Total	2021 Total
Revenues and other support				
Collections	$ 108,897	$ 1,485	$ 110,382	$ 103,782
Collections - clergy benefits	-	9,714	9,714	8,349
Catholic Appeal	14,272	525	14,797	15,014
Contributions and bequests	44,647	10,225	54,872	42,852
Parish fundraiser events, net	9,937	-	9,937	5,906
Tuition and fees	105,369	-	105,369	88,841
Investment income	6,788	898	7,686	7,149
Rental income	19,667	-	19,667	18,194
Cemetery operations	5,367	-	5,367	4,984
Revenue from services provided (Note 14)	4,882	-	4,882	4,475
Sacramental offerings	8,949	-	8,949	7,442
Other revenues	12,350	31	12,381	8,229
Change in interest in net assets of a foundation	5	(14,887)	(14,882)	8,221
Net assets released from restrictions and reclassifications (Note 8)	25,914	(25,914)	-	-
Total revenues and other support	367,044	(17,923)	349,121	323,438
Expenses				
Program:				
Parish life and leadership and evangelization	178,026	-	178,026	160,914
Catholic education	130,928	-	130,928	117,554
Health and social services	4,956	-	4,956	3,743
Central and regional services	2,901	-	2,901	2,846
Media and public relations	1,625	-	1,625	1,538
Cemetery operations	6,199	-	6,199	5,064
Total program expenses	324,635	-	324,635	291,659
Management and general	14,493	-	14,493	14,173
Fundraising (Note 14)	2,383	-	2,383	1,613
Parish reconfiguration (Note 6)	457	-	457	303
Total expenses	341,968	-	341,968	307,748
Operating income (loss)	25,076	(17,923)	7,153	15,690
Non-operating income (loss)				
Capital campaign contributions	-	12,919	12,919	11,620
Change in interest in perpetual trusts	-	(1,453)	(1,453)	1,301
Other contributions	319	-	319	(4,665)
Net assets released from restrictions (Note 8)	1,806	(1,806)	-	-
Net realized and unrealized gain (loss) on investments	(36,742)	(4,161)	(40,903)	33,531
Gain on sale of land and buildings	12,943	-	12,943	26,960
Gain on extinguishment of loans (Note 7)	4,629	-	4,629	33,528
Insurance and other recoveries	299	-	299	414
Investment in related organization (Note 14)	2,506	-	2,506	3,586
Settlements and related expenses	(7,604)	-	(7,604)	(6,463)
Pension-related credits (charges) other than periodic pension costs	4,976	-	4,976	3,610
Non-operating (loss) income	(16,868)	5,499	(11,369)	103,422
CHANGE IN NET ASSETS	8,208	(12,424)	(4,216)	119,112
Net assets at beginning of year	759,769	142,548	902,317	783,205
Net assets at end of year	$ 767,977	$ 130,124	$ 898,101	$ 902,317

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

Roman Catholic Archbishop of Boston,
A Corporation Sole

COMBINED STATEMENTS OF ACTIVITIES

For the year ended June 30, 2021
(Dollars in thousands)

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2021 Total
Revenues and other support			
Collections	$ 102,576	$ 1,206	$ 103,782
Collections - clergy benefits	-	8,349	8,349
Catholic Appeal	14,428	586	15,014
Contributions and bequests	31,960	10,892	42,852
Parish fundraiser events, net	5,906	-	5,906
Tuition and fees	88,841	-	88,841
Investment income	6,368	781	7,149
Rental income	18,194	-	18,194
Cemetery operations	4,984	-	4,984
Revenue from services provided (Note 14)	4,475	-	4,475
Sacramental offerings	7,442	-	7,442
Other revenues	8,229	-	8,229
Change in interest in net assets of a foundation	-	8,221	8,221
Net assets released from restrictions and reclassifications (Note 8)	22,974	(22,974)	-
Total revenues and other support	316,377	7,061	323,438
Expenses			
Program:			
Parish life and leadership and evangelization	160,914	-	160,914
Catholic education	117,554	-	117,554
Health and social services	3,743	-	3,743
Central and regional services	2,846	-	2,846
Media and public relations	1,538	-	1,538
Cemetery operations	5,064	-	5,064
Total program expenses	291,659	-	291,659
Management and general	14,173	-	14,173
Fundraising (Note 14)	1,613	-	1,613
Parish reconfiguration (Note 6)	303	-	303
Total expenses	307,748	-	307,748
Operating income (loss)	8,629	7,061	15,690
Non-operating income (loss)			
Capital campaign contributions	-	11,620	11,620
Change in interest in perpetual trusts	-	1,301	1,301
Other contributions	(4,665)	-	(4,665)
Net assets released from restrictions (Note 8)	5,741	(5,741)	-
Net realized and unrealized gain (loss) on investments	29,559	3,972	33,531
Gain on sale of land and buildings	26,960	-	26,960
Gain on extinguishment of loans (Note 7)	33,528	-	33,528
Insurance and other recoveries	414	-	414
Investment in related organization (Note 14)	3,586	-	3,586
Settlements and related expenses	(6,463)	-	(6,463)
Pension-related credits (charges) other than periodic pension costs	3,610	-	3,610
Non-operating income	92,270	11,152	103,422
CHANGE IN NET ASSETS	100,899	18,213	119,112
Net assets at beginning of year	658,870	124,335	783,205
Net assets at end of year	$ 759,769	$ 142,548	$ 902,317

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

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Roman Catholic Archbishop of Boston,
A Corporation Sole

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

For the year ended June 30, 2022 (with summarized comparative total information for the year ended June 30, 2021)
(Dollars in thousands)

	Compensation Costs	Occupancy Costs	Office/Program Expenses	Professional/ Contract Services	Professional Development	All Other	2022 Total Expenses	2021 Total Expenses
Program								
Parish life, leadership and evangelization	$ 95,105	$ 57,776	$ 16,656	$ 3,236	$ 537	$ 4,716	$ 178,026	$ 160,914
Catholic education	94,813	21,962	8,373	2,437	289	3,054	130,928	117,554
Health and social services	2,872	653	779	166	8	478	4,956	3,743
Central and regional services	2,123	21	88	115	163	391	2,901	2,846
Media and public relations	412	1	97	919	-	196	1,625	1,538
Cemetery operations	1,988	2,167	63	1,780	-	201	6,199	5,064
Total program expenses	197,313	82,580	26,056	8,653	997	9,036	324,635	291,659
Administrative services								
Management and general	7,254	2,522	428	2,878	27	1,384	14,493	14,173
Fundraising (note 14)	-	-	-	2,383	-	-	2,383	1,613
Parish reconfiguration (note 6)	-	289	-	44	-	124	457	303
Total administrative services expenses	7,254	2,811	428	5,305	27	1,508	17,333	16,089
Total operating expenses	$ 204,567	$ 85,391	$ 26,484	$ 13,958	$ 1,024	$ 10,544	$ 341,968	$ 307,748

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

Roman Catholic Archbishop of Boston,
A Corporation Sole

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

For the year ended June 30, 2021 (with summarized comparative total information for the year ended June 30, 2020)
(Dollars in thousands)

	Compensation Costs	Occupancy Costs	Office/Program Expenses	Professional/ Contract Services	Professional Development	All Other	2021 Total Expenses	2020 Total Expenses
Program								
Parish life, leadership and evangelization	$ 90,592	$ 49,182	$ 12,446	$ 4,420	$ 271	$ 4,003	$ 160,914	$ 172,342
Catholic education	86,479	18,935	6,420	2,277	91	3,352	117,554	125,076
Health and social services	2,608	548	169	85	5	328	3,743	4,019
Central and regional services	2,179	23	79	97	31	437	2,846	3,053
Media and public relations	484	1	90	775	-	188	1,538	1,478
Cemetery operations	1,728	1,373	51	1,912	-	-	5,064	5,090
Total program expenses	184,070	70,062	19,255	9,566	398	8,308	291,659	311,058
Administrative services								
Management and general	6,851	2,430	402	3,428	19	1,043	14,173	16,060
Fundraising (note 14)	-	-	-	1,613	-	-	1,613	2,819
Parish reconfiguration (note 6)	-	303	-	-	-	-	303	152
Total administrative services expenses	6,851	2,733	402	5,041	19	1,043	16,089	19,031
Total operating expenses	$ 190,921	$ 72,795	$ 19,657	$ 14,607	$ 417	$ 9,351	$ 307,748	$ 330,089

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

Roman Catholic Archbishop of Boston,
A Corporation Sole

COMBINED STATEMENTS OF CASH FLOWS

For the years ended June 30,
(Dollars in thousands)

	2022	2021
Operating activities:		
Change in net assets	$ (4,216)	$ 119,112
Adjustments to reconcile the change in net assets to net cash and cash equivalents (used for)/provided by operating activities:		
Depreciation	24,596	24,333
Recovery of uncollectible accounts, contributions and loans receivable, note payable	1,455	(297)
Gain on sale of land and buildings	(12,943)	(26,960)
Net realized and unrealized gain on investments	40,903	(33,531)
Property related insurance recoveries	(299)	(414)
Nonoperating contributions	(11,785)	(8,256)
Change in interest in net assets of a foundation	14,882	(8,221)
Change in interest in perpetual trusts	1,453	(1,301)
Gain on extinguishment of loans	(4,629)	(33,528)
Changes in operating assets and liabilities:		
Interest and dividends receivable	(1,407)	977
Prepaid expenses and other assets	(1,693)	(4,403)
Accounts receivable	582	926
Contributions receivable	152	(1,320)
Accounts payable and accrued expenses	1,560	(2,452)
Agency obligations	84	(177)
Reserves for losses	2,784	11
Due to related organizations	2,594	(4,073)
Deferred revenue and support	(744)	5,252
Accrued pension and other postretirement costs	(12,008)	(9,314)
Other liabilities	(1,137)	2,625
Net cash and cash equivalents provided by operating activities	40,184	18,989
Investing activities:		
Proceeds from sale of land, buildings and equipment	13,307	27,982
Purchase of land, buildings and equipment	(31,435)	(22,689)
Property related insurance recoveries	299	414
Proceeds from sale of investments and maturity of annuities	8,521	36,689
Purchase of investments	(33,405)	(74,108)
Net loan activity	919	7,303
Net cash and cash equivalents used in investing activities	(41,794)	(24,409)
Financing activities:		
Proceeds from SBA Paycheck Protection Program loans	-	3,182
Repayments on note payable	(1,143)	(4,860)
Nonoperating contributions	11,785	8,256
Net cash and cash equivalents provided by financing activities	10,642	6,578
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,032	1,158
Cash and cash equivalents at beginning of year	129,257	128,099
Cash and cash equivalents at end of year	$ 138,289	$ 129,257
Supplemental cash flow information		
Noncash investing and financing activity:		
Purchase of land, buildings and equipment in accounts payable and accrued expenses	$ 133	$ 2,238

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

NOTE 1 - NATURE OF ORGANIZATION

The Roman Catholic Archbishop of Boston, a Corporation Sole (the “Corporation Sole”) is a legal entity created under Massachusetts civil law in 1897 to provide the Roman Catholic Archbishop of Boston with a means to operate within, and be governed by, the public statutes of the Commonwealth of Massachusetts. The Corporation Sole, as an entity, is distinguishable from the Roman Catholic Archbishop of Boston, whose powers and responsibilities are established by Canon Law.

