

Diocese of Orlando Administrative Offices

Financial Report
June 30, 2023

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RSM US LLP

Independent Auditor's Report

The Most Reverend John G. Noonan
Bishop of the Diocese of Orlando
Diocese of Orlando Administrative Offices

Opinion

We have audited the accompanying financial statements of Diocese of Orlando Administrative Offices or the Diocese (a component of the Diocese of Orlando Corporation Sole, as described in Note 1), which comprise the statement of financial position as of June 30, 2023, the statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Diocese as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with 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 (GAAS). 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 Diocese 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.

Emphasis of Matter

As discussed in Note 1 of the financial statements, the Diocese adopted Financial Accounting Standards Board Accounting Standards Codification Topic 842, *Leases*, as of July 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Diocese's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

Report on Summarized Comparative Information

We have previously audited the Diocese of Orlando Administrative Offices' 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 13, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

RSM US LLP

Orlando, Florida
October 26, 2023

Diocese of Orlando Administrative Offices

Statement of Financial Position

June 30, 2023

(With Summarized Comparative Totals for June 30, 2022)

	2023	2022
Assets		
Cash and cash equivalents	\$ 59,727,479	\$ 89,930,837
Contributions receivable, net (Notes 2 and 13)	16,621,511	16,015,832
Prepaid expenses and other assets	5,267,337	3,569,500
Accrued interest receivable	1,191,791	703,061
Loans receivable, net (Note 3)	19,417,652	28,683,954
Advances to Diocesan entities, net (Note 4)	5,066,991	5,739,937
Other receivables, net	1,523,995	2,183,642
Operating right-of-use lease assets (Note 11)	571,123	-
Investments (Notes 5, 6 and 13)	192,383,984	134,593,258
Land, buildings and equipment, net (Note 7)	32,442,763	32,609,940
Investments – held in perpetuity (Notes 13 and 14)	15,750,566	15,750,566
	\$ 349,965,192	\$ 329,780,527
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 5,064,364	\$ 5,704,091
Self-insurance claim liabilities (Notes 9)	3,735,957	3,657,496
Savings deposits (Note 3)	206,279,463	196,918,355
Annuities payable and other liabilities	12,734	13,368
Note payable, net of debt issuance costs (Note 8)	43,829,720	46,200,701
Operating right-of-use lease liabilities (Note 11)	1,503,823	-
	260,426,061	252,494,011
Commitments and contingencies (Notes 3 and 12)		
Net assets:		
Without donor restrictions (Note 13)	48,027,255	37,121,355
With donor restrictions (Notes 13 and 14)	41,511,876	40,165,161
	89,539,131	77,286,516
	\$ 349,965,192	\$ 329,780,527

See notes to financial statements.

Diocese of Orlando Administrative Offices

Statement of Activities

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Without Donor Restrictions	With Donor Restrictions	Total 2023	Total 2022
Revenues, gains and other support:				
Contributions of cash and other financial assets				
Catholic appeal contributions	\$ -	\$ 16,621,511	\$ 16,621,511	\$ 16,015,832
Contributions and bequests	1,190,157	996,420	2,186,577	4,080,293
Self-insurance administration fees and other service fees	35,554,455	-	35,554,455	31,934,684
Investment income (loss), net (Notes 3, 5 and 6)	9,393,295	1,524,131	10,917,426	(20,427,620)
Gain on sale of land, buildings and equipment	-	-	-	1,188,394
Actuarial adjustment to life annuities payable	-	634	634	25,649
Other income	1,602,641	-	1,602,641	395,192
Net assets released from restrictions (Note 15)	17,795,981	(17,795,981)	-	-
Total revenues, gains and other support	65,536,529	1,346,715	66,883,244	33,212,424
Expenses:				
Program services:				
Self-insurance program	28,831,556	-	28,831,556	25,182,691
Deposit and loan program	2,264,974	-	2,264,974	1,934,703
Pastoral	2,784,686	-	2,784,686	2,934,316
Social services	2,227,896	-	2,227,896	2,851,788
Religious personnel development	3,080,975	-	3,080,975	3,105,206
Plant activities	993,233	-	993,233	867,683
Education	2,945,187	-	2,945,187	2,536,621
Special projects	-	-	-	424,700
Total program services	43,128,507	-	43,128,507	39,837,708
Supporting services:				
Diocesan administration	11,502,122	-	11,502,122	10,257,910
Total supporting services	11,502,122	-	11,502,122	10,257,910
Total expenses	54,630,629	-	54,630,629	50,095,618
Change in net assets	10,905,900	1,346,715	12,252,615	(16,883,194)
Net assets:				
Beginning	37,121,355	40,165,161	77,286,516	94,169,710
Ending	\$ 48,027,255	\$ 41,511,876	\$ 89,539,131	\$ 77,286,516

See notes to financial statements.

Diocese of Orlando Administrative Offices

Statement of Cash Flows

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	2023	2022
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 12,252,615	\$ (16,883,194)
Adjustment to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	714,449	633,051
Gain on sale of land, buildings and equipment	-	(1,188,394)
Realized and unrealized (gain) loss on investments	(2,036,755)	28,415,723
Provision for uncollectible loans, advances, contributions receivable and other, net	(41,437)	(98,887)
Addition in the carrying amount of operating right-of-use lease assets	(742)	-
Changes in operating assets and liabilities:		
Contributions receivable	(611,720)	(361,301)
Prepaid expenses and other assets	(1,697,837)	(369,057)
Accrued interest receivable	(488,730)	(2,302)
Other receivables	657,125	(194,570)
Accounts payable and accrued expenses	285,962	856,770
Self-insurance claim liabilities	78,461	401,462
Annuities payable and other liabilities	(634)	(25,649)
Operating right-of-use lease liabilities	7,753	-
Net cash provided by operating activities	9,118,510	11,183,652
Cash flows from investing activities:		
Advances made to Diocesan entities	-	(1,232,087)
Collections on advances made to Diocesan entities	722,946	634,848
Loans made to parishes and related entities	(6,470,768)	(3,673,054)
Collections on loans made to parishes and related entities	15,737,070	9,049,691
Proceeds from sale of investments	50,395,562	27,173,950
Purchases of investments	(106,149,533)	(30,857,240)
Purchases of land, buildings and equipment	(528,253)	(1,657,273)
Proceeds from sale of land, buildings and equipment	-	2,116,450
Net cash (used in) provided by investing activities	(46,292,976)	1,555,285

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Diocese of Orlando Administrative Offices

Statement of Cash Flows (Continued)

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	2023	2022
Cash flows from financing activities:		
Deposits made by parishes and other Diocesan entities	\$ 88,890,947	\$ 97,374,722
Withdrawals made by parishes and other Diocesan entities	(79,529,839)	(71,957,074)
Payments of note payable	(2,390,000)	(1,180,000)
Net cash provided by financing activities	6,971,108	24,237,648
Net (decrease) increase in cash and cash equivalents	(30,203,358)	36,976,585
Cash and cash equivalents:		
Beginning	89,930,837	52,954,252
Ending	\$ 59,727,479	\$ 89,930,837
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 2,786,733	\$ 2,782,207
Supplemental schedule of noncash investing and financing activities:		
Operating right-of-use lease assets and liabilities recorded as of result of adoption of ASC 842:		
Operating right-of-use lease assets	\$ 570,381	\$ -
Operating right-of-use lease liabilities	\$ 1,496,070	\$ -

See notes to financial statements.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies

The Diocese of Orlando Administrative Offices (the Diocese) is a component of the Diocese of Orlando Corporation Sole (Corporation Sole), which is a not-for-profit corporation existing under the laws of the state of Florida. There are no stockholders, directors or officers in the Corporation Sole, only the holder of the office of Bishop of Orlando. The Bishop holds title to all assets and is liable for all indebtedness of the Corporation Sole. The title to all assets and the responsibility of all indebtedness passes to the Bishop's successor in office rather than to his relatives or other customary heirs. As of June 30, 2023, the authority for the Diocese of Orlando was vested in the Most Reverend John G. Noonan, as Bishop of the Diocese of Orlando.

The programs of the Diocese are as follows:

- **Self-insurance program:** Administration of the self-insurance program for other Diocesan entities and affiliates for the following three insurance programs: accident and health, property and general liability and unemployment compensation.
- **Deposit and loan program:** Administration of the banking and loan program.
- **Pastoral:** Various laity, family and life ministries across the Diocese, as well as Diaconate formation, mission activities and communications.
- **Social services:** Social outreach to the faithful within the Diocese and beyond, including support to Catholic Charities of Central Florida and the Diocese of San Juan de la Maguana in the Dominican Republic.
- **Religious personnel development:** Vocations and seminarian education, clergy formation, ministry to senior priests and the San Pedro Spiritual Development Center.
- **Plant activities:** Financing, acquisition, maintenance, depreciation and disposal of Diocesan land, buildings and equipment.
- **Education:** Catholic schools and campus ministry. Catholic schools in the Diocese proclaim the Gospel message within an academic environment from early education through high school. Campus ministry is an outreach to higher education, meeting the spiritual needs of students, faculty, and administration within the university community.
- **Special projects:** Donations outside of the recurring Diocesan operations, including state and national outreach ministries.

