

# **Central Administration of The Roman Catholic Diocese of Lafayette-In-Indiana, Inc.**

**Financial Statements  
December 31, 2024 and 2023  
With Independent Auditors' Report**

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.  
December 31, 2024 and 2023**

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## Independent Auditors' Report

To the Diocesan Finance Council of  
Central Administration of the Roman Catholic Diocese of Lafayette-in-Indiana, Inc.

### Opinion

We have audited the accompanying financial statements of Central Administration of the Roman Catholic Diocese of Lafayette-in-Indiana, Inc. (the Administration), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Administration as of December 31, 2024 and 2023, 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 the Administration 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 these 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 the Administration's 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.

**Independent Auditors' Report  
(Continued)**

**Auditors' Responsibilities for the Audit of the Financial Statements (Continued)**

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 the Administration's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Administration's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Barnes, Dennig & Co., Ltd.*

July 8, 2025  
Indianapolis, Indiana

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Statements of Financial Position  
December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Cash	\$ 9,706,167	\$ 9,137,000
Amounts due from parishes	453,541	1,240,322
Amounts due from former seminarians, net of allowance of \$49,674 and \$58,540 at December 31, 2024 and 2023, respectively	49,674	58,540
Investments	20,786,212	18,971,098
Inventory	13,646	13,646
Prepaid expenses	762,573	718,500
Beneficial interests in charitable trusts	1,769,602	1,760,816
Notes receivable from St. John Vianney	357,678	357,679
Amount due from St. Elizabeth Seton	-	766,453
Amount due from St. Thomas Aquinas, net of allowance of \$130,000 at December 31, 2024 and 2023	112,895	150,526
Overfunded status of Priests' Retirement Plan	3,285,764	1,880,465
Land, buildings and equipment, net	<u>11,852,144</u>	<u>11,638,808</u>
Total assets	<u><u>\$ 49,149,896</u></u>	<u><u>\$ 46,693,853</u></u>
<b>Liabilities and net assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 2,296,427	\$ 1,211,511
Deferred revenue	8,767	33,795
Amounts due to parishes	2,156,937	2,216,051
Accrued post-retirement benefit obligation	<u>2,816,128</u>	<u>2,751,565</u>
Total liabilities	<u>7,278,259</u>	<u>6,212,922</u>
<b>Contingencies (Note 12)</b>		
<b>Net assets</b>		
Without donor restrictions	35,563,430	33,308,356
With donor restrictions		
Time and purpose	6,144,774	6,242,689
Perpetual	<u>163,433</u>	<u>163,433</u>
Total net assets	<u>41,871,637</u>	<u>39,714,478</u>
Total liabilities and net assets	<u><u>\$ 49,149,896</u></u>	<u><u>\$ 45,927,400</u></u>

See accompanying notes to financial statements

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Statement of Activities  
For the Year Ended December 31, 2024  
With Summarized Comparative Totals for The Year ended December 31, 2023**

		With Donor Restrictions			
	Without Donor Restrictions	Time and Purpose	Perpetual	2024 Total	2023 Total
<b>Revenue, gains and other support</b>					
Contributions	\$ 6,351,723	\$ 185,930	\$ -	\$ 6,537,653	\$ 6,266,986
Investment return , net	1,989,912	411,832	-	2,401,744	2,432,747
Rent revenue	181,991	-	-	181,991	207,844
Subscription revenue	632,579	-	-	632,579	583,023
Program service revenue	410,099	-	-	410,099	549,513
Insurance program assessments	15,174,105	-	-	15,174,105	13,712,423
Gain on sale of property and equipment	-	-	-	-	7,231,486
Other income	291,954	-	-	291,954	689,373
Saint Joseph retreat and conference center	648,009	-	-	648,009	547,318
Change in value of charitable trusts	8,786	-	-	8,786	14,173
Net assets released from restrictions	695,677	(695,677)	-	-	-
Total revenues, gains and other support	26,384,835	(97,915)	-	26,286,920	32,234,886
<b>Expenses</b>					
Program services					
Office for divine worship and liturgical formation	12,944	-	-	12,944	62,742
Tribunal	379,375	-	-	379,375	365,344
Office for communication	547,124	-	-	547,124	600,136
Vocations office	837,477	-	-	837,477	826,676
Office of catechesis	72,794	-	-	72,794	384,132
Office for family life	120,843	-	-	120,843	335,651
Office of Catholic schools	519,728	-	-	519,728	464,598
Permanent Diaconate	125,319	-	-	125,319	43,230
Vicar for the clergy	323,745	-	-	323,745	416,075
Bishop's office organization	334,159	-	-	334,159	395,536
Office of pastoral ministries	704,099	-	-	704,099	465,740
Saint Joseph retreat and conference center	710,426	-	-	710,426	880,109
Property and health insurance program	15,540,995	-	-	15,540,995	14,375,827
Other program expenses	1,520,257	-	-	1,520,257	1,126,679
Total program services	21,749,285	-	-	21,749,285	20,742,475
Supporting services					
Fundraising	714,646	-	-	714,646	694,873
General and administrative	3,046,724	-	-	3,046,724	2,855,701
Total expenses	25,510,655	-	-	25,510,655	24,293,049
<b>Change in net assets from operating activities</b>	874,180	(97,915)	-	776,265	7,941,837
<b>Nonoperating</b>					
Pension-related changes other than net periodic pension cost	1,380,894	-	-	1,380,894	886,744
<b>Change in net assets</b>	2,255,074	(97,915)	-	2,157,159	8,828,581
<b>Net assets, beginning of year</b>	33,308,356	6,242,689	163,433	39,714,478	30,885,897
<b>Net assets, end of year</b>	\$ 35,563,430	\$ 6,144,774	\$ 163,433	\$ 41,871,637	\$ 39,714,478

