



**RCAA Administrative Services, Inc.**

**FINANCIAL STATEMENTS**

**June 30, 2023 and 2022**



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# REPORT





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## **INDEPENDENT AUDITORS' REPORT**

His Excellency, the Most Reverend Archbishop of Atlanta  
And to the Board of Directors  
RCAA Administrative Services, Inc.  
Atlanta, Georgia

### **Opinion**

We have audited the accompanying financial statements of RCAA Administrative Services, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related 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 financial statements referred to above present fairly, in all material respects, the financial position of RCAA Administrative Services, Inc. (Services) as of June 30, 2023 and 2022, 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. 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 Services 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 Services' ability to continue as a going concern within one year after the date that 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Services' 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 Services' 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.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia  
January 4, 2024



# FINANCIAL STATEMENTS



**RCAA Administrative Services, Inc.**  
**Statements of Financial Position**

<i>June 30,</i>	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 18,242,404	\$ 10,743,021
Funds on deposit with AoA Deposit and Loan Fund Trust	2,622,597	6,576,349
Accounts receivable, net	867,563	733,700
Investments	45,313,632	41,067,523
Priests' retirement plan	5,402,853	1,994,865
Priests' long-term care plan	4,042,883	3,187,585
Senior priest welfare plan	5,988,187	4,894,710
Other assets	2,064,715	1,965,693
<b>Total assets</b>	<b>\$ 84,544,834</b>	<b>\$ 71,163,446</b>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 3,532,680	\$ 3,752,676
Custodial funds payable	133,494	122,273
Due to related parties	6,463,120	4,149,747
<b>Total liabilities</b>	<b>10,129,294</b>	<b>8,024,696</b>
<b>Net assets without donor restrictions</b>	<b>74,415,540</b>	<b>63,138,750</b>
<b>Total liabilities and net assets</b>	<b>\$ 84,544,834</b>	<b>\$ 71,163,446</b>

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

**RCAA Administrative Services, Inc.**  
**Statements of Activities**

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
<b>Revenues and Other Income</b>		
Insurance premiums	\$ 13,209,368	\$ 12,899,417
Management fee revenue	2,367,660	2,196,060
Contribution of non-financial assets - rent	37,402	36,766
Investment income	1,443,352	615,737
<b>Total revenues and other income</b>	<b>17,057,782</b>	<b>15,747,980</b>
<b>Expenses</b>		
<i>Program services</i>		
Pension and retirement	5,806,937	5,175,947
Priest long-term care	(172,036)	(226,163)
Priest welfare	89,315	(49,530)
Other insurance	4,447,378	2,686,447
Shared services	1,540,188	1,529,376
<b>Total program services</b>	<b>11,711,782</b>	<b>9,116,077</b>
<i>Supporting services</i>		
General and administrative	689,525	636,653
<b>Total expenses</b>	<b>12,401,307</b>	<b>9,752,730</b>
Change in net assets before other gain (loss)	4,656,475	5,995,250
<b>Other Gain (Loss)</b>		
Realized and unrealized gain (loss) on investments	1,852,136	(5,466,567)
Change in net assets before other changes in net assets	6,508,611	528,683
Other ASC 715 pension benefit	4,768,179	3,657,996
<b>Total change in net assets</b>	<b>11,276,790</b>	<b>4,186,679</b>
Net assets without donor restrictions at beginning of year	63,138,750	58,952,071
<b>Net assets without donor restrictions at end of year</b>	<b>\$ 74,415,540</b>	<b>\$ 63,138,750</b>

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

**RCAA Administrative Services, Inc.**  
**Statements of Functional Expenses**

*For the year ended June 30, 2023*

	Program Services						Supporting Services	Total
	Pension and retirement	Priest long-term care	Priest welfare	Other insurance	Shared services	Programs subtotal	General and administrative	
Salaries and benefits	\$ -	\$ -	\$ -	\$ -	\$ 1,453,359	\$ 1,453,359	\$ 608,757	<b>\$ 2,062,116</b>
Bonds and assessments	-	-	-	54,078	-	54,078	-	<b>54,078</b>
Claims	-	-	28,524	2,993,200	-	3,021,724	-	<b>3,021,724</b>
Insurance and risk management	-	-	-	95,118	-	95,118	-	<b>95,118</b>
Contribution of non-financial assets - rent	-	-	-	17,498	19,904	37,402	-	<b>37,402</b>
Miscellaneous	-	-	-	97,993	3,140	101,133	18,307	<b>119,440</b>
Office expenses	-	-	-	-	63,785	63,785	-	<b>63,785</b>
Plan funding	5,792,790	(173,141)	(209,246)	-	-	5,410,403	-	<b>5,410,403</b>
Premiums	-	-	266,032	968,994	-	1,235,026	-	<b>1,235,026</b>
Professional fees	14,147	1,105	4,005	220,497	-	239,754	62,461	<b>302,215</b>
<b>Total expenses</b>	<b>\$ 5,806,937</b>	<b>\$(172,036)</b>	<b>\$ 89,315</b>	<b>\$ 4,447,378</b>	<b>\$ 1,540,188</b>	<b>\$ 11,711,782</b>	<b>\$ 689,525</b>	<b>\$12,401,307</b>

