

**GREEN BAY DIOCESE
CEMETERY CORPORATION**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2019 AND 2018

**GREEN BAY DIOCESE CEMETERY CORPORATION
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Green Bay Diocese Cemetery Corporation
Green Bay, Wisconsin

We have audited the accompanying financial statements of Green Bay Diocese Cemetery Corporation (a Wisconsin corporation), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Green Bay Diocese Cemetery Corporation

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Green Bay Diocese Cemetery Corporation as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oshkosh, Wisconsin
September 23, 2019

GREEN BAY DIOCESE CEMETERY CORPORATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
Cash and Interest in Cash	\$ 136,909	\$ 371,411
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$40,000	51,936	64,896
Prepaid Expenses	2,315	3,202
Inventories	1,193,132	1,242,395
Investments	4,092,912	4,013,907
Property and Equipment, Net	1,142,247	925,598
Total Assets	\$ 6,619,451	\$ 6,621,409
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 47,425	\$ 134,576
Accrued Expenses	33,236	37,585
Deferred Revenue	1,777,199	1,716,767
Total Liabilities	1,857,860	1,888,928
NET ASSETS		
Without Donor Restrictions:		
Designated for the Perpetual Care of the Cemetery	3,505,626	3,470,877
Undesignated	1,251,043	1,256,682
Total Net Assets Without Donor Restrictions	4,756,669	4,727,559
With Donor Restrictions:		
Restricted for Cemetery Upkeep	4,922	4,922
Total Net Assets	4,761,591	4,732,481
Total Liabilities and Net Assets	\$ 6,619,451	\$ 6,621,409

See accompanying Notes to Financial Statements.

GREEN BAY DIOCESE CEMETERY CORPORATION
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Sales	\$ 1,056,295	\$ -	\$ 1,056,295
Cost of Sales	(366,251)	-	(366,251)
Gross Margin	690,044	-	690,044
Contributions	440	-	440
Other	12,970	-	12,970
Total Revenues and Support	<u>703,454</u>	<u>-</u>	<u>703,454</u>
EXPENSES			
Salaries and Wages	267,264	-	267,264
Personnel Benefits	77,397	-	77,397
Purchased Services	138,037	-	138,037
Facilities, Buildings, and Grounds	374,762	-	374,762
Office	32,832	-	32,832
Other	667	-	667
Total Expenses	<u>890,959</u>	<u>-</u>	<u>890,959</u>
Revenues and Support in Excess (Deficit) of Expenses	(187,505)	-	(187,505)
OTHER CHANGES IN NET ASSETS			
Investment Return	216,465	-	216,465
Gain on Disposal of Equipment	150	-	150
Total Other Changes in Net Assets	<u>216,615</u>	<u>-</u>	<u>216,615</u>
CHANGE IN NET ASSETS	29,110	-	29,110
Net Assets - Beginning of Year	<u>4,727,559</u>	<u>4,922</u>	<u>4,732,481</u>
NET ASSETS - END OF YEAR	<u><u>\$ 4,756,669</u></u>	<u><u>\$ 4,922</u></u>	<u><u>\$ 4,761,591</u></u>

See accompanying Notes to Financial Statements.

GREEN BAY DIOCESE CEMETERY CORPORATION
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Sales	\$ 1,264,092	\$ -	\$ 1,264,092
Cost of Sales	(404,943)	-	(404,943)
Gross Margin	859,149	-	859,149
Contributions	800	-	800
Other	6,698	-	6,698
Total Revenues and Support	<u>866,647</u>	<u>-</u>	<u>866,647</u>
EXPENSES			
Salaries and Wages	244,790	-	244,790
Personnel Benefits	77,282	-	77,282
Purchased Services	131,060	-	131,060
Facilities, Buildings, and Grounds	351,016	-	351,016
Office	29,378	-	29,378
Other	15,121	-	15,121
Total Expenses	<u>848,647</u>	<u>-</u>	<u>848,647</u>
Revenues and Support in Excess of Expenses	18,000	-	18,000
OTHER CHANGES IN NET ASSETS			
Investment Return	274,018	-	274,018
Loss on Disposal of Equipment	(6,905)	-	(6,905)
Total Other Changes in Net Assets	<u>267,113</u>	<u>-</u>	<u>267,113</u>
CHANGE IN NET ASSETS	285,113	-	285,113
Net Assets - Beginning of Year	<u>4,442,446</u>	<u>4,922</u>	<u>4,447,368</u>
NET ASSETS - END OF YEAR	<u>\$ 4,727,559</u>	<u>\$ 4,922</u>	<u>\$ 4,732,481</u>

See accompanying Notes to Financial Statements.

