

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

Financial Statements
June 30, 2026



CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Central Administrative Office of the Roman Catholic Diocese of Boise
Boise, ID 83705

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, 2026 and 2025 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central Administrative Office of the Roman Catholic Diocese of Boise as of June 30, 2026 and 2025, 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.





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 auditor's 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Central Administrative Office of the Roman Catholic Diocese of Boise'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 Central Administrative Office of the Roman Catholic Diocese of Boise'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.

The Nichols Accounting Group

Boise, Idaho
October 13, 2026



CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Statement of Financial Position

As of June 30

	2026	2025
ASSETS		
Cash	\$ 1,978,252	\$ 214,907
Accounts and pledges receivable	3,941,267	3,121,688
Deposits and prepaid expenses	134,756	190,977
Investments	52,040,220	45,225,823
Total Current Assets	58,094,495	48,753,395
Property, plant, and equipment, net	39,632,795	25,883,687
Beneficial interest in perpetual trust	934,605	869,661
Asset for pension benefits - lay	234,978	7,401
Asset for pension benefits - priest	183,541	-
Loans to parishes and schools	6,941,693	7,753,874
Loans and notes receivable, net of bad debt expense	175,564	262,285
Total Assets	\$ 106,197,671	\$ 83,530,303
LIABILITIES		
Accounts payable	\$ 1,918,242	\$ 984,742
Accrued liabilities	1,677,670	1,768,794
Lay pension trust	-	885
Parish cash management	15,307,875	12,208,061
Deferred revenue	517,495	107,943
Current portion of long term debt	109,483	105,197
Total Current Liabilities	19,530,765	15,175,622
Parish savings deposits	40,472,470	36,952,485
Liability for pension benefits - priest	-	45,343
Long term debt, net of current portion	1,164,386	1,273,431
Total Liabilities	61,167,621	53,446,881
NET ASSETS		
Without donor restrictions	39,935,765	25,786,224
With donor restrictions	5,094,285	4,297,198
Total Net Assets	45,030,050	30,083,422
Total Liabilities and Net Assets	\$ 106,197,671	\$ 83,530,303

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Statement of Activities
For the Year Ended June 30

	2026			2025
	Without Donor Restrictions	With Donor Restrictions	Total	Summarized Information
REVENUE AND SUPPORT				
Contributions	\$ 2,019,974	\$ 5,993,321	\$ 8,013,295	\$ 7,110,452
Program services	1,003,570	154,471	1,158,041	1,110,169
Assessment revenue	1,010,880	-	1,010,880	952,531
Insurance program	8,533,186	-	8,533,186	7,823,553
Grant revenue	308,867	189,682	498,549	470,747
Deposit and loan interest	304,150	-	304,150	257,879
Rental income	260,937	120,000	380,937	374,224
Gain on the sale of property	8,116,350	-	8,116,350	300,622
Realized gain on investments	1,395,508	77,166	1,472,674	835,665
Unrealized gain (loss) on investments	3,330,814	252,701	3,583,515	2,494,569
Interest and dividends	1,285,558	62,746	1,348,304	1,466,491
Unrealized gain (loss) on beneficial interest in perpetual trust	-	64,944	64,944	104,997
Miscellaneous	100,038	-	100,038	34,897
Net assets released from restrictions satisfied by payments	6,117,944	(6,117,944)	-	-
Total Revenue and Support	33,787,776	797,087	34,584,863	23,336,796
EXPENSES				
Program services				
Pastoral	4,489,163	-	4,489,163	4,147,094
Education	2,403,663	-	2,403,663	2,312,314
Social services	38,956	-	38,956	136,211
Deposit and loan interest	793,755	-	793,755	823,878
Communications	402	-	402	551,600
Retreat center	34,140	-	34,140	47,890
Insurance program	8,073,404	-	8,073,404	7,306,953
St. John Vianney Retirement Center	236,613	-	236,613	225,152
Total Program Services	16,070,096	-	16,070,096	15,551,092
Supporting Services				
General administrative	3,262,239	-	3,262,239	2,604,164
Development	382,746	-	382,746	305,945
FASB ASC 715 expense	(456,461)	-	(456,461)	(307,944)
Depreciation	379,615	-	379,615	359,949
Total Supporting Services	3,568,139	-	3,568,139	2,962,114
Total Expenses	19,638,235	-	19,638,235	18,513,206
Increase in Net Assets	14,149,541	797,087	14,946,628	4,823,590
NET ASSETS, Beginning of Year	25,786,224	4,297,198	30,083,422	25,259,832
NET ASSETS, End of Year	\$ 39,935,765	\$ 5,094,285	\$ 45,030,050	\$ 30,083,422