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

**RCAA Administrative Services, Inc.**  
**Statements of Functional Expenses (Continued)**

*For the year ended June 30, 2022*

	Program Services						Supporting Services	Total
	Pension and retirement	Priest long-term care	Priest welfare	Other insurance	Shared services	Programs subtotal	General and administrative	
Salaries and benefits	\$ -	\$ -	\$ -	\$ -	\$ 1,404,725	\$ 1,404,725	\$ 569,590	\$ 1,974,315
Bonds and assessments	-	-	-	55,600	-	55,600	-	55,600
Claims	-	-	20,760	1,273,377	-	1,294,137	-	1,294,137
Insurance and risk management	-	-	-	324,877	-	324,877	-	324,877
Contribution of non-financial assets - rent	-	-	-	17,200	19,566	36,766	-	36,766
Miscellaneous	-	-	-	101,975	4,009	105,984	20,591	126,575
Office expenses	-	-	-	-	101,076	101,076	-	101,076
Plan funding	5,140,732	(226,163)	(317,348)	-	-	4,597,221	-	4,597,221
Premiums	-	-	247,058	810,501	-	1,057,559	-	1,057,559
Professional fees	35,215	-	-	102,917	-	138,132	46,472	184,604
<b>Total expenses</b>	<b>\$5,175,947</b>	<b>\$(226,163)</b>	<b>\$(49,530)</b>	<b>\$ 2,686,447</b>	<b>\$ 1,529,376</b>	<b>\$ 9,116,077</b>	<b>\$ 636,653</b>	<b>\$ 9,752,730</b>

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

**RCAA Administrative Services, Inc.**  
**Statements of Cash Flows**

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
<b>Operating Activities</b>		
Change in net assets	\$ 11,276,790	\$ 4,186,679
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
ASC 715 pension benefit	(4,768,179)	(3,657,996)
Realized and unrealized (gain) loss on investments	(1,852,136)	5,466,567
Changes in operating assets and liabilities		
Accounts receivable	(133,863)	(359,300)
Priests' retirement plan	275,470	(256,073)
Priests' long-term care plan	(425,545)	(482,306)
Senior priest welfare plan	(438,509)	(546,821)
Other assets	(99,022)	201,481
Accounts payable and accrued expenses	(219,996)	1,233,728
Net cash provided by (used in) operating activities	<b>3,615,010</b>	5,785,959
<b>Investing Activities</b>		
Proceeds from sale of investments	131,854,542	89,899,583
Purchase of investments	(134,248,515)	(93,024,966)
Advances (to) from related parties	2,313,373	(10,481,331)
Net cash provided by (used in) investing activities	<b>(80,600)</b>	(13,606,714)
<b>Financing Activities</b>		
Increase (decrease) in custodial funds payable	11,221	(15,103)
Net change in cash, cash equivalents and funds on deposit with AoA Deposit and Loan Fund Trust	<b>3,545,631</b>	(7,835,858)
Cash, cash equivalents and funds on deposit with AoA Deposit and Loan Fund Trust, at beginning of year	<b>17,319,370</b>	25,155,228
Cash, cash equivalents and funds on deposit with AoA Deposit and Loan Fund Trust, at end of year	<b>\$ 20,865,001</b>	\$ 17,319,370
<b>Presented on Statements of Financial Position as:</b>		
Cash and cash equivalents	\$ 18,242,404	\$ 10,743,021
Funds on deposit with AoA Deposit and Loan Fund Trust	2,622,597	6,576,349
Cash, cash equivalents and funds on deposit with AoA Deposit and Loan Fund Trust at end of year	<b>\$ 20,865,001</b>	<b>\$ 17,319,370</b>

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

## RCAA Administrative Services, Inc. Notes to Financial Statements

### **Note 1: DESCRIPTION OF THE ORGANIZATION**

The accompanying financial statements include the accounts and transactions of RCAA Administrative Services, Inc. (Services) which is a Georgia nonprofit corporation with no members, and has been granted exempt status under Section 501(c)(3) of the Internal Revenue Code.

The Archbishop (Archbishop) of the Roman Catholic Archdiocese of Atlanta (Archdiocese) exercises control over Services by appointing or approving the Board of Directors.

Services was established on January 29, 2019, and provides services for the benefit of the Archdiocese, the parishes in the Archdiocese, certain affiliated organizations subject to canonical administration of the Archbishop, and other institutions in support of the mission of the Archbishop.

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

#### ***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to projected benefit obligations related to the priests' retirement plan, long-term care plan and welfare plan.

#### ***Program Services***

*Pension and Retirement* - Services administers a retirement plan which covers all priests incardinated in the Archdiocese of Atlanta. Additionally, Services sponsors a defined contribution retirement plan that covers substantially all lay employees within the Archdiocese.

*Priest Long-Term Care* - Services administers a long-term care plan which covers priests incardinated in the Archdiocese of Atlanta.

*Priest Welfare* - Services administers a welfare plan which covers all priests eligible for Medicare and incardinated in the Archdiocese of Atlanta.

*Other Insurance* - Services provides funding for other insurance plans such as automobile insurance, workers compensation insurance, property and liability insurance, an employee assistance program, and voluntary term life insurance for the benefit of the Archdiocese, the parishes in the Archdiocese, certain affiliated organizations subject to canonical administration of the Archbishop, and other institutions in support of the mission of the Archbishop.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Program Services (continued)***

*Shared Services* - Services provides various administrative and other office functions for the benefit of the Archdiocese, the parishes in the Archdiocese, certain affiliated organizations subject to canonical administration of the Archbishop, and other institutions in support of the mission of the Archbishop.