The accompanying combined financial statements of the Corporation Sole include the activities of all parishes and their controlled schools and cemeteries located within the Archdiocese of Boston (the “Archdiocese”), central operations (the Archdiocese administrative activities and programs) and the self-insurance program (as further described in Note 2).

The Roman Catholic Archbishop of Boston, by virtue of his office, serves as chairman of the board or president of numerous separately incorporated Catholic organizations that operate within the Archdiocese of Boston. While these organizations are considered to be related organizations of the Corporation Sole, management doesn’t consider them to be under the control of the Corporation Sole and, accordingly, their financial activities are not presented as part of the accompanying combined financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The combined financial statements of the Corporation Sole have been prepared on the accrual basis of accounting and in accordance with the accounting and reporting principles applicable to not-for-profit entities under Generally Accepted Accounting Principles in the United States (“U.S. GAAP”). All intercompany balances and transactions have been eliminated in the consolidation of the combined statements.

In fiscal year 2021, the Corporation Sole adopted Financial Accounting Standards Board Accounting Standards Update (“ASU”) 2014-09, *Revenue with Contracts with Customers* (“Topic 606”). The core principle of the guidance is that an entity recognizes revenue to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchanged for those goods or services. As appropriate, organizations are asked (1) identify contracts with customers, (2) identify any performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract and (5) recognize the revenue when (or as) the organization satisfies the performance obligations. Topic 606 did not materially affect the accounting for the organization’s revenues. The Corporation Sole adopted the guidance during the year ended June 30, 2021 using the retrospective method.

The Corporation Sole reports two classes of net assets and the changes in those net assets in the combined statements of financial position and combined statements of activities, respectively. The two classes of net assets - net assets without donor restriction and net assets with donor restrictions - are based on the existence or absence of donor-imposed restrictions. The two classifications are defined as follows:

Net assets without donor restrictions - Net assets and contributions that are not restricted by the donor or for which restrictions have expired.

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions that permit the Corporation Sole to use or expend the donated assets as specified and that are satisfied by either the passage of time or by actions of the Corporation Sole. Also included are the net assets that are subject to donor-imposed stipulations that they be maintained permanently by the Corporation Sole or by a third-party foundation or trustee for the benefit of the Corporation Sole. Generally, the donors of these assets permit the Corporation Sole to use, all or in part, the income earned on related investments for general or specific purposes.

The Corporation Sole reports gifts of cash and other assets as restricted support if there are donor restrictions as to purpose or time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without restrictions and reported in the combined statement of activities as net assets released from restrictions.

The Corporation Sole reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used, in which case they are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Corporation Sole reports expirations of donor restrictions in the period the asset is placed in service. Donor-restricted gifts intended for capital projects received through parish fundraising campaigns are reported as nonoperating contributions and are released from net assets with donor restrictions to be presented as net assets without donor-restricted support when the asset is placed in service.

Cash and Cash Equivalents

Financial instruments with original maturities of three months or less at the purchase date are classified as cash equivalents.

The Corporation Sole deposits its cash in major financial institutions. Deposits in transaction accounts are fully insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250 per institution. At times, funds deposited in banks are in excess of FDIC insured limits. The Corporation Sole reviews and monitors the strength of the financial institutions and as such has not experienced any losses as a result of the use of uninsured deposit accounts.

Accounts and Loans Receivable

Accounts receivable include amounts due for tuition and amounts due from related organizations for insurance and other central services and are reduced to their estimated net realizable value through an allowance for doubtful accounts. Loans receivable represent loans made to related organizations.

Loans receivable are stated at the amount of unpaid principal, reduced by an allowance for loan losses. Generally, loans are granted for specific periods of time and contain specific provisions regarding payment terms and collateral. Interest income on performing loans is accrued on the respective unpaid principal balance. Lending rates on new loans typically ranged from 3.250% to 3.750% for the years ended June 30, 2022 and 2021. These loans were approved and funded by the Revolving Loan Fund ("RLF"), a central administrative activity of the Corporation Sole. RLF provides parishes, as well as parish schools, central operations and other Catholic organizations operating under the auspices of the Archdiocese, with savings and loan services. RLF also provides a vehicle through which parishes and other institutions within the Archdiocese can aggregate funds to earn interest. RLF loans to parishes, parish schools and central operations are eliminated in consolidation.

Loans are generally classified as nonperforming when payment is deemed to be doubtful. Loans are restored to performing status when the obligation is brought current, has performed in accordance with the contractual terms for a reasonable period of time and the ultimate collectability of the total contractual principal and interest is no longer in doubt.

Allowances for Accounts Receivable and Loan Losses

The allowances for accounts receivable and loan losses are maintained at a level believed by management to be representative of inherent losses estimated on the basis of factors such as the risk characteristics of the borrowers, underlying collateral and current economic conditions that may affect the borrower's ability to pay. Loans and accounts receivable are written-off in whole or in part when, in management's opinion, collectability is considered remote. Subsequent recoveries, if any, are recorded as an increase to income.

While management uses available information to establish the allowances for accounts receivable and loan losses, future additions or reductions to the allowances may become necessary if circumstances differ from the assumptions used in making the evaluation as of each reporting date.

Fair Value Measurements

The Corporation Sole measures the fair values of certain assets and liabilities at an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. A fair value hierarchy is used to prioritize the inputs to valuation techniques used to measure fair value. The Corporation Sole classifies its assets and liabilities into Level 1 (securities valued using quoted prices from active markets for identical assets and liabilities), Level 2 (securities not traded on an active market for which observable market inputs are readily available), and Level 3 (securities valued based on significant unobservable inputs). A qualifying asset's or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

The fair value of the Corporation Sole's investments is discussed in Note 12. The following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value, as well as the general classification pursuant to the valuation hierarchy.

<u>Investments</u>

Investments are carried at fair value. Changes in fair values are reflected in the combined statements of activities as unrealized gains or losses on investments.

Included in investments are holdings in the Common Investment Fund, Roman Catholic Archbishop of Boston (the "Common Investment Fund"), the Fixed Income Investment Fund, Roman Catholic Archbishop of Boston (the "Fixed Income Fund") and the Income Opportunity Fund, Roman Catholic Archbishop of Boston (the "Income Opportunity Fund"), collectively the "Funds." All are related organizations established to provide common investment pools in which the Corporation Sole and other Catholic organizations may participate. The participants own units based upon a per-unit value at the time of purchase. It is the policy of the Common Investment Fund to distribute a dividend to its members on a quarterly basis of 1% of its net assets as of the previous quarter end. The Fixed Income Fund and the Income Opportunity Fund do not have a policy of making automatic distributions. These dividend policies are subject to change at the discretion of the Roman Catholic Archbishop of Boston. The Funds incur service fees from the Corporation Sole for administrative and clerical services performed on their behalf (Note 14).

The Common Investment Fund invests all of its funds in the Collective Investment Partnership, Roman Catholic Archbishop of Boston (the "Partnership"), the underlying investments of which include equity and fixed-income securities owned either directly or indirectly through mutual funds and separately managed accounts.

The fair value of the Fixed Income Fund's, the Income Opportunity Fund's and the Partnership's investments in domestic and foreign securities listed on securities exchanges is valued at the last reported sale price. For those securities whose prices are not available through independent pricing services, bid price quotations are obtained by the investment custodian from principal market makers in those securities or at fair value as determined in good faith by investment managers. Securities whose prices are not available through independent pricing services are recorded at fair value based on the net asset value ("NAV") per share on the valuation date as reported by the individual investment managers.

Short-Term and Other Investments

Short-term and other investments consist of certificates of deposit, mutual funds, fixed income and equity securities. Mutual funds are valued based on quoted prices in active markets and are classified within Level 1 of the fair value hierarchy. Fixed income and equity securities listed on securities exchanges are valued at the last sale price or official closing price on each business day or if there is no such reported sale or official closing price at the most recent quoted bid price. Fixed income securities not listed on securities exchanges are classified as Level 2 of the fair value hierarchy. Certificates of deposit are valued at original cost plus accrued interest, which approximates fair value, and are classified within Level 2 of the fair value hierarchy.

Beneficial Interest in Trusts

The Corporation Sole is the beneficiary of several trusts maintained by third-party trustees. These beneficial interests are included in prepaid expense and other assets in the combined statements of financial position. The Corporation Sole records the fair value of the trusts on a recurring basis based on the Corporation Sole's share of the underlying investment portfolio that consists of actively traded equities, bonds and money market funds. The trusts are managed by financial institutions and investment managers who provide statements on a regular basis presenting the market value of the portfolio holdings.

The Corporation Sole believes that these valuations are a reasonable estimate of fair value as of June 30, 2022 and 2021, but are subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed. Investment securities, in general, are exposed to various risks, such as interest rate, credit, currency exchange and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect amounts reported in the combined financial statements.

Interest in Net Assets of a Foundation

The Corporation Sole is a designated beneficiary in certain endowments, capital campaign contributions and charitable gift annuities held by The Catholic Community Fund of the Archdiocese of Boston, Inc. ("The Catholic Community Fund"), a related organization. The beneficial interest in net assets of The Catholic Community Fund is reflected on the combined statements of financial position as an interest in net assets of a foundation. The Corporation Sole receives quarterly distributions on certain endowments to support central ministries and parish programs, distributions from charitable gift annuities when the annuity obligation is satisfied and capital campaign distributions. Changes to this beneficial interest for distributions, new contributions and investment activity are reflected in the combined statements of activities.

Land, Buildings and Equipment

Land and land improvements, buildings and building improvements, and furniture and equipment are carried at cost, or if donated, at fair market 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 five years for furniture and equipment to 40 years for buildings. Expenditures for maintenance and repairs are charged to expense, whereas major betterments are capitalized.

Land and buildings held for sale are accounted for at the lower of cost or market. When buildings are classified as held for sale, depreciation is no longer recorded.

Reserves for Losses

<u>Self Insurance and Reinsurance</u>

The Corporation Sole is partially self-insured for various risks incidental to the normal course of its activities. Such risks include general liability claims (up to $250 per occurrence), theft losses and sudden accidental occurrences to boilers and related equipment. In addition, the Corporation Sole participates with other Catholic organizations in a separate workers' compensation self-insurance group, Massachusetts Catholic Self-Insurance Group, Inc.