See accompanying notes to financial statements

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Statement of Activities  
For the Year Ended December 31, 2023**

		With Donor Restrictions		
	Without Donor Restrictions	Time And Purpose	Perpetual	Total
<b>Revenue, gains and other support</b>				
Contributions	\$ 5,772,345	\$ 494,641	\$ -	\$ 6,266,986
Investment loss, net	1,890,583	542,164	-	2,432,747
Rent revenue	207,844	-	-	207,844
Subscription revenue	583,023	-	-	583,023
Program service revenue	549,513	-	-	549,513
Insurance program assessments	13,712,423	-	-	13,712,423
Gain on sale of property and equipment	7,231,486	-	-	7,231,486
Other income	689,373	-	-	689,373
Saint Joseph retreat and conference center	546,793	525	-	547,318
Change in value of charitable trusts	14,173	-	-	14,173
Net assets released from restrictions	724,364	(724,364)	-	-
Total revenues, gains and other support	31,921,920	312,966	-	32,234,886
<b>Expenses</b>				
Program services				
Office for divine worship and liturgical formation	62,742	-	-	62,742
Tribunal	365,344	-	-	365,344
Office for communication	600,136	-	-	600,136
Vocations office	826,676	-	-	826,676
Office for adult catechesis	384,132	-	-	384,132
Office for family life	335,651	-	-	335,651
Office of Catholic schools	464,598	-	-	464,598
Permanent Diaconate	43,230	-	-	43,230
Vicar for the clergy	416,075	-	-	416,075
Bishop's office organization	395,536	-	-	395,536
Office of pastoral ministries	465,740	-	-	465,740
Saint Joseph retreat and conference center	880,109	-	-	880,109
Property and health insurance program	14,375,827	-	-	14,375,827
Other program expenses	1,126,679	-	-	1,126,679
Total program services	20,742,475	-	-	20,742,475
Supporting services				
Fundraising	694,873	-	-	694,873
General and administrative	2,855,701	-	-	2,855,701
Total expenses	24,293,049	-	-	24,293,049
<b>Change in net assets from operating activities</b>	7,628,871	312,966	-	7,941,837
<b>Nonoperating</b>				
Pension-related changes other than net periodic pension cost	886,744	-	-	886,744
<b>Change in net assets</b>	8,515,615	312,966	-	8,828,581
<b>Net assets, beginning of year</b>	24,792,741	5,929,723	163,433	30,885,897
<b>Net assets, end of year</b>	\$ 33,308,356	\$ 6,242,689	\$ 163,433	\$ 39,714,478

See accompanying notes to financial statements

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Statement of Cash Flows  
For the Years Ended December 31, 2024, and 2023**

	<u>2024</u>	<u>2023</u>
<b>Change in Net Assets</b>	<b>\$ 2,157,159</b>	<b>\$ 8,828,581</b>
<b>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities</b>		
Depreciation	292,491	282,602
Gain on sale of property and equipment	-	(7,231,486)
Realized and unrealized gains on investments, net	(1,943,106)	(2,150,005)
Change in value of charitable trusts	(8,786)	(14,173)
Donated investments	(245,605)	(88,851)
(Increase) decrease in operating assets		
Amounts due from parishes	786,782	(651,270)
Amounts due from former seminarians, net of allowance	8,866	15,091
Prepaid expenses	(44,073)	(200,005)
Overfunded status of Priests' Retirement Plan	(1,405,299)	(1,068,834)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	1,101,072	(503,913)
Deferred revenue	(25,028)	(367,590)
Amounts due to parishes	(59,114)	995,303
Accrued post-retirement benefit obligation	64,563	(1,225)
	<u>(1,477,237)</u>	<u>(10,984,356)</u>
<b>Net cash provided by (used in) operating activities</b>	<b><u>679,922</u></b>	<b><u>(2,155,775)</u></b>
<b>Cash flows from investing activities</b>		
Purchases of investments	(9,269,503)	(1,235,313)
Proceeds from sale of investments	9,643,100	941,470
Principal payments received on note receivable	37,631	53,562
Proceeds from sale of property and equipment	-	7,672,066
Purchases of property and equipment	(521,983)	(150,138)
	<u>(110,755)</u>	<u>7,281,647</u>
<b>Change in cash</b>	<b>569,167</b>	<b>5,125,872</b>
<b>Cash, beginning of year</b>	<b><u>9,137,000</u></b>	<b><u>4,011,128</u></b>
<b>Cash, end of year</b>	<b><u><u>\$ 9,706,167</u></u></b>	<b><u><u>\$ 9,137,000</u></u></b>
<b>Schedule of non-cash investing activities</b>		
Donated investments	\$ 245,605	\$ 88,851
Property and equipment in accounts payable	\$ 2,647	\$ 18,803
<b>Schedule of non-cash investing and financing activities</b>		
St. Alphonsus principal payments on term note payable	\$ -	\$ 120,000
St. Elizabeth Seton principal payments on term note payable	\$ 766,453	\$ 372,540

See accompanying notes to financial statements



**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements**

**NOTE 1 NATURE OF ACTIVITIES**

Central Administration of the Roman Catholic Diocese of Lafayette-in-Indiana, Inc. (the Administration) was formed in coordination with the establishment of the Roman Catholic Diocese of Lafayette-in-Indiana in 1945, and subsequently incorporated in 1958. The Administration is a nonprofit organization located in Lafayette, Indiana, which provides services at the Diocesan level of administration of the Roman Catholic Church.