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Statement of Functional Expenses
For the Year Ended June 30

	2026			2025
	Program Services	Supportive Activities	Total	Summarized Information
Administrative expense	\$ 42,463	\$ 29,150	\$ 71,613	\$ 26,098
Advertising	67,470	289	67,759	48,444
Audit	-	35,938	35,938	44,976
Bad debts	-	(5,060)	(5,060)	(13,400)
Bank and investments fees	136,532	279,123	415,655	393,678
Computer and purchases	55,761	73,469	129,230	190,137
Contributions, grants and scholarships	312,963	10,000	322,963	346,545
Depreciation	-	379,615	379,615	359,949
Employee and retired priest benefits	6,824,378	(279,321)	6,545,057	6,122,955
Events and special projects	226,783	3,088	229,871	119,380
ICA allocations	(3,299,969)	-	(3,299,969)	(3,173,424)
ICA disbursements	4,543,332	-	4,543,332	4,459,357
ICF distributions	-	716,027	716,027	583,776
Insurance	1,746,857	2,089	1,748,946	1,602,984
Interest expense	742,052	211,134	953,186	1,001,078
Legal and professional fees	291,560	298,352	589,912	532,466
Meals and meetings	170,380	5,690	176,070	267,760
Miscellaneous	7,904	8,659	16,563	7,684
Payroll taxes	111,714	66,402	178,116	170,468
Postage	21,729	121,780	143,509	137,543
Printing and copies	31,540	161,450	192,990	163,157
Property taxes and related expense	49,961	6,354	56,315	55,526
Rental expense	265,215	319,615	584,830	586,770
Repairs and maintenance	205,510	18,532	224,042	173,947
Salaries	1,953,423	953,829	2,907,252	2,865,097
Seminarian and priest expenses	877,363	-	877,363	646,050
Supplies and subscriptions	143,989	99,579	243,568	178,475
Telephone	22,293	13,373	35,666	34,337
Training	79,820	1,349	81,169	111,183
Travel	286,542	18,303	304,845	293,142
Utilities	125,953	5,509	131,462	139,768
Workers compensation	26,578	13,822	40,400	37,300
	<u>\$ 16,070,096</u>	<u>\$ 3,568,139</u>	<u>\$ 19,638,235</u>	<u>\$ 18,513,206</u>

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Statement of Cash Flows
For the Year Ended June 30

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 14,946,628	\$ 4,823,590
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	379,615	359,949
Realized (gain) loss on investments	(1,472,674)	(835,665)
Unrealized (gain) loss on investments	(3,583,515)	(2,494,569)
Gain on sale of property	(8,116,350)	(300,622)
Contributions of marketable securities received	(1,152,193)	(127,339)
Beneficial interest in perpetual trust	(64,944)	(104,997)
Changes in operating assets and liabilities:		
Accounts and pledges receivable	(819,579)	(316,684)
Deposits and prepaid expenses	56,221	(49,755)
Interest receivable	-	15,717
Asset for pension benefits - lay	(227,577)	(7,401)
Asset for pension benefits - priest	(183,541)	-
Accounts payable	933,500	897,207
Accrued liabilities	(91,124)	(155,416)
Lay pension trust	(885)	(176,665)
Parish cash management	3,099,814	1,344,829
Deferred Revenue	409,552	(9,123)
Parish savings deposits	3,519,985	(138,449)
Liability for pension benefits - lay	-	(203,779)
Liability for pension benefits - priest	(45,343)	(96,764)
Net cash provided (used) by Operating activities	7,587,590	2,424,064
CASH FLOWS FROM INVESTING ACTIVITIES		
Loans and notes receivable	898,902	(698,264)
Purchase of investments	(98,029,622)	(98,541,929)
Proceeds from sale of investments	97,423,607	98,681,157
Purchase of fixed assets	(16,949,903)	(7,396,185)
Proceeds from sale of fixed assets	10,937,530	353,053
Net cash provided (used) by investing activities	(5,719,486)	(7,602,168)
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes payable	(104,759)	(100,658)
Net cash provided (used) by financing activities	(104,759)	(100,658)
NET DECREASE IN CASH, CASH EQUIVALENTS,	1,763,345	(5,278,762)
Cash and Cash Equivalents - Beginning of Year	214,907	5,493,669
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR	\$ 1,978,252	\$ 214,907
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest expense	\$ 264,372	\$ 279,475
Noncash contributions of marketable securities	\$ 1,152,193	\$ 127,339

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

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 advisory 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.