The Corporation Sole also permits related organizations within the Archdiocese of Boston as well as other Catholic organizations to participate in its risk management program. A contribution is assessed to these entities based on the type of risks shared among these organizations. The typical risk areas that the other organizations participate in include automobile liability, physical property damage and general liability. The Corporation Sole provides coverage for the peril of all fire, sudden and accidental occurrences, catastrophic umbrella liability and other miscellaneous coverage through the direct purchase of insurance.

Most coverage for the aforementioned risks is obtained through Fides Insurance Group, Inc. ("Fides"), a captive insurance company domiciled in Vermont, which is a related organization. Fides currently provides the first $500 (per occurrence) of property insurance and the first $250 of general, professional and directors and officers liability for the parishes and institutions. Fides also provides auto, employment practices liability, boiler and machinery and additional liability coverages.

<u>Clergy Misconduct Claims</u>

The Corporation Sole estimates a reserve for settlement of reported misconduct claims and direct related litigation costs based on its historical settlement experience. An additional reserve is accrued using the same historical settlement data for incurred but not reported claims based on an independent analysis performed by an actuary.

The reserves for losses are based on losses reported, historical experience and estimates of future trends in loss severity and frequency and other factors, which could vary as claims are ultimately settled. The actual amount of losses and loss adjustment expenses may vary significantly from the estimated amounts included in the combined financial statements. The methods used to develop these reserves are subject to continuing review and refinement, and any necessary adjustments to these reserves are reflected in the combined statement of activities in the year identified.

Deferred Revenue and Support

Deferred revenue and support represents payments received and amounts billed but unpaid for tuition, fees and support for program services to be provided in future periods and other revenues received but not earned in the current fiscal year.

Pension Benefits for Clergy

Pension obligations and other post-retirement benefits are actuarially determined and are affected by several assumptions, including the discount rate used to present value expected future benefit payments and the annual rates of return on plan assets. Changes in discount rate and differences from expected results will affect the amounts of pension and other post-retirement expense recognized in future periods. These assumptions may also have an effect on the amount and timing of future cash contributions. The Corporation Sole recognizes the over-funded or under-funded status of defined benefit post-retirement plans in its combined statement of financial position measured as the difference between the fair value of plan assets and the benefit obligation. The change in the funded status of the plan is recognized in the year in which the change occurs through nonoperating income (loss) in the combined statement of activities. These provisions also require plan assets and obligations to be measured as of the Corporation Sole's statement of financial position date.

Collections

Collections represent contributions received by Archdiocesan parishes for general and specified purposes. These funds are raised for parish operations and other purposes such as hunger, homelessness, disaster relief and other human welfare programs and are reported as revenue in the combined statement of activities. Collections at Archdiocesan parishes for specified beneficiary organizations are not recorded as revenues, but are reflected as agency obligations until such time as the funds are remitted to the specified organizations.

Catholic Appeal

The Catholic Appeal represents an annual solicitation by Boston Catholic Development Services, Inc. ("BCDS"), on behalf of the Corporation Sole, through both direct mailings and Archdiocesan parishes in support of the central ministry activities and programs of the Archdiocese of Boston.

The funds raised from the Catholic Appeal are reflected separately from the change in interest in net assets of a foundation in the combined statements of activities and from the interest in net assets of a foundation in the combined statements of financial position.

The funds raised from the Catholic Appeal are reported on a fiscal-year basis, which differs from the actual Catholic Appeal year (February through January). Consequently, the results reported include overlapping Catholic Appeal years.

Contributions

Unconditional promises to give are recognized as support on the date the promise is verifiably committed. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is calculated as the present value of their estimated future cash flows.

Unconditional promises to give are reported as contributions receivable. Conditional promises to give are not recognized as support until the conditions are substantially met.

Parish Fundraiser Events

Parish fundraising events are reflected in the combined statements of activities net of $4,165 and $2,143 of direct fundraising expenses for the years ended June 30, 2022 and 2021, respectively.

Tuition and Fees

Tuition and fees are recognized as revenue in the period to which they relate. Student deposits and tuition paid in advance are included in deferred revenue and support in the accompanying combined statements of financial position. Tuition and fee revenues are reported net of the discount attributable to reduction in amounts charged to students. Accounts receivable and deferred revenue related to subsequent fiscal years are netted for financial statement presentation purposes.

Rental Income

External parties, and to a limited extent related organizations, are charged rent for the use of property owned and operated by the Corporation Sole. Rental income is recognized on a straight-line basis.

Parish Cemetery Operations

Future care funds include only such funds for cemeteries operated by parishes within the Archdiocese of Boston. They do not include the future care funds of cemeteries that are owned and operated by The Catholic Cemetery Association of the Archdiocese of Boston, Inc. ("Cemetery Association"), a related organization.

Revenue from Services Provided

The Corporation Sole provides various administrative, technology and clerical services to related Catholic organizations for which it charges fees. Such services include risk and benefits management, treasury and investment management, financial management, information technology and property management services. Such revenue is recognized when services are provided. Fees and other revenue are also generated by pastoral and ministerial workshops and retreats.

Sacramental Offerings

Revenues from sacramental offerings related to baptisms, marriages and funerals are recognized when received.

Other Revenues

Other revenue primarily represents income from various goods sold and services provided by the parishes and parish schools. Such revenues are recognized when the goods are sold or as services are provided.

Beneficiary in Wills and Estates

The Corporation Sole is named as a beneficiary in numerous wills and estates. The Corporation Sole deems these to be intentions to give and not unconditional promises to give. The Corporation Sole recognizes contribution revenue and a receivable for its interest in the estate based upon a probate court having declared an individual will to be valid and the Corporation Sole having the ability to determine the fair value of the estate.

Income Taxes

The Corporation Sole is included in the annual United States Conference of Catholic Bishops Internal Revenue Service Group Ruling and is a not-for-profit organization as described in Section 501(c) (3) of the Internal Revenue Code, as amended (the "Code"), and is generally exempt from income taxes pursuant to Section 501(a) of the Code. The Corporation Sole is required to assess uncertain tax positions and has determined that there were no such positions that are material to the combined financial statements.

Functional Allocation of Expenses

The cost of providing the various programs and other activities have been summarized on the combined statements of functional expenses. The combined statements of functional expenses present the natural classification detail of expenses by program. Costs have been allocated among the programs and supporting services based on an estimate of the relative effort expended for the related functions. Depreciation has been allocated to the various programs using the weighted average of individual program expenses to total program expenses and is included in occupancy costs.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. The more significant items presented herein affected by the use of estimates are the allowances for uncollectible loans and accounts receivable, the fair value of investments, depreciable lives of buildings and equipment, reserves for losses, the accrued pension and other post-retirement obligations and the functional allocation of expenses. Actual results could vary from those estimates.

Reclassifications

Certain information in the fiscal 2021 combined financial statements has been reclassified to conform to the fiscal 2022 presentation. There were no changes in total revenues, total expenses or changes in net assets as reflected in the fiscal 2021 combined financial statements as a result of the reclassifications.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-02, *Leases (Topic 842)*, ("ASU 2016-02"). ASU 2016-02 is intended to increase transparency and comparability among organizations relating to leases. Lessees will be required to recognize a liability to make lease payments and a right-of-use asset representing the right to use the underlying asset for the lease term. The FASB retained a dual model for lease classification, requiring leases to be classified as finance or operating leases to determine recognition in the earnings statement and cash flows; however, substantially all leases will be required to be recognized on the balance sheet. ASU 2016-02 will also require quantitative and qualitative disclosures regarding key information about leasing arrangements. ASU 2016-02 is effective using a modified retrospective approach for fiscal years and interim periods beginning after December 15, 2020 for private companies. As originally issued, ASU 2016-02 requires application at the beginning of the earliest comparative period presented at the time of adoption. In July 2018, the FASB issued ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*, ("ASU 2018-10"). This ASU makes various targeted amendments to the leasing standard. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, ("ASU No. 2018-11"). This standard allows entities to initially apply the new leases standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. The standard also provides for certain practical expedients. In June 2020, the FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities*, ("ASU No. 2020-05") which amends the effective date of ASC 842 for fiscal years beginning after December 15, 2021 for private companies. The Corporation Sole is still assessing the impact of the new standard on its consolidated financial statements.

(Dollars in thousands)

NOTE 3 - LIQUIDITY AND AVAILABILITY

The following schedule reflects the Corporation Sole's financial assets at June 30, 2022 and 2021, reduced by amounts not available for general use within one year of the combined statements of financial position date because of contractual or donor-imposed restrictions, or internal special designation of funds. These financial assets available for general expenditure, such as without donor restrictions or other restrictions limiting their use, within one year of the combined statements of financial position include the following:

	2022	2021
Cash and cash equivalents	$ 138,289	$ 129,257
Interest and dividends receivable, net	1,679	1,592
Accounts receivable, net	2,897	3,437
Contributions receivable, net (due in one year)	4,478	4,630
Investments	240,306	256,326
Interest in net assets of a foundation	51,025	65,907
Total financial assets	438,674	461,149
Contractual or donor-imposed restrictions:		
Endowment funds	(48,485)	(49,052)
Other donor restrictions	(81,639)	(93,496)
Funds held for others	(36,931)	(34,337)
Board designations:		
Quasi-endowment funds	(5,985)	(7,629)
Financial assets available to meet cash needs for general expenditures within one year	$ 265,634	$ 276,635

The majority of the financial assets available to meet cash needs for general expenditures within one year are parish, school and cemetery financial assets and are not available to central operations. The Corporation Sole maintains lines of credit (see Note 7) for central operations cash flow needs should they arise.

(Dollars in thousands)

NOTE 4 - CONTRIBUTIONS, LOANS AND NOTE RECEIVABLE

Contributions Receivable, Net

Contributions receivable consisted of the following at June 30:

	2022	2021
Contributions receivable	$ 4,857	$ 5,009
Less: allowance for uncollectible pledges	(379)	(379)
Contributions receivable, net	$ 4,478	$ 4,630

All pledges are expected to be collected over the next five years with the majority to be collected in one year or less.

Loans and Notes Receivable, Net

Loans and notes receivable, authorized and funded by RLF (Note 2), consisted of the following at June 30 and are due from various related organizations (including but not limited to The Fund for Catholic Schools, Inc., Bishop Fenwick High School, Inc. and Cathedral High School, Inc.):

	2022	2021
Loans and notes receivable	$ 21,791	$ 22,709
Allowance for loan losses	(1,525)	(1,347)
Loans receivable, net	$ 20,266	$ 21,362

Accrued interest on these loans and notes receivable is included in interest and dividends receivable on the combined statements of financial position.