The accompanying financial statements include the assets, liabilities, net assets and operations of the Central Administration Office only. The activities of the parishes, religious orders, lay societies, and religious organizations which operate under the control of the Administration and their related assets and liabilities have not been included in the accompanying financial statements but are assets and liabilities which would ultimately come under the umbrella of the Bishop. The accompanying financial statements also do not include the activities of the Lafayette Diocesan Foundation, Inc. (the Foundation).

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting and Use of Estimates***

The accompanying financial statements were prepared on the accrual basis of accounting. Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported support, revenues and expenses. Actual results could vary from the estimates that were used.

***Cash and Cash Equivalents***

The Administration considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Administration maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Administration believes it is not exposed to any significant credit risk on cash.

***Amounts Due From Parishes, Former Seminarians, and Accounts Receivable***

The Administration has an annual campaign entitled Catholic Ministries Appeal. The support raised from this annual campaign is utilized to support the words of Christ directly through the diocese, as well as through the ministries that support each of the local parishes. All contributions related to the Catholic Ministries Appeal campaign were paid prior to December 31, 2024 and 2023. At December 31, 2024 and 2023, there were receivables due from parishes of \$214,164 and \$497,541, respectively, for campaign goal shortfalls owed back to the Administration.

Additional accounts receivable due from parishes of \$239,377 and \$742,791 at December 31, 2024 and 2023, respectively, were owed to the Administration for subscription fees due from parishes.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Amounts Due From Parishes, Former Seminarians, and Accounts Receivable (Continued)***

The Administration provides loans to students who attend seminary. As long as the student enters the priesthood, the loan will be forgiven. Amounts due from former seminarians represent amounts loaned to individuals who have left the priesthood. Management has determined that an allowance of \$49,674 and \$58,540 is necessary at December 31, 2024 and 2023, respectively.

***Investments and Investment Return***

Investments are carried at fair value for financial reporting purposes. Realized gains or losses upon the sale of investments are based on the cost of specifically identified securities. Changes in unrealized appreciation or depreciation of investments are reflected in the statement of activities in the period in which such changes occur. Interest and dividend income is recorded when earned. The Administration's investment policy aligns completely with the U.S. Conference of Catholic Bishops' Socially Responsible Investment Guidelines.

***Notes Receivable from St. John Vianney***

During 2009, the Administration transferred land to the St. John Vianney Parish in exchange for a note receivable in the amount of \$954,000. In 2019, the terms of the note were confirmed, bearing no interest, and an adjustment of the maturity date of December 2044. At December 31, 2024 and 2023, the note receivable has been recorded at its net present value of \$344,098, using a discount rate of 4.0%. The unamortized balance of the note was \$609,902 at December 31, 2024 and 2023. An additional note was signed with St. John Vianney Parish in 2019 for the sale of another plot of land. The second note carries the same terms and has been recorded at its net present value of \$13,581, using a discount rate of 4.0%. The unamortized balance of the note was \$24,071 at December 31, 2024 and 2023. The notes receivable are unsecured. Payments are scheduled to begin in 2025. Management has determined that an allowance is not necessary at December 31, 2024 and 2023.

***Due from St. Elizabeth Seton***

During 2015, the Administration obtained a loan on the behalf of St. Elizabeth Seton Catholic Church. The parish is expected to make all payments of principal and interest directly to the bank. As the Administration does not anticipate paying on the loan, a receivable from the Parish has been established to offset the amount of loan recorded. The loan balance was repaid during 2024. The balance was \$766,453 at December 31, 2023. Management has determined that an allowance was not necessary at December 31, 2023.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Due From St. Thomas Aquinas***

During 2017, the Administration provided funding to the Campus Ministry at St. Thomas Aquinas. The Catholic Center at Purdue University to help build a Catholic dormitory on campus. The project did not obtain enough funding to move forward. During 2019, the Administration and St. Thomas Aquinas agreed to repayment terms. The note receivable bears no interest and the maturity date is December 2026. The note receivable requires monthly payments of \$4,443 starting in January 2020. The balance due of \$112,895 and \$150,526 at December 31, 2024 and 2023, respectively, has been recorded at net present value using a discount rate of 4.0% through the term of the note and net of an allowance of \$130,000 at December 31, 2024 and 2023. The unamortized discount on the note was \$47,790 and \$64,720 at December 31, 2024 and 2023, respectively.

***Land, Buildings and Equipment***

The Administration capitalizes all significant transactions greater than \$1,000 related to land, buildings and equipment at cost, if purchased, and at fair value at the date of donation, if donated. All land and buildings are capitalized. Equipment is capitalized if it has a useful life when acquired of more than one year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets which range from three to seventy-five years. Depreciation expense was \$292,491 and \$282,602, in 2024 and 2023, respectively.

Gifts of land, buildings, and equipment are reported as net assets without donor restriction unless the donor has restricted the donated asset to a specific purpose or stipulated how long those long-lived assets must be used. Absent donor restrictions on use and how long those donated assets must be maintained, the Administration reports expirations of donor restrictions when the donated or acquired assets are placed in service.