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 three financial institutions. 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, 2026, the Diocese's uninsured cash balance totaled \$1,854,441.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

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.

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.

Advertising and Promotion

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

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 \$15,000 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	33-40 years
Furniture and equipment	3-10 years

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

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

Leases

The Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU) No. 2016-02, "Leases (Topic 842)" (ASC 842), which replaces existing leasing rules with a comprehensive lease measurement and recognition standard and expanded disclosure requirements. ASC 842 requires lessees to recognize most leases on their statement of financial position as liabilities, with corresponding "right-of-use assets". For statement of activities recognition purposes, leases are classified as either finance or an operating lease without relying upon bright-line tests. The organization adopted ASU 2016-02, Leases (Topic 842) effective July 1, 2022, using the modified retrospective approach which does not require prior periods to be restated.

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, 2026 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.

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.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

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

Subsequent Events

Subsequent events and transactions have been evaluated by management through October 13, 2026, the date the financial statements were available to be issued. Material subsequent events, if any, are disclosed in a separate note to these financial statements.

Note 2 - Fair Value Measurements

The Diocese follows FASB ASC 820, which establishes a framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 - quoted prices in active markets for identical investments
- Level 2 - other significant observable inputs (including quoted prices for similar investments)
- Level 3 - significant unobservable inputs (including the Organization's own assumptions in determining the fair value of investments)

The asset's 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 observable inputs and minimize the use of unobservable inputs.

Key data used to assign fair value to Level 2 assets:

	Primary Vendor or source	Update frequency	Methodology	Secondary vendor or other source
Open-End mutual funds - equity	Fund Web	Daily	Net Asset Value	MSCI Europe, Australasia, Far East Index
Open-End mutual funds - fixed income	Fund Web	Daily	Net Asset Value	Bloomberg
Government and agency obligations	ICE (Inter-continental Exchange)	Daily	Institutional Bond Quotes based assessments of various market and industry inputs	Bloomberg

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 2 - Fair Value Measurements (continued)

Key data used to assign fair value to Level 3 assets is provided by the Mission Diocese Fund, LLC on a quarterly basis. The investment in the Mission Diocese Fund, LLC is comprised of various types of investments including equity, inflation hedge, fixed income and marketable alternatives measured at fair value as appropriate according to the assets traded value on national securities exchanges or net asset valuations provided by underlying investment funds.

Investments at fair value as of June 30, 2026:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 10,334,848	\$ -	\$ -	\$ 10,334,848
Open-End mutual funds - equity	-	671,053	-	671,053
Open-End mutual funds - fixed income	-	9,322,119	-	9,322,119
Open-End mutual funds - balanced	-	2,602,402	-	2,602,402
Corporate equities - domestic	18,811,437	-	-	18,811,437
Corporate equities - foreign	8,169,770	-	-	8,169,770
Miscellaneous	-	982,288	-	982,288
Mission Diocese Fund, LLC	-	-	1,146,303	1,146,303
	\$ 37,316,055	\$ 13,577,862	\$ 1,146,303	\$ 52,040,220

Investments at fair value as of June 30, 2025:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 9,336,061	\$ -	\$ -	\$ 9,336,061
Open-End mutual funds - equity	-	540,837	-	540,837
Open-End mutual funds - fixed income	-	8,359,156	-	8,359,156
Open-End mutual funds - balanced	-	2,279,198	-	2,279,198
Corporate equities - domestic	15,463,289	-	-	15,463,289
Corporate equities - foreign	7,363,919	-	-	7,363,919
Miscellaneous	-	896,944	-	896,944
Mission Diocese Fund, LLC	-	-	986,419	986,419
	\$ 32,163,269	\$ 12,076,135	\$ 986,419	\$ 45,225,823