Changes in the allowance for loan losses were as follows for the years ended June 30:

	2022	2021
Balance at beginning of year	$ 1,347	$ 1,712
Provision (recovery) of loan losses	178	(365)
Balance at end of year	$ 1,525	$ 1,347

(Dollars in thousands)

NOTE 5 - INVESTMENTS

Investments consisted of the following at June 30:

	2022	2021
Common Investment Fund	$ 128,604	$ 149,869
Fixed Income Fund	52,904	55,973
Income Opportunity Fund	48,745	38,464
Short-term investments	10,049	11,782
Other investments:		
Common stock securities	3	201
Money market funds	-	37
Total investments	$ 240,306	$ 256,326

NOTE 6 - LAND BUILDINGS AND EQUIPMENT

Land, buildings and equipment consisted of the following at June 30:

	2022	2021
Land and land improvements	$ 62,537	$ 63,096
Buildings and improvements	1,385,198	1,371,914
Furniture and equipment	110,270	105,293
Total	1,558,005	1,540,303
Less: accumulated depreciation	(992,540)	(979,282)
Land, buildings and equipment, net	$ 565,465	$ 561,021

Land and buildings held for sale totaling $2,950 and $785 at June 30, 2022 and 2021, respectively, are carried at cost, net of accumulated depreciation at the date the property was classified as held for sale, which is less than estimated net realizable value.

(Dollars in thousands)

The Corporation Sole leases certain of its properties primarily to unrelated third parties. At June 30, 2022, scheduled receipts for the next five years and thereafter under non-cancelable long-term rental agreements are as follows:

Years Ending June 30,		
2023	$	15,470
2024		12,173
2025		10,102
2026		6,959
2027		4,365
Thereafter		109,884
Total	$	158,953

Parish Reconfiguration

In 2004, the Corporation Sole entered into a reconfiguration plan that included the suppression of certain parishes within the Archdiocese of Boston. This plan was in response to significant changes occurring within the Archdiocese of Boston, including changing demographics, a decline in the number of clergy and the impact of deferred maintenance on parish properties. 76 parishes have been closed and consolidated with adjoining parishes.

The land and buildings associated with 50 suppressed parishes have been sold through June 30, 2022. There were no sales of reconfiguration properties for the years ended June 30, 2022 and 2021. Assets held for sale are recorded at the lower of cost or fair market value less estimated costs to sell.

The costs of maintaining the suppressed parish properties are included in the accompanying combined statements of activities as parish reconfiguration expenses.

NOTE 7 - NOTES PAYABLE, LINES OF CREDIT AND LOANS PAYABLE

Notes Payable - Related Organizations

In October 2008, the Corporation Sole entered into a 10-year promissory note with St. John's Seminary (the "Seminary") for $36,408 in connection with the August 2007 joint sale of property. This note is non-interest bearing and subordinated to all other liabilities, obligations and indebtedness of the Corporation Sole. This promissory note was originally due and payable in one lump-sum payment on August 23, 2017. On September 22, 2014, the Seminary Board of Trustees voted to extend the due date to August 23, 2027. The Theological Institute for the New Evangelization ("TINE"), a Seminary-related program, moved from the former St. Gabriel School property to the Archdiocese of Boston Pastoral Center in Braintree on August 9, 2017. TINE leases space from the Corporation Sole for both administrative and classroom activities. Annual rent totaled $11 and $22 for the years ended June 30, 2022 and 2021, respectively. The agreement is tenant at will. In lieu of payment, rent is offset against the Seminary promissory note. During the years ended June 30, 2022 and 2021, intercompany receivables of $104 and $139 were also offset against the Seminary promissory note. The note payable totaled $34,616 and $34,730 at June 30, 2022 and 2021, respectively.

In October 2019, the Corporation Sole entered into an unsecured note payable with a related entity which allows for borrowings up to $4,000. Interest accrues at 2.0% and is due and payable on a monthly basis. There were no outstanding borrowings at June 30, 2022 and 2021.

Lines of Credit

The Corporation Sole maintains an unsecured line of credit agreement with a bank which allows for borrowings up to $10,000 at the bank's prime rate minus 1.3%. The rate was 3.45% and 1.95% at June 30, 2022 and 2021, respectively. There were no outstanding borrowings at June 30, 2022 and 2021. The line of credit is subject to a review annually in March. Based upon the results of such annual review, the bank, at its sole discretion, may agree to extend the term of the line of credit or demand payment.

On February 11, 2020, the Corporation Sole entered into a secured line of credit agreement with a bank, which allows for borrowings up to $8,000 at the bank's prime rate minus 0.75%. Loan advances are capped at 50% of the value of pledged real estate owned by central operations. Advances are secured by a first mortgage plus assignment of leases and rents on the pledged real estate. The rate was 4% and 2.5% at June 30, 2022 and 2021, respectively. There were no outstanding borrowings at June 30, 2022 and 2021.

Notes Payable - Bank

On August 17, 2018, the Corporation Sole entered into a five-year $5,000 unsecured note payable with a bank. The loan accrues interest at 3.53% per annum and requires monthly payments of $91 including principal and interest through August 17, 2023. The note payable balance totaled $1,247 and $2,276 at June 30, 2022 and 2021, respectively, and is included in other liabilities.

Loans Payable - Small Business Association Paycheck Protection Program

The Corporation Sole applied for and received Small Business Association ("SBA") Paycheck Protection Program ("PPP") loans totaling $38,107 from various lenders. These include round one loans totaling $35,074 and round two loans totaling $3,033. These loans were guaranteed by the SBA as authorized by the U.S. government's stimulus package in response to the economic fallout of the COVID-19 pandemic, which was titled the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. In round one, 306 loans were secured for Corporation Sole entities including central operations, parishes, parish schools and youth centers. An additional 41 round two loans were secured for Corporation Sole entities including parishes and parish schools. These entities are eligible for partial or complete forgiveness if they meet certain criteria related to maintaining employment and salary levels and they use the loan proceeds for payroll and occupancy costs over an eight or 24-week period from the time the loans were obtained. Should any of the loans not be forgiven, those loans will be payable over a two-year term at 1% per year, with interest and any unforgiven portion of the loans deferred for the 10-month period defined by the SBA.

Loans totaling $4,629 and $33,528 were partially or fully forgiven during the years ended June 30, 2022 and 2021, respectively. The balances related to any partially forgiven loans were repaid. The loans payable balance totaled $33 and $4,662 at June 30, 2022 and 2021, respectively.

Management anticipates that the Corporation Sole will resolve the remaining loan in the next fiscal year. The full amount of the outstanding loans has been recorded and presented as debt in the accompanying statement of financial position at June 30, 2022 and 2021, respectively, until such time as some, or all, of the amount is repaid or forgiven by the SBA, and the Corporation Sole is legally released from the respective loans.

(Dollars in thousands)

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions - purpose restricted (including appreciation on endowments) were available for the following purposes at June 30:

	2022	2021
Buildings and equipment	$ 30,857	$ 29,839
Special collections	217	151
Parish life and leadership and evangelization	31,619	39,828
Catholic education	8,028	8,794
Health and social services	1,067	930
Central ministries	9,851	13,954
Total	$ 81,639	$ 93,496

Net assets released from donor restrictions were expended for the following purposes for the years ended June 30:

	2022	2021
Buildings and equipment	$ 5,381	$ 9,320
Special collections	1,495	1,126
Parish life and leadership and evangelization	18,935	14,007
Catholic education	1,199	3,593
Health and social services	53	42
Central ministries	657	627
Total	$ 27,720	$ 28,715

Net assets restricted in perpetuity for the following purposes consist of the following at June 30:

	2022	2021
Parish life and leadership and evangelization	$ 33,074	$ 34,264
Catholic education	4,628	4,634
Health and social services	175	175
Central ministries	10,608	9,979
Total	$ 48,485	$ 49,052

NOTE 9 - ENDOWMENTS

The Corporation Sole's endowment, including endowments held by The Catholic Community Fund and presented herein as interest in net assets of a foundation, consists of 178 individual funds established for the support of various programs and central ministries. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

In accordance with the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), the Corporation Sole has continued to follow its policy of preserving the corpus of the original gift of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Corporation Sole classifies as net assets with donor restrictions - corpus all of the following: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment, if any; 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, if any. This is regarded as the "historic dollar value" of the endowed fund.

The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions - corpus and is regarded as "net appreciation" is classified as net assets with donor restrictions - time and/or purpose restricted until it is appropriated for expenditure in a manner consistent with the donor's intentions and the Corporation Sole's spending policy.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below their "historic dollar value." Losses on the investments of donor-restricted endowment funds reduce net assets with donor restrictions. Subsequent gains that restore the fair value of the assets of the endowment fund to the required level are classified as an increase in net assets with donor restrictions. As of June 30, 2022, there were deficiencies of this nature in 31 donor-restricted endowment funds, which together have an original value of $10,313, a current fair value of $9,365 and a deficiency of $948. As of June 30, 2021, there were deficiencies of this nature in nine donor-restricted endowment funds, which together have an original value of $2,164, a current fair value of $1,908 and a deficiency of $256.

Endowment Investment Policy

The Corporation Sole has adopted an investment policy which attempts to provide a predictable stream of investment returns thereby making funds available annually to programs that are supported by its endowment, 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 the Corporation Sole must hold in perpetuity or for donor-specified periods. Under the Corporation Sole's investment policy and spending policy, both of which are approved by the Roman Catholic Archbishop of Boston, the endowment assets are invested in a manner that is intended to produce an inflation-adjusted return in excess of the approved quarterly spending rate over a long period of time. Actual returns in any given year will vary and actual spending may exceed the quarterly dividend distributions.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Corporation Sole 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 majority of endowment investments are invested in the Common Investment Fund, which in turn invests in the Collective Investment Partnership. The Investment Committee of the Roman Catholic Archbishop of Boston's Finance Council is responsible for selecting the investment managers of the Collective Investment Partnership. The Investment Committee's investment rationale is to include an array of different strategies and investment managers for the Collective Investment Partnership's portfolio to reduce overall volatility while providing investment returns above industry benchmarks.

(Dollars in thousands)

Spending Policy

It is the policy of the Roman Catholic Archbishop of Boston to appropriate for distribution on a quarterly basis 1% of the net assets of the endowment as of the previous quarter end. In establishing this policy, the Corporation Sole considered the long-term expected return on its endowments. Accordingly, over the long term, the Corporation Sole expects the impact of the current spending policy to allow its endowments (including unspent appreciation) to grow at a nominal rate. This is consistent with the Corporation Sole's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return. Actual distributions from the endowments may exceed the quarterly dividend.