A summary of the Diocese's significant accounting policies follows:

Basis of accounting and presentation: The financial statements of the Diocese do not include the accounts of other Diocesan entities or affiliates (e.g., parishes, schools, missions, affiliated corporations) within the Corporation Sole. The Diocese's financial statements also exclude multi-employer pension and post-retirement benefit accounts and contingent liabilities, which represent obligations of the Corporation Sole and other Diocesan entities and affiliates.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

The financial statements, presented on the accrual basis of accounting, have been prepared to focus on the Diocese, as described in the preceding paragraphs, and present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of funds and transactions into two main classes of net assets as described below:

Fund Group	Net Asset Class
Current undesignated fund	Without donor restrictions
Current designated funds	Without donor restrictions
Current donor restricted funds	With donor restrictions
Designated for self-insurance funds	Without donor restrictions
Diocesan savings fund	Without donor restrictions
Plant fund	Without donor restrictions
Endowment funds	With donor restrictions
Life and gift annuity funds	With donor restrictions

Net assets and revenues, gains and other support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions, may be designated for specific purposes by action of the Bishop.

Net assets with donor restrictions: Net assets subject to donor-imposed restrictions that may or will be met by actions of the Diocese, passage of time, or permanently maintained by the Diocese.

Support and revenues: Support and revenues are reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction or by law. Expirations of restrictions on net assets with donor restrictions (i.e., the donor-restricted purpose has been fulfilled and/or the restricted time period has elapsed) are reported as reclassifications between the two applicable classes of net assets.

Contributions, including contributions receivable and securities, are recognized at net realizable value, if due in one year or less, or fair value using net present value and the market discount rate in effect at the date of the unconditional promise to give, if due in more than one year, as support and revenue in the period received. Conditional contributions or promises to give are not recognized until the conditions on which they depend are met or explicitly waived by the donor. A contribution is considered to be conditional if it includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include measurable performance-related obligations or other measurable responsibility, a restriction that limits discretion by the recipient on the conduct of an activity, and restrictions that are related to the purpose of the agreement. Contributions of assets other than cash are recorded at their estimated fair value on the date the assets are received.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Donor restrictions that are satisfied in the period that revenue is received are classified as support without donor restrictions. Contributions of land, buildings and equipment without donor restrictions concerning the use of such long-lived assets are reported as unrestricted support and revenue. Contributions of cash or other assets to be used to acquire land, buildings and equipment with such donor restrictions are reported as revenues with donor restrictions; the restrictions are considered to be released at the time such long-lived assets are placed into service unless such donor restrictions are to remain in place for the life of the long-lived asset.

Contributed services are recorded at fair value as in-kind contributions at the date of donation if the services provided: (a) create or enhance nonfinancial assets, or (b) require specialized skills, which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The value of volunteered time is not reflected in the financial statements because it does not meet the above criteria. The Diocese did not receive in-kind contributions during the year ended June 30, 2023.

Investment income is reported in the statement of activities and consists of interest and dividend income and realized and unrealized gains and losses, less direct external and internal investment expenses. Income and net realized/unrealized gains (losses) on investments of endowment and similar funds are reported as follows:

- As increases (decreases) in net assets with donor restrictions—endowment if the terms of the gift or the Diocese's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund
- As increases (decreases) in net assets with donor restrictions if the terms of the gift impose restrictions on the use of the income (loss)
- As increases (decreases) in net assets without donor restrictions in all other cases

Self-insurance administration fees and other service fees: Fees for services, including administering the self-insurance program for other Diocesan entities and affiliates, are recognized in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers.

Due to the short period of time over which services are provided, fees for services are recognized during the same month in which services are provided, which is when performance obligations are satisfied.

Deposit and loan expenses: Deposit and loan expenses are comprised primarily of interest expense and provision for loan losses. Interest expense is recorded in the period it is incurred while the provision for loan losses is recorded as described in the Advances to Diocesan Entities and Loans Receivable section below.

Cash and cash equivalents: For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased and containing no third-party restrictions are considered to be cash equivalents.

Contributions receivable: Contributions receivable represent amounts due from parishioners of those parishes participating in the Diocese's annual *Our Catholic Appeal*. Amounts due under contributions receivable due in one year or less are reported at net realizable value. Amounts due under contributions receivable over a period of more than one year at the date of donation are reported at fair value using net present value and the market discount rate in effect at the date of the unconditional promise to give.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Contributions receivable are reviewed at least annually for collectability and, when management believes collectability is uncertain, an allowance is established and charged to expense.

Advances to Diocesan entities and loans receivable: Advances to Diocesan entities and loans receivable represent amounts due to the Diocese from other Diocesan entities and affiliates. Advances and loans are made primarily for the purpose of capital improvements and, less frequently, to fund short-term working capital needs. Repayments are made from operating funds and donations received by those entities and are subject to general economic conditions.

Advances to Diocesan entities and loans receivable are reviewed periodically for collectability and, when management believes collectability of the principal is uncertain, an allowance for loan loss is established through a provision for loan losses charged to expense. Advances and loans are charged off when all collection efforts have ceased. Subsequent recoveries, if any, are credited to the allowance. Advances to Diocesan entities and loans receivable are shown in the statement of financial position net of an allowance for estimated uncollectible amounts.

Interest on Diocesan advances and loans receivable is recognized over the terms of the receivables and is calculated using the effective-interest method on principal amounts outstanding. The accrual of interest on these advances and receivables is generally discontinued when, in the opinion of management, full repayment of principal and interest is in doubt. Past due status is based on contractual terms of the advances and receivables. Interest on past due advances and receivables is recognized when actually paid by the borrower and only if collection of the principal is likely to occur. Interest on these advances and receivables is accounted for on the cost-recovery basis until the advances or receivables qualify for return to accrual status. Accrual of interest is generally resumed when the debtor is current on all principal and interest payments and collectability of the advance or receivable is no longer in doubt.

Impaired advances and loans: Advances and loans receivable are considered impaired when, based on current information and events, it is probable that the Diocese will be unable to collect all contractual principal and interest payments due in accordance with the terms of the agreement. Receivables that experience insignificant payment delays and payment shortfalls are not classified as impaired. The Diocese monitors all advances and loans in the portfolio on an ongoing basis and reviews classifications for all advances and loans in the portfolio in accordance with the accounting guidance for impaired loans and troubled debt restructurings. Impairment is measured on a receivable-by-receivable basis by either the present value of expected future cash flows discounted at the receivable's effective interest rate, the receivable's observable market price or the fair value of the collateral if the receivable is collateral dependent. Advances and loans with balances less than \$500,000 are not individually evaluated for impairment.

Commitments to extend credit: In the normal course of business to meet the needs of other Diocesan entities, the Diocese is a party to commitments to extend credit. Those instruments involve, to varying degrees, elements of credit, liquidity and interest rate risk in excess of the amount recognized in the statement of financial position. The Diocese uses the same policies in making commitments to extend credit as it does for advances and loans receivable. The Diocese's exposure to credit loss in the event of nonperformance by the other party for commitments to extend credit is represented by the contractual amount of those instruments.

Commitments to extend credit include funding additional amounts under existing loans for ongoing projects as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses. Since many of the commitments may expire without being fully drawn upon, the total commitment amounts do not necessarily represent future cash requirements.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Investments: Investments consist principally of individual stocks, mutual funds, corporate bonds, U.S. Treasury obligations, alternative and pooled funds, and international/foreign equities and bonds, and are carried at fair value.

Land, buildings and equipment: Land, land improvements, buildings and equipment acquisitions are capitalized at cost when purchased or, if donated, at the estimated fair value at the date of gift. Expenditures for major additions and improvements over \$2,500 are capitalized, while minor replacements, maintenance and repairs are charged to expense as incurred. When property and equipment are retired or otherwise disposed, the cost and associated accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Depreciation of buildings and equipment is provided for using the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are amortized over the shorter of the lease term or the useful life.

Impairment of long-lived assets: The Diocese evaluates the recoverability of its land, buildings and equipment whenever adverse events or changes in the business climate indicate that the expected undiscounted future cash flows from the related asset may be less than previously anticipated. If the net book value of the related asset exceeds the undiscounted future cash flows of the asset, the carrying amount would be reduced to the present value of its expected future cash flows and an impairment loss would be recognized. Management believes no indication of impairment exists June 30, 2023.