***Cash and Cash Equivalents***

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less. Funds on deposit with AoA Deposit and Loan Fund Trust are considered cash and cash equivalents, however they are presented separately on the statements of financial position.

***Funds on Deposit with AoA Deposit and Loan Fund Trust***

Services has funds set aside with the AoA Deposit and Loan Fund Trust. AoA Deposit and Loan Fund Trust receives funds from various Archdiocesan entities and in turn loans funds to other Archdiocesan entities. Services' funds with the AoA Deposit and Loan Fund Trust totaled \$2,622,597 and \$6,576,349 at June 30, 2023 and 2022, respectively. Services' funds deposited in the AoA Deposit and Loan Fund Trust earned interest at a rate which varied between 0.75% and 2.75% during the years ended June 30, 2023 and 2022.

***Accounts Receivable***

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. Services provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances, which may affect the ability of participants to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is Services' policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

***Investments***

Services reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

At June 30, 2023 and 2022, a portion of Services' investments are in pooled investment funds known as the AoA Common Fund Trust, as well as assets held within a protected captive insurance cell. The investment allocation within the pooled investment funds includes equities and fixed income investments.

## RCAA Administrative Services, Inc. Notes to Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **Net Assets**

Services reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of Services, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

There were no net assets with donor restrictions at June 30, 2023 and 2022.

#### **Revenue Recognition**

Insurance premium billings are accounted for under the guidance of FASB ASC 944 *Financial Services – Insurance*, recognizing revenue monthly in proportion to the amount of insurance protection provided.

Management fee revenue is accounted for under the guidance of FASB ASC 606 *Revenue from Contracts with Customers*, recognizing revenue monthly as services are provided.

#### **Self-Insurance Program**

In order to help manage self-insurance risks related to property and liability the Archdiocese participates in a protected captive insurance cell within the Catholic Relief Insurance Company of America II (CRIC II). Services obtains insurance coverage from the protected cell and bears a risk of loss from claims in excess of premiums paid to the cell. Based on the control of the protected cell and the structure of CRIC II, the assets and liabilities of the captive cell have been included within Services statements of financial position. Insurance premium payments to the protected cell were approximately \$1,900,000 and \$2,700,000 for the years ended June 30, 2023 and 2022.

#### **Benefit Payments**

Claims and premiums are reported when paid. Any refunds due to overpayments, subrogation, or adjustments are recorded in the period received and are shown netted with payments.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Donated Assets***

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

***Donated Services***

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 Services. There were no donated services that met the recognition criteria during the years ended June 30, 2023 and 2022.

***Functional Allocation of Expenses***

Directly identifiable expenses are charged to programs and supporting services. Other expenses that are common to several functions are allocated based on actual percentages of time spent in each functional area and estimates of asset usage.

***Income Taxes***

Under section 501(c)(3) of the Internal Revenue Code, Services is exempt from taxes on income other than unrelated business income. Services considers all of its activities to be directly related to its exempt purpose in 2023 and 2022.

Services utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of the Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2023 and 2022, Services has no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

***Reclassifications***

Certain reclassifications were made to prior year balances to conform with current year presentation.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 4, 2024, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recent Accounting Pronouncements***

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

Services adopted the standard effective July 1, 2022. The implementation of this standard did not have a material effect on the financial statements.

***Accounting Guidance not yet Adopted***

In August 2018, the FASB issued ASU 2018-12, *Financial Services—Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts*. The guidance is effective for non-public entities for fiscal years beginning after December 15, 2024. Early adoption is permitted. The guidance (i) prescribes the discount rate to be used in measuring the liability for future policy benefits for traditional and limited payment long-duration contracts, and requires assumptions for those liability valuations to be updated after contract inception, (ii) requires more market-based product guarantees on certain separate account and other account balance long-duration contracts to be accounted for at fair value, (iii) simplifies the amortization of deferred policy acquisition costs (DAC) for virtually all long-duration contracts, and (iv) introduces certain financial statement presentation requirements, as well as significant additional quantitative and qualitative disclosures. Services is currently evaluating the impact of the guidance on its financial statements.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY**

Services maintains its financial assets primarily in cash, cash equivalents, funds on deposit with the AoA Deposit and Loan Fund Trust, and investments. The following reflects Services' financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>June 30,</i>	<b>2023</b>	2022
Total assets at year end	<b>\$ 84,544,834</b>	\$ 71,163,446
Less non-financial assets		
Other assets	<b>(2,064,715)</b>	(1,965,693)
Financial assets at year-end	<b>82,480,119</b>	69,197,753
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Cash - captive insurance cell	<b>(57,935)</b>	(1,181,449)
Deferred compensation	<b>(206,026)</b>	(202,543)
Other compensation obligations	<b>(393,518)</b>	(386,866)
Obligations to related parties	<b>(6,463,120)</b>	(4,149,747)
Investments at fair value - custodial funds	<b>(133,494)</b>	(122,273)
Investments at fair value - reinsurance	<b>(319,940)</b>	(293,156)
Investments at fair value - captive insurance cell	<b>(44,111,247)</b>	(39,659,487)
Priests' retirement plan assets	<b>(5,402,853)</b>	(1,994,865)
Priests' long-term care plan assets	<b>(4,042,883)</b>	(3,187,585)
Senior priest welfare plan assets	<b>(5,988,187)</b>	(4,894,710)
Financial assets available to meet cash needs for general expenditures within one year	<b>\$ 15,360,916</b>	\$ 13,125,072

Services is principally supported by insurance premiums and management fee revenue. The goal of Services is to maintain available financial assets to meet its next 90 days of operating expenses.