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 2 - Fair Value Measurements (continued)

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

	2026	2025
Fair value at beginning of year	\$ 986,419	\$ 873,233
Interest and dividends	8,033	7,430
Realized gain on investments	41,590	45,665
Unrealized gain (loss) on investments	112,867	62,158
Bank and investment fees	(2,606)	(2,067)
Fair value at year end	\$ 1,146,303	\$ 986,419

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 years ended June 30, 2026 and 2025. Investment income, realized gain and unrealized loss are included as an increase of \$162,490 and investment expenses are included as a decrease of \$2,606 in the Statements of Activities, resulting in a net increase of \$159,884 to net assets without donor restrictions for the year ended June 30, 2026. Investment income, realized gain and unrealized loss are included as an increase of \$115,253 and investment expenses are included as a decrease of \$2,067 in the Statements of Activities, resulting in a net increase of \$113,186 to net assets without donor restrictions for the year ended June 30, 2025. The Mission Diocese Fund, LLC investments are held by the Idaho Catholic Foundation for the Diocese.

Net investment income at June 30:

	2026	2025
Net realized gain	\$ 1,472,674	\$ 835,665
Net unrealized gain (loss)	3,583,515	2,494,569
Interest and dividend income	1,348,304	1,466,491
	\$ 6,404,493	\$ 4,796,725

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, 2026 and 2025 were \$296,448 and \$394,387, 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.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements
June 30, 2026

Note 4 - Property, Plant, and Equipment

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

	2026	2025
Land	\$ 9,846,552	\$ 12,381,863
Buildings	10,235,337	10,115,117
Furniture and equipment	2,153,465	2,196,749
Property, plant, and equipment, cost	22,235,354	24,693,729
Less: accumulated depreciation	5,786,382	5,408,197
Construction in process	23,183,823	6,598,155
Property, plant, and equipment, net	\$ 39,632,795	\$ 25,883,687

Depreciation expenses for June 30, 2026 and June 30, 2025 were \$192,990 and \$163,157, respectively.

At June 30, 2026, CIP consisted of the costs related to the construction of a new facility expected to be placed in service during the fiscal year ended June 30, 2027.

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.

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

	2026	2025
Investments	\$ 16,246,160	\$ 13,939,941
Beneficial interest in perpetual trust	311,535	289,887

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:

	2026	2025
Income:		
Investment income	\$ 2,360,924	\$ 1,631,063
Contributions	654,338	763,586
Expenses:		
Distributions to participants	623,060	519,879
Investment and managerial expenses	85,983	84,306

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

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, 2026 and 2025. The beneficial interest in trust assets has been recorded at fair market value as of June 30, 2026 and 2025 in the Statements of Financial Position. The net increase in fair market value from May 31, 2011 to June 30, 2026 of \$361,077 is included in net assets with donor restrictions.

Activity for the beneficial interest in the perpetual trust for the years ended June 30 is as follows:

	2026	2025
Beginning balance	\$ 869,661	\$ 764,664
Unrealized gain	64,944	104,997
Income distributable to beneficiary	155,041	127,879
Amounts appropriated for expenditure	(155,041)	(127,879)
Total Beneficial Interest in Perpetual Trust	\$ 934,605	\$ 869,661

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 advisory 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, 2026 and 2025. It has been determined that the Diocese's net assets with donor restrictions meet the definition of endowment funds under UPMIFA.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 7 - Endowment Funds (continued)

Advisory board and Donor-designated Endowments - after implementation of FASB ASC 958-205

Advisory 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. 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.

All endowments are invested in Diocese Investment Pool. The Pool is professionally managed by thirteen 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.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 7 - Endowment Funds (continued)

Endowment Net Asset Composition by Type of Fund as of June 30, 2026 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Advisory board designated endowment funds	\$ 7,874,412	\$ -	\$ 7,874,412
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	683,084	1,291,213	1,974,297
Total funds	\$ 8,557,496	\$ 2,933,880	\$ 11,491,376

Change in endowment net assets as of June, 2026 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 7,356,876	\$ 2,562,791	\$ 9,919,667
Contributions	364,948	78,897	443,845
Investment income	577,039	198,498	775,537
Net appreciation	673,741	231,366	905,107
Amounts appropriated for expenditure	(415,108)	(137,672)	(552,780)
Endowment net assets, end of year	\$ 8,557,496	\$ 2,933,880	\$ 11,491,376