***Deferred Revenue***

Deferred revenue is comprised of advance insurance assessments paid by participants. Revenue from these assessments is recognized ratably over the policy period which represents the calendar year.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Net Assets***

The financial statements report net assets and changes in net assets in the following classes that are based upon the existence or absence of restrictions on use that are placed by the Administration's donors:

Without Donor Restrictions

Net assets without donor restrictions are resources available to support operations. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Administration, 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. The Administration has designated \$2,940,924 and \$2,814,964 at December 31, 2024 and 2023, respectively, of net assets for the benefit of the parishes and victims of incidents of priest misconduct.

With Donor Restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The Administration's unspent contributions are classified in this class if the donor limited their use, as is the unspent appreciation of its donor-restricted endowment funds.

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. Net assets with donor restrictions for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Administration, unless the donor provides more specific directions about the period of its use. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

***Recognition of Support and Revenue***

Subscription revenue is related to purchase of the monthly Catholic Moment publication by parishioners and other Administration affiliates. This fee is earned on a per subscriber per publication basis.

The majority of program service revenue is made up of youth events, workshops, and catechism class income. Upon enrollment in the event, workshop, or class, fees are assessed and collected. These fees are recognized as revenue upon the completion of the course or program.

Insurance program assessments are billed to the parishes and/or participants based on the premiums that are billed from the insurance carriers. Revenue is recognized ratably over the policy period.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Recognition of Support and Revenue (Continued)***

Revenue from the Saint Joseph retreat and conference center primarily relates to group housing and conference/gathering event sales. Revenue is earned upon the completion of the hotel stay or event.

The following table disaggregates the Administration's earned revenue based on the timing of satisfaction of performance obligations for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Over time	\$ 15,806,684	\$ 14,295,446
Point in time	<u>1,124,008</u>	<u>1,321,306</u>
Total	<u>\$ 16,930,692</u>	<u>\$ 15,616,752</u>

Contributions include unconditional promises to give. Revenue is recognized in the period the promise is made. Amounts that are not restricted by the donor are reported as an increase in net assets without donor restrictions. All other donor-restricted support, or support where payment is expected in a future period, is reported as an increase in net assets with donor restrictions. When the restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

Conditional promises, such as matching gifts, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

***Donated Services***

Contributions of services are recognized as revenue at their estimated fair value when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated.

The Administration receives a substantial amount of services donated by individuals in carrying out its programs. Values have not been assigned to these services as the criteria for recognition has not been met and, accordingly, they are not reflected in the accompanying financial statements.

***Rent Revenue***

The Administration rents land and property to various third parties pursuant to operating lease agreements, generally for twelve-month periods with varying expiration dates, at which point the lease agreements are subject to renewal. At December 31, 2024 and 2023, the Administration's land lease agreements were annual agreements with automatic renewals, but could be terminated by either party with 60 days' notice. At December 31, 2024 and 2023, the Administration's apartment and house leases were annual lease agreements.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Rent Revenue (Continued)***

At December 31, 2024 and 2023, the cost of leased land was \$6,497,730. At December 31, 2024, the cost and accumulated depreciation of leased apartments and houses was \$499,966 and \$350,130 respectively. At December 31, 2023, the cost and accumulated depreciation of leased apartments and houses was \$216,043 and \$168,297, respectively.

***Functional Expense Allocation***

The costs of providing the programs and services of the Administration have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Although the methods of allocation are deemed appropriate, other methods could produce different results.

<u>2024</u>	<u>Program Services</u>	<u>Fundraising</u>	<u>General and Administrative</u>	<u>Total</u>
Personnel cost	\$ 2,596,248	\$ 323,264	\$ 1,210,375	\$ 4,129,887
Religious services	1,076,226	-	378,782	1,455,008
Professional services	585,683	297,893	1,071,983	1,955,559
Property and health insurance	16,086,877	57,653	85,273	16,229,803
Depreciation and amortization	239,841	339	52,311	292,491
Other	1,167,958	35,497	244,452	1,447,907
Total	<u>\$ 21,752,833</u>	<u>\$ 714,646</u>	<u>\$ 3,043,176</u>	<u>\$ 25,510,655</u>
<u>2023</u>	<u>Program Services</u>	<u>Fundraising</u>	<u>General and Administrative</u>	<u>Total</u>
Personnel cost	\$ 2,551,018	\$ 305,671	\$ 1,061,007	\$ 3,917,696
Religious services	690,622	-	223,870	914,492
Professional services	680,704	297,314	1,142,611	2,120,629
Property and health insurance	14,895,063	55,411	54,141	15,004,615
Depreciation and amortization	245,460	458	36,686	282,604
Other	1,679,608	36,019	337,386	2,053,013
Total	<u>\$ 20,742,475</u>	<u>\$ 694,873</u>	<u>\$ 2,855,701</u>	<u>\$ 24,293,049</u>

***Income Taxes***

The Administration is organized as a not-for-profit corporation other than a private foundation and is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and similar state law.

The Administration is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. As a religious organization, the Administration is not required to file annual Federal or state information returns.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Impairment of Long-Lived Assets***

The Administration evaluates long-lived assets for impairment using a undiscounted cash flows method whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

***Subsequent Events***

The Administration evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through July 8, 2025, which is the date the financial statements are available to be issued.

**NOTE 3 AVAILABLE RESOURCES AND LIQUIDITY**

The Diocese regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The general operations of the Diocese are mainly funded by the Catholic Ministries Appeal annual campaign. Because of the significant reliance on this campaign, the Administration maintains a line of credit and also may sell property not suitable for church construction to meet short-term cash flow needs.