**Note 4: ACCOUNTS RECEIVABLE**

Accounts receivable consist of the following:

<i>June 30,</i>	<b>2023</b>	2022
Participant accounts receivable	<b>\$ 449,583</b>	\$ 477,031
Employee assistance receivable	<b>94,108</b>	103,006
Other receivables	<b>673,872</b>	503,663
Total accounts receivable	<b>1,217,563</b>	1,083,700
Less allowance for doubtful accounts	<b>(350,000)</b>	(350,000)
Accounts receivable, net	<b>\$ 867,563</b>	\$ 733,700

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 5: INVESTMENTS**

Investments consists of the following:

<i>June 30,</i>	<b>2023</b>		<b>2022</b>	
	Cost	Fair Value	Cost	Fair Value
AoA Common Fund Trust	\$ 424,183	\$ 453,434	\$ 407,356	\$ 415,429
Pooled investment funds	40,102,733	44,111,247	35,704,243	39,659,487
U.S. government obligations	727,250	748,951	992,950	992,607
<b>Total investments</b>	<b>\$ 41,254,166</b>	<b>\$ 45,313,632</b>	<b>\$ 37,104,549</b>	<b>\$ 41,067,523</b>

**Note 6: DEFERRED COMPENSATION**

Services has a deferred compensation plan with a certain key employee. Under the terms of the plan, the employee may elect to defer a portion of his base salary that would otherwise be payable by Services during the next plan year commencing after the date of the election. Services does not make contributions to the plan and distributions are not allowed until termination of employment with Services. The deferred compensation balance totaled \$206,026 and \$202,543 at June 30, 2023 and 2022, respectively.

**Note 7: REVENUE**

***Premium Billings***

Insurance premium billings are earned and recognized in the period in which the coverage has been provided to the participants. Services' participants are primarily parishes and missions within the Roman Catholic Archdiocese of Atlanta, which covers approximately fifty percent of the state of Georgia.

***Management Fee Revenue***

Services has management agreements with several related parties (Note 13) whereby Services bills for accounting services, client services, investment management and banking services, internal audit services and record retention services. Management income is recognized on a monthly basis as the performance obligation to provide services is satisfied. There were no accounts receivable, contract assets or contract liabilities related to management fee revenue for the years ended June 30, 2023 and 2022.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 7: REVENUE (Continued)**

***Disaggregated Revenue***

A summary of disaggregated revenue information follows:

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
Insurance premiums		
Lay retirement	\$ 4,289,780	\$ 4,341,229
Priests retirement	1,289,941	1,233,564
Priests long term care	267,349	256,143
Senior Priest welfare	495,637	462,223
Property and liability	3,592,962	3,554,066
Auto	377,891	350,957
Workmen's compensation	2,014,526	1,850,598
Other	881,282	850,637
<b>Total insurance premiums</b>	<b>13,209,368</b>	<b>12,899,417</b>
Management fee revenue		
AoA Deposit and Loan Fund Trust	1,700,004	1,564,260
AoA Group Health Care Plan Trust	643,656	607,800
Catholic Foundation of North Georgia, Inc.	6,000	6,000
Catholic Charities of the Archdiocese of Atlanta, Inc.	18,000	18,000
<b>Total management fee revenue</b>	<b>2,367,660</b>	<b>2,196,060</b>
Contributions of non-financial assets - rent	37,402	36,766
Investment income	1,443,352	615,737
<b>Total revenues and other income</b>	<b>\$ 17,057,782</b>	<b>\$ 15,747,980</b>

**Note 8: CONTRIBUTIONS IN-KIND**

All donated space was utilized by Services' program services. There were no donor-imposed restrictions associated with the contributed space.

The value of contributed real property was approximately \$37,400 and \$36,800, during the years ended June 30, 2023 and 2022, and is reported as contribution of non-financial assets – rent on the statements of activities and statements of functional expenses.

Donated usage of real property is recorded based on estimated fair market value for rent for similar property.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS**

***Priests' Retirement Plan***

On July 1, 1969, the Archdiocese adopted a retirement plan which covers all priests incardinated in the Archdiocese of Atlanta which is administered by Services. Services' funding policy is to make contributions to the plan at such times and in such amounts required to keep the plan actuarially sound. Benefits are based on years of service. Contributions are intended to provide not only for benefits attributed to service to-date, but also for those expected to be earned in the future. Services expects to contribute approximately \$1,340,000 to the Plan during the fiscal year ending June 30, 2024.

