

**ST. LUKE BENEFIT & INSURANCE
SERVICES CORP.**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021



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INDEPENDENT AUDITORS' REPORT

Board of Directors
St. Luke Benefit & Insurance Services Corp.
Green Bay, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of St. Luke Benefit & Insurance Services Corp., which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Luke Benefit & Insurance Services Corp. as of June 30, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of St. Luke Benefit & Insurance Services Corp. 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 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Luke Benefit & Insurance Services Corp.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

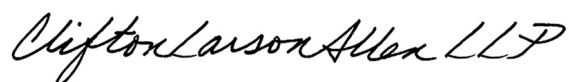
Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 St. Luke Benefit & Insurance Services Corp.'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about St. Luke Benefit & Insurance Services Corp.'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 audits.



CliftonLarsonAllen LLP

Oshkosh, Wisconsin
September 16, 2022

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
ASSETS		
Cash and Interest in Cash	\$ 590,622	\$ 1,678,481
Property and Equipment	1,310	1,652
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$10,000 and \$7,924, Respectively	322,377	-
Investments	6,157,474	6,495,708
Total Assets	\$ 7,071,783	\$ 8,175,841
LIABILITIES AND NET ASSETS		
LIABILITIES		
Medical and Dental Claims Payable	\$ 2,325,000	\$ 2,359,185
Accounts Payable and Accrued Expenses	99,178	89,842
Unemployment Compensation Claims Payable	24,730	17,952
Total Liabilities	2,448,908	2,466,979
NET ASSETS		
Without Donor Restrictions	4,622,875	5,708,862
Total Liabilities and Net Assets	\$ 7,071,783	\$ 8,175,841

See accompanying Notes to Financial Statements.

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
REVENUES AND SUPPORT		
Participant Fees - Medical and Dental Program	\$ 17,193,170	\$ 17,132,142
Program Costs - Medical and Dental Program	<u>(17,956,451)</u>	<u>(16,323,642)</u>
Net Revenue - Medical and Dental Program	(763,281)	808,500
Program Revenue - Unemployment Compensation	91,181	103,435
Program Costs - Unemployment Compensation	<u>(63,964)</u>	<u>(94,061)</u>
Net Revenue - Unemployment Compensation	27,217	9,374
Service Revenue	100,008	100,008
Contributions - Loan Forgiveness	-	104,600
Other	<u>686,569</u>	<u>317,411</u>
Total Revenues and Support	50,513	1,339,893
EXPENSES		
Salaries and Wages	345,331	392,274
Personnel Benefits	105,228	115,943
Purchased Services	255,189	233,721
Occupancy	27,300	27,300
Office	14,078	9,469
Grants and Direct Assistance	<u>51,140</u>	<u>57,547</u>
Total Expenses	<u>798,266</u>	<u>836,254</u>
Revenues and Support in Excess (Deficit) of and Expenses	(747,753)	503,639
OTHER CHANGE IN NET ASSETS		
Investment Return	<u>(338,234)</u>	<u>515,951</u>
CHANGE IN NET ASSETS	(1,085,987)	1,019,590
Net Assets - Beginning of Year	<u>5,708,862</u>	<u>4,689,272</u>
NET ASSETS - END OF YEAR	<u><u>\$ 4,622,875</u></u>	<u><u>\$ 5,708,862</u></u>

See accompanying Notes to Financial Statements.

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From Customers	\$ 17,748,551	\$ 17,669,911
Cash Paid to and on Behalf of Employees	(442,639)	(479,528)
Cash Paid to Suppliers	(18,342,631)	(16,784,197)
Cash Paid for Grants and Assistance	(51,140)	(57,547)
Net Cash Flows from Operating Activities	<u>(1,087,859)</u>	<u>348,639</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	-	(174,500)
Sale of Investments	-	140,000
Net Cash Flows from Investing Activities	<u>-</u>	<u>(34,500)</u>
NET CHANGE IN CASH AND INTEREST IN CASH	(1,087,859)	314,139
Cash and Interest in Cash - Beginning of Year	<u>1,678,481</u>	<u>1,364,342</u>
CASH AND INTEREST IN CASH - END OF YEAR	<u>\$ 590,622</u>	<u>\$ 1,678,481</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (1,085,987)	\$ 1,019,590
Adjustments to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities:		
Depreciation	342	342
Investment Return	338,234	(515,951)
Provision For Doubtful Accounts	2,076	(2,076)
Changes in Certain Assets and Liabilities:		
Accounts Receivable	(324,453)	18,991
Prepaid Expenses	-	813
Accounts Payable and Accrued Expenses	9,336	(21,338)
Medical and Dental Claims Payable	(34,185)	(59,984)
Unemployment Compensation Claims Payable	6,778	12,852
Refundable Advance	-	(104,600)
Net Cash Flows from Operating Activities	<u>\$ (1,087,859)</u>	<u>\$ 348,639</u>
NONCASH INVESTING ACTIVITY		
Interest and Dividends Reinvested Directly Back into Investment Funds	<u>\$ 21,337</u>	<u>\$ 32,099</u>