As of December 31, 2024 and 2023, the following table shows the total financial assets held by the Administration and the amounts of those financial assets available within one year of the statement of financial position date to meet general expenditures.

	2024	2023
Financial assets at year-end		
Cash, net of amounts due to parishes	\$ 7,549,230	\$ 6,920,949
Amounts due from parishes	453,541	1,240,322
Amounts due from former seminarians, net of allowance	49,674	58,540
Investments	20,786,212	18,971,098
Beneficial interests in charitable trusts	1,769,602	1,760,816
Total financial assets	<u>30,608,259</u>	<u>28,951,725</u>
Less amounts not available to be used within one year		
Net assets with donor restrictions	(6,144,774)	(6,242,689)
Net assets designated for the benefit of the parishes	<u>(2,940,924)</u>	<u>(2,814,964)</u>
Total amounts not available to be used within one year	<u>(9,085,698)</u>	<u>(9,057,653)</u>
Financial assets available to meet general expenditures within one year	<u><u>\$ 21,522,561</u></u>	<u><u>\$ 19,894,072</u></u>

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 4 BENEFICIAL INTERESTS IN CHARITABLE TRUSTS**

The Administration is the primary beneficiary under two charitable trusts. The trust's assets are held by the Administration, as trustee, and are held in bank custodial accounts. Under the trust, assets are available for use to support impoverished children, as well as the care and education of children. The beneficial interest in the trust is reported at fair value, which is estimated as the fair value of the underlying trust assets. The Administration's interest in the trust is reflected as an asset in the amount of \$169,602 and \$160,816 at December 31, 2024 and 2023, respectively.

The Administration is the beneficiary of another charitable trust whereby the Administration and the Catholic Ministry Appeal campaign each will receive 30% of the remaining trust amount in 2034. The estimated balance the Administration and Catholic Ministry Appeal campaign will receive is \$1,600,000 at December 31, 2024 and 2023.

**NOTE 5 FAIR VALUE MEASUREMENTS**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Administration has the ability to access.

Level 2 - Inputs to the valuation methodology include: 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 for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. 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 used need to maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

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 December 31, 2024 and 2023.

- *Mutual fund*: Valued at the daily closing prices as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.



**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 5 FAIR VALUE MEASUREMENTS (CONTINUED)**

- *Charitable trusts:* Valued at fair value of underlying trust assets.
- *Common trust funds:* Valued at the NAV reported by the fund. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund, less its liabilities. While transactions may occur daily, were the Foundation to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

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

\*The Administration follows Accounting Standards Update 2015-07, Disclosures for Investments in Certain Entities that Calculate Net Asset Value Per Share, which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share as a practical expedient. As such, investments in common trust funds, if any, are valued at their respective net asset value and are not classified within the fair value hierarchy. The following table sets forth by level, within the hierarchy, the Administration's assets measured at fair value on a recurring basis as of December 31:

2024	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Mutual fund			
BAIRD Total Return	\$ 7,731,270	\$ 7,731,270	\$ -
Charitable trusts	1,769,602	-	1,769,602
Common trust funds			
*MSCI ACWI screened index fund	3,889,373		
*Russell 3000 screened index fund	8,762,805		
Total	<u>\$ 22,153,050</u>	<u>\$ 7,731,270</u>	<u>\$ 1,769,602</u>

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 5 FAIR VALUE MEASUREMENTS (CONTINUED)**

2023	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Mutual fund			
PIMCO Total Return III	\$ 7,407,263	\$ 7,407,263	\$ -
Charitable trusts	1,760,816	-	1,760,816
Common trust funds			
*MSCI ACWI screened index fund	3,655,320		
*Russell 3000 screened index fund	7,687,644		
Total	<u>\$ 20,511,043</u>	<u>\$ 7,407,263</u>	<u>\$ 1,760,816</u>

The Administration's policy is to recognize transfers between levels as of the end of the reporting period. There were no transfers among levels during 2024 and 2023.

**NOTE 6 LAND, BUILDINGS, AND EQUIPMENT**

Land, buildings and equipment include the following at December 31:

	2024	2023
Land	\$ 8,970,835	\$ 8,970,835
Buildings and building improvements	7,648,421	7,424,141
Furniture, fixtures, and equipment	834,231	802,364
Vehicles	167,061	167,061
Construction in process	307,563	57,881
	<u>17,928,111</u>	<u>17,422,282</u>
Accumulated depreciation	<u>(6,075,967)</u>	<u>(5,783,474)</u>
	<u>\$ 11,852,144</u>	<u>\$ 11,638,808</u>

The Administration has a policy to sell property that is no longer suitable for church purposes. During 2023, the Administration sold land with an original cost of approximately \$440,000 for approximately \$7.7 million which resulted in a gain on the sale of approximately \$7.2 million.

**NOTE 7 LINE OF CREDIT**

The Administration maintains a \$2,000,000 unsecured line of credit that was available for its short-term borrowings needs and is due upon demand should the financial institution call the funds. Borrowings under this line of credit bear interest at the Wall Street Journal prime lending rate (7.5% at December 31, 2024). There were no borrowings outstanding on this line of credit at December 31, 2024 and 2023.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
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**Notes to Financial Statements  
(Continued)**

**NOTE 8 NOTE PAYABLE**

During 2015, the Administration obtained a line of credit on the behalf of St. Elizabeth Seton Catholic Church with a maximum borrowing amount of \$3,200,000. In August 2016, the line of credit converted to a note payable requiring monthly payments of \$15,410 including principal and interest at 3.75%. The note was secured by all property and equipment of the parish and expires July 2045; however, the balance was paid off during 2024. The balance was \$766,453 at December 31, 2023.