The following table provides further information about Services' priests' retirement plan:

<i>For the years ended June 30,</i>	<b>2023</b>	2022
Obligation and funded status		
Projected benefit obligation	\$ (33,651,065)	\$ (33,236,556)
Plan assets at fair value	<b>39,053,918</b>	35,231,421
<b>Funded status</b>	<b>\$ 5,402,853</b>	<b>\$ 1,994,865</b>
Accumulated benefit obligation	\$ 33,651,065	\$ 33,236,556
Employer contribution	<b>1,275,860</b>	1,233,714
Benefits paid	<b>1,192,630</b>	1,068,677
Amounts recognized in the statements of financial position:		
Noncurrent assets	<b>5,402,853</b>	1,994,865
Amounts recognized in the statements of activities:		
Service cost	<b>1,783,670</b>	1,740,054
Interest cost	<b>1,456,468</b>	1,111,620
Expected return on plan assets	<b>(2,080,200)</b>	(2,374,656)
Amortization of net loss	<b>391,392</b>	500,623
<b>Net periodic pension cost</b>	<b>\$ 1,551,330</b>	<b>\$ 977,641</b>
Other changes in net assets		
Actuarial loss	\$ 3,292,066	\$ 1,936,665
Amortization of net loss	<b>391,392</b>	500,623
<b>Total</b>	<b>\$ 3,683,458</b>	<b>\$ 2,437,288</b>

The estimated net loss that will be amortized from changes in net assets without donor restriction into net periodic benefit cost in 2024 is \$113,155.

The increase in the projected benefit obligation is primarily due to the addition of new priests to the Plan during the year ended June 30, 2023, which was offset to an extent by an increase in the discount rate used in determining the benefit obligation.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

***Priests' Retirement Plan (continued)***

The following assumptions were used in accounting for the plan:

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
Weighted-average assumptions used to determine benefit obligations:		
Discount rate	<b>4.9%</b>	4.5%
Expected return on plan assets	<b>6.0%</b>	6.0%
Future cost of living adjustments	<b>2.5%</b>	2.5%
Weighted-average assumptions used to determine net periodic benefit cost:		
Discount rate	<b>4.5%</b>	2.8%
Expected return on plan assets	<b>6.0%</b>	6.0%
Future cost of living adjustments	<b>2.5%</b>	2.5%

Services' overall investment strategy is to achieve a mix of investments for long-term growth and near-term benefit payments with a diversification of asset types, fund strategies, and fund managers. The target allocation for plan assets is 65% equity securities and 35% corporate bonds and U.S. Treasury securities.

Services' expected rate of return on plan assets is determined by the plan assets historical long-term investment performance, current asset allocation, and estimates of future long-term returns by asset class.

No plan assets are expected to be returned to Services during the fiscal year ending June 30, 2024.

The following benefits are expected to be paid:

<i>For the years ending June 30,</i>	
2024	\$ 1,335,620
2025	1,413,512
2026	1,453,881
2027	1,529,659
2028	1,607,484
2029-2033	9,184,875
<b>Total</b>	<b>\$ 16,525,031</b>

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

***Priests' Retirement Plan (continued)***

Billings to the parishes and Archdiocesan organizations for priests' retirement are reported in insurance revenues and totaled \$1,289,941 and \$1,233,564 for the years ended June 30, 2023 and 2022, respectively.

<i>For the years ending June 30,</i>	<b>2023</b>	2022
Pension and administrative expenses	\$ 1,551,356	\$ 985,347
Billings to parishes and organizations	<b>(1,289,941)</b>	(1,233,564)
<b>Total</b>	<b>\$ 261,415</b>	<b>\$ (248,217)</b>

The fair values of Services' priests' retirement plan assets at June 30, 2023, by asset category are as follows:

<b>June 30, 2023</b>	Level 1	Level 2	Level 3	Total
<b>Investments</b>				
Short-term investments	\$ -	\$ 680,792	\$ -	\$ 680,792
U.S. Treasury obligations	4,218,049	-	-	4,218,049
Marketable debt securities	-	2,848,938	-	2,848,938
Marketable equity securities	13,941,874	-	-	13,941,874
Equity mutual funds	10,770,048	-	-	10,770,048
Debt mutual funds	6,580,125	-	-	6,580,125
<b>Total investments</b>	<b>35,510,096</b>	<b>3,529,730</b>	<b>-</b>	<b>39,039,826</b>
<b>Investments measured at net asset value</b>				
Pooled investment funds <sup>(A)</sup>				<b>14,092</b>
<b>Total</b>	<b>\$ 35,510,096</b>	<b>\$ 3,529,730</b>	<b>\$ -</b>	<b>\$ 39,053,918</b>

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

***Priests' Retirement Plan (continued)***

The fair values of Services' priests' retirement plan assets at June 30, 2022, by asset category are as follows:

<i>June 30, 2022</i>	Level 1	Level 2	Level 3	Total
<b>Investments</b>				
Short-term investments	\$ -	\$ 1,064,824	\$ -	\$ 1,064,824
U.S. Treasury obligations	3,518,407	-	-	3,518,407
Marketable debt securities	-	3,292,310	-	3,292,310
Marketable equity securities	9,133,158	-	-	9,133,158
Equity mutual funds	7,693,422	3,992,954	-	11,686,376
Debt mutual funds	6,520,085	-	-	6,520,085
<b>Total investments</b>	<b>26,865,072</b>	<b>8,350,088</b>	<b>-</b>	<b>35,215,160</b>
<b>Investments measured at net asset value</b>				
Pooled investment funds <sup>(A)</sup>				16,261
<b>Total</b>	<b>\$ 26,865,072</b>	<b>\$ 8,350,088</b>	<b>\$ -</b>	<b>\$ 35,231,421</b>

<sup>(A)</sup> Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy.

