



# **CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE**

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June 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Central Administrative Office of the Roman Catholic Diocese of Boise

### Opinion

We have audited the accompanying financial statements of Central Administrative Office of the Roman Catholic Diocese of Boise (an Idaho non-profit organization), which comprise the statement of financial position as of June 30, 2023 and 2022 and the related statements of activities, functional expenses, and cash flows for the year 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 Central Administrative Office of the Roman Catholic Diocese of Boise as of June 30, 2023 and the changes in its net assets and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Central Administrative Office of the Roman Catholic Diocese of Boise and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 the Central Administrative Office of the Roman Catholic Diocese of Boise's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.







# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Statement of Activities  
For the Year Ended June 30

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Information
<b>REVENUE AND SUPPORT</b>				
Contributions	\$ 1,419,339	\$ 4,222,159	\$ 5,641,498	\$ 7,128,329
Program services	886,758	130,231	1,016,989	1,099,166
Assessment revenue	905,623	-	905,623	761,670
Insurance program	7,256,167	-	7,256,167	7,059,051
Grant revenue	172,109	190,005	362,114	410,872
Deposit and loan interest	305,110	-	305,110	270,003
Rental income	172,662	75,160	247,822	228,736
Gain on the sale of property	741,114	-	741,114	674,503
Realized gain on investments	23,894	25,672	49,566	1,478,983
Unrealized gain (loss) on investments	1,947,606	129,896	2,077,502	(7,245,901)
Interest and dividends	830,880	44,165	875,045	710,290
Unrealized gain (loss) on beneficial interest in perpetual trust	-	15,486	15,486	(95,739)
Miscellaneous	54,101	-	54,101	55,555
Net assets released from restrictions satisfied by payments	5,101,089	(5,101,089)	-	-
Total Revenue and Support	<u>19,816,452</u>	<u>(268,315)</u>	<u>19,548,137</u>	<u>12,535,518</u>
<b>EXPENSES</b>				
Program services				
Pastoral	3,411,201	-	3,411,201	3,273,966
Education	1,982,415	-	1,982,415	1,806,629
Social services	190,685	-	190,685	211,944
Deposit and loan interest	797,105	-	797,105	224,893
Communications	444,814	-	444,814	470,695
Retreat center	75,947	-	75,947	87,543
Insurance program	6,511,594	-	6,511,594	5,942,423
St. John Vianney Retirement Center	105,545	-	105,545	103,033
Total Program Services	<u>13,519,306</u>	<u>-</u>	<u>13,519,306</u>	<u>12,121,126</u>
Supporting Services				
General administrative	2,231,312	-	2,231,312	2,184,137
Development	233,563	-	233,563	214,883
FASB ASC 715 expense	(275,138)	-	(275,138)	(136,148)
Depreciation	257,969	-	257,969	185,877
Total Supporting Services	<u>2,447,706</u>	<u>-</u>	<u>2,447,706</u>	<u>2,448,749</u>
Total Expenses	<u>15,967,012</u>	<u>-</u>	<u>15,967,012</u>	<u>14,569,875</u>
Increase in Net Assets	3,849,440	(268,315)	3,581,125	(2,034,357)
NET ASSETS, Beginning of Year	<u>14,972,075</u>	<u>4,035,851</u>	<u>19,007,926</u>	<u>21,042,283</u>
NET ASSETS, End of Year	<u>\$ 18,821,515</u>	<u>\$ 3,767,536</u>	<u>\$ 22,589,051</u>	<u>\$ 19,007,926</u>

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Statement of Functional Expenses  
For the Year Ended June 30

	2023			2022
	Program Services	Supportive Activities	Total	Summarized Information
Salaries	\$ 1,812,391	\$ 500,134	\$ 2,312,525	\$ 2,326,880
Temporary labor	-	-	-	1,452
Payroll taxes	101,682	38,473	140,155	145,544
Employee and retired priest benefits	5,846,511	(189,501)	5,657,010	5,435,158
Training	115,887	2,752	118,639	107,321
Computer and purchases	73,134	145,283	218,417	243,407
Insurance	1,180,987	1,761	1,182,748	1,015,832
Workers compensation	27,332	10,071	37,403	36,904
Audit	-	32,390	32,390	46,277
Legal and professional fees	224,686	255,405	480,091	382,208
Supplies and subscriptions	125,540	67,434	192,974	165,981
Rental expense	39,857	398,082	437,939	576,287
Meals and meetings	207,262	7,225	214,487	106,597
Advertising	4,089	400	4,489	8,280
Miscellaneous	3,780	895	4,675	11,590
Travel	299,121	18,315	317,436	224,668
Interest expense	781,660	109,131	890,791	223,361
Utilities	90,194	15,789	105,983	84,115
Repairs and maintenance	129,419	11,947	141,366	66,793
Property taxes and related expense	86,124	8,043	94,167	83,448
Depreciation	-	257,969	257,969	185,877
Bank and investments fees	104,788	227,723	332,511	319,192
ICF distributions	-	443,266	443,266	494,467
Printing and copies	73,416	53,414	126,830	125,178
Postage	50,021	20,117	70,138	105,958
Administrative expense	8,398	12,588	20,986	25,255
Contributions, grants and scholarships	350,336	-	350,336	462,136
Telephone	12,355	11,571	23,926	30,437
Events and special projects	168,211	29	168,240	161,520
Bad debts	-	(13,000)	(13,000)	(12,500)
Seminarian and priest expenses	609,708	-	609,708	506,046
ICA allocations	(2,912,649)	-	(2,912,649)	(2,706,913)
ICA disbursements	3,905,066	-	3,905,066	3,581,119
	<u>\$ 13,519,306</u>	<u>\$ 2,447,706</u>	<u>\$ 15,967,012</u>	<u>\$ 14,569,875</u>