Endowment net asset composition as of June 30 is as follows:

	2022		
	With Donor Restrictions - Time and/or Purpose Restricted	With Donor Restrictions - Corpus	Total
Donor-restricted endowments			
Endowments	$ 2,994	$ 9,260	$ 12,254
Beneficial interest in The Catholic Community Fund	10,134	33,722	43,856
Beneficial interest in perpetual trusts	-	5,514	5,514
	$ 13,128	$ 48,485	$ 61,613

	2021		
	With Donor Restrictions - Time and/or Purpose Restricted	With Donor Restrictions - Corpus	Total
Donor-restricted endowments			
Endowments	$ 5,158	$ 9,228	$ 14,386
Beneficial interest in The Catholic Community Fund	15,572	32,857	48,429
Beneficial interest in perpetual trusts	-	6,967	6,967
	$ 20,730	$ 49,052	$ 69,782

(Dollars in thousands)

Changes in endowment net assets for the years ended June 30 are as follows:

	2022		
	With Donor Restrictions - Time and/or Purpose Restricted	With Donor Restrictions - Corpus	Total
Endowment net assets, beginning of year	$ 20,730	$ 49,052	$ 69,782
Contributions and bequests	-	21	21
Change in interest in net assets of a foundation	(5,438)	865	(4,573)
Change in beneficial interest in perpetual trusts	-	(1,453)	(1,453)
Investment return			
Investment income	420	-	420
Net depreciation	(2,144)	-	(2,144)
Total investment return	(1,724)	-	(1,724)
Appropriation of endowment assets for operations (draw)	(442)	-	(442)
Endowment net assets, end of year	$ 13,126	$ 48,485	$ 61,611

(Dollars in thousands)

	2021		
	With Donor Restrictions - Time and/or Purpose Restricted	With Donor Restrictions - Corpus	Total
Endowment net assets, beginning of year	$ 8,877	$ 45,894	$ 54,771
Contributions and bequests	-	112	112
Change in interest in net assets of a foundation	9,447	2,045	11,492
Change in beneficial interest in perpetual trusts	-	1,302	1,302
Investment return			
Investment income	96	-	96
Net appreciation	2,512	-	2,512
Total investment return	2,608	-	2,608
Appropriation of endowment assets for operations (draw)	(227)	-	(227)
Net asset reclassification	25	(301)	(276)
Endowment net assets, end of year	$ 20,730	$ 49,052	$ 69,782

NOTE 10 - RESERVES FOR LOSSES

The Corporation Sole has substantially exhausted its insurance coverage for clergy misconduct claims and is self-insured for this risk of loss. The ultimate cost to defend or settle these claims is subject to uncertainty and the estimated liability is subject to change. The nature and the magnitude of the potential effects of these claims could have a material impact on the Corporation Sole's financial condition and cash flows.

At June 30, 2022 and 2021, the Corporation Sole's reserve for estimated future settlements was $10,600 and $7,700, respectively, which is included in the reserves for losses in the accompanying combined statements of financial position. During the years ended June 30, 2022 and 2021, the Corporation Sole entered into settlement agreements with 20 and 46 individuals, respectively, who had brought sexual misconduct claims requiring aggregate payments of $1,461 and $3,250, respectively.

The Corporation Sole and related organizations are partially self-insured for various risks incidental to the normal course of its activities. Such risks include general liability claims, theft losses and sudden accidental occurrences to boilers and related equipment. At June 30, 2022 and 2021, the Corporation Sole's reserve for these self-insurance losses was $231 and $347, respectively, which is included in the reserves for losses in the accompanying combined statements of financial position.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Construction

The Corporation Sole has commitments to fund future construction and other contracted costs in the amount of $6,622 and $7,671 at June 30, 2022 and 2021, respectively.

Other Legal Proceedings

The Corporation Sole is involved in various legal proceedings arising out of and incidental to its activities other than claims of sexual misconduct discussed in Note 10. In management's opinion, the ultimate liability which may arise from these proceedings is not expected to have a material effect on the Corporation Sole's net assets, changes in net assets and cash flows.

Guarantees

Certain related entity high schools have entered into loan agreements with banks to finance leasehold improvements to buildings owned by the Corporation Sole and lines of credit for working capital purposes. Performance on these loan agreements is guaranteed by the Corporation Sole under non-recourse guarantee agreements secured by the properties owned by the Corporation Sole. The outstanding balances on the loans totaled $15,118 and $15,626 at June 30, 2022 and 2021, respectively. The estimated fair value of the respective land and buildings exceeds the respective loan amounts. The related high schools are current on their debt payments. As such, the fair value of the loan guarantees is zero and has not been recorded as a liability by the Corporation Sole.

(Dollars in thousands)

NOTE 12 - FAIR VALUE MEASUREMENTS

The Corporation Sole's financial assets that are accounted for at fair value on a recurring basis as of June 30, 2022 and 2021 are presented in the tables below. Financial assets and liabilities measured at fair value on a non-recurring basis are excluded from the tables.

	June 30, 2022				
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured at NAV	Total
Short-term investments	$ 4,514	$ 5,535	$ -	$ -	$ 10,049
Investments in Common Investment Fund	-	-	-	128,604	128,604
Investment in Fixed Income Fund	-	-	-	52,904	52,904
Investment in Income Opportunity Fund	-	-	-	48,744	48,744
Common stock securities	3	-	-	-	3
Money market funds	-	2	-	-	2
Total investments	4,517	5,537	-	230,252	240,306
Beneficial interest in trusts	-	-	7,016	-	7,016
Total	$ 4,517	$ 5,537	$ 7,016	$ 230,252	$ 247,322

	June 30, 2021				
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured at NAV	Total
Short-term investments	$ 6,148	$ 5,634	$ -	$ -	$ 11,782
Investments in Common Investment Fund	-	-	-	149,869	149,869
Investment in Fixed Income Fund	-	-	-	55,973	55,973
Investment in Income Opportunity Fund	-	-	-	38,464	38,464
Common stock securities	201	-	-	-	201
Money market funds	-	37	-	-	37
Total investments	6,349	5,671	-	244,306	256,326
Beneficial interest in trusts	-	-	8,469	-	8,469
Total	$ 6,349	$ 5,671	$ 8,469	$ 244,306	$ 264,795

(Dollars in thousands)

Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy above. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the combined statements of financial position.

The Corporation Sole recognizes transfers between fair value hierarchy levels at the measurement date. There were no transfers between levels within the fair value during the year.

NOTE 13 - BENEFIT PLANS

Lay Employee Pension Plan

The Corporation Sole is a participant with other related Archdiocesan organizations in a pension plan covering substantially all lay employees, the Roman Catholic Archdiocese of Boston Pension Plan (the "Pension Plan"), that has been characterized for financial accounting purposes as a multiemployer pension plan, a noncontributory benefit plan established by the Corporation Sole. The risks of participating in a multiemployer plan are different from single-employer plans in the following aspects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating entity stops contributing to the multiemployer plan, the unfunded obligations of the plan may be borne by the remaining participating entities.
- If an entity petitions to stop participating in the multiemployer plan, the entity may be required to pay the plan a withdrawal liability based on the funded status of the plan.

The Pension Plan is designed to provide retirement benefits for eligible lay employees of Corporation Sole and participating related Archdiocesan organizations. Effective December 31, 2011, per a vote of the Pension Plan Trustees, the Pension Plan was amended to freeze the accrual of additional benefits.

The following table discloses the name and funded status of the Pension Plan as of June 30, 2022 (the date of the latest actuarial valuation), inclusive of the fair value of plan assets as of June 30, 2022:

Plan Number	Plan EIN	Actuarial Present Value of Accumulated Plan Benefits	Fair Value of Plan Assets	Total Net Contributions	Funded Status
Roman Catholic Archdiocese of Boston Pension Plan, Number 001	04-2777359	$ 93,146	$ 69,243	$ 8,550	74%

The Corporation Sole reserves the right to discontinue contributions at any time and terminate the Pension Plan. In the event of termination and discontinuance, the assets of the Pension Plan remaining after paying all administrative expenses of the Pension Plan will be allocated in accordance with the terms of the Roman Catholic Archdiocese of Boston Pension Plan for the purpose of paying benefits provided under the Pension Plan.

The accumulated benefit obligation net of the plan assets of the Pension Plan is not required to be and therefore is not reflected in the accompanying combined statements of financial position.

Employee 401(k) Plan

On January 1, 2012, the Corporation Sole created a 401(k) defined contribution plan (the "Plan"). The Corporation Sole participates with other Catholic organizations in this plan, for whom the record keeper is TIAA-CREF. Eligible lay employees and incardinated priests of the Archdiocese of Boston may elect to make retirement savings contributions to the Plan, which were matched by the Corporation Sole up to 4% of employee compensation for the years ended June 30, 2022 and 2021. Employee benefit costs associated with this plan amounted to $3,468 and $3,391 for the years ended June 30, 2022 and 2021, respectively.

Lay Employee Health and Dental Benefit Plan

The Corporation Sole participates with other related Archdiocesan organizations in a health and dental plan that is offered to all eligible lay employees known as the Roman Catholic Archdiocese of Boston Health Benefit Plan (the "Health Plan"). The Corporation Sole's employees represent approximately 56% of all lay employees covered under the Health Plan. The Health Plan agreement provides that the participating employers make monthly contributions to the Health Plan of a specified amount for each class of employee. The Corporation Sole's contributions to the Health Plan amounted to $16,310 and $14,846 for the years ended June 30, 2022 and 2021, respectively.

Clergy Health and Retirement Plans

The Archdiocese of Boston Clergy Trust (the "CT") (formerly known as the Archdiocese of Boston Clergy Health and Retirement Trust)

Benefits for priests incardinated in the Archdiocese of Boston who are in good standing within the norms of Canon Law ("Eligible Priests") are provided through the Archdiocese of Boston Clergy Trust, which represents collectively all trusts, as they may exist from time to time, that provide for the health, welfare, disability, and retirement of Eligible Priests. The CT includes 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 subjected to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Roman Catholic Archbishop of Boston, by virtue of his office, is responsible for providing for health, welfare, disability and retirement for Eligible Priests. He appoints the Board of Trustees of the CT, but does not serve as a Trustee.

The Board of Trustees of the CT 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.

The Roman Catholic Archbishop of Boston has elected to fulfill his obligation to Eligible Priests through the Retirement Trust by offering a single-employer, noncontributory, defined benefit retirement and disability plan. Benefits for priests who are on administrative leave and who are in canonical process as a result of accusations of misconduct with a minor are not covered by the Retirement Trust, but are paid directly by the Corporation Sole and the obligation is reflected in the Administrative Leave obligation.

The CT also offers other post-retirement benefits, including health, dental and subsistence benefits which are expected to be paid to or on behalf of currently retired clergy and active clergy after retirement.

The CT primary source of funding benefits is from special collections from parishes in the Archdiocese of Boston and benefit assessments to parishes and other Catholic organizations within the Archdiocese of Boston to which active priests are currently assigned. The collections are initially held in the Funding Trust. Funds are transferred from the Funding Trust to the Medical Trust, the Retirement Trust and the Regina Cleri Trust at the discretion of the Trustees.

Reserve for Health Insurance Claims

At June 30, 2022 and 2021, the audited financial statements of the CT reflected $479 and $480, respectively, of health and dental benefit obligations.