GREEN BAY DIOCESE CEMETERY CORPORATION
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 1,143,097	\$ 1,428,380
Cash Paid to and On Behalf of Employees	(509,328)	(503,300)
Cash Paid to Suppliers	(717,679)	(570,380)
Net Cash Flows from Operating Activities	(83,910)	354,700
 CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Paid for Purchases of Property and Equipment	(288,202)	(343,539)
Proceeds from Sale of Equipment	150	-
Cash Paid for Purchases of Investments	(127,540)	(202,908)
Proceeds from Sale of Investments	265,000	350,000
Net Cash Flows from Investing Activities	(150,592)	(196,447)
 NET CHANGE IN CASH AND INTEREST IN CASH	(234,502)	158,253
 Cash and Interest in Cash - Beginning of Year	371,411	213,158
 CASH AND INTEREST IN CASH - END OF YEAR	\$ 136,909	\$ 371,411

See accompanying Notes to Financial Statements.

GREEN BAY DIOCESE CEMETERY CORPORATION
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 29,110	\$ 285,113
Adjustments to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities:		
Depreciation	71,553	56,433
Provision For Doubtful Accounts	-	15,000
Investment Return	(216,465)	(274,018)
Loss (Gain) on Disposal of Equipment	(150)	6,905
Changes in Certain Assets and Liabilities:		
Accounts Receivable	12,960	37,008
Prepaid Expenses	887	(3,202)
Inventories	49,263	93,963
Accounts Payable	(87,151)	31,160
Accrued Expenses	(4,349)	1,556
Deferred Revenue	60,432	104,782
Net Cash Flows from Operating Activities	\$ (83,910)	\$ 354,700
 NONCASH INVESTING AND FINANCING ACTIVITIES		
Additions to Property and Equipment Included in Accounts Payable	\$ -	\$ 19,000
Interest and Dividends Reinvested Directly Back Into Investment Funds	\$ 76,901	\$ 61,661

See accompanying Notes to Financial Statements.

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 PRINCIPAL ACTIVITY

Green Bay Diocese Cemetery Corporation (the Cemetery) is a nonprofit corporation organized under the laws of the state of Wisconsin for the purpose of receiving, providing, and maintaining placement facilities for the deceased parishioners of the Green Bay Diocese (the Diocese) and their families. The financial statements of the Cemetery include the accounts of Allouez Catholic Cemetery and Chapel Mausoleum which is located in Allouez, Wisconsin.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Interest in Cash

The Cemetery participates in a pooled cash account with an interdiocesan entity. This account sweeps daily to a zero balance. The total of the pooled cash account, at times, may exceed federally insured limits. The Cemetery has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Accounts Receivable

The majority of the Cemetery's accounts receivable are due from private parties within the Green Bay Diocese region. Accounts receivable are due within 30 days or according to separately stated terms and are stated as amounts due, net of allowance for doubtful accounts. The Cemetery provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. The estimate is based on historical collection experience and a review of the current status of the accounts receivable. Interest on past due receivables is recorded in investment return. There was no interest recorded during the years ended June 30, 2019 and 2018.

Inventories

Inventories, which consist of urns, glass niches, mausoleum crypts, mausoleum niches, and ground crypts, are stated at cost of purchase or construction, with cost determined by specific identification.

Investments

Investments are generally recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Investment return and unrealized gains or losses are included in the statements of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law.

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

All acquisitions of property in excess of \$5,000 and equipment in excess of \$1,000 and all expenditures for improvements and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor improvements are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Property and equipment are depreciated using the straight-line method over their estimated useful lives.