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Statement of Cash Flows  
For the Year Ended June 30

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 3,581,125	\$ (2,034,357)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	257,969	185,877
Realized gain on investments	(49,566)	(1,478,983)
Unrealized (gain) loss on investments	(2,077,502)	7,245,901
Realized gain on asset disposal	(741,114)	(674,503)
Contributions of marketable securities received	(309,290)	(892,877)
Beneficial interest in perpetual trust decrease	(15,486)	95,739
Changes in operating assets and liabilities:		
Accounts receivable	2,794,220	(9,007)
Prepaid expenses	(1,190,444)	29,838
Accounts payable	(156,167)	(107,509)
Accrued liabilities	34,421	423,021
Lay pension trust	(162,486)	(508,837)
Parish cash management	95,117	1,918,620
Deferred Revenue	109,740	750
Parish savings deposits	3,945,300	4,964,214
Liability for pension benefits - lay	(207,156)	(247,393)
Liability for pension benefits - priest	(67,982)	(91,126)
Net cash provided (used) by Operating activities	<u>5,840,699</u>	<u>8,819,368</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Loans and notes receivable	(2,113,548)	1,561,780
Purchase of investments	(15,990,860)	(6,818,728)
Proceeds from sale of investments	17,262,030	6,804,021
Purchase of fixed assets	(2,415,645)	(6,341,999)
Proceeds from sale of fixed assets	<u>1,109,778</u>	<u>674,503</u>
Net cash provided (used) by investing activities	<u>(2,148,245)</u>	<u>(4,120,423)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Notes payable - related party	<u>(100,845)</u>	<u>(81,988)</u>
Net cash provided (used) by financing activities	<u>(100,845)</u>	<u>(81,988)</u>
<b>NET DECREASE IN CASH, CASH EQUIVALENTS,</b>	<b>3,591,609</b>	<b>4,616,957</b>
Cash and Cash Equivalents - Beginning of Year	<u>5,255,115</u>	<u>638,158</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR</b>	<b><u>\$ 8,846,724</u></b>	<b><u>\$ 5,255,115</u></b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for interest expense	\$ 179,460	\$ 79,969
Noncash contributions of marketable securities	\$ 309,290	\$ 489,020



# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

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## Note 1 - Nature of Operations and Significant Accounting Policies

### Nature of Organization

Central Administrative Office of the Roman Catholic Diocese of Boise (the Diocese) was established in 1895 for the purpose of overseeing certain Catholic organizations within the State of Idaho. Under the direction of the Roman Catholic Bishop of Idaho, the Diocese works to proclaim the presence of God in Word and Sacrament while nurturing and supporting vital faith communities, affirming the values of society and recognizing and responding to those in need.

### Basis of Accounting

The financial statements of the Diocese have been prepared on the accrual basis of accounting in accordance with general accepted accounting principles.

### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (FASB ASC) 958. In accordance with the standard, the Diocese 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. Descriptions of the two net asset categories and the types of transaction affecting each category follow:

*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 the Organization, 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. Items that affect this net asset category principally consist of program services, assessment revenue, insurance program revenue, deposit and loan interest income and related expenses associated with the core activities of the Diocese. In addition to these exchange transactions, changes in this category of net assets include investment returns on board-designated endowment funds and changes in lay and priest retirement plans.

*Net assets with donor restrictions* are resources that are subject to donor-imposed restrictions that will be met either by actions of the Diocese or the passage of time. Items that affect this net asset category are contributions and grants to specified programs for which donor-imposed restrictions have not been met in the year of receipt, including investment returns on the beneficial interest in perpetual trust. Also included in this category are net assets subject to donor-imposed restrictions to be maintained in perpetuity by the Diocese, including endowments for specified programs.

# **CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE**

Notes to Financial Statements

June 30, 2023

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## **Note 1 - Nature of Operations and Significant Accounting Policies (continued)**

### Contributions

The Diocese follows the recommendations of the FASB ASC 958 for accounting for contributions received and contributions made. In accordance with the standard, contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other 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 from restrictions.

### Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when conditions on which they depend are substantially met and promises become unconditional.

### Allowance for Doubtful Accounts

The Diocese provides an allowance for doubtful accounts based on prior experience and management's assessment of collectability of existing specific accounts.

### Cash and Cash Equivalents

The Diocese considers its short-term, highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

The Diocese maintains its cash balance with one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At various times during the year, the bank balance may exceed the insured limit. At June 30, 2023 and 2022, the Diocese's uninsured cash balance totaled \$8,894,676 and \$5,099,308, respectively.

### Advertising and Promotion

The Diocese uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed as incurred.

### Investments

The Diocese follows FASB ASC 958, in accounting for investments. According to the standard, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements  
June 30, 2023

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## Note 1 - Nature of Operations and Significant Accounting Policies (continued)

### Income Tax Status

The Diocese qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code except for federal taxes on unrelated business income tax on unrelated debt financed income, there is no other provision for federal income taxes.