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 1 PRINCIPAL ACTIVITY

St. Luke Benefit & Insurance Services Corp. (St. Luke Corp.) is a nonprofit corporation organized under the laws of the state of Wisconsin for the purpose of organizing, directing, and administering programs to provide employee benefits, insurance, and human resources services for various Catholic entities within the Catholic Diocese of Green Bay.

St. Luke Corp. offers the following benefits to these entities:

Dental Insurance

Dental insurance is offered to eligible employees as determined separately by each diocesan entity. The insurance is a self-funded plan in which the premiums are received from the entities and their employees.

Health Insurance

Medical and prescription drug insurance is offered to eligible employees as determined separately by each diocesan entity. The insurance is a self-funded plan in which the premiums are received by the self-funded health insurance administrator from the entities.

Unemployment Compensation

Unemployment compensation is offered to eligible lay employees who work at least 20 hours per week. The unemployment compensation is a self-funded plan in which premiums and dividend payments are set and reviewed by management.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

St. Luke Corp. had only net assets without donor restrictions as of June 30, 2022 and 2021.

**ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest in Cash

St. Luke Corp. 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. St. Luke Corp. 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 St. Luke Corp.'s accounts receivable are due from private parties within the 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. St. Luke Corp. 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 accounts receivable.

Investments

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

Claims Payable

Unemployment compensation claims payable has been prepared based on past experience and management's estimates of future amounts due to current eligible participants. The medical claims payable is an estimate of unpaid claims as determined by the administrators for medical insurance based on claim reporting experience. The dental claims payable is a reserve for claims incurred but not reported and is determined by St. Luke Corp. based on claim reporting experience.

Revenue Recognition

Fee revenue from the medical and dental and unemployment compensation programs is reflected as support when the coverage is provided. Fees for the medical and dental program are billed monthly. Unemployment compensation program fees are billed annually to the parishes based on benefit-eligible wages.

Participant fees from the medical and dental program and program revenue from unemployment compensation is recognized over time and totaled \$17,284,351 and \$17,235,577 during the years ended June 30, 2022 and 2021, respectively.

The timing of revenue recognition, billings, and cash collections results in receivables. Accounts receivable for provider refunds and stop loss reimbursements were as follows at June 30:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Accounts Receivable, Net	\$ 322,377	\$ -	\$ 16,915

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Refundable Advance

St. Luke Corp. received proceeds in the amount of \$104,600 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan) during the year ended June 30, 2020. The PPP Loan may be forgiven by the U.S. Small Business Administration (SBA) subject to certain performance barriers, as outlined in the loan agreement and the CARES Act.

St. Luke Corp. classified this loan as a PPP grant for accounting purposes. St. Luke Corp. recognized contributions of \$104,600 related to this agreement during the year ended June 30, 2021, which represents the portion of the PPP Loan funds for which the performance barriers had been met. Management believes St. Luke Corp. has satisfied the performance barriers attributable to the PPP Loan proceeds and, on May 5, 2021, St. Luke Corp. received formal notification from the SBA that the full amount of the PPP Loan had been forgiven.

The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on St. Luke Corp.'s financial position.

Tax-Exempt Status

St. Luke Corp. has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) covered by the U.S. Internal Revenue Service group exemption letter of the United States Conference of Catholic Bishops and corresponding provisions of state law and, accordingly, is not subject to federal or state income taxes.