Land Improvements	10 to 50 Years
Buildings	10 to 40 Years
Furniture and Equipment	3 to 20 Years
Vehicles	5 Years

Impairment of Long-Lived Assets

The Cemetery reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

Deferred Revenue

Revenues for internments, entombments, and inscriptions to be provided in future periods are recorded as deferred revenue when received and reflected as revenue in the year when the fees are earned.

Net Assets

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

Net Assets Without Donor Restrictions

Net assets available for use in general operation and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contribution Recognition

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

All donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released for Cemetery Upkeep.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Cemetery. A substantial number of unpaid volunteers have made significant contributions of their time to the operations of the Cemetery. The value of this donated time and service is not recognized in the accompanying financial statements because they do not meet the criteria for recognition.

Revenue Recognition

Sales of cemetery spaces are recorded when sales are made. Sales of mausoleum crypts and niches are recognized only when all costs associated with a particular phase are known and the phase is completed. Sales of spaces in phases under development are deferred, along with related selling expenses, until completion.

Cost of Sales

The cost of mausoleum crypt space available for sale is recorded on the financial statements as inventory and expensed as a cost of sale as the individual crypts are sold. The inventoriable costs include the costs of the crypts and all common areas except the chapel and administrative offices.

The Cemetery carries inventory of ground space available for sale. The costs of ground space sold are expensed at cost as a cost of the sale. All cemetery ground space available prior to July 1, 1990 is not maintained in inventory because the amount is considered immaterial and undeterminable. Beginning July 1, 1990, development costs for the new sections of the cemetery are recorded and expensed as a cost of the sale upon the sale of the related ground space.

Advertising

Advertising costs, which are included in expenses, are expensed as incurred. Advertising expense was \$20,824 and \$18,474 for the years ended June 30, 2019 and 2018, respectively.

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax-Exempt Status

The Cemetery received notification that they qualify as a tax-exempt organization under Section 501(c)(13) of the U.S. Internal Revenue Code and corresponding provisions of state law and accordingly, is not subject to federal or state income taxes.

The Cemetery files tax returns in the U.S. federal jurisdiction and one state.

Subsequent Events

In preparing these financial statements, the Cemetery has evaluated events and transactions for potential recognition or disclosure through September 23, 2019, the date the financial statements were available to be issued.

NOTE 3 ACCOUNTING STANDARDS UPDATE

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Update 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The Cemetery adopted this standard on July 1, 2018. Accordingly, the required presentation and disclosure changes have been retrospectively applied to the prior period presented as if the policy had been used in that year.

NOTE 4 LIQUIDITY AND AVAILABILITY

The Cemetery regularly monitors liquidity required to meet its operating needs, liabilities, and other obligations as they become due. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30:

	<u>2019</u>	<u>2018</u>
Cash and Interest in Cash	\$ 136,909	\$ 371,411
Accounts Receivable	51,936	64,896
Investments	<u>4,092,912</u>	<u>4,013,907</u>
Subtotal	4,281,757	4,450,214
Less: Net Assets Designated for the Perpetual Care of the Cemetery	(3,505,626)	(3,470,877)
Less: Donor Restricted Net Assets	<u>(4,922)</u>	<u>(4,922)</u>
Total Financial Assets Available for General Expenditure	<u>\$ 771,209</u>	<u>\$ 974,415</u>

Although management does not intend to utilize the amounts designated for the perpetual care of the Cemetery for general expenditures, these amounts could be made available if necessary.

The Cemetery also maintains two lines of credit totaling \$550,000, which could be drawn upon in the event of an anticipated liquidity need.

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 5 INVESTMENTS

Investments are held by St. Francis Xavier Investment Corp. (St. Francis Xavier Corp.), an interdiocesan entity. St. Francis Xavier Corp. has grouped their investments and created a unitized fixed income fund, equity fund, and money market fund. The Cemetery owns units in the fixed income, equity, and money market funds.

Investments are carried at fair value and consisted of the following at June 30:

	Fair Value		Redemption Frequency	Termination Notice Period
	2019	2018		
St. Francis Xavier Corp.				
Fixed Income Fund	\$ 1,073,459	\$ 1,049,965	Daily	30 Days
Equity Fund	2,511,083	2,384,000	Daily	30 Days
Money Market Fund	508,370	579,942	Daily	30 Days
Total	<u>\$ 4,092,912</u>	<u>\$ 4,013,907</u>		

The money market fund is intended to be utilized by intermediate and short-term money.