The reserve for health insurance claims consists of medical and dental claims payable 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.

Benefit Trust for Non-Incardinated Priests Duly Assigned for Service in the Archdiocese of Boston

The Corporation Sole sponsors a noncontributory pension benefit plan covering ordained priests who were not incardinated in the Archdiocese of Boston, but who had been duly assigned by the Roman Catholic Archbishop of Boston for service within the Archdiocese of Boston for a minimum period of at least 10 years and who are in good standing within the norms of Canon Law. Benefits are provided through The Benefit Trust for Non-Incardinated Priests Duly Assigned for Service in the Archdiocese of Boston (the “Non-Incardinated Trust”). The Non-Incardinated Trust is not subject to the provisions of the ERISA. Effective July 1, 2010, the accrual of benefits under the Non-Incardinated Trust were frozen.

(Dollars in thousands)

The assets and obligations of the Corporation Sole's clergy retirement and other post-retirement benefits were as follows as of June 30:

Benefit Obligations

	For the Year Ended June 30, 2022				
	Pension Benefits		Other Benefits		
	CT	Admin Leave	CT	Admin Leave	Total
Change in benefit obligation:					
Benefit obligation at beginning of year	$ 78,668	$ 1,333	$ 36,877	$ 595	$ 117,473
Service cost	1,229	-	1,053	-	2,282
Interest cost	2,122	-	1,130	-	3,252
Plan amendment	-	897	-	14	911
Actuarial gains	(11,459)	-	(6,815)	-	(18,274)
Benefits and other expenses paid	(7,615)	(315)	(1,728)	(80)	(9,738)
Benefit obligation at end of year	$ 62,945	$ 1,915	$ 30,517	$ 529	$ 95,906

* In addition to the above, the Non-Incardinated Benefit Obligation is $603.

	For the Year Ended June 30, 2021				
	Pension Benefits		Other Benefits		
	CT	Admin Leave	CT	Admin Leave	Total
Change in benefit obligation:					
Benefit obligation at beginning of year	$ 78,477	$ 1,913	$ 36,608	$ 855	$ 117,853
Service cost	1,281	-	1,046	-	2,327
Interest cost	2,068	-	1,126	-	3,194
Plan amendment	3,116	(287)	-	(189)	2,640
Actuarial losses (gains)	73	-	(495)	-	(422)
Benefits and other expenses paid	(6,347)	(293)	(1,408)	(71)	(8,119)
Benefit obligation at end of year	$ 78,668	$ 1,333	$ 36,877	$ 595	$ 117,473

* In addition to the above, the Non-Incardinated Benefit Obligation is $466.

The weighted-average assumptions used to determine all benefit obligations were as follows at June 30:

	Pension Benefits		Other Benefits	
	2022	2021	2022	2021
Discount rate	4.85%	2.81%	5.00%	3.13%
Rate of compensation increase	N/A	N/A	N/A	N/A
Health care cost trend rate assumed for next year	N/A	N/A	6.00%	6.00%
Rate to which the cost trend rate is assumed to decline (ultimate trend rate)	N/A	N/A	4.50%	4.50%
Year that the rate reaches the ultimate trend rate	N/A	N/A	2029	2028

(Dollars in thousands)

Plan Assets

	For the Year Ended June 30, 2022					
	Pension Benefits			Other Benefits		
	CT	Non-incardinated Trust	Admin Leave	CT	Admin Leave	Total
Change in plan assets						
Fair value of plan assets at beginning of year	$ 78,925	$ 59	$ -	$ -	$ -	$ 78,984
Actual return on plan assets, net of administrative expense	(9,740)	-	-	-	-	(9,740)
Employer contributions	7,984	-	315	1,728	80	10,107
Benefits and other expenses paid	(7,615)	(50)	(315)	(1,728)	(80)	(9,788)
Fair value of plan assets at end of year	$ 69,554	$ 9	$ -	$ -	$ -	$ 69,563

	For the Year Ended June 30, 2021					
	Pension Benefits			Other Benefits		
	CT	Non-incardinated Trust	Admin Leave	CT	Admin Leave	Total
Change in plan assets						
Fair value of plan assets at beginning of year	$ 70,178	$ 78	$ -	$ -	$ -	$ 70,256
Actual return on plan assets, net of administrative expense	8,192	-	-	-	-	8,192
Employer contributions	6,902	39	293	1,408	71	8,713
Benefits and other expenses paid	(6,347)	(58)	(293)	(1,408)	(71)	(8,177)
Fair value of plan assets at end of year	$ 78,925	$ 59	$ -	$ -	$ -	$ 78,984

The asset allocation for the CT as of June 30, 2022 and 2021 and the target allocation for 2022, by asset category, are as follows:

		% of Plan Assets at Year End	
	Target 2022	2022	2021
Mutual funds	65.0%	64.6%	67.5%
Real estate	25.0%	25.3%	22.8%
Cash and cash equivalents	10.0%	10.1%	9.7%
Total	100%	100.0%	100.0%

The investment policy and strategy is to provide for long-term growth relative to the long-term liabilities while seeking to earn returns consistent with conservative management by investing assets based on the target allocations stated above. The CT will reallocate its investments periodically to meet the above target allocations. The CT also reviews its investments periodically to determine if the policy or allocations should be changed.

Included in the CT investments are the Collective Investment Partnership, the Fixed Income Fund and other investments with values of $33,699, $1,136 and $10,100, respectively, at June 30, 2022. Other assets and liabilities included in plan assets that are not measured at fair value include cash and cash equivalents and real estate.

(Dollars in thousands)

Included in the CT investments are the Collective Investment Partnership, the Fixed Income Fund and other investments with values of $41,218, $1,240 and $10,783, respectively, at June 30, 2021. Other assets and liabilities included in plan assets that are not measured at fair value include cash and cash equivalents and real estate.

Reconciliation of Funded Status

	As of June 30, 2022					
	Pension Benefits			Other Benefits		
	CT	Non-incardinated Trust	Admin Leave	CT	Admin Leave	Total
Fair value of plan assets	$ 69,554	$ 9	$ -	$ -	$ -	$ 69,563
Benefit obligation	(62,945)	(603)	(1,915)	(30,995)	(529)	(96,988)
Funded (Unfunded) status - obligation	$ 6,609	$ (595)	$ (1,915)	$ (30,995)	$ (529)	$ (27,425)

	As of June 30, 2021					
	Pension Benefits			Other Benefits		
	CT	Non-incardinated Trust	Admin Leave	CT	Admin Leave	Total
Fair value of plan assets	$ 78,925	$ 60	$ -	$ -	$ -	$ 78,985
Benefit obligation	(78,668)	(466)	(1,333)	(37,356)	(595)	(118,418)
Funded (Unfunded) status - obligation	$ 257	$ (406)	$ (1,333)	$ (37,356)	$ (595)	$ (39,433)

Components of Net Periodic Pension Cost

	For the Year Ended June 30, 2022		
	Pension Benefits CT	Other Benefits CT	Total
Service cost for benefits earned during the period	$ 1,229	$ 1,053	$ 2,282
Interest cost on projected benefit obligation	2,122	1,130	3,252
Expected return on plan assets	(4,926)	-	(4,926)
Net amortization and deferral	1,025	(840)	185
Net periodic pension cost (benefit)	$ (549)	$ 1,342	$ 793

(Dollars in thousands)

	For the Year Ended June 30, 2021		
	Pension Benefits CT	Other Benefits CT	Total
Service cost for benefits earned during the period	$ 1,281	$ 1,046	$ 2,327
Interest cost on projected benefit obligation	2,068	1,126	3,194
Expected return on plan assets	(4,365)	-	(4,365)
Net amortization and deferral	662	(1,133)	(471)
Net periodic pension cost (benefit)	$ (354)	$ 1,039	$ 685

Accumulated Amounts Charged (Credited) to Net Assets Without Restrictions

	As of June 30, 2022		
	Pension Benefits CT	Other Benefits CT	Total
Net actuarial loss (gain)	$ 24,848	$ (24,483)	$ 366
Prior service charge	2,935	-	2,935
Total	$ 27,784	$ (24,483	$ 3,301

	As of June 30, 2021		
	Pension Benefits CT	Other Benefits CT	Total
Net actuarial loss (gain)	$ 22,487	$ (18,508)	$ 3,979
Prior service charge	3,116	-	3,116
Total	$ 25,603	$ (18,508)	$ 7,095

During the year ended June 30, 2022, $180 of the prior year service credits were amortized and credited to non-operating income.

(Dollars in thousands)

The weighted-average assumptions used to determine the Clergy Trust benefit plan costs were as follows:

	Pension Benefits		Other Benefits	
	2022	2021	2022	2021
Discount rate	2.81%	2.74%	3.13%	3.14%
Rate of compensation increase	N/A	N/A	N/A	N/A
Expected return on plan assets	N/A	N/A	N/A	N/A
Health care cost trend rate assumed for next year	N/A	N/A	6.00%	5.50%
Rate to which the cost trend rate is assumed to decline (ultimate trend rate)	N/A	N/A	4.5%	4.5%
Year that the rate reaches the ultimate trend rate	N/A	N/A	2028	2025

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one percentage point change in assumed health care cost trend rates would have the following effects on the CT:

	Other Benefits One Percentage Point Increase		Other Benefits One Percentage Point Decrease	
	2022	2021	2022	2021
Effect on benefit obligation	$ 4,130	$ 5,987	$ (3,376)	$ (4,771)

To determine the expected long-term rate of return on plan assets, the CT considered the historical returns of the major market indicators relating to the target asset allocation, as well as the current economic and financial market conditions.

Expected Benefit Payments

Year Ending June 30,	Clergy Funds Pension Benefits	Clergy Funds Other Benefits	Total
2023	$ 6,141	$ 1,803	$ 7,943
2024	5,967	1,881	7,848
2025	5,748	1,944	7,692
2026	5,520	1,997	7,518
2027	5,297	2,036	7,333
2028 - 2031	22,994	10,410	33,404

NOTE 14 - RELATED PARTY TRANSACTIONS

Revenue from Service Provided

The Corporation Sole provides administrative, accounting, technology and clerical services to related Catholic organizations. Fees charged for providing these services were $4,882 and $4,475 during the years ended June 30, 2022 and 2021, respectively. The revenue from these services is included in revenue from services provided in the accompanying combined statements of activities.

Boston Catholic Development Services

The Corporation Sole utilizes BCDS to provide all centralized fundraising services, including the annual Catholic Appeal, planned giving and other fundraising activities. Amounts paid for these services amounted to $2,383 and $1,613 for the years ended June 30, 2022 and 2021, respectively.

The Corporation Sole also advances funds to BCDS to support the fundraising and administrative needs related to the final stages of the Inspiring Hope capital campaign. Those advances are repaid as related campaign fees are collected. The outstanding balances total $7 and $0 at June 30, 2022 and 2021, respectively.