Endowment Net Asset Composition by Type of Fund as of June 30, 2025 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Advisory board designated endowment funds	\$ 6,681,678	\$ -	\$ 6,681,678
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	675,198	920,124	1,595,322
Total funds	\$ 7,356,876	\$ 2,562,791	\$ 9,919,667

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 7 - Endowment Funds (continued)

Change in endowment net assets as of June, 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 6,365,731	\$ 2,375,688	\$ 8,741,419
Contributions	455,813	7,376	463,189
Investment income	270,777	98,142	368,919
Net appreciation	587,559	210,148	797,707
Amounts appropriated for expenditure	(323,004)	(128,563)	(451,567)
Endowment net assets, end of year	\$ 7,356,876	\$ 2,562,791	\$ 9,919,667

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.

Note 8 - Priests Retirement Plan (continued)

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 as of:

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Projected benefit obligation	(9,868,284)	(9,369,932)
Accumulated benefit obligation	(9,153,918)	(10,055,422)
Plan assets at fair value	11,134,781	9,705,873
Funded status at end of year	1,980,863	(349,549)
Asset (liability) for pension benefits	\$ 1,980,863	\$ (349,549)

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 8 - Priests Retirement Plan (continued)

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

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Noncurrent assets	\$ 1,266,497	\$ -
Noncurrent liabilities	-	(349,549)
	\$ 1,266,497	\$ (349,549)

Amounts recognized in net assets without donor restrictions consist of:

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Net loss (gain)	\$ (4,482,939)	\$ (3,122,591)
Prior service cost (credit)	2,248,915	2,051,490
	\$ (2,234,024)	\$ (1,071,101)

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:

	2026	2025
Service cost-benefits earned during the period	\$ 227,979	\$ 231,481
Interest cost on projected benefit obligation	516,616	525,890
Return on plan assets		
Expected return	(577,230)	(517,302)
Asset (gain) loss	(993,595)	(549,408)
Actual return on plan assets	(1,570,825)	(1,066,710)
Net amortization and deferral		
Amortization of prior service cost	(11,920)	31,803
Amortization of loss	-	-
Deferral of asset gain (loss)	993,595	549,408
Total	981,675	581,211
Net periodic pension cost	\$ 155,445	\$ 271,872

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

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, 2026	Fiscal Year Ended June 30, 2025
Net loss (gain)	\$ (1,485,284)	\$ (1,159,205)
Prior service cost (credit)	310,441	169,595
Amortization of loss (gain)	124,936	73,251
Amortization of prior service cost (credit)	(113,016)	(105,054)
Total recognized in net assets without donor restrictions	(1,162,923)	(1,021,413)
Net periodic pension cost	155,445	271,872
Total recognized in net periodic pension cost and net assets without donor restrictions	\$ (1,007,478)	\$ (749,541)

Assumptions Used to Determine Net Periodic Pension Cost:

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Discount Rate	5.54%	5.46%
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, 2026 and June 30, 2025, the expected long-term rate of return used in determining net periodic pension cost were 6%.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 8 - Priests Retirement Plan (continued)

Assumptions Used to Determine Benefit Obligations at Year-End:

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Discount rate	5.64%	5.54%
Future benefit increases	2.00%	2.00%

Plan Asset Investment Strategy and Allocation

The asset allocation for the pension plan as of June 30, 2026 and June 30, 2025 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	
			2026	2025
Equities	25-75%	50%	65%	62%
Fixed Income	25-75%	40%	25%	25%
Cash Equivalents	0-100%	10%	3%	6%

The fair values of plan assets at June 30, 2026, by asset class are as follows:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 372,827	\$ -	\$ -	\$ 372,827
Open-End mutual funds - equity	-	1,964,624	-	1,964,624
Open-End mutual funds - fixed income	-	2,739,755	-	2,739,755
Open-End mutual funds - balanced	-	751,776	-	751,776
Corporate equities - domestic	3,289,596	-	-	3,289,596
Corporate equities - foreign	2,016,203	-	-	2,016,203
	<u>\$ 5,678,626</u>	<u>\$ 5,456,155</u>	<u>\$ -</u>	<u>\$ 11,134,781</u>