The fixed income fund is intended to be utilized by intermediate and long-term money. The target allocation of the fixed income fund is:

Intermediate Fixed Income	95%
Cash	5
Total	<u>100%</u>

The equity fund is intended to be utilized by long-term money. The participant is not allowed to invest more than 70% of their funds in the equity fund. The target allocation of the equity fund is:

Small-Cap Domestic Stocks	20%
Mid-Cap Domestic Stocks	20
Large-Cap Domestic Stocks	40
International Stocks	17
Cash and Cash Equivalents	3
Total	<u>100%</u>

As defined by current authoritative guidance, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Cemetery uses various valuation methods including the market, income, and cost approaches. The assumptions used in the application of these valuation methods are developed from the perspective of market participants pricing the asset or liability. Inputs used in the valuation methods can be either readily observable, market corroborated, or generally unobservable inputs. Whenever possible, the Cemetery attempts to utilize valuation methods that maximize the use of observable inputs and minimize the use of unobservable inputs.

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 5 INVESTMENTS (CONTINUED)

The fair value hierarchy ranks the quality and reliability of the information used to determine the fair values. Assets and liabilities measured, reported, and/or disclosed at fair value will be classified and disclosed in one of the following three categories:

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

Level 2 – Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3 – Unobservable inputs that are not corroborated by market data.

The table below presents the balances of assets measured at fair value on a recurring basis:

	June 30, 2019			
	Total	Level 1	Level 2	Level 3
St. Francis Xavier Corp.				
Fixed Income Fund	\$ 1,073,459	\$ -	\$ 1,073,459	\$ -
Equity Fund	2,511,083	-	2,511,083	-
Money Market Fund	508,370	-	508,370	-
Total Investments	<u>\$ 4,092,912</u>	<u>\$ -</u>	<u>\$ 4,092,912</u>	<u>\$ -</u>
	June 30, 2018			
	Total	Level 1	Level 2	Level 3
St. Francis Xavier Corp.				
Fixed Income Fund	\$ 1,049,965	\$ -	\$ 1,049,965	\$ -
Equity Fund	2,384,000	-	2,384,000	-
Money Market Fund	579,942	-	579,942	-
Total Investments	<u>\$ 4,013,907</u>	<u>\$ -</u>	<u>\$ 4,013,907</u>	<u>\$ -</u>

The fair value of the investment in the fixed income fund, the equity fund, and the money market fund has been estimated using the net asset value per share of the fund as determined by the fund administrator. The funds are valued on a daily basis.

Investment return in the statements of activities for the years ended June 30 consisted of the following:

	2019	2018
Interest and Dividends on Investments	\$ 76,901	\$ 61,661
Realized and Unrealized Gains (Losses) on Investments	139,564	212,357
Total Investment Return	<u>\$ 216,465</u>	<u>\$ 274,018</u>

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 6 INVENTORIES

Inventories consisted of the following at June 30:

	2019	2018
Burial Spaces	\$ 1,157,761	\$ 1,206,911
Supplies	35,371	35,484
Total Inventories	\$ 1,193,132	\$ 1,242,395

NOTE 7 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	2019	2018
Land and Improvements	\$ 392,048	\$ 392,048
Buildings	1,308,037	1,070,037
Furniture and Equipment	520,150	506,763
Vehicles	37,597	37,597
Total - At Cost	2,257,832	2,006,445
Less: Accumulated Depreciation	(1,115,585)	(1,080,847)
Net Property and Equipment	\$ 1,142,247	\$ 925,598

Depreciation expense of \$71,553 and \$56,433 was recorded for the years ended June 30, 2019 and 2018, respectively.

NOTE 8 PERPETUAL CARE FUNDS

The Cemetery's policy is to collect and account for the following fees as perpetual care funds:

Cemetery Lots – 25% of the gross sales price of each lot sold. This policy exceeds state law.

Mausoleum Crypts and Niches – 25% of the gross sales price of each space sold until the fund equals 25% of the cost of constructing the mausoleum. This policy is consistent with state law.