Catholic Schools Foundation

The Catholic Schools Foundation, Inc., a related organization, provides support to Catholic schools located in the Archdiocese of Boston. During the years ended June 30, 2022 and 2021, this foundation awarded $3,771 and $3,899, respectively, in inner city scholarships and support to schools that are operated by the Corporation Sole's parishes. The foundation also awarded grants totaling $600 and $540 for the years ended June 30, 2022 and 2021, respectively, to the Corporation Sole's Catholic Schools Office to further support school programs coordinated by that office.

Fides Insurance Group, Inc.

The Corporation Sole recognized a nonoperating gain of $2,158 and $3,586 for the years ended June 30, 2022 and 2021, respectively, related to its investment in Fides. The Corporation Sole also remitted property and liability insurance premiums totaling $7,271 and $7,103 for the years ended June 30, 2022 and 2021, respectively.

Discounted Rent

The Corporation Sole leases properties to several related Catholic high schools, academies and other organizations well below market rates. Management estimates the market value of those rentals to be approximately $8,607 and $8,112 for the years ended June 30, 2022 and 2021, respectively.

NOTE 15 - SUBSEQUENT EVENTS

In connection with the preparation of these combined financial statements, the Corporation Sole has evaluated events and transactions through December 22, 2022, which is the date these combined financial statements were available for issuance.

SECTION 4 – Lay Compensation and Vendor Expenditure Disclosure

Included this year with the release of this report is the Lay Compensation and Vendor Expenditure Disclosure which is modeled after the Internal Revenue Service Form 990. This report provides visibility into the compensation of the Corporation Sole's Lay Officers, Cabinet Leaders, and five highest compensated employees, as well as the five highest paid vendors. Compensation data is provided for the calendar year which ends within the fiscal period reported in the consolidated financial statements. Therefore, for the fiscal year ending June 30, 2022, the compensation information presented is for calendar year 2021.

Reportable Compensation from Corporation Sole represents the gross wages for the named individual. Amount of Other Compensation Not Included in W-2/1099 includes medical premiums paid by Corporation Sole for the benefit of the lay employees, and the employer portion of life and LTD insurance and 401(k) costs paid by Corporation Sole for lay employees.

Central Ministries lay employees received a 2% cost of living increase, effective July 1, 2021.

Lay Compensation and Vendor Expenditure Disclosure
December 31, 2021

Name and Title	Average Hours per Week	Position	Employing Entity	Reportable Compensation	Amount of Other Compensation Not Included on W-2/1099
Officers:					
Mr. John E. Straub	40+	Assistant Clerk, Chancellor	Central Ministries	$286,314	$21,038
Mr. Francis O'Connor	40+	Assistant Clerk, General Counsel	Central Ministries	$302,776	$26,512
Cabinet Leaders (Other than Officers):					
Mr. Terrence Donilon	40+	Secretary for Communications & Public Affairs	Central Ministries	$180,586	$22,967
Mr. Thomas Carroll	40+	Secretary for Education	Central Ministries	$299,748	$26,507
Five Highest Compensated Employees (Other than Officers and Cabinet Leaders):					
Ms. MC Sullivan, RN, MTS, JD [1]	40+	Chief Healthcare Ethicist	Central Ministries	$222,159	$15,509
Ms. Maureen Creedon	40+	Executive Director of Finance and Treasurer	Central Ministries	$219,535	$15,539
Mr. Mark Dunderdale	40+	Director of the Office of Professional Standards and Oversight	Central Ministries	$215,485	$23,357
Ms. Carol Gustavson	40+	Executive Director of Benefits	Central Ministries	$182,857	$23,153
Mr. Michael Lavigne	40+	Assistant Secretary for Evangelization and Discipleship	Central Ministries	$182,139	$23,100

CY2021 Total number of individuals other than current officers, cabinet leaders, former cabinet leaders and highest compensated employees who received more than $100,000 in reportable compensation from Corporation Sole: 64

Five Highest Compensated Independent Contractors Who Received More Than $100,000:

Vendor	Services Provided	Reportable Compensation from Corporation Sole	Amount of Other Compensation Not Included on Form 1099
1. Santini, Inc.	Construction	$5,044,402	$0
2. Willis Towers Watson Northeast Inc.	Insurance Broker	$3,117,142	$0
3. William Gallagher Associates	Insurance Broker	$2,274,990	$0
4. Boston Property Contractors, Inc.	Construction	$1,884,350	$0
5. Patrick J. Kennedy & Sons, Inc.	Construction	$966,587	$0

Total number of compensated independent contractors who received more than $100,000: 116

[1] Central Ministries is fully reimbursed for Ms. Sullivan's compensation and benefit costs by Steward Health Care System LLC pursuant to a Stewardship agreement entered into in connection with Steward's 2010 acquisition of substantially all of the assets of the Caritas Christi Health Care System.

SECTION 5 – Related Organizations

<u>Compendium of Audited Financial Statements of Corporation Sole Related Organizations</u>

Set forth below is a list of organizations sponsored by the Corporation Sole or for which the Corporation Sole or the Roman Catholic Archbishop of Boston (the "Archbishop") has the direct or indirect right (whether alone or in conjunction with others) to elect or appoint officers, directors, trustees, governors and/or members (collectively, "Related Organizations"). Each Related Organization is separately incorporated or constitutes a separate trust or partnership and none of them are consolidated with Corporation Sole for financial statement purposes.

For financial reports provided by the Related Organizations, please visit our website *at http://www.bostoncatholic.org and click on the About tab, Annual Report tab, listed by fiscal year and category. Thank you.*

Listing of Related Organizations

Catholic Media and Evangelization
iCatholic Media, Inc.

Cemeteries
Catholic Cemetery Association of the Archdiocese of Boston, Inc. (The)
Catholic Cemetery Association Perpetual Care Trust (The)

Education
Archbishop Williams High School, Inc.
Bishop Fenwick High School, Inc.
Boston Boy Choir, Inc.
Cardinal Spellman High School, Inc.
Cathedral High School, Inc.
Cristo Rey Boston High School, Inc.
Lawrence Catholic Academy of Lawrence, Massachusetts, Inc.
Lowell Catholic High School, Inc.
Lumen Verum Academy, Inc.
Matignon High School, Inc.
Quincy Catholic Academy of Quincy, Massachusetts, Inc.
St. Columbkille School, Inc.
St. John Paul II Catholic Academy, Inc.
St. Mary's High School, Inc.
St. Sebastian's School, Inc.
Ste. Jean d'Arc School of Lowell, Massachusetts, Inc.
Trinity Catholic Academy, Inc.

Development
Boston Catholic Development Services, Inc.
Catholic Community Fund of the Archdiocese of Boston, Inc. (The)
Catholic Health Foundation of Greater Boston, Inc.
Catholic Schools Foundation, Inc. (The)
Cristo Rey Work Study Program, Inc.
Fund for Catholic Schools, Inc. (The) (aka Campaign for Catholic Schools)
St. Mary's High School Foundation, Inc.
St. Sebastian's School Fund, Inc.

Health, Retirement & Investment Trusts
Benefit Trust for Non-Incardinated Priests Duly Assigned for Service in the Archdiocese of Boston
Common Investment Fund, Roman Catholic Archbishop of Boston
Fixed Income Investment Fund, RCAB
Income Opportunity Fund Roman Catholic Archbishop of Boston, a Corporation Sole
Pension Plan & Trust of the Roman Catholic Archdiocese of Boston
RCAB Collective Investment Partnership
RCAB 401k Retirement Savings Plan
Roman Catholic Archdiocese of Boston Health Benefit Trust
Roman Catholic Archdiocese of Boston Life Insurance and Accidental Death, Dismemberment & Long-Term Disability Insurance Trust
Roman Catholic Archdiocese of Boston Transition Assistance Program Trust

Ministerial
Pope St. John XXIII National Seminary, Inc.
Redemptoris Mater House of Formation, Inc.
St. John's Seminary

Mission Related
Missionary Society of St. James the Apostle (The)
Society for Propagation of the Faith of Boston, Inc. (The)

Social Service
Catholic Charitable Bureau of the Archdiocese of Boston, Inc.
Catholic Social Services, Inc.
Irish Pastoral Centre of the Archdiocese of Boston, Inc. (The)
Life Resources, Inc.
Office of Outreach, Assistance, Education and Prevention of the Archdiocese of Boston, Inc. (The)
Planning Office for Urban Affairs, Inc.
St. Ann's Home, Inc.
St. Mary’s Center for Women and Children, Inc.
*TAS-CC, Inc.
*TAS-CSEMCB, Inc.
*TAS-CSH, Inc.
*St. Margaret’s Hospital for Women

Insurance
Fides Insurance Group, Inc.
Massachusetts Catholic Self-Insurance Group, Inc.
Ratio Risk Services, LLC

Other Related Organizations

Archdiocese of Boston Clergy Benefit Funding Trust
Archdiocese of Boston Clergy Medical / Hospitalization Trust
Archdiocese of Boston Clergy Retirement Trust
Archdiocese of Boston Regina Cleri Trust
Regina Cleri, Inc.
Massachusetts Catholic Conference, Inc.
RCAB-CCL, Inc.

*As of November 5, 2010, TAS-CC, Inc. (formerly Caritas Christi) and its affiliated health care entities sold substantially all of their assets used in the operation of a health care system to Steward Healthcare System LLC ("Steward"). As a result, although the assets were transferred to Steward, almost all of the corporate entities initially remained directly or indirectly under the control of Corporation Sole or the Archbishop. Prior to June 30, 2015, certain of those corporate entities were either merged or dissolved. Each of the asterisked entities that were formerly Caritas Christi entities remain in existence. Each of the asterisked entities is separately incorporated and none of them is consolidated with Corporation Sole for financial reporting purposes.