In accordance with FASB ASC 740, the Diocese has evaluated its operations as of June 30, 2023 as compared to its original application for tax-exempt not-for-profit status. The evaluation also considered the possibility of transactions that may be subject to income tax on unrelated business income. Tax positions considered, but not limited to included: a) the Diocese's characterization of its activities as related or unrelated to its exempt purpose, and b) the Diocese's allocation of revenue and expense between activities that relate to its exempt purpose and those that could be considered unrelated business income. Upon the evaluation, the Diocese does not believe it has any business activities in place that would cause its tax-exempt not-for-profit status to not be sustained upon audit.

### Investment Income and Gains

Investment income and gains, when attributed to net assets without donor restrictions, are considered revenue without restrictions in the reporting period in which the income and gains are recognized.

### Fixed Assets

Fixed assets are stated at cost, except for donated equipment, which is stated at fair market value at date of receipt. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. The Diocese capitalizes assets valued \$10,000 or more. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over estimated useful lives of the assets:

Buildings	39 years
Equipment	3-7 years

### Valuation of Gifts

Noncash assets contributed to the Diocese are recorded at appraised value when it is provided by an independent third party. If no independent third party appraisal is available, the asset is recorded at an objective verifiable basis which is, in the judgment of the Diocese's management, a fair value to the Diocese for its purposes.

### Volunteer Services

A number of volunteers have contributed significant amounts of their time to the programs and activities of the Diocese. The value of this contributed time is not reflected in these statements because it is not susceptible to objective measurement or valuation.





# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements  
June 30, 2023

## Note 2 - Fair Value Measurements (continued)

Investments at fair value as of June 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 680,237	\$ -	\$ -	\$ 680,237
Open-End mutual funds - equity	-	2,885,735	-	2,885,735
Open-End mutual funds - fixed income	-	11,939,358	-	11,939,358
Open-End mutual funds - balanced		792,350		792,350
Corporate equities - domestic	10,731,260			10,731,260
Corporate equities - foreign	4,545,778			4,545,778
Miscellaneous	-	332,838	-	332,838
Corporate equities		-	-	-
Mission Diocese Fund, LLC	-	-	691,384	691,384
	<u>\$ 15,957,275</u>	<u>\$ 15,950,281</u>	<u>\$ 691,384</u>	<u>\$ 32,598,940</u>

The following table reconciles the valuation of Level 3 investments and related transactions during the year ended June 30, 2023:

	<u>Amount</u>
Fair value July 1, 2022	\$ 691,384
Transfers in	-
Interest and dividends	4,650
Realized gain on investments	343
Unrealized loss on investments	561
Bank and investment fees	74,030
Fair value June 30, 2023	<u>\$ 770,968</u>

Transfers to or from Level 3 investments are deemed to have occurred once the funds have been withdrawn from one and deposited to the other; no transfers occurred during the year ended June 30, 2023. Investment income, realized gain and unrealized loss are included as an increase of \$5,554 and investment expenses are included as an increase of \$74,030 in the Statements of Activities, resulting in a net increase of \$79,584 to net assets without donor restrictions for the year ended June 30, 2023. The Mission Diocese Fund, LLC investments are held by the Idaho Catholic Foundation for the Diocese.

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements  
June 30, 2023

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## Note 2 - Fair Value Measurements (continued)

Net investment income at June 30:	<u>2023</u>	<u>2022</u>
Net realized gain	\$ 49,566	\$ 1,478,983
Net unrealized gain (loss)	2,077,502	(7,245,901)
Interest and dividend income	875,045	710,290
	<u>\$ 3,002,113</u>	<u>\$ (5,056,628)</u>

## Note 3 - Pledges Receivables

The Idaho Catholic Appeal (ICA) is an annual campaign normally conducted in the parishes which raises operating funds for various programs and ministries supported by the Diocese. These programs include pastoral services, care of the priests, outreach, education and formation, Catholic Charities and the Universal Church. The funds are considered net assets with donor restrictions until the end of the campaign when they are distributed for purposes of supporting the stated programs. The total pledges receivable as of June 30, 2023 and 2022 were \$392,352 and \$393,664, respectively. No allowance for doubtful accounts has been recorded, as pledges receivable and funds due from the Idaho Catholic Foundation have either been collected as of the date of these financial statements, or are expected to be collected within one year.

## Note 4 - Property, Plant, and Equipment

Property, plant and equipment consist of the following at June 30:

	<u>2023</u>	<u>2022</u>
Buildings	\$ 6,411,820	\$ 6,370,375
Equipment	2,174,584	2,093,421
	<u>8,586,404</u>	<u>8,463,796</u>
Less accumulated depreciation	4,727,130	4,481,792
	<u>3,859,274</u>	<u>3,982,004</u>
Construction in process	2,361,449	202,050
Land	11,720,913	14,633,070
	<u>\$ 17,941,636</u>	<u>\$ 18,817,124</u>

Depreciation expenses for June 30, 2023 and 2022 were \$257,969 and \$185,877, respectively.

## Note 5 - Idaho Catholic Foundation

The Idaho Catholic Foundation holds investments for the Diocese as well as other Diocesan organizations. In June 2012 the Foundation became a legally separate entity from the Diocese, with its own tax identification number and bank accounts. The Foundation issues separately prepared financial statements.