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.

Subsequent Events

In preparing these financial statements, St. Luke Benefit & Insurance Services Corp. has evaluated events and transactions for potential recognition or disclosure through September 16, 2022, the date the financial statements were available to be issued.

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 3 LIQUIDITY AND AVAILABILITY

St. Luke Corp. 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>2022</u>	<u>2021</u>
Cash and Interest in Cash	\$ 590,622	\$ 1,678,481
Accounts Receivable	322,377	-
Investments	<u>6,157,474</u>	<u>6,495,708</u>
Total Financial Assets Available for General Expenditure	<u>\$ 7,070,473</u>	<u>\$ 8,174,189</u>

NOTE 4 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. St. Luke Corp. owns units in the money market, fixed income, and equity funds.

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

	<u>Fair Value</u>		<u>Redemption Frequency</u>	<u>Termination Notice Period</u>
	<u>2022</u>	<u>2021</u>		
St. Francis Xavier Corp. Fixed Income Fund	\$ 1,219,359	\$ 1,385,048	Daily	30 days
St. Francis Xavier Corp. Equity Fund	1,240,157	1,417,415	Daily	30 days
St. Francis Xavier Corp. Money Market Fund	<u>3,697,958</u>	<u>3,693,245</u>	Daily	30 days
Total	<u>\$ 6,157,474</u>	<u>\$ 6,495,708</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	<u>5</u>
Total	<u>100 %</u>

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 4 INVESTMENTS (CONTINUED)

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	100 %

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, St. Luke Corp. 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, St. Luke Corp. attempts to utilize valuation methods that maximize the use of observable inputs and minimize the use of unobservable inputs.

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.

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 4 INVESTMENTS (CONTINUED)

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

	June 30, 2022			
	Level 1	Level 2	Level 3	Total
St. Francis Xavier Corp. Fixed Income Fund	\$ -	\$ 1,219,359	\$ -	\$ 1,219,359
St. Francis Xavier Corp. Equity Fund	-	1,240,157	-	1,240,157
St. Francis Xavier Corp. Money Market Fund	-	3,697,958	-	3,697,958
Total Investments	<u>\$ -</u>	<u>\$ 6,157,474</u>	<u>\$ -</u>	<u>\$ 6,157,474</u>

	June 30, 2021			
	Level 1	Level 2	Level 3	Total
St. Francis Xavier Corp. Fixed Income Fund	\$ -	\$ 1,385,048	\$ -	\$ 1,385,048
St. Francis Xavier Corp. Equity Fund	-	1,417,415	-	1,417,415
St. Francis Xavier Corp. Money Market Fund	-	3,693,245	-	3,693,245
Total Investments	<u>\$ -</u>	<u>\$ 6,495,708</u>	<u>\$ -</u>	<u>\$ 6,495,708</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 accompanying statements of activities for the years ended June 30 consisted of the following:

	2022	2021
Interest and Dividends	\$ 21,337	\$ 32,099
Realized and Unrealized Gains (Losses) on Investments	(359,571)	483,852
Total	<u>\$ (338,234)</u>	<u>\$ 515,951</u>

NOTE 5 UNEMPLOYMENT COMPENSATION CLAIMS PAYABLE

St. Luke Corp. accrues for unemployment compensation claims that may be payable to those currently receiving benefits. St. Luke Corp. assumes that all benefit recipients will receive the full 26 weeks of payments as allowed under the plan. The amount of the payable at June 30, 2022 and 2021 was \$24,730 and \$17,952, respectively.

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 6 CLAIM PROCESSING

Dental and medical claims are processed by various third-party administrators, but the ultimate responsibility for payments to participants is retained by St. Luke Corp. Administrative fees for processing by the service organizations are included in administrative expenses.

NOTE 7 SIGNIFICANT ESTIMATES

Medical Insurance

St. Luke Corp. has a self-funded health care plan that provides medical benefits to employees and their dependents. Funds for the self-funded health care plan are held and maintained by an administrator. Health care costs are expensed as incurred. The health care expense is based upon actual claims paid, reinsurance premiums, administration fees, and estimated unpaid claims at year-end. For the years ended June 30, 2022 and 2021, St. Luke Corp. purchased reinsurance to cover claims over \$300,000 and \$275,000, respectively, per covered participant per year with no aggregate benefit.