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 8 - Priests Retirement Plan (continued)

The fair values of plan assets at June 30, 2025, by asset class are as follows:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 576,756	\$ -	\$ -	\$ 576,756
Open-End mutual funds - equity	-	1,166,113	-	1,166,113
Open-End mutual funds - fixed income	-	2,445,776	-	2,445,776
Open-End mutual funds - balanced	-	652,292	-	652,292
Corporate equities - domestic	2,951,069	-	-	2,951,069
Corporate equities - foreign	1,913,867	-	-	1,913,867
	<u>\$ 5,441,692</u>	<u>\$ 4,264,181</u>	<u>\$ -</u>	<u>\$ 9,705,873</u>

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:

Fiscal Year Ending June 30	Annual Pension Benefits
2027	\$ 738,000
2028	722,000
2029	725,000
2030	694,000
2031	685,000
2032-2036	3,542,000
	<u>\$ 7,106,000</u>

Under FASB ASC 715, the funded status is recognized in the statement of financial position as either an asset or liability for pension benefits, as applicable. 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 by the Central Administrative Office were an asset for pension benefits - priests of \$183,541 for the year ended June 30, 2026, and a liability for pension benefits - priests of \$45,343 for the year ended June 30, 2025.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 8 - Priests Retirement Plan (continued)

Diocesan pension contributions for the years ended June 30, 2026 and 2025 was \$608,568 and \$890,709, respectively. Benefit payments of \$701,504 and \$723,815, were made from the plan during the years ended June 30, 2026 and June 30, 2025, respectively.

The Diocese expects to contribute \$480,000 to the pension plan during the fiscal year ending June 30, 2026.

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:

	2026	2025
Accumulated benefit obligation	\$ (21,165,382)	\$ (20,865,905)
Projected benefit obligation	(21,514,870)	(21,026,019)
Plan assets at fair value	24,894,247	21,135,068
Funded status at end of year	3,379,377	109,049
Asset (liability) for pension benefits	\$ 3,379,377	\$ 109,049

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

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Noncurrent assets	\$ 3,379,377	\$ 109,049
Noncurrent liabilities	-	-
	\$ 3,379,377	\$ 109,049

Amounts recognized in net assets without donor restrictions consist of:

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Net loss (gain)	\$ (3,384,486)	\$ (1,394,405)
Prior service cost (credit)	-	-
	\$ (3,384,486)	\$ (1,394,405)

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 9 - Lay Employees Pension Plan (continued)

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:

	2026	2025
Service cost-benefits earned during the period	\$ 1,317,608	\$ 1,192,819
Interest cost on projected benefit obligation	1,103,463	1,054,509
Return on plan assets		
Expected return	(1,283,514)	(1,094,539)
Asset (gain) loss	(2,225,027)	(1,223,375)
Actual return on plan assets	(3,508,541)	(2,317,914)
Net amortization and deferral		
Amortization of transition amount	-	-
Amortization of loss	-	-
Deferral of asset gain (loss)	(2,225,027)	(1,223,375)
Total	2,225,027	1,223,375
Net periodic pension cost	\$ 1,137,557	\$ 1,152,789

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

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Net loss (gain)	\$ (1,990,081)	\$ (1,569,131)
Amortization of loss (gain)	-	-
Total recognized in net assets without donor restrictions	(1,990,081)	(1,569,131)
Net periodic pension cost	1,137,557	1,152,789
Total recognized in net periodic pension cost and net assets without donor restrictions	\$ (852,524)	\$ (416,342)

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 9 - Lay Employees Pension Plan (continued)

Assumptions Used to Determine Net Periodic Pension Cost

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025
Discount Rate	5.38%	5.43%
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, 2026 and June 30, 2025, 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, 2026	Fiscal Year Ended June 30, 2025
Discount rate	5.49%	5.38%
Salary scale	4.50%	4.50%

Plan Asset Investment Strategy and Allocation

The asset allocation for the pension plan as of June 30, 2026 and June 30, 2025 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 2026	2025
Equities	25-75%	50%	36%	35%
Fixed Income	25-75%	40%	24%	27%
Cash Equivalents	0-100%	10%	3%	3%

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 9 - Lay Employees Pension Plan (continued)