Self-insurance claim liabilities: As more fully described in Note 9, the Diocese maintains self-insurance plans for accident and health, property and general liability and unemployment compensation. Self-insurance claim liabilities reflect the estimated costs (including estimated loss development and loss adjustment expenses) for claims incurred under the various lines of coverage and are recorded at the estimated ultimate payment amounts. The liabilities relating to property, general liability and workers' and unemployment compensation insurance plans are based upon historical experience. These liabilities include both specific case reserves and estimated incurred but not reported amounts which are calculated annually by an actuary and adjusted to the related actuarial calculation. Self-insurance claim liabilities relating to the Diocese's health plan are estimated with the assistance of the plan's administrator and are based upon historical experience, individual case estimates and estimates of incurred-but-not-reported claims.

Annuities payable: At various times, donors have made gifts to the Diocese and its affiliates in the form of charitable remainder annuity trusts, gift annuities and other similar arrangements. The Diocese holds these funds in trust and pays out annuities, at specified interest rates or income earned on the principal, to the donors or other donor designated beneficiaries of such funds for life. The annuity must be paid out of principal received and/or any investment income earned. Upon death of the donor, the remaining balance, if any, reverts to other specified beneficiaries or to the Diocese for its use in accordance with the donor's imposed restrictions or, in the absence of such restrictions, for the unrestricted use of the Diocese. The obligation of these annuities is based on the present value of expected future payments.

Debt issuance costs: Debt issuance costs are amortized over the term of the long-term debt using the effective interest method. As of June 30, 2023, unamortized debt issuance costs were approximately \$285,000 which are included in liabilities as a direct reduction of the related long-term debt. There was approximately \$19,000 of amortization expense of debt issuance costs included in interest expense recorded under Diocesan administration expenses during the year ending June 30, 2023.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Functional expenses: Salaries and related payroll expenses are allocated among functional categories based on the estimated proportion of time spent relative to each function. All other expenses that can be identified with a specific program or support service are charged directly to the function. Certain other costs have been allocated among program and supporting services benefited. Such allocations are determined by management and is consistently applied.

- **Program services:** Expenses related to activities that result in services to beneficiaries that fulfill the purposes or mission for which the Diocese exists.
- **Diocesan administration:** Expenses related to the general management and operations of the Diocese.

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Advertising expenses: Advertising costs are expensed as incurred. Total advertising costs approximated \$187,000 for the year ending June 30, 2023.

Income taxes: The Diocese is exempt from federal income taxes as a religious organization under the provisions of Section 501(c)(3) of the Internal Revenue Code. Accordingly, the Diocese accounts for its income tax related matters under accounting standards that provide a framework for the accounting and reporting of uncertainty in income taxes. The Diocese has assessed whether there were any uncertain tax positions, which may give rise to income tax liabilities, and determined that there were no such matters requiring recognition in the accompanying financial statements.

Endowment funds: The Diocese is subject to the Florida Uniform Prudent Management of Institutional Funds Act (FL UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until appropriated for expenditure. Those net assets are also subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Diocese has interpreted FL UPMIFA as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Diocese considers a fund to be underwater if the fair value of the fund is less than the sum of: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) a portion of investment returns that are required by the donor to be added to the endowment. The Diocese has interpreted FL UPMIFA as permitting spending from underwater funds in accordance with the prudent measures required under the law.

The Diocese considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Diocese and the donor-restricted endowment fund
- General economic conditions

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Diocese
- The investment policies of the Diocese

Spending policy: Endowments are established to preserve principal and generate an income stream to support the purpose of the funds held. A spending policy establishes a reasonable, sustainable, consistent and predictable expenditure level which enables the Diocese to utilize endowment earnings to support its operations to the fullest extent possible, while ensuring that the principal value of the endowment is maintained and protected from the effects of inflation.

The Diocese has set spending policies for endowments. The maximum recommended annual spending amount for endowments is 5% of the 36-month average market value of the fund, as calculated at fiscal year-end. The original principal in the restricted in perpetuity—endowment is invested and is not available to fund any withdrawals. Carryover of unspent distributions and special payments in excess of the annual spending policy are allowable expenditures only with special approval of the Bishop. The Diocese's policy allows spending from underwater endowment funds, if necessary. As of June 30, 2023, the Diocese does not have any underwater endowments. The endowment expenditure level is reviewed at least annually by the Bishop in order to remain current with changing market conditions, investment performance trends and funding needs.

Investment policy: The Diocese's general investment objective is to provide income to augment and support current operating needs together with principal growth to offset the impact of inflation. Invested funds are diversified across asset classes to achieve an optimal balance between risk and return. The Bishop, in consultation with the Diocesan Finance Council, engages selected fiscal agents to maintain a prudently diversified portfolio. All investment decisions are made in accordance with an established investment policy, which is recommended and periodically reviewed by the Diocesan Finance Council and approved by the Bishop.

Reclassifications: Certain amounts in the 2022 summarized comparative financial statements have been reclassified in order to conform with the 2023 presentation. These reclassifications had no effect on the previously reported results of operations or cash flows.

Recently adopted accounting pronouncement: In February 2016, FASB issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations related to their leasing arrangements. This comprehensive new standard amends and supersedes existing lease accounting guidance and is intended to increase transparency and comparability among organizations by recognizing right-of-use (ROU) lease assets and lease liabilities on the balance sheet and requiring disclosure of key information about lease arrangements. Lease expense continues to be recognized in a manner similar to legacy U.S. GAAP. The Diocese adopted the new lease standard on July 1, 2022 using the optional transition method to the modified retrospective approach. Under this transition provision, results for reporting periods beginning on July 1, 2022 are presented under Topic 842, while prior period amounts continue to be reported and disclosed in accordance with the Diocese's historical accounting treatment under ASC Topic 840, *Leases*.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Adoption of Topic 842 resulted in the recording of ROU assets and lease liabilities related to the Diocese's operating leases of approximately \$570,000 and \$1,496,000, respectively, on July 1, 2022. The adoption of the new lease standard did not materially impact the change in net assets or cash flows and did not result in a cumulative-effect adjustment to the opening balance of net assets.

Recently issued accounting pronouncements: In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 amends guidance on reporting credit losses for assets held at amortized cost basis and available for sale debt securities. For assets held at amortized cost basis, ASU 2016-13 eliminates the probable initial recognition threshold in current U.S. GAAP and, instead, requires an entity to reflect its current estimate of all expected credit losses. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. This ASU affects entities holding financial assets and net investment in leases that are not accounted for at fair value through changes in net assets. The amendments affect loans, debt securities, trade receivables, net investments in leases, off balance sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The amendments in ASU 2016-13 are effective for the Diocese's fiscal year 2024. The Diocese is currently evaluating the impact this ASU will have on its financial statements.

Subsequent events: The Diocese has evaluated subsequent events through October 26, 2023, the date on which the financial statements were available to be issued. There were no subsequent events that would require adjustment to or disclosure in the accompanying financial statements.

Note 2. Contributions Receivable

Contributions receivable at June 30, 2023, are summarized as follows:

Amounts due within one year:

<i>Our Catholic Appeal</i>	\$ 16,789,178
Less allowance for uncollectible contributions receivable	<u>(167,667)</u>
	<u>\$ 16,621,511</u>

Note 3. Loans Receivable and Savings Deposits

The Diocese operates a Diocesan Savings Fund (the DSF) for Diocesan entities and affiliates. To borrow funds from the DSF, participants are required to meet certain underwriting criteria and demonstrate with reasonable assurance their capacity to repay the loan within the terms of their loan agreement. At June 30, 2023, the DSF held fixed rate loans receivable as follows:

At June 30, 2023:

Gross fixed rate loans receivable	\$ 23,450,535
Less allowance for loan losses	<u>(4,032,883)</u>
Loans receivable, net	<u>\$ 19,417,652</u>

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 3. Loans Receivable and Savings Deposits (Continued)

The interest rate charged on outstanding loans as of and for the fiscal year ended June 30, 2023, ranged from 4.75% to 5.51%. Interest income recognized on outstanding loans totaled approximately \$1,367,000 for the year ended June 30, 2023, and is included in investment income, net, in the accompanying statement of activities. Fully amortizing loans totaling approximately \$17,102,000 mature at dates ranging from May 2024 to March 2042. The remaining balance of loans receivable are interest only with no predefined payment terms. As of June 30, 2023, the Diocese has commitments to fund additional amounts under existing loans for ongoing projects, which totaled approximately \$25,928,000.

The DSF also maintains savings accounts for entities and affiliates of the Diocese paying interest monthly on deposits at a current rate of 1.0%. The balance of such deposits at June 30, 2023, was approximately \$206,279,000. Participating entities and affiliates can withdraw these amounts on demand. Interest expense on deposits held for Diocesan entities and affiliates totaled approximately \$1,973,000 for the year ended June 30, 2023, and is included in deposit and loan expenses in the accompanying statement of activities.