Investments and related financial items held by the Idaho Catholic Foundation for the Diocese are reflected in the net asset without and with donor restrictions classifications of these financial statements.

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

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## Note 5 - Idaho Catholic Foundation (continued)

Assets reported in the Statements of Financial Position held by the Idaho Catholic Foundation for the Diocese are as follows at June 30:

	2023	2022
Investments	\$ 10,426,161	\$ 10,930,321
Beneficial interest in perpetual trust	222,946	217,784

Income and expenses reported in the Statements of Activities from investments held by the Idaho Catholic Foundation for the Diocese are as follows at June 30:

	2023	2022
Income:		
Investment income	\$ 1,083,359	\$ (1,983,991)
Contributions	1,773,336	422,657
Expenses:		
Distributions to participants	3,285,525	473,618
Investment and managerial expenses	75,360	77,007

## Note 6 - Beneficial Interest in Perpetual Trust

The Diocese received notice on March 30, 2011 that they were named as a beneficiary in The John L. Muegerl Trust. The trust account assets are held and managed by an independent trustee. In April 2011, a trust investment account was opened at a national financial institution, and in May 2011, trust assets were transferred to the account. The beneficial interest in trust assets was recorded at fair market value as of May 31, 2011, as a contribution with donor restrictions. The Diocese's beneficial interest consists of fifteen percent of the total trust assets, divided such that five percent of the beneficial interest is designated to each of the following: the Idaho Catholic Foundation - Held for Diocese, the Diocesan Development Program and the Idaho Priests Special Needs Fund. According to the trust agreement, the Diocese is to receive a fixed percentage of trust assets each year, which is income with donor restrictions to the three funds mentioned above, and has been recorded as such in the Statements of Activities for the years ended June 30, 2023 and 2022. The beneficial interest in trust assets has been recorded at fair market value as of June 30, 2023 and 2022 in the Statements of Financial Position. The net increase in fair market value from May 31, 2011 to June 30, 2023 of \$95,310 is included in net assets with donor restrictions.

Activity for the beneficial interest in the perpetual trust for the year ended June 30, 2023 is as follows:

Beginning balance, June 30, 2022	\$ 653,352
Unrealized loss	15,486
Income distributable to beneficiary	121,842
Amounts appropriated for expenditure	(121,842)
Total Beneficial Interest in Perpetual	\$ 668,838



# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

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## Note 7 - Endowment Funds

The Diocese follows FASB ASC 958-205 in its accounting for endowments. FASB ASC 958-205 provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). FASB ASC 958-205 also requires additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

The State of Idaho enacted UPMIFA effective July 1, 2007, the provisions of which apply to endowment funds existing on or established after that date. The Diocese follows FASB ASC 958-205 for the years ending June 30, 2023 and 2022. It has been determined that the Diocese's net assets with donor restrictions meet the definition of endowment funds under UPMIFA.

### Board and Donor-designated Endowments - after implementation of FASB ASC 958-205

Board-designated endowments that are internally designated by the Board of Directors and are not donor-restricted are classified and reported as net assets without donor restrictions. The Idaho Catholic Foundation administers the endowments of the Diocese. These endowments consist of approximately eleven individual funds, some of which have donor-restricted spending guidelines and were established for a variety of purposes ranging from education of seminarians and helping retired priests of the Diocese, to providing scholarships for education of youth and maintenance and repair of facilities. Endowments administered by the Idaho Catholic Foundation include both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments.

As required by generally accepted accounting principals, net assets associated with endowment funds, including funds designated by Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Additionally, the Diocese's governing body has interpreted SPMIFA as requiring the maintenance of only the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, the Diocese would consider the fund to be underwater if the fair value of the fund is less than the sum of (1) the original value of initial and subsequent gifts donated to the fund and (2) any accumulations to the fund that are required to be maintained in perpetuity in accordance with applicable donor gift instrument. The Diocese has interpreted SPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law. The funds are not currently underwater.

### Investment Policy

All endowments within the financial statements of the Diocese follow the Prudent Person Guideline. The PPG suggests an amount to be distributed which is designed to allow for a reasonable stream of distributions, while preserving the value of the endowment against inflation and a volatile market. The calculation applies an applicable distribution percentage (currently five percent) to the average value of the endowment account over the preceding period of 12 calendar months.

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 7 - Endowment Funds (continued)

All endowments are invested in Diocese Investment Pool. The Pool is professionally managed by fourteen different investment firms with specific disciplines of investment such as large cap growth, large cap value, fixed income, etc. Further these managers have regular oversight by an independent consultant hired by the Diocese. This consultant independently reports to the finance council of the Diocese on a quarterly basis. Each manager's performance is specifically checked for adherence to investment discipline and judged against established industry accepted benchmarks.