The administration did not record interest income or expense related to the note in the statements of activities.

**NOTE 9 NET ASSETS**

***With Donor Restrictions – Time and Purpose***

Net assets with donor restrictions consist of the following as of December 31:

	2024	2023
Purpose restrictions		
Future parishes	\$ 162,935	\$ 371,542
Seminarians' education	2,194,529	1,952,798
Human development (local)	84,283	92,012
Poor of the Diocese	1,044,529	988,594
Long term funds for the poor	1,760,816	1,760,816
Catholic education	324,908	278,160
National Initiative – Pastoral Leaders Project	307,134	547,095
Saint Joseph retreat and conference center	107,484	103,082
Other	158,156	148,590
	<u>\$ 6,144,774</u>	<u>\$ 6,242,689</u>

***With Donor Restrictions – Perpetual***

Net assets with donor restrictions in perpetuity consist of the following as of December 31:

	2024	2023
Seminarians	\$ 80,044	\$ 80,044
Scholarships	23,612	23,612
Priests' sabbaticals	40,438	40,438
Camp fund	19,339	19,339
	<u>\$ 163,433</u>	<u>\$ 163,433</u>

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
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**Notes to Financial Statements  
(Continued)**

**NOTE 9 NET ASSETS**

***Released from Restrictions***

Net assets were released from donor restrictions as follows during the years ended December 31:

	<u>2024</u>	<u>2023</u>
Purpose restrictions accomplished	\$ 695,677	\$ 724,364
Time restrictions expired	<u>-</u>	<u>-</u>
	<u><u>\$ 695,677</u></u>	<u><u>\$ 724,364</u></u>

**NOTE 10 EMPLOYEE BENEFITS PLANS**

***Priests' Health and Welfare Plan***

The Administration sponsors a group insurance defined benefit plan for Diocesan priests. The plan provides for medical, dental and life insurance benefits for the duration of the priests' life. The plan is not funded.

The measurement date used for determining the measurement of the plan's benefit obligation as of December 31, 2024 is December 31, 2024, with results projected to December 31, 2024. The measurement date used in determining the measurement of the plan's benefit obligation as of December 31, 2023 is December 31, 2023, with results projected to December 31, 2023.

The following table sets forth the plan's funded status as included in accrued postretirement benefit obligation in the Administration's statements of financial position at December 31:

	<u>2024</u>	<u>2023</u>
Benefit obligation	(2,816,128)	(2,751,565)
Less: fair value of plan assets	<u>-</u>	<u>-</u>
Funding deficit	<u><u>\$ (2,816,128)</u></u>	<u><u>\$ (2,751,565)</u></u>

The plan paid benefits of \$107,342 and \$108,155 during the years ended December 31, 2024 and 2023, respectively.

Net periodic postretirement benefit cost includes the following components for the years ended

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
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**Notes to Financial Statements  
(Continued)**

**NOTE 10 EMPLOYEE BENEFITS PLANS (CONTINUED)**

***Priests' Health and Welfare Plan (Continued)***

Net periodic postretirement benefit cost includes the following components for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Service cost	\$ 92,696	\$ 91,967
Interest cost on accumulated postretirement benefit obligation	134,927	134,969
Amortization of prior service cost	(74,743)	(74,743)
Recognition of net gain	<u>(69,102)</u>	<u>(66,417)</u>
Net periodic postretirement benefit cost	<u>\$ 83,778</u>	<u>\$ 85,776</u>

Items not yet recognized as a component of net periodic postretirement benefit cost include an unrecognized actuarial gain of \$1,643,818 and \$1,657,202 at December 31, 2024 and 2023, respectively. The change in the unrecognized actuarial gain for the years ended December 31 is combined with that of the Priests' Retirement Plan and is included in the statements of activities.

A 7.50% and 6.50% annual rate of increase in the per capita cost of covered health care benefits was assumed for pre-65 and post-65 participants, respectively, for December 31, 2024. A 8.0% and 6.50% annual rate of increase in the per capita cost of covered health care benefits was assumed for pre-65 and post-65 participants, respectively for December 31, 2023; the rate was assumed to decrease gradually to 4.5% in 2032 and remain at that level thereafter. A 4.0% annual rate of increase in the per capita cost of covered dental benefits was assumed for 2024 and 2023 and remain at that level thereafter. A 3.0% annual rate of increase in the per capita cost of covered vision benefits was assumed for 2024 and 2023; and remain at that level thereafter.

The Diocese changed the medical plan for Medicare-eligible priests from an AARP Medicare Supplement Plan to an Aetna Individual Medicare Supplement Plan effective July 1, 2023. For 2024, the annual estimated Aetna and PDP premium rates are assumed to be \$3,108 and \$567 per person.

For Medicare eligible priests enrolled in the PDP plan, the Diocese is assumed to reimburse \$556 annually for co-pays, and this reimbursement is assumed to increase by 3% annually. There is no longer a tax subsidy since Diocese participation in the Retiree Drug Subsidy program was discontinued effective on January 1, 2016. Pre-Medicare eligible priests will be provided medical coverage through the RETA Trust. Post-Medicare eligible priests can also enroll in the RETA Trust Plan as a secondary insurance. Post-Medicare eligible priests have the option to elect a different prescription drug plan offered through Anthem as well.