***Priests' Long-Term Care Plan***

On January 1, 2012, the Archdiocese adopted a long-term care plan covering priests within the Archdiocese. To be eligible for the plan, a priest must be incardinated within the Archdiocese and must be an active participant in the priests' retirement plan. There are no minimum age or service requirements to qualify for benefits under the plan. Services expects to contribute approximately \$170,000 to the Plan during the fiscal year ending June 30, 2024.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

***Priests' Long-Term Care Plan (continued)***

The following table provides further information about the priests' long-term care plan:

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
Obligation and funded status		
Projected benefit obligation	\$ (7,350,548)	\$ (7,002,574)
Plan assets at fair value	<b>11,393,431</b>	10,190,159
<b>Funded status</b>	<b>\$ 4,042,883</b>	<b>\$ 3,187,585</b>
Accumulated benefit obligation	\$ 7,350,548	\$ 7,002,574
Employer contribution	<b>252,404</b>	256,143
Benefits paid	<b>157,837</b>	167,802
Amounts recognized in the statements of financial position:		
Noncurrent assets	<b>4,042,883</b>	3,187,585
Amounts recognized in the statements of activities:		
Service cost	<b>121,741</b>	205,800
Interest cost	<b>300,114</b>	257,712
Expected return on plan assets	<b>(594,996)</b>	(689,675)
<b>Net periodic pension benefit</b>	<b>\$ (173,141)</b>	<b>\$ (226,163)</b>
Other changes in net assets:		
Actuarial gain	<b>\$ 429,753</b>	<b>\$ 285,067</b>

The increase in the projected benefit obligation is primarily due to an increase in the presumed forward cost of living adjustment during the year ended June 30, 2023, which was offset to an extent by an increase in the discount rate used in determining the benefit obligation.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

***Priests' Long-Term Care Plan (continued)***

The following assumptions were used in accounting for the plan:

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
Weighted-average assumptions used to determine benefit obligations:		
Discount rate	<b>4.9%</b>	4.5%
Expected return on plan assets	<b>6.0%</b>	6.0%
Future cost of living adjustments	<b>2.5%</b>	2.2%
Weighted-average assumptions used to determine net periodic benefit cost:		
Discount rate	<b>4.5%</b>	2.8%
Expected return on plan assets	<b>6.0%</b>	6.0%
Future cost of living adjustments	<b>2.5%</b>	2.2%

No plan assets are expected to be returned to Services during the fiscal year ending June 30, 2024.

The following benefits are expected to be paid:

<i>For the years ending June 30,</i>		
2024	\$	173,245
2025		209,224
2026		237,469
2027		262,997
2028		288,135
2029-2033		1,671,565
<b>Total</b>	<b>\$</b>	<b>2,842,635</b>

Billings to parishes and Archdiocesan organizations for priests' long-term care are reported in insurance revenues and totaled \$267,349 and \$256,143 for the years ended June 30, 2023 and 2022, respectively.

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
Pension and administrative expenses (credits)	<b>\$ (172,036)</b>	\$ (226,163)
Billings to parishes and organizations	<b>(267,349)</b>	(256,143)
<b>Total</b>	<b>\$ (439,385)</b>	\$ (482,306)

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

***Priests' Long-Term Care Plan (continued)***

The fair values of Services' long-term care plan assets at June 30, 2023 and 2022, by asset category are as follows:

<b><i>June 30, 2023</i></b>	Level 1	Level 2	Level 3	Total
Short-term investments	\$ -	\$ 219,733	\$ -	\$ 219,733
Marketable equity securities	11,173,698	-	-	11,173,698
<b>Total</b>	<b>\$ 11,173,698</b>	<b>\$ 219,733</b>	<b>\$ -</b>	<b>\$ 11,393,431</b>

  

<b><i>June 30, 2022</i></b>	Level 1	Level 2	Level 3	Total
Short-term investments	\$ -	\$ 219,761	\$ -	\$ 219,761
Marketable equity securities	9,970,398	-	-	9,970,398
<b>Total</b>	<b>\$ 9,970,398</b>	<b>\$ 219,761</b>	<b>\$ -</b>	<b>\$ 10,190,159</b>

***Senior Priest Welfare Plan***

On June 21, 2017, the Archdiocese adopted a welfare plan which covers all priests eligible for Medicare incardinated in the Archdiocese of Atlanta. There are no minimum service requirements. Medical benefits are provided to retirees in the form of a \$7,535 annual payment (\$6,932 prior to July 1, 2022) applied toward premiums set to increase annually according to the Social Security Index. Future benefits are funded through a Grantor Trust currently managed by a bank. Services expects to contribute approximately \$470,000 to the Plan during the fiscal year ending June 30, 2024.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

**Senior Priest Welfare Plan (continued)**

The following table provides further information about the senior priest welfare plan:

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
Obligation and funded status		
Projected benefit obligation	\$ (15,311,335)	\$ (14,035,477)
Plan assets at fair value	<b>21,299,522</b>	18,930,187
<b>Funded status</b>	<b>\$ 5,988,187</b>	<b>\$ 4,894,710</b>
Accumulated benefit obligation	\$ 15,311,335	\$ 14,035,477
Employer contribution	<b>229,263</b>	229,473
Benefits paid	<b>338,512</b>	326,488
Amounts recognized in the statements of financial position:		
Noncurrent assets	\$ 5,988,187	\$ 4,894,710
Amounts recognized in the statements of activities:		
Service cost	\$ 293,134	\$ 459,054
Interest cost	<b>609,724</b>	506,950
Expected return on plan assets	<b>(1,112,104)</b>	(1,283,352)
<b>Net periodic pension benefit</b>	<b>\$ (209,246)</b>	<b>\$ (317,348)</b>
Other changes in net assets:		
Actuarial gain	\$ 654,968	\$ 935,641

The increase in the projected benefit obligation is primarily due to an increase in the presumed forward cost of living adjustment during the year ended June 30, 2023, which was offset to an extent by an increase in the discount rate used in determining the benefit obligation.