Endowment Net Asset Composition by Type of Fund as of June 30, 2023 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 4,870,410	\$ -	\$ 4,870,410
Donor-restricted endowment funds:			
Original donor-restricted gift required to be maintained in perpetuity by donor	-	1,642,667	1,642,667
Accumulated investment gains	640,169	166,894	807,063
Total funds	<b>\$ 5,510,579</b>	<b>\$ 1,809,561</b>	<b>\$ 7,320,140</b>

Change in endowment net assets as of June, 2023 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 4,999,718	\$ 1,797,094	\$ 6,796,812
Contributions	200,729	13,438	214,167
Investment income	257,876	71,003	328,879
Net appreciation	346,917	15,486	362,403
Amounts appropriated for expenditure	(294,661)	(87,460)	(382,121)
Endowment net assets, end of year	<b>\$ 5,510,579</b>	<b>\$ 1,809,561</b>	<b>\$ 7,320,140</b>

Endowment Net Asset Composition by Type of Fund as of June 30, 2022 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$ 4,418,085	\$ -	\$ 4,418,085
Donor-restricted endowment funds:			
Original donor-restricted gift required to be maintained in perpetuity by donor	-	1,642,667	1,642,667
Accumulated investment gains	581,633	154,427	736,060
Total funds	<b>\$ 4,999,718</b>	<b>\$ 1,797,094</b>	<b>\$ 6,796,812</b>

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements  
June 30, 2023

## Note 7 - Endowment Funds (continued)

Change in endowment net assets as of June, 2022 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 3,572,623	\$ 1,713,273	\$ 5,285,896
Contributions	46,981	32,250	79,231
Investment income	403,624	89,410	493,034
Net appreciation (depreciation)	1,310,576	47,244	1,357,820
Amounts appropriated for expenditure	(334,086)	(85,083)	(419,169)
Endowment net assets, end of year	<b>\$ 4,999,718</b>	<b>\$ 1,797,094</b>	<b>\$ 6,796,812</b>

## Note 8 - Priests Retirement Plan

The Roman Catholic Diocese of Boise sponsors a defined benefit pension plan for all Diocesan priests who are ordained or incardinated in the Roman Catholic Diocese of Boise and in good standing and not on probation. The Central Administrative Office of the Roman Catholic Diocese of Boise participates in this plan.

The plan provides benefits based on a flat dollar amount multiplied by years and months of service.

Since the Roman Catholic Diocese of Boise is exempt from the funding requirements of ERISA, it has been its practice to make contributions annually to the plan based on generally accepted actuarial principles. In general, it is the policy of the Roman Catholic Diocese of Boise to fund any unfunded past service liability over 20 years. Assets are held in a revocable trust.

### Funded Status

The following table sets forth the plan's funded status at June 30:

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
Accumulated benefit obligation	(9,782,861)	(9,870,078)
Projected benefit obligation	(10,495,885)	(10,647,081)
Plan assets at fair value	8,148,425	7,509,981
Funded status at end of year	(2,347,460)	(3,137,100)
Liability for pension benefits	<b>\$ (2,347,460)</b>	<b>\$ (3,137,100)</b>

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 8 - Priests Retirement Plan (continued)

Amounts recognized in the plan's statements of financial position consist of:

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
Noncurrent assets	\$ -	\$ -
Noncurrent liabilities	(2,347,460)	(3,137,100)
	<u>\$ (2,347,460)</u>	<u>\$ (3,137,100)</u>

Amounts recognized in net assets without donor restrictions consist of:

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
Net loss (gain)	\$ (1,442,906)	\$ (274,309)
Prior service cost (credit)	1,824,712	1,293,175
	<u>\$ 381,806</u>	<u>\$ 1,018,866</u>

## Net Periodic Pension Cost

The following items are the components of the net periodic pension cost for the plan as a whole for the years ended June 30:

	2023	2022
Service cost-benefits earned during the period	\$ 249,863	\$ 342,753
Interest cost on projected benefit obligation	468,126	321,989
Return on plan assets		
Expected return	(442,987)	(539,762)
Asset (gain) loss	(391,195)	1,975,605
Actual return on plan assets	(834,182)	1,435,843
Net amortization and deferral		
Amortization of prior service cost	154,694	101,000
Amortization of loss	-	-
Deferral of asset gain (loss)	391,195	(1,975,605)
Total	545,889	(1,874,605)
Net periodic pension cost	<u>\$ 429,696</u>	<u>\$ 225,980</u>

A one time true up was made in 2022 to the priest pension liability account for the amount of \$482,015. The expense for this is presented in the pastoral section of the Statement of Activities.

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 8 - Priests Retirement Plan (continued)

Other changes in plan assets and benefit obligations recognized in net assets without donor restrictions:

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
Net loss (gain)	\$ (1,168,597)	\$ (782,471)
Prior service cost (credit)	686,231	1,107,175
Amortization of loss (gain)	-	-
Amortization of prior service cost (credit)	(154,694)	(101,000)
Total recognized in net assets without donor restrictions	(637,060)	223,704
Net periodic pension cost	429,696	225,980
Total recognized in net periodic pension cost and net assets without donor restrictions	\$ (207,364)	\$ 449,684

## Assumptions Used to Determine Net Periodic Pension Cost

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
Discount Rate	4.58%	2.75%
Expected long-term rate of return on assets	6.00%	6.00%
Future benefit increases	2.00%	2.00%

The Roman Catholic Diocese of Boise employs a methodical process to determine the estimates of expected long-term rate of return on assets. These estimates are primarily driven by actual historical asset-class returns and advice from external actuarial and investment consulting firms while incorporating specific asset-class risk factors. For the fiscal years ending June 30, 2023 and June 30, 2022, the expected long-term rate of return used in determining net periodic pension cost were 6%.