Annual dental cost is assumed to be \$531 and \$508 per person for 2024 and 2023, and is assumed to increase with the dental trend rate described above.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
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**Notes to Financial Statements  
(Continued)**

**NOTE 10 EMPLOYEE BENEFITS PLANS (CONTINUED)**

***Priests' Health and Welfare Plan (Continued)***

for 2024 and 2023, and is assumed to increase with the vision trend rates described above.

The weighted average discount rate used in determining the benefit obligation was 5.50% and 5.00% as of December 31, 2024 and 2023, respectively.

The following benefits are expected to be paid for the years ending December 31:

2025	\$ 124,994
2026	121,965
2027	124,354
2028	126,945
2029	141,213
Years 2030 – 2034	854,936
	<u>\$ 1,494,407</u>

***Priests' Retirement Plan***

The Administration has a defined benefit pension plan for Diocesan priests. Each eligible priest electing to participate in the plan contributes \$50 annually. Each parish and the Administration are responsible for making a contribution to the Priests' Retirement Plan equal to 10% of the gross salary of each of its participating priests.

The measurement date used in determining the benefit measurements for plan assets and benefit obligations for the years ended December 31, 2024 and 2023 was December 31, 2024 and 2023, respectively.

The following sets forth the funded status of the plan and amounts shown in the accompanying statements of financial position at December 31:

	<u>2024</u>	<u>2023</u>
Benefit obligation	\$ (9,095,054)	\$ (9,491,337)
Fair value of plan assets	12,380,818	11,371,802
Funded status	<u>\$ 3,285,764</u>	<u>\$ 1,880,465</u>

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
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**Notes to Financial Statements  
(Continued)**

**NOTE 10 EMPLOYEE BENEFITS PLANS (CONTINUED)**

***Priests' Retirement Plan (Continued)***

Net pension cost for the defined benefit plan included the following components for the years ended December 31:

	2024	2023
Service costs	\$ 274,743	\$ 258,514
Interest costs	462,705	436,176
Return on assets	(673,726)	(577,854)
Amortization of prior service cost	157,624	157,624
Recognition of net gain	(85,818)	(53,760)
Net benefit cost	<u>\$ 135,528</u>	<u>\$ 220,700</u>

Items not yet recognized as a component of net periodic postretirement benefit cost include an unrecognized actuarial income of \$1,399,502 and actuarial loss of \$141,325 at December 31, 2024 and 2023, respectively. The change in the unrecognized actuarial loss for the years ended December 31, 2024 and 2023 is combined with that of the Priests' Health and Welfare Plan and is included in the statements of activities as follows:

	2024	2023
Priests' Health and Welfare Plan	\$ 1,469,021	\$ 907,898
Priests' Retirement Plan	(88,127)	(21,154)
Pension-related changes other than net periodic postretirement benefit cost	<u>\$ 1,380,894</u>	<u>\$ 886,744</u>

The following table summarizes the assumptions used to determine the projected benefit obligation for the years ended December 31:

	2024	2023
Weighted average used to determine benefit obligations		
Discount rate	5.50%	5.00%

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
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**Notes to Financial Statements  
(Continued)**

**NOTE 10 EMPLOYEE BENEFITS PLANS (CONTINUED)**

***Priests' Retirement Plan (Continued)***

Rate of compensation increase is an explicit inflation-related assumption as to future compensation increases applicable to salary-related benefit obligations.

	<u>2024</u>	<u>2023</u>
Weighted average used to determine net periodic benefit cost for the year		
Discount rate	5.00%	5.00%
Expected long-term rate of return	6.00%	6.00%

Rate of compensation increase is an explicit inflation-related assumption as to future compensation increases applicable to salary-related benefit obligations.

The Administration's contribution to the plan was \$ - and \$381,636 for the years ended December 31, 2024 and 2023, respectively. Distributions from the plan were \$524,172 and \$457,197 during the years ended December 31, 2024 and 2023, respectively.

The amount of benefits expected to be paid, based on the same assumptions used to measure the benefit obligation (including, when applicable, benefits attributable to estimated future service) are as follows for the years ending December 31:

2025	\$ 538,863
2026	509,705
2027	506,224
2028	504,971
2029	555,464
Years 2030 - 2033	<u>3,212,159</u>
	<u><u>\$ 5,827,386</u></u>

The Priests' Retirement Plan weighted-average asset allocations at December 31, by asset category are as follows:

	<u>2024</u>	<u>2023</u>
Equity securities	72.00%	72.00%
Debt securities	<u>28.00%</u>	<u>28.00%</u>
	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>



**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 10 EMPLOYEE BENEFITS PLANS (CONTINUED)**

***Priests' Retirement Plan (Continued)***

The target allocation for the Administration's plan assets is broadly characterized as a 75%/25% allocation between equity and debt securities. This strategy utilizes fixed income securities, which generally consist of government backed securities and cash, and equity securities which consist of common stocks and mutual funds shares. Investments are purchased with the intent to hold the asset for a long-term period.

The Administration attempts to mitigate investment risk by rebalancing between equity and debt classes as the Administration's contributions and benefit payments are made. Although changes in interest rates may affect the fair value of a portion of the investment portfolio and cause unrealized gains or losses, such gains or losses would not be realized unless the investments are sold.