The following assumptions were used in accounting for the plan:

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
Weighted-average assumptions used to determine benefit obligations:		
Discount rate	<b>4.9%</b>	4.5%
Expected return on plan assets	<b>6.0%</b>	6.0%
Future cost of living adjustments	<b>2.5%</b>	2.2%
Weighted-average assumptions used to determine net periodic benefit cost:		
Discount rate	<b>4.5%</b>	2.8%
Expected return on plan assets	<b>6.0%</b>	6.0%
Future cost of living adjustments	<b>2.5%</b>	2.2%

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

**Senior Priest Welfare Plan (continued)**

No plan assets are expected to be returned to Services during the fiscal year ending June 30, 2024.

The following benefits are expected to be paid:

*For the years ending June 30,*

2024	\$	474,705
2025		493,514
2026		519,628
2027		569,385
2028		619,599
2029-2033		3,633,148
<b>Total</b>	<b>\$</b>	<b>6,309,979</b>

Billings to parishes and Archdiocesan organizations for the senior priests' welfare are reported in insurance revenues and totaled \$495,637 and \$462,223 for the years ended June 30, 2023 and 2022, respectively.

*For the years ended June 30,*

	<b>2023</b>	<b>2022</b>
Pension and administrative expenses	\$ <b>89,315</b>	\$ (49,530)
Billings to parishes and organizations	<b>(495,637)</b>	(462,223)
<b>Total</b>	<b>\$ (406,322)</b>	<b>\$ (511,753)</b>

The fair values of Services' Senior Priest Welfare plan assets at June 30, 2023 and 2022, by asset category, are as follows:

<b>June 30, 2023</b>	Level 1	Level 2	Level 3	Total
Short-term investments	\$ -	\$ 324,890	\$ -	\$ <b>324,890</b>
Marketable equity securities	16,285,315	-	-	<b>16,285,315</b>
Mutual funds - fixed income	4,689,317	-	-	<b>4,689,317</b>
<b>Total</b>	<b>\$ 20,974,632</b>	<b>\$ 324,890</b>	<b>\$ -</b>	<b>\$ 21,299,522</b>

  

<b>June 30, 2022</b>	Level 1	Level 2	Level 3	Total
Short-term investments	\$ -	\$ 354,047	\$ -	\$ 354,047
Marketable equity securities	13,535,376	-	-	13,535,376
Mutual funds - fixed income	5,040,764	-	-	5,040,764
<b>Total</b>	<b>\$ 18,576,140</b>	<b>\$ 354,047</b>	<b>\$ -</b>	<b>\$ 18,930,187</b>

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 9: POST RETIREMENT BENEFITS (Continued)**

***Lay Employee Retirement Plan***

Services sponsors a defined contribution retirement plan that covers substantially all lay employees within the Archdiocese. Contributions to the plan are predetermined amounts based on compensation paid to each lay employee. Benefits under the plan are computed based on the pension fund assets.

The parishes and Archdiocesan organizations were billed for their respective share of pension and administrative costs which are included in insurance revenue and expenses as follows for the years ended June 30, 2023 and 2022:

<i>For the years ended June 30,</i>	<b>2023</b>	<b>2022</b>
Pension and administrative expenses	\$ 4,255,581	\$ 4,190,600
Billings to parishes and organizations	<b>(4,289,780)</b>	<b>(4,341,229)</b>
<b>Total</b>	<b>\$ (34,199)</b>	<b>\$ (150,629)</b>

**Note 10: FAIR VALUE MEASUREMENTS**

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 10: FAIR VALUE MEASUREMENTS (Continued)**

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023 and 2022.

*U.S. government obligations:* valued at the closing price reported on the active market on which the individual securities are traded.

Certain investments are valued at net asset value practical expedient based on the fair value of the underlying investments. Accordingly, the NAV based investments have been excluded from the fair value hierarchy leveling.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Services believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets measured at fair value on a recurring basis are summarized for the years ended June 30, 2023 and 2022:

<b><u>June 30, 2023</u></b>	Level 1	Level 2	Level 3	Total
<b><u>U.S. government obligations</u></b>	<b>\$ 748,951</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 748,951</b>
Investments measured at net asset value				
AoA Common Fund Trust <sup>(A)</sup>				453,434
Pooled investment funds <sup>(A)</sup>				44,111,247
<b><u>Total investments at fair value</u></b>				<b>\$ 45,313,632</b>
<b><u>June 30, 2022</u></b>	Level 1	Level 2	Level 3	Total
<b><u>U.S. government obligations</u></b>	<b>\$ 992,607</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 992,607</b>
Investments measured at net asset value				
AoA Common Fund Trust <sup>(A)</sup>				415,429
Pooled investment funds <sup>(A)</sup>				39,659,487
<b><u>Total investments at fair value</u></b>				<b>\$ 41,067,523</b>

<sup>(A)</sup> Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 10: FAIR VALUE MEASUREMENTS (Continued)**

***Changes in Fair Value Levels***

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the years ended June 30, 2023 and 2022, there were no transfers in or out of Levels 1, 2 or 3.