The fair values of plan assets at June 30, 2026, by asset class are as follows:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 743,848	\$ -	\$ -	\$ 743,848
Open-End mutual funds - equity	-	1,935,196	-	1,935,196
Open-End mutual funds - fixed income	-	5,993,989	-	5,993,989
Open-End mutual funds - balanced	-	9,196,404	-	9,196,404
Corporate equities - domestic	1,131,311	-	-	1,131,311
Corporate equities - foreign	5,893,499	-	-	5,893,499
	\$ 7,768,658	\$ 17,125,589	\$ -	\$ 24,894,247

The fair values of plan assets at June 30, 2025, by asset class are as follows:

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 612,967	\$ -	\$ -	\$ 612,967
Open-End mutual funds - equity	-	1,345,960	-	1,345,960
Open-End mutual funds - fixed income	-	5,612,170	-	5,612,170
Open-End mutual funds - balanced	-	7,527,278	-	7,527,278
Corporate equities - domestic	982,760	-	-	982,760
Corporate equities - foreign	5,053,933	-	-	5,053,933
	\$ 6,649,660	\$ 14,485,408	\$ -	\$ 21,135,068

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.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements
June 30, 2026

Note 9 - Lay Employees Pension Plan (continued)

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>
2027	\$ 3,346,000
2028	1,796,000
2029	1,924,000
2030	1,980,000
2031	1,989,000
2032-2036	10,167,000
	<u>\$ 21,202,000</u>

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 \$500,171 and \$734,140 for the years ended June 30, 2026 and June 30, 2025, respectively.

Diocesan pension contributions for the years ended June 30, 2026 and 2025 were \$2,417,804 and \$2,474,945, respectively. Benefit payments of \$2,016,512 and \$1,122,056 were made from the plan during the years ended June 30, 2026 and June 30, 2025, respectively.

The Diocese expects to contribute \$2,350,000 to the pension plan during the fiscal year ending June 30, 2027.

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 half of the current US Bank CD rate. As of June 30, 2026 and 2025 the fund paid an interest rate on deposits of 2.25% and 2.25%, 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 6.25%. Loans are set at simple interest rates and incur interest charges until paid by the parish or school.

	<u>2026</u>	<u>2025</u>
Balances as of June 30:		
Deposits in Fund from Parishes and Schools	\$ 40,472,470	\$ 36,952,485
Loans from Fund to Parishes and Schools	\$ 6,941,693	\$ 7,753,874
Percentage Loaned Out	17.15%	20.98%

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

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 \$776,149 and \$795,541 as of June 30, 2026 and June 30, 2025.

Note 12 - Line of Credit

The Diocese as a revolving line of credit agreement with a local financial institution with a maximum borrowing capacity of \$15,000,000. Borrowings under the agreement bear interest at the bank's Prime Rate less 1.00%; however, the interest rate cannot be less than 2.00% per annum. The line of credit matures on April 20, 2027, and is subject to the terms and conditions of the lending agreement. Line of credit totaled \$0 and \$0 as of June 30, 2026 and 2025, respectively.

Note 13 - Notes Payable

Notes payable balances at June 30, 2026 and 2025 are summarized as follows

	2026	2025
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.	\$ 1,273,869	\$ 1,378,628
Subtotal	1,273,869	1,378,628
Less current portion	109,483	105,197
Long-term portion	\$ 1,164,386	\$ 1,273,431

Future payments are summarized as follows:

2027	\$ 109,483
2028	113,943
2029	118,586
2030	123,417
2031	128,445
Thereafter	679,995
Total	\$ 1,273,869

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 14 - 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>2026</u>	<u>2025</u>
Financial liquid assets, at year-end	\$ 58,894,344	\$ 49,432,079
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	3,101,240	2,819,117
Restricted by donor, beneficial interest in perpetual trust trust	361,077	296,133
Restricted by donor to maintain in perpetuity as an endowment	1,642,667	1,642,667
Cash management program for parishes and schools	15,307,875	12,208,061
Parish savings deposits	40,472,470	36,952,485
Board designations:		
Quasi-endowment fund	8,549,818	7,349,298
	<u> </u>	<u> </u>
Financial liquid assets available to meet cash needs for general expenditure within one year	<u>\$ (10,540,803)</u>	<u>\$ (11,835,682)</u>

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, 2026, amount outstanding under this line of credit facility amounted to \$0.

