



DIOCESE OF BELLEVILLE

Diocesan Financial Statements for Fiscal Year 2024-2025

The Diocese of Belleville has completed the audit of its financial reports for the Fiscal Year ended June 30, 2025. The summary reports that display the financial position and statement of activities for each Fund of the Diocese are presented for the Fiscal Year. Supplemental discussions will explain the composition of each operating entity.

In conjunction with the Bishop's cabinet, separate independent boards and committees participate in the monitoring and coordination of activities of the Funds of the Diocese. The members of the Boards and committees consist of lay individuals and clergy throughout the geographical boundaries of the Diocese representing all Vicariates of the Diocese. Meetings are generally held quarterly. Annual separate independent outside audits are conducted for the General Fund, the Catholic Services & Ministry Appeal, the Parish and Agency Resource Fund, the Ministry Formation Fund and the Catholic Community Foundation by Kerber, Eck and Braeckel LLP.

The General Fund consists of the administrative, operational and day to day activities of the Diocese. Included within are costs related to departments such as Worship, Faith Formation, Religious Education, Human Resources, Accounting and Finance, Property Management, Clerical and Administrative support and Information Technology. Additional responsibilities falling within the General Fund include the coordination of the Diocesan Risk Management and legal activity.

Investment balances increased primarily due to favorable financial market conditions. Land, Buildings and equipment increased with improvements in facilities and technology. Liabilities for retirement obligations decreased due to actuarial calculations, driven by population changes and increased discount rates. The Diocese has unfunded future liabilities for post-retirement health care and pension benefits of \$5.6M. The General Fund's \$ 2.2M current year improvement in net asset position is due to investment market performance, a bequest, actuarial driven gains on liability reductions, as well as continuous focus on managing

administrative costs. The Diocese has \$1.1M in Net Assets with donor restrictions and an unrestricted Net Asset position of \$5.8M.

Revenue sources increased approximately \$207k primarily due to a bequest, but also positive results from investments in the current year. Previous year revenues included a sizeable gain on the sale of real estate.

Expenses decreased by \$220k related to decreases in actuarially driven post-retirement adjustments as well as professional fees. The decrease was offset by increases in salaries and benefits with a fully staffed Chancery office in the current year.

The Catholic Service & Ministry Appeal (CSMA) Fund reflects the status and activity of the annual appeal of the Diocese. Under the direction of the independent CSMA Board representing all the Vicariates of the Diocese, funds are solicited throughout the year and distributed upon receipt of cash to charitable agencies and departments on the basis of need. The Board consists of lay volunteers, religious, deacons and priests who serve three (3) year terms. (1) Note: the financial results reported for CSMA are as of February 28, 2025, which approximate the start of the appeal year beginning the weekend prior to Ash Wednesday. The Fiscal Year ends sometimes do not coincide with Campaign years due to the calendar difference of Ash Wednesday from year to year.

Through the generosity of many parishioners of the Diocese, the Appeal received approximately \$1.2M that was distributed to multiple agencies and departments during the fiscal year. Campaign funds are recorded in the financial statements in the period they are received. CSMA designates funds and goals to particular campaign years, which may not coincide with date the funds are received. The timing differences of receipt create some disparity between the Financial Statements and other Campaign reports. The \$350k difference between the year ended February 28, 2025 and February 29, 2024 are purely due to timing of receipts.

The Parish and Agency Resource Fund (formerly the Deposit and Loan Fund) was established to maximize the financial resources and needs of the parishes and agencies within the Diocese. Acting as a conduit, the fund provides an alternative for short-term investing while providing a ready source of funds for parishes for short and intermediate-term projects. Both the returns offered to investors and the borrowing rates charged on loans are usually superior to the current rates offered by outside financial institutions.

PARF currently has approximately \$12.3M on deposit and loans outstanding of \$3.2M as of June 30, 2024. Marketable securities consist of investments in the Catholic Community Foundation (\$967k) as well as Junior Bonds (\$1.19M) issued by a parish within the Diocese. The Fund is holding \$8.7M in cash and cash equivalents that are available for financing needs at Diocesan entities. The Fund had a positive change in net assets of \$215k, but the bottom line declined from the previous year with increased interest expense on deposits as well as increased reserves on bad debt.

The Ministry Formation Fund was created as a resource for expanding the number of clergy serving the Diocese and to provide assistance for the formation of those answering God's call. Through the generous donations of many current and past contributors the Fund has been able to provide financial assistance to those discerning and studying to be ordained, who otherwise would be unable to meet the monetary obligations of that education. Diocesan departments benefiting from this Fund's resources include the offices of Vocations, Seminarians, Permanent Diaconate and Deacon Formation. Gifts and bequests will continue to be needed to defray the anticipated education costs for our seminarians for the foreseeable future.

The Ministry Formation Fund currently has \$2.1M in net assets; an increase of \$32k from the prior year. The Fund received \$78k in Diocesan collections for Seminarian education, an increase of \$26k from the previous year. Total revenue for the Fund increased by \$46k over the previous year, driven primarily by collections, contributions, and billings on permanent diaconate programs. Expenses as a whole increased by \$229k, a result of increased undergraduate seminarian and permanent diaconate tuition costs. The Diocese currently has five seminarians. The fund incurred \$234k in seminarian expenses.

The Property Insurance Fund is responsible for the management and coordination of the Diocese's insurance coverage and unemployment benefit obligations. The activities within this area of responsibility include property, liability, workers' compensation and auto liability coverage for all Diocesan parishes, schools and agencies. By consolidating this function into a single negotiating entity, the Diocese is able to minimize premiums, maximize coverage and diversify risk.

The Fund has net assets of \$1.3M, which is an increase of \$56k from the prior year. The Fund has cash reserves of \$1.5M. The reserve for unemployment claims is \$786k. The Diocese is a nonprofit reimbursable employer for unemployment claims. We reimburse the State on all unemployment claims.

The Catholic Community Foundation is a separate not-for-profit corporation utilizing outside investment consultants and has a focus on long term investment strategies. The Fund is under the direction of an independent Board comprised of clergy and lay volunteers with investment management experience. Parishes, agencies and related organizations investing with the Foundation are benefitting from equity and fixed income market returns at significantly lower overall costs. The investments in the Foundation are managed by Christian Brothers Investment Services in accordance with United States Conference of Catholic Bishops principles for socially responsible investments. At fiscal year end, the Foundation had \$35M in deposits and investments.