The fair value of the major classes of plan assets is as follows as of December 31:

	2024	2023
Cash and Money Market	\$ 76,487	\$ 286,242
Mutual Fund		
BAIRD Intermediate Bond FD	3,335,306	-
PIMCO Total Return ESG Fund CL	-	3,022,551
Common trust funds		
MSCI ACWI Screened Index Fund	2,595,563	2,442,567
Russell 3000 Screened Index Fund	6,373,462	5,620,442
	<u>\$ 12,380,818</u>	<u>\$ 11,371,802</u>

The fair value of the Priests' Retirement Plan assets is determined on the basis of Level 1 inputs. Investments in common trust funds are valued at their respective net asset value and are not classified within the fair value hierarchy. See Note 6 for further explanation of fair value.

***Lay Employees' Retirement Plan***

The Administration participates in a multi-employer contributory defined benefit pension plan. The Roman Catholic Diocese of Lafayette-In-Indiana, Inc. Lay Employees' Retirement Plan (Plan) covers substantially all lay employees of the Administration, individual parishes and other related organizations.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
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**Notes to Financial Statements  
(Continued)**

**NOTE 10 EMPLOYEE BENEFITS PLANS (CONTINUED)**

***Lay Employees' Retirement Plan (Continued)***

The risks of participating in a multiemployer plan are different from a single employer plan in the following aspects: (1) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers; (2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; (3) if an employer chooses to stop participating in a multiemployer plan, participating organizations may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability. If a plan were to terminate, if participants voluntarily withdrew or if there was a mass withdrawal, the Administration may also be required to make additional payments to the plan for its proportionate share of underfunded liabilities. At January 1, 2025, the Plan was 107.5% funded. At January 1, 2024, the Plan was 92.9% funded.

The following Plan information is as of January 1:

	2024	2023
Assets	\$ 57,207,733	\$ 51,948,604
Accumulated benefit obligation	\$ 53,210,681	\$ 55,910,449
Total Plan contributions	\$ 1,429,108	\$ 1,336,650
Contributions greater than 5% of total?	Yes	Yes

Each eligible employee electing to participate in the Plan contributes \$50 annually. Each parish and the Administration is also responsible for making a contribution to the Plan equal to 6.5% of the gross salary of each of its participating employees. The Administration collects all contributions, which are remitted to a third party for custody and administration. Benefits are paid to plan participants based on a percentage of the average earnings prior to retirement multiplied by years of service. Effective January 1, 2019, the plan is closed to new entrants.

Beginning in 2019, Administration has a 403(b) retirement plan (403(b)) for employees who are at least 21 years of age and work 1,000 hours of minimum service. The Administration contributes 6% of employee wages for plan participants.

Pension and 403(b) contributions made by the Administration for its participating employees were \$184,020 and \$161,766 in 2024 and 2023, respectively.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
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**Notes to Financial Statements  
(Continued)**

**NOTE 11 RELATED PARTY TRANSACTIONS**

In addition to other related party note receivable transactions disclosed in Note 2, the Administration has the following related party activities:

***Amounts Due From/To Parishes***

At December 31, 2024 and 2023, the Administration had amounts due from parishes of \$453,541 and \$1,240,322 respectively. Additionally, \$2,156,937 and \$2,216,051 were due to parishes at December 31, 2024 and 2023, respectively.

The Administration also maintains funds on behalf of various parishes that are invested along with Administration investment funds. The asset and liability associated with these funds held by others was approximately \$1.6 million and \$1.5 million at December 31, 2024 and 2023, respectively. The assets are included in investments and the funds held by others is included in amounts due to parishes within the statements of financial position.

***Other Transactions***

The Administration purchases group medical and liability insurance for all participating parishes. The related costs are assessed to the parishes. Total amounts assessed for liability insurance for the years ended December 31, 2024 and 2023 were \$2,105,549 and \$1,966,496 respectively. Total amounts assessed for group medical insurance for the years ended December 31, 2024 and 2023 were \$13,068,556 and \$11,745,927 respectively.

**NOTE 12 LITIGATION**

The Administration is subject to claims and lawsuits in the normal course of business. Liability insurance is maintained by the Administration to provide protection against such claims. Management believes the ultimate resolution of these matters will not have a material adverse impact on the Administration's financial position, changes in net assets, or cash flows.

Among the pending or potential legal claims against the Administration are some related to allegations of past sexual and other misconduct by priests. The potential impact of these matters is unknown as of the date of this report. The ultimate liability will change in the future and is sensitive to precedents established by pending court cases, possible legislative action, particularly related to the statutes of limitation and additional claims that may be asserted in the future. The Administration has designated funds to support and assist adult and minor victims of priests' misconduct with care and abuse resolution costs. The amount is included in the board designated net assets at December 31, 2024 and 2023.

**NOTE 13 CONCENTRATION OF CREDIT RISK AND UNCERTAINTIES**

The Administration's investments (Notes 5) are exposed to various risks such as interest rate, market and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying financial statements.

**CENTRAL ADMINISTRATION OF THE ROMAN CATHOLIC DIOCESE OF  
LAFAYETTE-IN-INDIANA, INC.**

**Notes to Financial Statements  
(Continued)**

**NOTE 13 CONCENTRATION OF CREDIT RISK AND UNCERTAINTIES (CONTINUED)**

At December 31, 2024, approximately 36.7% of the Administration's investment holdings are comprised of the BAIRD Total Return fund. At December 31, 2023, approximately 39.0% of the Administration's investment holdings are comprised of the PIMCO Total Return III fund. At December 31, 2024 and 2023, approximately 60.9% and 58.9% of the Administrations holdings are comprised of the MSCI ACWI screened index common trust fund and Russell 3000 screened index common trust fund.

The Administration maintains general liability insurance with an annual self-insured retention of \$250,000 in aggregate. The Administration accrues for known and incurred claims up to the retention limit.