Note 15 - 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.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 16 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at June 30:

	2026	2025
Subject to expenditures for specified programs:		
Pastoral	\$ (1,880,496)	\$ (1,724,138)
Education	126,955	104,892
Social services	481,131	(284,491)
Idaho Catholic Appeal	3,369,267	3,203,507
St. John Vianney Center	1,354,761	1,354,761
	3,451,618	2,654,531
Donor-restricted endowment, perpetual in nature	1,642,667	1,642,667
	\$ 5,094,285	\$ 4,297,198

Net Assets Released From Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of their specified events or expiration of time restrictions as follows:

	2026	2025
Pastoral	\$ 798,747	\$ 666,666
Education	750	753
Social services	775,115	1,114,760
Idaho Catholic Appeal	4,543,332	4,459,357
	\$ 6,117,944	\$ 6,241,536

Note 17 - Leases in Financial Statements of Lessors

The Diocese leases its properties located in Canyon and Ada County, Idaho, to various organizations. The terms of these agreements are month to month.

Additionally, the Diocese lease a property and cell tower to a third party. The current lease commenced on August 1, 2011, and has been renewed through August 1, 2027.

Estimated rental income for the remainder of the lease agreement are as follows:

2027	\$ 57,600
2028	9,600
	\$ 67,200

Note 18 - Leases Commitment

In June 2021, the Diocese entered into a 12-month lease agreement for office space from a third party. They have renewed the agreement annually, maintaining a 12-month contract term. For the years ended June 30, 2026 and June 30, 2025 the Diocese paid \$319,615 and \$433,923 in rent expense, respectively.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements
June 30, 2026

Note 19 - Interest Paid to Parishes

At June 30, 2026 and June 30, 2025, the Organization paid \$688,814 and \$721,603 of interest to parishes, respectively.

Note 20 - Related Party Transactions

The Diocese performs various administrative services including deposits and loans, insurance, technical support and payroll processing for related entities. All significant activities are reflected in these financial statements.

Council members of the Diocese are comprised of owners and employees of businesses located in the Treasure Valley. In the course of operations, from time to time, the Diocese has transactions with these businesses.

At June 30, 2026 and June 30, 2025 the Diocese recognized revenue from Diocesan parishes, schools, and other related organizations in the amount of \$9,848,216 and \$9,033,963, respectively for assessments, insurance, interest and technical support. The Diocese incurred interest expense related to the parish deposit and loan program in the amount of \$176,070 and \$267,760 for the years ended June 30, 2026 and June 30, 2025, respectively.

Accounts payable balances due from the Diocese to Catholic Charities of Idaho, Inc. at June 30:

	2026	2025
Idaho Catholic Foundation Distribution	\$ 116,650	\$ 106,661
Idaho Catholic Appeal	41,689	158,339
Total due from Diocese to Catholic Charities of Idaho, Inc.	\$ 158,339	\$ 265,000

Accounts receivable from Catholic Charities of Idaho, Inc. to the Diocese totaled \$18,898 and \$0 as of June 30, 2026 and 2025, respectively.

A related party, Larry Hellhake, received \$219,985 and \$5,859 in real estate related fees in the years ended June 30, 2026 and 2025, respectively.

Idaho Catholic Foundation

The Idaho Catholic Foundation holds assets on behalf of the Diocese as outlined in Note 3. The Diocese performs administrative and accounting functions for the Idaho Catholic Foundation, in which they are paid \$1,400 in total per month. The board of directors for the Idaho Catholic Foundation is not elected by the Diocese.

Note 21 - Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Diocese's financial statements for the year ended June 30, 2025, from which the summarized information was derived.

CENTRAL ADMINISTRATIVE OFFICE OF THE ROMAN CATHOLIC DIOCESE OF BOISE

Notes to Financial Statements

June 30, 2026

Note 22 - Subsequent events

Subsequent to year end, on September 22, 2026, the Diocese closed on the sale of a property in Garden Valley for \$1.8 million.

On August 19, 2026, the purchaser of the Star Road land being sold by the Diocese made an additional nonrefundable deposit of \$500,000 to extend the closing date through December 2026. The deposit was initially held by the title company and is expected to be remitted to the Diocese. Upon receipt, the deposit will be recorded as deferred revenue, consistent with the accounting treatment of the previous deposit.