## Assumptions Used to Determine Benefit Obligations at Year-End

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
Discount rate	5.19%	4.58%
Future benefit increases	2.00%	2.00%

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 8 - Priests Retirement Plan (continued)

### Plan Asset Investment Strategy and Allocation

The asset allocation for the pension plan as of June 30, 2023 and June 30, 2022 and the target allocation, by asset category, are:

Asset Category	Investment Policy Target Asset Allocation	Actual Percentage of Plan Assets at June 30	
		2023	2022
Equities	25-75%	69%	65%
Fixed Income	25-75%	20%	21%
Cash Equivalents	0-100%	3%	4%

The fair values of plan assets at June 30, 2023, by asset class are as follows:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 264,632	\$ -	\$ -	\$ 264,632
Open-End mutual funds - equity		368,728		368,728
Open-End mutual funds - fixed income		1,591,878		1,591,878
Open-End mutual funds - balanced		655,998		655,998
Corporate equities - domestic	3,233,587			3,233,587
Corporate equities - foreign	2,033,602			2,033,602
	<u>\$ 5,531,821</u>	<u>\$ 2,616,604</u>	<u>\$ -</u>	<u>\$ 8,148,425</u>

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 8 - Priests Retirement Plan (continued)

The fair values of plan assets at June 30, 2022, by asset class are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 305,785	\$ -	\$ -	\$ 305,785
Open-End mutual funds - equity		325,203		325,203
Open-End mutual funds - fixed income		1,612,760		1,612,760
Open-End mutual funds - balanced		714,234		714,234
Corporate equities - domestic	2,870,537			2,870,537
Corporate equities - foreign	1,681,462			1,681,462
	<b>\$ 4,857,784</b>	<b>\$ 2,652,197</b>	<b>\$ -</b>	<b>\$ 7,509,981</b>

The pension plan has a diversified investment program, utilizing a variety of asset classes that balances risk with return opportunities. It utilizes highly qualified external investment managers that have demonstrated skill in a particular asset class. The Roman Catholic Diocese of Boise regularly monitors each investment manager's performance and the overall fund relative to benchmarks and also regularly reviews the asset allocation and makes appropriate changes accordingly. Prohibited investments include short sales, commodity contracts, real estate and equity option contracts. Investment decisions include consideration for corporate social responsibility and Roman Catholic social teaching.

### Cash Flows

#### Estimated Future Benefit Payments

The following benefit payments, which reflect future service, as appropriate, are expected to be paid:

<u>Fiscal Year Ending June 30</u>	<u>Annual Pension Benefits</u>
2024	\$ 756,000
2025	773,000
2026	757,000
2027	752,000
2028	727,000
2029-2033	3,527,000
	<b>\$ 7,292,000</b>

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

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Notes to Financial Statements  
June 30, 2023

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## Note 8 - Priests Retirement Plan (continued)

Under FASB ASC 715, the funded status is recognized in the statement of the financial position as a "Liability for pension benefits - priests". Unrecognized prior service costs and unrecognized actuarial losses are recognized in unrestricted net assets. The calculations above and on the prior pages represent the obligation of the entire Roman Catholic Diocese of Boise. The amounts recognized in the financial statements represent the obligation of the Central Administrative Office of the Diocese, and totaled \$162,001 for the year ended June 30, 2023 and \$229,983 for the year ended June 30, 2022.

Diocesan pension contributions for the years ended June 30, 2023 and 2022 was \$582,276 and \$672,012, respectively. Benefit payments of \$727,285 and \$789,183, were made from the plan during the years ended June 30, 2023 and June 30, 2022, respectively.

The Diocese expects to contribute \$510,000 to the pension plan during the fiscal year ending June 30, 2024.

## Note 9 - Lay Employees Pension Plan

The Roman Catholic Diocese of Boise sponsors a defined benefit pension plan for all full-time lay employees. The plan is a cash balance plan and provides benefits based on a pension account balance, which consists of prior service credits, employer credits and interest credits. The Central Administrative Office of the Roman Catholic Diocese of Boise participates in this plan.

Since the Roman Catholic Diocese of Boise is exempt from the funding requirements of ERISA, it has been its practice to make contributions annually to the plan that are not less than pre-ERISA minimum funding requirement as applicable to churches, and not in excess of the amount that could be deducted for federal income tax purposes, assuming the Roman Catholic Diocese of Boise was not exempt from taxation. It is the Roman Catholic Diocese of Boise's policy to fund any unfunded past service liability over 30 years.

### Funded Status

The following table sets forth the plan's funded status at June 30:

	<u>2023</u>	<u>2022</u>
Accumulated benefit obligation	\$ (20,112,704)	\$ (19,993,497)
Projected benefit obligation	(20,732,166)	(20,544,917)
Plan assets at fair value	15,531,209	13,567,150
Funded status at end of year	<u>(5,200,957)</u>	<u>(6,977,767)</u>
Liability for pension benefits	\$ (5,200,957)	\$ (6,977,767)



# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements  
June 30, 2023

## Note 9 - Lay Employees Pension Plan (continued)

Amounts recognized in the plan's statements of financial position consist of:

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
Noncurrent assets	\$ -	\$ -
Noncurrent liabilities	(5,200,957)	(6,977,767)
	\$ (5,200,957)	\$ (6,977,767)

Amounts recognized in net assets without donor restrictions consist of:

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022
Net loss (gain)	\$ 1,944,697	\$ 3,182,604
Prior service cost (credit)	-	-
	\$ 1,944,697	\$ 3,182,604

### Net Periodic Pension Cost

The following items are the components of the net periodic pension cost for the plan as a whole for the years ended June 30:

	2023	2022
Service cost-benefits earned during the period	\$ 1,287,840	\$ 1,400,323
Interest cost on projected benefit obligation	934,793	604,575
Return on plan assets		
Expected return	(827,107)	(941,978)
Asset (gain) loss	(692,126)	3,407,353
	(1,519,233)	2,465,375
Net amortization and deferral		
Amortization of transition amount	-	-
Amortization of loss	229,833	228,281
Deferral of asset gain (loss)	(692,126)	3,407,535
	921,959	(3,179,254)
Total	921,959	(3,179,254)
Net periodic pension cost	\$ 1,625,356	\$ 1,291,019

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 9 - Lay Employees Pension Plan (continued)

A one time true up was made in 2022 to the lay pension liability account for the amount of \$279,644. The expense for this is presented in the pastoral section of the Statement of Activities.

### Other changes in plan assets and benefit obligations recognized in net assets without donor restrictions:

	Fiscal Year Ended <u>June 30, 2023</u>	Fiscal Year Ended <u>June 30, 2022</u>
Net loss (gain)	\$ (1,008,074)	\$ (858,449)
Amortization of loss (gain)	(229,833)	(228,281)
Total recognized in net assets without donor restrictions	(1,237,907)	(1,086,730)
Net periodic pension cost	<u>1,625,356</u>	<u>1,291,019</u>
Total recognized in net periodic pension cost and net assets without donor restrictions	<b>\$ 387,449</b>	<b>\$ 204,289</b>

### Assumptions Used to Determine Net Periodic Pension Cost

	Fiscal Year Ended <u>June 30, 2023</u>	Fiscal Year Ended <u>June 30, 2022</u>
Discount Rate	4.53%	2.56%
Expected long-term rate of return on assets	6.00%	6.00%
Salary Scale	4.50%	4.50%

The Roman Catholic Diocese of Boise employs a methodical process to determine the estimates of expected long-term rate of return on assets. These estimates are primarily driven by actual historical asset-class returns and advice from external actuarial and investment consulting firms while incorporating specific asset-class risk factors. For the fiscal years ending June 30, 2023 and June 30, 2022, the expected long-term rate of return used in determining net periodic pension cost were 6%.

### Assumptions Used to Determine Benefit Obligations at Year-End

	Fiscal Year Ended <u>June 30, 2023</u>	Fiscal Year Ended <u>June 30, 2022</u>
Discount rate	5.19%	4.53%
Salary scale	4.50%	4.50%

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 9 - Lay Employees Pension Plan (continued)

### Plan Asset Investment Strategy and Allocation

The asset allocation for the pension plan as of June 30, 2023 and June 30, 2022 and the target allocation, by asset category, are:

Asset Category	Investment Policy Target Asset Allocation	Policy Benchmark Asset Allocation	Actual Percentage of Plan Assets at June 30	
			2023	2022
Equities	25-75%	50%	66%	63%
Fixed Income	25-75%	40%	26%	24%
Cash Equivalents	0-100%	10%	3%	4%

The fair values of plan assets at June 30, 2023, by asset class are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 536,801	\$ -	\$ -	\$ 536,801
Open-End mutual funds - equity		961,652		961,652
Open-End mutual funds - fixed income		3,973,064		3,973,064
Open-End mutual funds - balanced		840,127		840,127
Corporate equities - domestic	6,015,126			6,015,126
Corporate equities - foreign	3,204,439			3,204,439
	<b>\$ 9,756,366</b>	<b>\$ 5,774,843</b>	<b>\$ -</b>	<b>\$ 15,531,209</b>

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

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## Note 9 - Lay Employees Pension Plan (continued)

The fair values of plan assets at June 30, 2022, by asset class are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 509,007	\$ -	\$ -	\$ 509,007
Open-End mutual funds - equity		792,164		792,164
Open-End mutual funds - fixed income		3,272,426		3,272,426
Open-End mutual funds - balanced		1,190,762		1,190,762
Corporate equities - domestic	5,113,465			5,113,465
Corporate equities - foreign	2,689,326			2,689,326
	<b>\$ 8,311,798</b>	<b>\$ 5,255,352</b>	<b>\$ -</b>	<b>\$ 13,567,150</b>

The pension plan has a diversified investment program, utilizing a variety of asset classes that balances risk with return opportunities. It utilizes highly qualified external investment managers that have demonstrated skill in a particular asset class. The Roman Catholic Diocese of Boise regularly monitors each investment manager's performance and the overall fund relative to benchmarks and also regularly reviews the asset allocation and makes appropriate changes accordingly. Prohibited investments include short sales, commodity contracts and equity option contracts. Investment decisions include consideration for corporate social responsibility and Roman Catholic social teaching.

### Cash Flows

#### **Estimated Future Benefit Payments**

The following benefit payments, which reflect future service, as appropriate, are expected to be paid:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Annual Pension</u> <u>Benefits</u>
2024	\$ 2,673,000
2025	1,665,000
2026	1,629,000
2027	1,717,000
2028	1,719,000
2029-2033	9,059,000
	<b>\$ 18,462,000</b>

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements  
June 30, 2023

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## Note 9 - Lay Employees Pension Plan (continued)

Under FASB ASC 715, the funded status is recognized in the statement of financial position as a "Liability for pension benefits - lay". Unrecognized prior service costs and unrecognized actuarial losses are recognized in unrestricted net assets. The calculations above and on the prior pages represent the obligation of the entire Roman Catholic Diocese of Boise. The amounts recognized in the financial statements represent the obligation of the Central Administrative Office of the Diocese, and totaled \$1,314,935 for the year ended June 30, 2023 and \$556,380 for the year ended June 30, 2022.