At June 30, 2023, six Diocesan entities/Parishes individually accounted for over 5% and totaled approximately 83% of gross loans receivable as follows:

Diocesan Entity/Parish	Loans Receivable Balance	Percentage of Gross Loans Receivable
A	\$ 8,194,094	35%
B	1,207,870	5%
C	1,324,802	6%
D	3,322,418	14%
E	3,433,226	15%
F	1,791,437	8%

In accordance with the policy outlined in Note 1, changes in the allowance for loan losses for the year ended June 30, 2023, are as follows:

Allowance for loan losses, beginning of year	\$ 4,032,883
Write-offs	-
Allowance for loan losses, end of year	<u>\$ 4,032,883</u>
End of year allowance for loan loss amount allocated to:	
Loans individually evaluated for impairment (Note 1)	\$ -
Loans collectively evaluated for impairment	4,032,883
	<u>\$ 4,032,883</u>
Gross loans:	
Individually evaluated for impairment (Note 1)	\$ 5,113,856
Collectively evaluated for impairment	18,336,679
	<u>\$ 23,450,535</u>

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 3. Loans Receivable and Savings Deposits (Continued)

There were no loans past due 90 days or more still accruing interest as of June 30, 2023. Information about nonaccrual and impaired loans as of June 30, 2023, is as follows:

Impaired loans with a valuation allowance	<u><u>\$ -</u></u>
Impaired loans without a valuation allowance	<u><u>\$ 5,113,856</u></u>
Average investment in impaired loans	<u><u>\$ 5,365,166</u></u>
Allowance related to impaired loans	<u><u>\$ -</u></u>
Loans on non-accrual status	<u><u>\$ 5,113,856</u></u>
Interest income recognized on impaired loans during the year	<u><u>\$ -</u></u>

In its estimate of the specific allowance for loan losses, the Diocese considers the probability of troubled debt restructurings and its impact on expected cash flows in accordance with the guidance for troubled debt restructurings and impaired loans. No loan modifications occurred that were identified as troubled debt restructurings during the year ended June 30, 2023.

Note 4. Advances to Diocesan Entities, Net

Advances to Diocesan Entities consist of the following at June 30, 2023:

Diocesan Entity	Amount
G	\$ 950,000
H	3,770,043
I	1,296,948
Other	<u>118,824</u>
	6,135,815
Less allowance for uncollectible advances	<u>(1,068,824)</u>
Advances to Diocesan Entities, net	<u><u>\$ 5,066,991</u></u>

Advances to Diocesan entities bear interest at rates from 3.62% to 5.45%. Advances to Diocesan Entities G and H are for terms ranging from 25 to 30 years, while the remaining advances do not have specified repayment terms.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 4. Advances to Diocesan Entities, Net (Continued)

Changes in the allowance for uncollectible advances for the year ended June 30, 2023, are as follows:

Allowance for uncollectible advances, beginning of year	\$ 1,118,824
Bad debt recoveries	<u>(50,000)</u>
Allowance for uncollectible advances, end of year	<u>\$ 1,068,824</u>
End of year allowance for uncollectible advances amount allocated to:	
Advance individually evaluated for impairment	\$ 950,000
Advances collectively evaluated for impairment	<u>118,824</u>
	<u>\$ 1,068,824</u>
Gross advances:	
Individually evaluated for impairment	\$ 950,000
Collectively evaluated for impairment	<u>5,185,815</u>
	<u>\$ 6,135,815</u>

There were no advances past due 90 days or more still accruing interest as of June 30, 2023. Information about nonaccrual and impaired advances as of June 30, 2023, is as follows:

Impaired advance with a valuation allowance	<u>\$ 950,000</u>
Average investment in impaired advances	<u>\$ 975,000</u>
Allowance related to impaired advance	<u>\$ 950,000</u>
Advance on non-accrual status	<u>\$ 950,000</u>

In its estimate of the specific allowance for losses on advances, the Diocese considers the probability of troubled debt restructurings and its impact on expected cash flows in accordance with the guidance for troubled debt restructurings and impaired advances. No modifications to advances occurred that were identified as troubled debt restructurings during the year ended June 30, 2023. During the year ended June 30, 2023, no interest income was recognized on impaired advances.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 5. Investments

Investments consist of the following at June 30, 2023:

	Cost	Fair Value
Equity securities:		
Common stocks:		
Domestic stocks	\$ 32,917	\$ 30,055
Mutual funds:		
Domestic stocks—Large Cap Growth Index	3,797,113	3,941,932
Asset Core Plus Bond IS (bond/fixed income)	70,367,467	59,058,339
All Asset Institutional	12,495,967	11,265,566
International Stock Fund	6,058,600	6,591,398
Emerging Markets Social Core	1,917,171	1,957,674
Small Cap ETF	1,304,155	1,596,493
Other mutual funds (mixed allocation)	402,504	453,589
Debt securities:		
Corporate bonds	20,942,428	19,400,474
State and local bonds	560,000	533,592
U.S. Treasury obligations	64,948,584	64,362,661
Alternative funds:		
Multi-strategy (equity/fixed income) hedge funds	21,095,665	25,621,091
Pooled funds:		
Investments with The Catholic Foundation of Central Florida, Inc.	9,724,034	13,321,686
	<u>\$ 213,646,605</u>	<u>\$ 208,134,550</u>

Realized losses totaled approximately \$263,000 and net unrealized gains totaled approximately \$2,299,000, for the year ended June 30, 2023, and are included in investment income, net, in the accompanying statement of activities.

The Diocese invests in various investment securities in accordance with its investment policy. These investment securities are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the uncertainty related to changes in their values, it is reasonable to expect that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment balance. Based on the Diocese's investment policy, there are no significant risk concentrations in its portfolio of debt and equity securities.

Note 6. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or to pay to transfer a liability in an orderly transaction between market participants at a measurement date. In the determination of fair value, an established fair value hierarchy gives the highest priority to 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 the fair value hierarchy are described more fully below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of investments included in Level 1 include listed equities and U.S. Treasury obligations.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 6. Fair Value Measurements (Continued)

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly, and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include assets or liabilities not priced in active markets and corporate bonds. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3: Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset. The inputs used in the determination of fair value are based upon the best information given the circumstances and may require significant management judgment or estimation. Investments that are included in this category generally include pooled funds with The Catholic Foundation of Central Florida, Inc.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Diocese's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The Diocese has determined the estimated fair value amounts presented for investments in these accompanying financial statements using available market information and appropriate methodologies on a consistent basis. However, considerable judgment is required in interpreting market data for investments to develop the estimates of fair value. The estimates presented in these accompanying financial statements are not necessarily indicative of the amounts that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts. The Diocese bases these fair value estimates on pertinent information available to them as of the end of each reporting period or at the time such amounts are recorded.

Common stock: The fair value of shares of common stock are measured at the closing price reported on the active market on which the shares are traded. If the shares are not traded on an active market, then the shares are measured based on quoted prices in inactive markets or by using data provided by independent third-party pricing sources as inputs.

Mutual funds: The fair value of shares of mutual funds are measured at the closing price reported on the active market on which the individual securities are traded. If the shares are not traded on an active market, then the shares are measured based on unobservable inputs (such as valuations of some alternative funds such as private equity investments and fund-of-funds investments).

Corporate bonds: The fair value of bonds are measured based on the last trade price of the fiscal year. When a bond has not been traded on the last day of the fiscal year, the price is obtained from an independent third-party pricing company.

Alternative funds: The fair value of units is measured as a practical expedient, at the net asset value (NAV) of the units held by the Diocese at year end, as reported by the investment manager and within the valuation guidelines specified in respective investment agreements.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 6. Fair Value Measurements (Continued)

Pooled funds: The fair value of the pooled investment with The Catholic Foundation of Central Florida, Inc. (the Foundation) is determined based on the Diocese's allocated share of the Foundation's investment pool. Information is provided to the Diocese by Foundation management in the form of quarterly investment reports and through the Foundation's annual audit. The pooled investment with the Foundation consists of Level 1, Level 2 and Level 3 securities. While there are no stated restrictions, redemption would require an executed agreement between the Foundation and the Diocese. The pooled investment with the Foundation is classified as a Level 3 as its fair value is based on information provided by the Foundation and not a direct observable input.