SECTION 6 – Corporation Sole Parishes

COMPENDIUM OF FINANCIAL REPORTS OF CORPORATION SOLE PARISHES

For financial reports provided by the parishes of the Archdiocese of Boston, please visit our website *at http://www.bostoncatholic.org and click on the Offices & Services tab and click on Finance, listed alphabetically. Thank you.*

Parishes of the Archdiocese of Boston

City/Town	Parish
Abington	Saint Bridget Parish
Acton	Saint Elizabeth of Hungary Parish
Allston	Saint Anthony Parish
Amesbury	Holy Family Parish
Andover	Saint Augustine Parish
Andover	Saint Robert Bellarmine Parish
Arlington	Saint Agnes Parish
Arlington	Saint Camillus Parish
Ashland	Saint Cecilia Parish
Avon	Saint Michael Parish
Ayer	Saint Mary Parish
Bedford	Saint Michael Parish
Bellingham	Saint Brendan Parish
Bellingham	Saint Blaise Parish
Belmont	Saint Joseph Parish
Belmont	Saint Luke Parish
Beverly	Saint Mary Star of the Sea Parish
Beverly	Saint John the Evangelist Parish
Beverly Farms	Saint Margaret Parish
Billerica	Saint Matthew the Evangelist Parish
Boston	Cathedral of the Holy Cross Parish
Boston	Saint Cecilia Parish
Boston	Saint James the Greater Parish
Boston	Saint Leonard of Port Maurice Parish
Boston	Saint Joseph Parish
Bradford	Sacred Hearts Parish
Braintree	Saint Clare Parish
Braintree	Saint Francis of Assisi Parish
Braintree	Saint Thomas More Parish
Bridgewater	Saint Thomas Aquinas Parish
Brighton	Saint Columbkille Parish

Brockton	Our Lady of Lourdes Parish
Brockton	Saint Patrick Parish
Brockton	Saint Edith Stein Parish
Brockton	Christ the King Parish
Brookline	Saint Mary of the Assumption Parish
Burlington	Saint Veronica Parish
Cambridge	Saint Anthony Parish
Cambridge	Saint Francis of Assisi Parish
Cambridge	Saint John the Evangelist Parish
Cambridge	Saint Mary of Annunciation Parish
Cambridge	Saint Paul Parish
Cambridge	Saint Peter Parish
Cambridge	Sacred Heart of Jesus Parish
Canton	Saint Oscar Romero Parish
Carlisle	Saint Irene Parish
Carver/Plymouth	Mary, Queen of Martyrs Parish
Charlestown	Saint Francis de Sales Parish
Charlestown	St Mary - St Catherine
Chelmsford	Saint Mary Parish
Chelsea	Saint Rose of Lima Parish
Chelsea/Revere/Everett	Blessed Mother of the Morning Star Parish
Cohasset	Saint Anthony Parish
Concord	Holy Family Parish
Danvers	Saint Mary of the Annunciation Parish
Danvers	Saint Richard of Chichester Parish
Dedham	Saint Mary Parish
Dedham	Saint Susanna Parish
Dorchester	Saint Ambrose Parish
Dorchester	Saint Martin de Porres Parish
Dorchester	Saint Teresa of Calcutta Parish
Dorchester	Saint Gregory Parish
Dorchester	Saint Mark Parish
Dorchester/Mattapan	Our Lady of Mount Carmel Parish
Dorchester	Holy Family Parish
Dorchester	Saint Peter Parish
Dover	Most Precious Blood Parish
Dracut	Saint Francis of Assisi Parish
Dracut	Saint Marguerite D'Youville Parish
Duxbury	Holy Family Parish
E Bridgewater	Saint John the Evangelist Parish
East Boston	Saint Joseph - St Lazarus Parish
East Boston	Most Holy Redeemer Parish
East Boston	Our Lady of the Assumption Parish

East Boston	Sacred Heart Parish
East Walpole	Saint Mary Parish
East Weymouth	Saint Albert the Great Parish
East Weymouth	Immaculate Conception Parish
Essex/Manchester	Visitation Parish by the Sea
Everett	Saint Anthony of Padua Parish
Everett	Immaculate Conception Parish
Foxboro	Saint Mary Parish
Framingham	Saint Bridget Parish
Framingham	Saint George
Framingham	Saint Stephen Parish
Framingham	Saint Tarcisius Parish
Franklin	Saint Mary Parish
Georgetown	Saint Mary Parish
Gloucester	Our Lady of Good Voyage Parish
Gloucester	Holy Family Parish
Green Harbor	Our Lady of the Assumption Parish
Hanover/Norwell/Pembroke	Our Lady of the Angels Parish
Hanson/Halifax	Holy Apostles Parish
Haverhill	Saint James Parish
Haverhill	Saint John the Baptist Parish
Haverhill	All Saints Parish
Hingham	Saint Paul Parish
Hingham	Resurrection Parish
Holbrook	Saint Joseph Parish
Holliston	Saint Mary Parish
Hopkinton	Saint John the Evangelist Parish
Hudson	Saint Michael Parish
Hull	Saint Mary of the Assumption Parish
Hyde Park	Most Precious Blood Parish
Ipswich	Our Lady of Hope Parish
Jamaica Plain	Our Lady of Lourdes Parish
Jamaica Plain	Saint Thomas Aquinas Parish
Kingston	Saint Joseph Parish
Lakeville/Middleboro	Saint Isidore Parish
Lawrence	Saint Patrick Parish
Lawrence	Saint Mary of the Assumption Parish
Lawrence	Holy Rosary Shrine
Lexington	Saint Brigid Parish
Lexington	Sacred Heart Parish
Lowell	Saint Anthony Parish
Lowell	Holy Trinity Parish
Lowell	Immaculate Conception Parish

Lowell	Saint Margaret Parish
Lowell	Holy Family Parish
Lowell	Saint Michael Parish
Lowell	Saint Patrick Parish
Lowell	Saint Rita Parish
Lynn	Holy Family Parish
Lynn	Saint Joseph Parish
Lynn	Saint Mary of the Sacred Heart Parish
Lynn	Saint Pius V Parish
Lynnfield	Ave Maria Parish
Malden	Immaculate Conception Parish
Malden	Saint Joseph Parish
Malden	Sacred Hearts Parish
Manomet	Saint Bonaventure Parish
Marblehead	Our Lady Star of the Sea Parish
Marlboro	Immaculate Conception Parish
Marlboro	Saint Matthias Parish
Marshfield	Saint Ann By the Sea Parish
Marshfield	Saint Christine Parish
Medfield	Saint Edward the Confessor Parish
Medford	Mary, Queen of Peace Parish
Medford	Saint Raphael Parish
Medford	Blessed Andrew Phu Yen Parish
Medway	Saint Joseph Parish
Melrose	Incarnation Parish
Melrose	Saint Mary of the Annunciation Parish
Merrimac	Holy Redeemer Parish
Methuen	Our Lady of Good Counsel Parish
Methuen	Saint Lucy Parish
Methuen	Saint Monica Parish
Middleton	Saint Agnes Parish
Millis	Saint Thomas the Apostle Parish
Milton	Saint Agatha Parish
Milton	Our Lady of the Visitation Parish
Milton	Saint Pius Tenth Parish
Nahant	Saint Thomas Aquinas Parish
Natick	Saint Linus Parish
Natick	Saint Patrick Parish
Needham	Saint Bartholomew Parish
Needham	Saint Joseph Parish
Newburyport	Immaculate Conception Parish
Newton	Corpus Christi-Saint Bernard Parish
Newton	Saint Ignatius Loyola Parish

Newton	Our Lady Help of Christians Parish
Newton	Sacred Heart Parish
Newton	Saint Antoine Daveluy
Newton Upper Falls	Mary Immaculate of Lourdes Parish
Norfolk	Saint Jude Parish
North Andover	Saint Michael Parish
North Chelmsford	Saint John the Evangelist Parish
North Reading	Saint Theresa of Lisieux Parish
North Weymouth	Saint Jerome Parish
Norwood	Saint Catherine of Siena Parish
Norwood	Saint Timothy Parish
Peabody	Saint Adelaide Parish
Peabody	Saint Ann Parish
Peabody	Saint John the Baptist Parish
Peabody	Saint Thomas the Apostle Parish
Peabody	Our Lady of Fatima Parish
Pepperell	Our Lady of Grace
Plainville	Saint Martha Parish
Plymouth	Saint Mary Parish
Quincy	Saint John the Baptist Parish
Quincy	Saint Joseph Parish
Quincy	Holy Trinity Parish
Quincy	Divine Mercy Parish
Randolph	Saint Bernadette Parish
Randolph	Saint Mary Parish
Reading	Saint Agnes Parish
Reading	Saint Athanasius Parish
Readville	Saint Anne Parish
Revere	Immaculate Conception Parish
Revere	Saint Anthony of Padua Parish
Rockland	Holy Family Parish
Roslindale	Sacred Heart Parish
Roxbury	Saint Mary of the Angels Parish
Roxbury	Our Lady of Perpetual Help Parish
Roxbury	Saint Patrick Parish
Roxbury	St. Katharine Drexel Parish
Salem	Saint Anne Parish
Salem	Mary, Queen of the Apostles
Salem	Shrine of Divine Mercy
Salisbury	Star of the Sea Parish
Saugus	Blessed Sacrament Parish
Saugus	Saint Margaret Parish
Scituate	Saint Mary of the Nativity Parish

Sharon	Our Lady of Sorrows Parish
Sherborn	Saint Theresa of Lieieux Parish
Shirley	Saint Anthony Parish
Somerville	Saint Anthony Parish
Somerville	Saint Benedict Parish
Somerville	Saints Louis & Zelie Martin Parish
South Boston	Saint Brigid Parish
South Boston	Gate of Heaven Parish
South Boston	Our Lady of Czestochowa Parish
South Boston	Saint Peter Parish
South Boston	Saint Monica Parish
South Hamilton	Saint Paul Parish
South Weymouth	Saint Francis Xavier Parish
Stoneham	Saint Patrick Parish
Stoughton	Immaculate Conception Parish
Stoughton	Saint James Parish
Stow	Saint Isidore Parish
Sudbury/Maynard	Ascension of Our Lord and Savior Jesus Christ Parish
Sudbury	St. Anselm Church
Swampscott	Saint John the Evangelist Parish
Tewksbury	Saint William Parish
Topsfield	Saint Rose of Lima Parish
Townsend	Saint John the Evangelist Parish
Tyngsboro	Saint Mary Magdalen Parish
Wakefield	Saint Florence Parish
Wakefield	Saint Joseph Parish
Wakefield	Most Blessed Sacrament Parish
Walpole	Blessed Sacrament Parish
Waltham	Saint Jude Parish
Waltham	Saint Mary Parish
Waltham	Our Lady Comforter of Afflicted Parish
Waltham	Sacred Heart Parish
Watertown	Saint Patrick Parish
Watertown	Sacred Heart Parish
Wayland	Good Shepherd Parish
Wellesley	Saint Paul Parish
Wellesley Hills	Saint John the Evangelist Parish
West Bridgewater	Saint Ann Parish
West Roxbury	Holy Name Parish
West Roxbury	Saint John Chrysostom Parish
West Roxbury	Saint Theresa of Avila Parish
Westford/Littleton	Blessed Trinity Parish
Weston	Saint Julia Parish

Westwood	Saint Denis Parish
Westwood	Saint Margaret Mary Parish
Weymouth	Sacred Heart Parish
Whitman	Holy Ghost Parish
Wilmington	Parish of the Transfiguration
Winchester	Saint Eulalia Parish
Winchester	Saint Mary Parish
Winthrop	Saint Michael the Archangel
Woburn	Saint Anthony of Padua Parish
Woburn	Saint Barbara Parish
Woburn	Saint Charles Borromeo Parish
Wrentham	Saint Mary Parish