Diocesan pension contributions for the years ended June 30, 2023 and 2022 were \$2,164,262 and \$2,114,102, respectively. Benefit payments of \$1,588,872 and \$1,317,987 were made from the plan during the years ended June 30, 2023 and June 30, 2022, respectively.

The Diocese expects to contribute \$1,980,000 to the pension plan during the fiscal year ending June 30, 2024.

## Note 10 - Deposit and Loan Fund

The Diocese maintains a deposit and loan fund on behalf of the parishes and schools across the Diocese. This fund accumulates excess deposits such as those being accumulated under capital campaigns for parishes and schools and invests them. It pays the equivalent of a five year CD rate on those deposits. As of June 30, 2023 and 2022 the fund paid an interest rate on deposits of 0.17% and 0.30%, respectively. The parishes and schools can add and withdraw funds from this pool on demand. The Diocese also administers the lending of money from this fund to parishes and schools that need money to build new physical plant, or repair and renovate existing plant. These loans range from 10 years to 20 years in length. Loan rates charged to borrowers range from 0% to 5.17%. Loans are set at simple interest rates and incur interest charges until paid by the parish or school.

	2023	2022
Balances as of June 30:		
Deposits in Fund from Parishes and Schools	\$ 38,206,500	\$ 34,261,200
Loans from Fund to Parishes and Schools	\$ 7,608,093	\$ 8,232,206
Percentage Loaned Out	19.91%	24.03%

## Note 11 - Notes and Accounts Receivable

The Diocese makes loans and has accounts receivable due from parishes, schools and other religious organizations as part of its normal operations. The allowance for doubtful accounts related to outstanding loans totaled \$837,855 and \$868,844 as of June 30, 2023 and 2022, respectively.

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 12 - Line of Credit

The Diocese has a revolving line of credit agreement with a local financial institution. The line has a \$10,000,000 limit. For the year ended June 30, 2023, the line was collateralized by investments in marketable securities held at the same bank, including investments held at the Idaho Catholic Foundation for the Diocese and other organizations. In April 2024, the collateral pledge agreement was released. The collateral monthly interest payments are required on outstanding balances. The line agreement has a maturity date of April 20, 2024 with an interest of 5% per annum plus the interest rate otherwise payable. Line of credit totaled \$0 and \$0 as of June 30, 2023 and 2022, respectively. At June 30, 2023, the Diocese were in breach of certain covenants contained within its loan agreement. The breach of covenant was waived and no penalty was demanded.

## Note 13 - Refundable Advance - Paycheck Protection Program Loan

In response to the COVID-19 pandemic, in April 2022, the Diocese participated in the Small Business Administration Paycheck Protection Program and obtained a loan on behalf of 24 parishes and schools to fund its payroll costs. The loan is forgivable to the extent it is used for certain allowable costs during the 24 weeks after funding.

In June 2022, the entire loan balance was forgiven.

## Note 14 - Notes Payable

Notes payable balances at June 30, 2023 and 2022 are summarized as follows

	2023	2022
Knights of Columbus note payable with interest rate of 4.00% and monthly payments of \$13,166. The loan is secured by the mortgage and is expected to mature in March 2036.	\$ 1,568,090	\$ 1,668,935
Subtotal	1,568,090	1,668,935
Less current portion	93,320	89,667
Long-term portion	\$ 1,474,770	\$ 1,579,268

Future payments are summarized as follows:

2024	\$ 93,320
2025	97,122
2026	101,079
2027	105,197
2028	113,943
Thereafter	1,057,429
Total	\$ 1,568,090

# CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2023

## Note 15 - Liquidity Resources and Availability

The following reflects the Diocese's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the statement of financial position date. Amounts not available also include amounts set aside for long-term investing in the quasi-endowment fund that could be drawn upon if the board approves that action.

	<u>2023</u>	<u>2022</u>
Financial liquid assets, at year-end	\$ 45,709,789	\$ 41,067,226
Less those unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions for the following purposes:		
Restricted by donor to be used for specified programs	794,345	2,128,153
Restricted by donor, beneficial interest in perpetual trust trust	95,310	79,824
Restricted by donor to maintain in perpetuity as an endowment	1,642,667	1,642,667
Cash management program for parishes and schools	11,044,072	10,948,955
Parish savings deposits	38,206,500	34,261,200
Board designations:		
Quasi-endowment fund	5,500,590	6,744,429
	<u>5,500,590</u>	<u>6,744,429</u>
Financial liquid assets available to meet cash needs for general expenditure within one year	\$ (11,573,695)	\$ (14,738,002)

As part of the Diocese's liquidity management, it has a goal to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To manage liquidity, the Diocese maintains a line of credit with US Bank that is drawn upon as needed during the fiscal year to manage cash flows. As of June 30, 2023, amount outstanding under this line of credit facility amounted to \$0.

## Note 16 - Functional Classification of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification of expenses by function. Program costs are those expenses incurred directly as part of the effort to advance the organization's mission. Supporting services fall under management and administrative expenses. Accordingly, costs have been allocated among the programs and supporting services that were directly benefited.