The following table summarizes fair value measurements by level at June 30, 2023, for assets measured at fair value on a recurring basis:

	Fair Value	Level 1	Level 2	Level 3
Equity securities:				
Common stocks:				
Domestic stocks	\$ 30,055	\$ 30,055	\$ -	\$ -
Mutual funds:				
Domestic stocks—Large Cap Growth Index	3,941,932	3,941,932	-	-
Asset Core Plus Bond IS (bond/fixed income)	59,058,339	59,058,339	-	-
All Asset Institutional	11,265,566	11,265,566	-	-
International Stock Fund	6,591,398	6,591,398	-	-
Emerging Markets Social Core	1,957,674	1,957,674	-	-
Small Cap ETF	1,596,493	1,596,493	-	-
Other mutual funds (mixed allocation)	453,589	453,589	-	-
Debt securities:				
Corporate bonds	19,400,474	-	19,400,474	-
State and local bonds	533,592	-	533,592	-
U.S. Treasury obligations	64,362,661	64,362,661	-	-
Pooled funds:				
Investments with The Catholic Foundation of Central Florida, Inc.	13,321,686	-	-	13,321,686
Total fair value hierarchy	182,513,459	\$ 149,257,707	\$ 19,934,066	\$ 13,321,686
Alternative funds*:				
Multi-strategy (equity/fixed income) hedge funds	25,621,091			
Total investments	\$ 208,134,550			

(*) In accordance with ASC 820, Fair Value Measurements, certain investments that are measured using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 6. Fair Value Measurements (Continued)

During the year ended June 30, 2023, there were no transfers into or out of Level 3 investments. The table below sets forth a summary of the changes in the fair value of the Diocese's Level 3 investment measured during the year ended June 30, 2023:

	<u>Pooled Funds</u>
Balance, beginning of year	\$ 12,107,354
Purchases	1,260,617
Sales	(1,232,310)
Net realized and unrealized gains	1,186,025
Balance, end of year	<u>\$ 13,321,686</u>

The significant investment strategy of the category of investments that calculate NAV per share and are not in active markets is as follows:

Alternative funds: To provide long-term capital appreciation and current income through investments in limited partnerships, which invest in diversified portfolios ranging from short-term to long-term instruments.

The following table discloses the fair value as of June 30, 2023, related to alternative funds that are valued at NAV:

<u>Description</u>	<u>Amount</u>
Comerica—Fundamental	\$ 14,393,460
Comerica—S&P Growth	5,642,133
S&P 500 IS	5,472,607
Other	112,891
	<u>\$ 25,621,091</u>

The Comerica alternative funds are designed to provide investment results that correspond to the price and yield performance of publicly traded common stocks of large-sized domestic companies as represented by the Standard & Poor's (S&P) 500® Index, while socially screening to the standards of the principles for the United States Conference of Catholic Bishops. As of June 30, 2023, the Comerica alternative funds have no unfunded commitments and can be redeemed daily at the NAV.

The S&P 500 IS alternative fund seeks an investment return that approximates, as closely as practicable, before expenses, the performance of the S&P 500® (the "Index") over the long term. The S&P 500 IS alternative fund implements a screen of certain social or environmental criteria. As of June 30, 2023, the S&P 500 IS alternative fund has no unfunded commitments and can be redeemed daily at the NAV.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 6. Fair Value Measurements (Continued)

The table below sets forth a summary of the changes in the fair value of the Diocese's investments measured at NAV during the year ended June 30, 2023:

	<u>Alternative Funds</u>
Balance, beginning of year	\$ 24,239,055
Purchases	2,818,552
Sales	(3,733,046)
Net realized and unrealized gains	2,296,530
Balance, end of year	<u>\$ 25,621,091</u>

Realized and unrealized gains above are included in change in net assets and are reported in investment income in the accompanying statement of activities. The amount of total gains or losses for the period included in change in net assets that is attributable to the change in unrealized gains relating to assets still held at the reporting date totaled approximately \$3,601,000.

Note 7. Land, Buildings and Equipment

Land, buildings and equipment consists of the following as of June 30, 2023:

	<u>Useful Lives</u>	<u>Amount</u>
Land and nondepreciable land improvements	-	\$ 23,235,947
Land improvements	15	248,048
Buildings	30	16,945,651
Equipment	10	3,304,072
Automobiles	5	21,213
Leasehold improvements	life of lease	2,170,467
		<u>45,925,398</u>
Less accumulated depreciation		(13,482,635)
		<u>\$ 32,442,763</u>

Depreciation expense for the year ended June 30, 2023 amounted to approximately \$695,000.

Note 8. Note Payable

Note payable consists of the following at June 30, 2023:

<u>Note Payable</u>	<u>Amount</u>
2021-A Tax-exempt variable rate bond (the 2021-A Note), due July 2038	\$ 44,115,000
Less debt issuance costs, net	(285,280)
	<u>\$ 43,829,720</u>

During the year ended June 30, 2021, the Diocese issued the 2021-A Note (the 2021 Note) which totaled \$47,685,000. The note payable bears interest at a rate equal to 2.05% per annum multiplied by a margin rate factor. The margin rate factor shall be 1%, as long as the federal corporate tax rate is 21%, and thereafter shall increase or decrease based on the maximum federal corporate tax rate.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 8. Note Payable (Continued)

The 2021 Note was issued subject to the Diocese and its related entities and affiliates granting of a security interest in the revenues of the combined organizations, which constitute the obligated group. In addition, the obligated group, on a combined basis, is subject to certain restrictive financial covenants, which govern the required levels of liquidity and debt service coverage. The liquidity financial covenant and the debt service coverage covenant are measured annually and reported within 180 days of the Diocese's fiscal year end. At June 30, 2023, the obligated group, including the Diocese, was in compliance with these covenants.

Scheduled principal maturities under the Diocese's note payable agreement are due in future years as follows:

	Amount
Years ending June 30:	
2024	\$ 2,440,000
2025	2,495,000
2026	2,545,000
2027	2,595,000
2028	2,650,000
Thereafter	31,390,000
	<u>\$ 44,115,000</u>

Total interest expense incurred during the year ended June 30, 2023, on the note payable was approximately \$936,000 and is included in Diocesan administration program expenses in the accompanying statement of activities (see Note 19).

Note 9. Self-Insurance Programs

The Diocese and five other dioceses in the state of Florida participate in the Ecclesiastical Province of Miami's (the EPM) self-insurance program whereby each diocese provides their respective entities and affiliates with insurance coverage for workers' compensation claims. Each diocese and their participating entities and affiliates are charged a pro-rata share of the EPM workers' compensation program's estimated claim costs, administration fees, and policy premiums that are incurred in connection with the purchase of excess insurance coverage from outside carriers and management of the self-insurance program. Generally, amounts are recoverable from excess insurance carriers under this program after a specific claim has exceeded a specified retention limit of \$500,000 for workers' compensation claims.

The Diocese and three other dioceses in the state of Florida participate in the EPM self-insurance program whereby each diocese provides their respective entities and affiliates with insurance coverage for property damage losses and liability claims. Each diocese and their participating entities and affiliates are charged a pro-rata share of the EPM property and liability program's estimated claim costs, administration fees and policy premiums that are incurred in connection with the purchase of excess insurance coverage from outside carriers and management of the self-insurance program. Generally, amounts are recoverable from excess insurance carriers under this program after a claim has exceeded a specified retention limit of \$25,000,000 for a named windstorm property claim and \$1,000,000 for all other perils and property claims and \$750,000 for liability claims.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 9. Self Insurance Programs (Continued)

In connection with the EPM program, the Diocese participates in an aggregate excess loss-sharing agreement. This sharing agreement covers property, liability, workers' compensation and other self-insured losses. This agreement allows each participating diocese to share in each other's losses above an actuarially determined threshold thereby providing each of the participants with an additional layer of protection from abnormally large or catastrophic losses during any given claim year.

Each participating diocese is assigned a maximum amount of losses that it will be responsible for during each plan year. For the policy years beginning April 1, 2022 and 2023, the Diocese's portion of the EPM's combined loss funds was approximately \$1,892,900 and \$2,466,100, respectively. The Diocese is responsible for losses incurred up to the amount of its combined loss fund requirements. This actuarially determined amount was incorporated into the estimate of the self-insurance claims liability that is included in the accompanying statement of financial position. The other participating dioceses share proportionately in the remaining losses based on their share of the total loss funds. If the total loss funds were exhausted, each diocese would be responsible for its losses in excess of its assigned proportion. For the year ended June 30, 2023, the Diocese's claims incurred were more than its share of the total loss funds. As a result, the Diocese recorded a payable as of June 30, 2023, totaling approximately \$665,200 for amounts owed to certain other participating dioceses whose claims were less than their respective loss funds. This amount is included in accounts payable and accrued expenses in the accompanying statement of financial position.

The Diocese also maintains a self-insurance program whereby it provides each of its entities and affiliates with insurance coverage for medical, dental, disability, life and unemployment claims. Each Diocesan entity and affiliate are charged a pro-rata share of the estimated claim costs, administration fees and policy premiums that are incurred in connection with the purchase of excess health insurance coverage from outside carriers. Generally, amounts are recoverable from excess insurance carriers under the health insurance program after a specific claim has exceeded the specified retention limit of \$300,000.