***Fair Value of Investments that Calculate Net Asset Value***

Investments in the AoA Common Fund Trust are maintained by an investment company and hold investments in accordance with a stated set of fund objectives. Investments in the AoA Common Fund Trust are measured at fair value based on NAV per share and consist of the following:

Year-end	Fair Value	Unfunded Commitments	Redemption Frequency (if eligible)	Redemption Notice Period
<b>June 30, 2023</b>	<b>\$ 44,111,247</b>	<b>\$ -</b>	<b>Unrestricted</b>	<b>Unrestricted</b>
<i>June 30, 2022</i>	<i>\$ 39,659,487</i>	<i>\$ -</i>	<i>Unrestricted</i>	<i>Unrestricted</i>

**Note 11: CONCENTRATIONS OF CREDIT RISK**

Services maintains cash deposits with financial institutions at June 30, 2023 and 2022, in excess of federally insured limits by approximately \$17,900,000 and \$9,900,000, respectively. Funds on deposit with the AoA Deposit and Loan Fund Trust are not FDIC insured.

**Note 12: COMMITMENTS**

Services has an irrevocable standby letter of credit in the amount of \$345,000 for the years ended June 30, 2023 and 2022, respectively in favor of the Midwest Employers Casualty Company. The letter of credit covers annual periods ending each March 15, with automatic annual renewals for the succeeding year unless the issuing bank wishes to cancel the agreement by giving 60 days advance notice. Services has fully funded the letter of credit, which is included in other assets on the statements of financial position.

**Note 13: RELATED PARTY TRANSACTIONS**

***Management Services Agreement – AoA Deposit and Loan Fund Trust***

Services has a Management Agreement (the AoA Deposit and Loan Agreement) with AoA Deposit and Loan Fund Trust whereby Services bills for accounting services, client services, investment management and banking services, internal audit services and record retention services. The AoA Deposit and Loan Agreement covers annual periods ending each June 30, with automatic annual renewals on July 1 of the succeeding year unless Services or AoA Deposit and Loan Fund Trust wishes to cancel the agreement by giving 30 days advance notice to the other party. Billings for the management agreement totaled approximately \$1,700,000 and \$1,560,000 for the years ended June 30, 2023 and 2022, respectively.

***Management Services Agreement – AoA Group Health Care Plan Trust***

Services has a Management Agreement (the AoA Group Health Agreement) with AoA Group Health Care Plan Trust whereby Services bills for accounting services, client services, investment management and banking services, internal audit services and record retention services. The AoA Group Health Agreement covers annual periods ending September 30 with automatic annual renewals on October 1 of each succeeding year unless Services or AoA Group Health Care Plan Trust wish to cancel the agreement by giving 30 days advance notice to the other party. The initial billings for the Agreement was \$600,000 with annual increases based on the Social Security Cost of Living Adjustment Rate. Billings for the management agreements totaled approximately \$644,000 and \$607,800 for the years ended June 30, 2023 and 2022, respectively.

***Management Services Agreement – Catholic Foundation of North Georgia, Inc.***

Services has a Management Agreement (the CFNGA Agreement) with Catholic Foundation of North Georgia, Inc. whereby Services bills for human resource management, insurance and risk management, and employee services. The CFNGA Agreement covers annual periods ending February 24, with automatic annual renewals commencing on the anniversary date unless either party wishes to cancel the agreement by giving advance notice. Billings for the management agreement totaled approximately \$6,000 for each of the years ended June 30, 2023 and 2022.

***Management Services Agreement – Catholic Charities of the Archdiocese of Atlanta, Inc.***

Services has a Management Agreement (the Catholic Charities Agreement) with Catholic Charities of the Archdiocese of Atlanta, Inc. whereby Services bills for human resource support, legal services, information technology, communications, facilities and donor software support. The Catholic Charities Agreement covers annual periods ending August 31, with automatic annual renewals commencing on the anniversary date unless either party wishes to cancel the agreement by giving advance notice. Billings for the management agreement totaled approximately \$18,000 for each of the years ended June 30, 2023 and 2022.

***Health and Life Insurance***

Health and life insurance for Services' employees are provided under the Roman Catholic Archdiocese of Atlanta Group Health Care Plan. Expenses related to insurance premiums during the years ended June 30, 2023 and 2022, totaled approximately \$270,000 and \$260,000, respectively.

**RCAA Administrative Services, Inc.**  
**Notes to Financial Statements**

**Note 13: RELATED PARTY TRANSACTIONS (Continued)**

***Funds on Deposit and Investments with Related Parties***

Certain investment funds are held in the AoA Common Fund Trust and other funds are on deposit with the AoA Deposit and Loan Fund Trust (Note 2).

***Participant Accounts Receivable***

Participant accounts receivable, included in accounts receivable, net, on the statements of financial position, are primarily due from parishes and missions within the Roman Catholic Archdiocese of Atlanta.

***Due to Related Parties***

Services pays for expenditures as well as receives funds on behalf of other related parties. This activity is included in and comprises the balance in due to related parties.