Health care expense for the years ended June 30, 2022 and 2021 were \$17,274,083 and \$15,592,923, respectively. An estimated liability of \$2,288,265 and \$2,319,025, respectively, for claims outstanding at June 30, 2022 and 2021 has been recorded. Management believes this liability is sufficient to cover estimated claims incurred but not yet reported. Claim payments based on actual claims ultimately could differ materially from these estimates.

Dental Insurance

St. Luke Corp. provides dental benefits to employees and their dependents on a self-funded plan. Dental care cost is expensed as incurred. The dental care expense is based upon actual claims paid, administration fees, and unpaid claims at year-end.

Dental care expense was \$682,368 and \$730,719 for the years ended June 30, 2022 and 2021, respectively. An estimated liability of \$36,735 and \$40,160, respectively, for claims outstanding at June 30, 2022 and 2021 has been recorded. Management believes this liability is sufficient to cover claims incurred but not yet reported. Claim payments based on actual claims ultimately filed could differ materially from these estimates.

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 8 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 occupancy, 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:

	2022		
	Program Services	Management and General	Total
Salaries and Wages	\$ 323,956	\$ 21,375	\$ 345,331
Personnel Benefits	101,396	3,832	105,228
Purchased Services	18,216,888	58,716	18,275,604
Occupancy	27,300	-	27,300
Office	14,078	-	14,078
Grants and Direct Assistance	51,140	-	51,140
Total Expenses by Function	<u>18,734,758</u>	<u>83,923</u>	<u>18,818,681</u>
Less: Expenses Included with Revenues on the Statements of Activities:			
Program Costs - Medical and Dental Program	(17,956,451)	-	(17,956,451)
Program Costs - Unemployment Compensation	<u>(63,964)</u>	<u>-</u>	<u>(63,964)</u>
Total Expenses Included in the Expenses Section on the Statements of Activities	<u>\$ 714,343</u>	<u>\$ 83,923</u>	<u>\$ 798,266</u>

ST. LUKE BENEFIT & INSURANCE SERVICES CORP.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

NOTE 8 FUNCTIONAL CLASSIFICATION OF EXPENSES (CONTINUED)

	2021		
	Program Services	Management and General	Total
Salaries and Wages	\$ 364,126	\$ 28,148	\$ 392,274
Personnel Benefits	105,682	10,261	115,943
Purchased Services	16,592,984	58,440	16,651,424
Occupancy	27,300	-	27,300
Office	9,469	-	9,469
Grants and Direct Assistance	57,547	-	57,547
Total Expenses by Function	<u>17,157,108</u>	<u>96,849</u>	<u>17,253,957</u>
Less: Expenses Included with Revenues on the Statements of Activities:			
Program Costs - Medical and Dental Program	(16,323,642)	-	(16,323,642)
Program Costs - Unemployment Compensation	<u>(94,061)</u>	<u>-</u>	<u>(94,061)</u>
Total Expenses Included in the Expenses Section on the Statements of Activities	<u>\$ 739,405</u>	<u>\$ 96,849</u>	<u>\$ 836,254</u>

NOTE 9 LEASES

St. Luke Corp. leases certain office space and equipment under operating lease agreements with other diocesan entities on a month-to-month basis. Total rent expense was \$27,300 for the years ended June 30, 2022 and 2021.

NOTE 10 INTERDIOCESAN TRANSACTIONS

St. Luke Corp. was a party to various transactions with other diocesan corporations during the years ended June 30, 2022 and 2021. Total revenues and support from other diocesan corporations were \$1,863,397 and \$1,686,456 for the years ended June 30, 2022 and 2021, respectively, and related to earned revenue for support services provided. Total revenues from other diocesan corporations constitute a substantial portion of St. Luke Corp.'s total revenues for the years ended June 30, 2022 and 2021. Total expenses paid to other diocesan corporations were \$188,583 and \$187,646 for the years ended June 30, 2022 and 2021, respectively, and related to occupancy and administrative and support services.

NOTE 11 RETIREMENT PLAN

St. Luke Corp. 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 plan expense for the years ended June 30, 2022 and 2021 was \$31,626 and \$35,151, respectively.



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