Provision has been made for the settlement of all incurred claims, both reported and unreported, for each open claim year. The liabilities for unpaid claims are estimates of the costs of claims incurred but not settled. Liability estimates for reported claims are primarily determined by evaluation of individual reported claims by the plan's third-party administrator. Liability estimates for claims incurred but not reported are based on prior experience and the advice of a third-party administrator. The methods for making such estimates and for establishing the resulting liabilities are periodically reviewed and updated by the Diocese. In addition, the Diocese retains an actuary to perform an independent analysis of liability estimates established in connection with its participation in the EPM self-insurance program. Any adjustments resulting from the analysis are reflected in the statement of activities in the period determined.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 10. Employee Benefit Plans

The Diocese participates in a multi-employer master defined benefit retirement plan (the Plan) sponsored by the Diocese of Orlando Corporation Sole. Because the computed value of the vested benefits and plan assets for the Diocese's participants cannot be segregated from those of other Diocesan entities and affiliates participating in the Plan, it is not possible to determine that portion of the excess or deficiency which may be attributable solely to the Diocese.

The Plan covers substantially all lay employees and priests employed by the Diocese, its related entities and affiliates. To become eligible, participants must have completed at least 1,000 hours of service and attained the age of 21 during a given plan year. The Plan currently requires monthly employer contributions based on 8% of lay employee compensation and \$1,250 per eligible priest. Priests covered by the Plan are eligible for postretirement benefits of up to \$2,100 per month depending on length of service. Lay employees covered by the Plan are eligible to receive their accrued benefits upon their retirement or separation date. Lay participants may choose to have their benefits paid in the form of a lump sum or in one of several annuity options. Contributions made to the Plan by the Diocese for its eligible participants during the year ended June 30, 2023, totaled approximately \$338,000.

The Diocese also maintains a defined contribution plan under Section 403(b) of the Internal Revenue Code, which was adopted effective April 1, 2002, and covers all full-time employees. The 403(b) plan provides for discretionary matching contributions of up to 100% for the first 4% of eligible compensation contributed and provides for a 50% match on subsequent contributions up to 6% of eligible compensation. For 2023, the 403(b) plan allows all eligible employees to contribute up to \$22,500 of their annual compensation, subject to IRS limitations on maximum contributions. Eligible employees 50 years or over at the end of the calendar year can also make catch-up contributions of up to \$7,500. During the year ended June 30, 2023, the Diocese made matching contributions of approximately \$349,000 to the 403(b) plan. Administrative costs of the 403(b) plan, other than investment advisory and recordkeeping fees, are paid by the Diocese.

Note 11. Leases

The Diocese determines if an arrangement is or includes a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. Under Topic 842, a contract is or contains a lease when: (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Diocese also considers whether its service arrangements include the right to control the use of an asset.

During the year ending June 30, 2023, the Diocese has only one lease for a facility that is used to provide faith-based services and ministries to students at the University of Central Florida from unrelated parties under an operating lease agreement that has a remaining term upon transition to ASC 842 of 31.42 years. The Diocese's lease does not contain any material restrictive covenants.

To reduce the burden of adoption and ongoing compliance with Topic 842, a number of practical expedients and policy elections are available under the new guidance. The Diocese elected the package of practical expedients permitted under the transition guidance, which among other things, did not require reassessment of whether contracts entered into prior to adoption are or contain a lease, and allowed carry forward of the historical lease classification for existing leases. The Diocese has not elected to adopt the hindsight practical expedient, and therefore measured the ROU asset and lease liability using the remaining portion of the lease term at adoption on July 1, 2022.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 11. Leases (Continued)

The Diocese made an accounting policy election under Topic 842 not to recognize ROU assets and lease liabilities for lease with a term of 12 months or less. For all other leases, the Diocese recognizes ROU asset and lease liabilities based on the present value of lease payments over the lease term at the commencement date of the lease (or July 1, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index). Subsequent changes an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Payments for termination of the lease are included in the lease payments only when it is probable, they will be incurred.

The Diocese's lease includes a non-lease component representing additional services transferred to the Diocese, such as common area maintenance for real estate. The Diocese made an accounting policy election to account for each separate lease component and the non-lease components associated with that lease component as a single lease component. Non-lease components that are variable in nature are recorded in variable lease expense in the period incurred.

A lessee that is not a public business entity (PBE) is permitted to use a risk-free discount rate for its leases, determined using a period comparable with that of the lease term, as an accounting policy election for all leases. In order to ease the accounting burden of determining incremental borrowing rates under ASC 842, the Diocese has made this accounting policy election for all leases. The risk-free discount rates were obtained using U.S. Treasury securities as posted on the Federal Reserve website. The Diocese uses the implicit rate when readily determinable.

Rent expense was approximately \$45,700 for the year ended June 30, 2023. Short-term lease expense is not material to the Diocese s financial statements. Cash paid for lease liabilities reported in operating cash flows totaled approximately \$38,700 for the year ended June 30, 2023. There were no ROU assets obtained or new lease obligations incurred during the year ended June 30, 2023.

Weighted-average lease term:	
Operating leases	30.42 years
Weighted-average discount rate:	
Operating leases	3.11%

Future undiscounted cash flow for each of the next five years and thereafter, and reconciliation to the lease liabilities recognized on the balance sheet as of June 30, 2023, is as follows:

Years ending June 30:		
2024	\$	77,472
2025		77,472
2026		77,472
2027		77,472
2028		77,472
Thereafter		1,936,800
Total minimum payments required		<u>2,324,160</u>
Less amounts representing interest		<u>(820,337)</u>
Present value of minimum lease payments	\$	<u><u>1,503,823</u></u>

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 12. Commitments, Contingencies and Uncertainties

Commitments: The Diocese has guaranteed loans made to certain Diocesan entities and affiliates, which total approximately \$25,928,000 at June 30, 2023. The borrowings under these loans mature through July 2038 and the guarantees cover the entire term of the borrowings. Upon the occurrence of any triggering event or condition under the guarantees, the Diocese can liquidate certain assets to recover amounts paid under the guarantees. No amount has been accrued for the Diocese's obligation under its guaranty arrangement since a triggering event or condition has not occurred.

The Diocese is a party to various construction contracts involving its parishes whose total contract value approximates \$20,588,000 as of June 30, 2023. The maximum amount of undiscounted payments the Diocese would have to make in the event of default under these contracts as of June 30, 2023, is approximately \$11,837,000, as approximately \$8,751,000 in payments have been made prior to June 30, 2023.

Contingencies: The Diocese is a party to various litigation and other claims relating to allegations of personal injury and employee misconduct. The Diocese recognizes liabilities when a loss is probable and reasonably estimable. Such claims are covered under the Diocese's self-insurance program for general liability, as more fully described in Note 9, and, when appropriate, they are included in the self-insurance liability accrual in the accompanying statement of financial position.

Note 13. Net Assets

Net assets without donor restrictions consist of the following at June 30, 2023:

Without designations	\$ (23,337,749)
Designated for self-insurance	17,597,137
Designated for bond funds	21,728,592
Designated by the Bishop for other specified purposes	18,707,185
Plant fund	13,332,090
	<u>\$ 48,027,255</u>

Net assets with donor restrictions include net assets restricted in perpetuity—endowment, and net assets with donor restrictions for time and specified purposes. Net assets with donor restrictions consist of the following at June 30, 2023:

Endowment investments restricted in perpetuity, the income of which is expendable to support:

Schools	\$ 7,568,792
Vocations	5,590,541
Social services	1,680,852
Priest convocation	534,550
Parishes	375,831
	<u>15,750,566</u>
Accumulated earnings on endowment funds—purpose restricted and time restricted for appropriation	4,288,603
Contributions receivable—time restricted, Diocesan operations	16,621,511
Land, buildings and equipment, net—purpose restricted, plant fund	618,114
Investments and other assets—purpose restricted, program services	4,203,981
Life and gift annuity funds—time and purpose restricted agency funds	29,101
	<u>25,761,310</u>
Total net assets with donor restrictions	<u>\$ 41,511,876</u>

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 14. Endowments

Endowment composition and activities consist of the following as of and for the year ended June 30, 2023:

	With Donor Restrictions		Total
	Restricted by Purpose and/or Time	Held in Perpetuity	
Endowment net assets—June 30, 2022	\$ 3,879,727	\$ 15,750,566	\$ 19,630,293
Total investment income, net	1,430,824	-	1,430,824
Amounts appropriated for expenditures	(1,021,948)	-	(1,021,948)
Endowment net assets—June 30, 2023	<u>\$ 4,288,603</u>	<u>\$ 15,750,566</u>	<u>\$ 20,039,169</u>

Note 15. Net Assets Released from Restrictions

During the year ended June 30, 2023, net assets were released from donor restrictions by incurring expenses satisfying donor restricted purposes or by occurrence of other events specified by donors as follows:

Contributions receivable—passage of time	\$ 16,015,832
Program services—purpose restrictions accomplished	<u>1,780,149</u>
	<u>\$ 17,795,981</u>

Note 16. Concentrations

The Diocese serves and receives substantial financial support from parishioners in the nine-county region of Central Florida. Accordingly, the financial strength of the Diocese is in large part reliant upon the general state of the local economy.