The fees collected are maintained in perpetuity in accordance with state law. The investment income (including interest and dividends, unrealized gains/losses, and realized gains/losses on sales of investments) is undesignated and can be used for the maintenance of the cemetery grounds and mausoleums.

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 9 LINE-OF-CREDIT

The Cemetery has a line of credit financing agreement with a bank in the amount of \$300,000 with interest payable at the monthly LIBOR rate plus 1.75% (effectively 4.15% at June 30, 2019). The line of credit is unsecured and expires December 31, 2020.

There were no amounts drawn on the line of credit and no interest expense during the years ended June 30, 2019 and 2018.

NOTE 10 DEFERRED REVENUE

Deferred revenue consisted of the following as of June 30:

	<u>2019</u>	<u>2018</u>
Prepaid Entombments	\$ 996,505	\$ 976,870
Prepaid Internments	351,144	318,524
Prepaid Inscriptions	406,535	398,359
Defaulted Sales Deposits	18,130	18,130
Deferred Interest	4,885	4,884
Total Deferred Revenue	<u>\$ 1,777,199</u>	<u>\$ 1,716,767</u>

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 11 FUNCTIONAL CLASSIFICATION OF EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include facilities, buildings, and grounds, which is allocated on a square footage basis, while the remaining natural expense categories are allocated on the basis of estimates of time and effort.

Expenses by function for the years ended June 30 are as follows:

	2019		
	Program Services	Management and General	Total
Salaries and Wages	\$ 370,027	\$ 7,529	\$ 377,556
Personnel Benefits	125,918	1,505	127,423
Purchased Services	103,837	34,200	138,037
Maintenance	195,704	-	195,704
Depreciation	71,553	-	71,553
Other Facilities, Buildings, and Grounds	126,983	-	126,983
Office	13,354	-	13,354
Other	667	-	667
Cost of Sales	205,933	-	205,933
Total Expenses by Function	1,213,976	43,234	1,257,210
Less: Expenses Included with Revenues on the Statements of Activities:			
Cost of Sales	(366,251)	-	(366,251)
Total Expenses Included in the Expenses Section on the Statements of Activities	\$ 847,725	\$ 43,234	\$ 890,959

GREEN BAY DIOCESE CEMETERY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 11 FUNCTIONAL CLASSIFICATION OF EXPENSES (CONTINUED)

	2018		
	Program Services	Management and General	Total
Salaries and Wages	\$ 364,909	\$ 8,311	\$ 373,220
Personnel Benefits	130,183	1,453	131,636
Purchased Services	97,976	33,084	131,060
Maintenance	143,075	-	143,075
Depreciation	56,433	-	56,433
Other Facilities, Buildings, and Grounds	164,561	-	164,561
Office	16,325	-	16,325
Other	15,121	-	15,121
Cost of Sales	222,159	-	222,159
Total Expenses by Function	1,210,742	42,848	1,253,590
Less: Expenses Included with Revenues on the Statements of Activities:			
Cost of Sales	(404,943)	-	(404,943)
Total Expenses Included in the Expenses Section on the Statements of Activities	\$ 805,799	\$ 42,848	\$ 848,647

NOTE 12 RETIREMENT PLAN

The Cemetery participates in the Catholic Diocese of Green Bay Employees' Retirement Plan. The defined contribution retirement plan covers most lay employees. The vesting period of the plan is six months. Contributions are 9% of an employee's wages and are made each pay period. Retirement expense was \$30,563 and \$30,210 for the years ended June 30, 2019 and 2018, respectively.

NOTE 13 INTERDIOCESAN TRANSACTIONS

The Cemetery was a party to various transactions with other diocesan corporations during the years ended June 30, 2019 and 2018. Total expenses paid to other diocesan corporations were \$183,411 and \$186,947 for the years ended June 30, 2019 and 2018, respectively, and relates to administrative and support services.

The Cemetery has signed an unsecured line-of-credit with the Catholic Diocese of Green Bay, Inc. for an amount up to \$250,000. Funds drawn on the line-of-credit accrued interest at a rate of 3.0% based on an average monthly balance. There were no amounts outstanding on the line-of-credit at June 30, 2019 and 2018.