Financial instruments which potentially subject the Diocese to concentrations of custodial risk consist of cash, cash equivalents and investments. The Diocese places its cash, cash equivalents and investments with several financial institutions. At various times throughout the year ended, and at June 30, 2023, cash and cash equivalents balances held at various financial institutions were in excess of federally insured limits. In addition, loans receivable and advances to Diocesan entities subject the Diocese to concentrations of credit risk (see Notes 3 and 4).

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 17. Related Parties

The Diocese has advances and loans receivable from Diocesan entities, as more fully described in Notes 3 and 4. In addition to the other Diocesan entities discussed in Note 1, there are certain other entities operating outside the auspices of the Diocese that are not included in the financial statements, but for which the Diocese has an economic interest. The entities operated by the Diocese and other Dioceses in the State of Florida are: the Regional Seminary of St. Vincent de Paul in Florida, Inc., a seminary for the education and development of candidates for priesthood; the Florida Catholic Media, a Catholic multimedia communication services provider; and the Florida Catholic Conference, Inc., a communications corporation engaged in the promotion of health, education and welfare issues that are of central importance to the Dioceses operating in the state of Florida. The Diocese, and other Dioceses in the state of Florida, provide support to each of these entities in the form of tuition, quotas, operating subsidies and capital contributions. Total payments made for the aforementioned purposes during the year ended June 30, 2023, by the Diocese to these entities were approximately \$398,000 (included in religious personnel development, and Diocesan administration expenses), \$2,000 (included in pastoral and education expenses) and \$145,000 (included in Diocesan administration expenses), respectively.

The Foundation was established to raise, manage and distribute funds to provide long-term, sustainable support for the parishes, schools, agencies, and other ministries in the Diocese. During fiscal year 2016, the Diocese entered into an investment agreement with the Foundation, under which the Diocese invested funds in the Foundation's investment pool, which is managed by the Foundation. The types of investment holdings in the pooled investment are substantially similar to the Diocese's own holdings. See additional disclosures related to the pooled investment in Note 5 and 6.

Note 18. Liquidity and Availability of Resources

As of June 30, 2023, the following reflects the Diocese's financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions, within one year of June 30, 2023:

Financial assets at end of year:

Cash and cash equivalents	\$ 59,727,479
Contributions receivable, net— <i>Our Catholic Appeal</i>	16,621,511
Accrued interest receivable	1,191,791
Other receivables	1,523,995
Investments	208,134,550
Total financial assets	<u>287,199,326</u>
Less those unavailable for general expenditures within one year, due to:	
Commitments to fund Diocesan existing loans for ongoing projects	(25,928,448)
Diocesan savings accounts due on demand to entities and affiliates	(206,279,463)
With donor-imposed restrictions:	
Net assets with donor restrictions	<u>(41,511,876)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 13,479,539</u>

Diocesan savings accounts are relatively stable from year to year. Outflows are normally for general operating needs or construction obligation payments, which are offset by inflows related to seasonal operational surpluses and any capital campaign proceeds received. The Diocese structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, the Diocese invests cash in excess of daily requirements in various short-term investments which can include money market savings accounts, high yield savings accounts, certificates of deposit and short-term treasury or agency instruments.

Diocese of Orlando Administrative Offices

Notes to Financial Statements

Note 19. Functional Classification of Expenses

The following table presents expenses by both their natural and functional classification during the year ended June 30, 2023:

	Program Services							Supporting Services		
	Self-Insurance Program	Deposit and Loan Program	Pastoral	Social Services	Religious Personnel Development	Plant Activities	Education	Total Program Services	Diocesan Administration	Total Expenses
Interest expense	\$ -	\$ 2,005,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,005,866	\$ 935,676	\$ 2,941,542
Insurance claims—loss and loss adjustment expense	20,398,797	-	-	-	-	-	-	20,398,797	-	20,398,797
Insurance premiums	5,116,163	-	-	-	-	-	-	5,116,163	-	5,116,163
Professional fees	2,623,755	56,274	61,849	-	155,422	134,564	235,102	3,266,966	2,478,274	5,745,240
Seminars and conferences	-	-	189,629	-	57,035	-	194,679	441,343	135,767	577,110
Travel expense	-	-	22,572	-	14,895	-	59,023	96,490	81,648	178,138
Bad debt expense	-	-	-	-	-	-	-	-	41,437	41,437
Salaries and related benefits	48,731	-	2,038,020	-	1,104,369	-	1,613,590	4,804,710	4,981,123	9,785,833
Property tax expense	-	-	-	-	-	53,529	-	53,529	2,587	56,116
Advertising expense	-	-	359	-	-	-	175,742	176,101	10,744	186,845
Education and tuition expense	750	-	179,454	-	783,104	-	27,809	991,117	23,095	1,014,212
Depreciation	-	-	-	-	-	695,431	-	695,431	-	695,431
Donations expense	1,000	-	21,000	1,690,912	829,861	-	384,380	2,927,153	953,296	3,880,449
Program development costs	-	-	18,124	498,528	-	-	5,472	522,124	23	522,147
Repairs and maintenance	223,346	-	160	-	6,124	1,758	51,137	282,525	1,127,809	1,410,334
Other expense	419,014	202,834	253,519	38,456	130,165	107,951	198,253	1,350,192	730,643	2,080,835
Total	\$ 28,831,556	\$ 2,264,974	\$ 2,784,686	\$ 2,227,896	\$ 3,080,975	\$ 993,233	\$ 2,945,187	\$ 43,128,507	\$ 11,502,122	\$ 54,630,629



RSM US LLP

Independent Auditor's Report on the Supplementary Information

The Most Reverend John G. Noonan
Bishop of the Diocese of Orlando
Diocese of Orlando Administrative Offices

We have audited the financial statements of the Diocese of Orlando Administrative Offices as of and for the year ended June 30, 2023, and have issued our report thereon, which contains an unmodified opinion on those financial statements, see pages 1 and 2. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. We have previously audited the Diocese of Orlando Administrative Office's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 13, 2022.

The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RSM US LLP

Orlando, Florida
October 26, 2023

Diocese of Orlando Administrative Offices

Schedule of Financial Position—Fund Group

June 30, 2023

(With Summarized Comparative Totals for June 30, 2022)

	Funds without donor restrictions			Funds with donor restrictions				Eliminations	Total 2023	Total 2022
	Operating Funds	Diocesan Savings Fund	Plant Fund	Operating Fund	Plant Fund	Endowment Funds	Life/Gift Annuity and Other Funds			
Assets										
Cash and cash equivalents	\$ 27,634,390	\$ 34,390,895	\$ 10,109	\$ 1,093,892	\$ -	\$ 1,010,729	\$ 1,521	\$ (4,414,057)	\$ 59,727,479	\$ 89,930,837
Contributions receivable, net	-	-	-	16,621,511	-	-	-	-	16,621,511	16,015,832
Prepaid expenses and other assets	5,257,120	-	10,217	-	-	-	-	-	5,267,337	3,569,500
Accrued interest receivable	101,288	1,055,620	20,044	-	-	14,839	-	-	1,191,791	703,061
Loans receivable, net	-	19,417,652	-	-	-	-	-	-	19,417,652	28,683,954
Advances to Diocesan entities, net	3,770,043	-	1,296,948	-	-	-	-	-	5,066,991	5,739,937
Other receivables, net	764,922	-	-	759,073	-	-	-	-	1,523,995	2,183,642
Operating right-of-use lease assets	-	-	571,123	-	-	-	-	-	571,123	-
Investments	50,061,030	129,755,797	10,127,563	751,648	-	17,384,415	54,097	-	208,134,550	150,343,824
Land, buildings and equipment, net	-	-	31,824,649	-	618,114	-	-	-	32,442,763	32,609,940
Due from other funds	39,920,243	27,252,544	-	2,106,800	-	1,629,186	-	(70,908,773)	-	-
Total assets	\$ 127,509,036	\$ 211,872,508	\$ 43,860,653	\$ 21,332,924	\$ 618,114	\$ 20,039,169	\$ 55,618	\$ (75,322,830)	\$ 349,965,192	\$ 329,780,527
Liabilities and Net Assets										
Liabilities:										
Accounts payable and accrued expenses	\$ 4,281,495	\$ 4,621	\$ 254,089	\$ 507,432	\$ -	\$ -	\$ -	\$ 16,727	\$ 5,064,364	\$ 5,704,091
Self-insurance claim liabilities	3,735,957	-	-	-	-	-	-	-	3,735,957	3,657,496
Savings deposits	-	210,693,520	-	-	-	-	-	(4,414,057)	206,279,463	196,918,355
Annuities payable and other liabilities	-	-	-	-	-	-	12,734	-	12,734	13,368
Note payable, net of debt issuance costs	43,829,720	-	-	-	-	-	-	-	43,829,720	46,200,701
Operating right-of-use lease liabilities	-	-	1,503,823	-	-	-	-	-	1,503,823	-
Due to other funds	42,141,066	-	28,770,651	-	-	-	13,783	(70,925,500)	-	-
Total liabilities	93,988,238	210,698,141	30,528,563	507,432	-	-	26,517	(75,322,830)	260,426,061	252,494,011
Net assets (deficit):										
Without donor restrictions:										
Undesignated	(24,512,116)	1,174,367	-	-	-	-	-	-	(23,337,749)	(17,033,023)
Designated for special use	58,032,914	-	13,332,090	-	-	-	-	-	71,365,004	54,154,378
Total without donor restrictions	33,520,798	1,174,367	13,332,090	-	-	-	-	-	48,027,255	37,121,355
With donor restrictions:										
	-	-	-	20,825,492	618,114	20,039,169	29,101	-	41,511,876	40,165,161
Total net assets	33,520,798	1,174,367	13,332,090	20,825,492	618,114	20,039,169	29,101	-	89,539,131	77,286,516
Total liabilities and net assets	\$ 127,509,036	\$ 211,872,508	\$ 43,860,653	\$ 21,332,924	\$ 618,114	\$ 20,039,169	\$ 55,618	\$ (75,322,830)	\$ 349,965,192	\$ 329,780,527

Diocese of Orlando Administrative Offices

Schedule of Activities—Fund Group

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Funds without donor restrictions			Funds with donor restrictions				Eliminations	Total 2023	Total 2022
	Operating Funds	Diocesan Savings Fund	Plant Fund	Operating Funds	Plant Fund	Endowment Funds	Life/Gift Annuity and Other Funds			
Revenues, gains and other support:										
Contributions of cash and other financial assets										
Catholic appeal contributions	\$ -	\$ -	\$ -	\$ 16,621,511	\$ -	\$ -	\$ -	\$ -	\$ 16,621,511	\$ 16,015,832
Contributions and bequests	1,190,157	-	-	996,420	-	-	-	-	2,186,577	4,080,293
Self-insurance administration fees and other service fees	35,554,455	-	-	-	-	-	-	-	35,554,455	31,934,684
Investment income (loss), net	4,022,765	5,947,407	717,619	88,201	-	1,430,824	5,106	(1,294,496)	10,917,426	(20,427,620)
Gain on sale of land, buildings and equipment	-	-	-	-	-	-	-	-	-	1,188,394
Actuarial adjustment to life annuities payable	-	-	-	-	-	-	634	-	634	25,649
Other income	2,098,679	-	25,379	-	-	-	-	(521,417)	1,602,641	395,192
Net assets released from restrictions (Note 15)	-	-	862,364	-	(862,364)	-	-	-	-	-
Total revenues, gains and other support	42,866,056	5,947,407	1,605,362	17,706,132	(862,364)	1,430,824	5,740	(1,815,913)	66,883,244	33,212,424
Expenses:										
Program services:										
Self-insurance program	28,831,556	-	-	-	-	-	-	-	28,831,556	25,182,691
Deposit and loan program	-	2,264,974	-	-	-	-	-	-	2,264,974	1,934,703
Pastoral	2,730,901	-	-	53,785	-	-	-	-	2,784,686	2,934,316
Social services	2,248,659	-	-	500,654	-	-	-	(521,417)	2,227,896	2,851,788
Religious personnel development	3,080,975	-	-	-	-	-	-	-	3,080,975	3,105,206
Plant activities	-	-	2,287,729	-	-	-	-	(1,294,496)	993,233	867,683
Education	2,943,807	-	-	1,380	-	-	-	-	2,945,187	2,536,621
Special projects	-	-	-	-	-	-	-	-	-	424,700
Total program services	39,835,898	2,264,974	2,287,729	555,819	-	-	-	(1,815,913)	43,128,507	39,837,708
Supporting services:										
Diocesan administration	11,322,744	-	-	(447,123)	-	621,948	4,553	-	11,502,122	10,257,910
Total supporting services	11,322,744	-	-	(447,123)	-	621,948	4,553	-	11,502,122	10,257,910
Total expenses	51,158,642	2,264,974	2,287,729	108,696	-	621,948	4,553	(1,815,913)	54,630,629	50,095,618
Change in net assets before transfers	(8,292,586)	3,682,433	(682,367)	17,597,436	(862,364)	808,876	1,187	-	12,252,615	(16,883,194)
Interfund transfers	16,914,606	-	(716,186)	(15,798,420)	-	(400,000)	-	-	-	-
Change in net assets	8,622,020	3,682,433	(1,398,553)	1,799,016	(862,364)	408,876	1,187	-	12,252,615	(16,883,194)
Net assets:										
Beginning	24,898,778	(2,508,066)	14,730,643	19,026,476	1,480,478	19,630,293	27,914	-	77,286,516	94,169,710
Ending	\$ 33,520,798	\$ 1,174,367	\$ 13,332,090	\$ 20,825,492	\$ 618,114	\$ 20,039,169	\$ 29,101	\$ -	\$ 89,539,131	\$ 77,286,516

Diocese of Orlando Administrative Offices

Combining Schedule of Financial Position Information—Operating Funds

June 30, 2023

(With Summarized Comparative Totals for June 30, 2022)

	Funds Without Donor Restrictions			Funds With Donor Restrictions	Total 2023	Total 2022
	Current	Current	Designated for	Current Donor		
	Undesignated Fund	Designated Funds	Self-Insurance Funds	Restricted Funds		
Assets						
Cash and cash equivalents	\$ 7,381,469	\$ 2,643,561	\$ 17,609,360	\$ 1,093,892	\$ 28,728,282	\$ 25,542,727
Contributions receivable, net	-	-	-	16,621,511	16,621,511	16,015,832
Prepaid expenses and other assets	126,782	-	5,130,338	-	5,257,120	3,555,895
Accrued interest receivable	24,316	76,972	-	-	101,288	53,891
Advances to Diocesan entities, net	-	3,770,043	-	-	3,770,043	4,442,989
Other receivables, net	-	-	764,922	759,073	1,523,995	2,183,642
Investments	11,494,302	38,453,837	112,891	751,648	50,812,678	48,606,318
Due from other funds	-	39,414,772	505,471	2,106,800	42,027,043	44,744,375
Total assets	\$ 19,026,869	\$ 84,359,185	\$ 24,122,982	\$ 21,332,924	\$ 148,841,960	\$ 145,145,669
Liabilities and Net Assets (Deficit)						
Liabilities:						
Accounts payable and accrued expenses	\$ 1,397,919	\$ 93,688	\$ 2,789,888	\$ 507,432	\$ 4,788,927	\$ 5,057,209
Self-insurance claim liabilities	-	-	3,735,957	-	3,735,957	3,657,496
Note payable, net of debt issuance costs	-	43,829,720	-	-	43,829,720	46,200,701
Due to other funds	42,141,066	-	-	-	42,141,066	46,305,009
Total liabilities	43,538,985	43,923,408	6,525,845	507,432	94,495,670	101,220,415
Net assets (deficit):						
Without donor restrictions:						
Undesignated	(24,512,116)	-	-	-	(24,512,116)	(29,255,600)
Designated for special use	-	40,435,777	17,597,137	-	58,032,914	54,154,378
Total net assets (deficit) without donor restrictions	(24,512,116)	40,435,777	17,597,137	-	33,520,798	24,898,778
With donor restrictions	-	-	-	20,825,492	20,825,492	19,026,476
Total net assets (deficit)	(24,512,116)	40,435,777	17,597,137	20,825,492	54,346,290	43,925,254
Total liabilities and net assets (deficit)	\$ 19,026,869	\$ 84,359,185	\$ 24,122,982	\$ 21,332,924	\$ 148,841,960	\$ 145,145,669

Diocese of Orlando Administrative Offices

Combining Schedule of Activities Information—Operating Funds

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Funds Without Donor Restrictions			Funds With Donor Restrictions	Total 2023	Total 2022
	Current Undesignated Fund	Current Designated Funds	Designated for Self-Insurance Funds	Current Donor Restricted Funds		
Revenues, gains and other support:						
Contributions of cash and other financial assets						
Catholic appeal contributions	\$ -	\$ -	\$ -	\$ 16,621,511	\$ 16,621,511	\$ 16,015,832
Contributions and bequests	68,260	313,165	808,732	996,420	2,186,577	4,080,293
Self-insurance administration fees and other service fees	4,234,308	52,749	31,267,398	-	35,554,455	31,934,684
Investment income (loss), net	932,396	2,959,085	131,284	88,201	4,110,966	(7,395,752)
Other income	675,297	50,000	1,373,382	-	2,098,679	841,274
Total revenues, gains and other support	5,910,261	3,374,999	33,580,796	17,706,132	60,572,188	45,476,331
Expenses:						
Program services:						
Self-insurance program	-	-	28,831,556	-	28,831,556	25,182,691
Pastoral	2,730,901	-	-	53,785	2,784,686	2,934,316
Social services	2,248,659	-	-	500,654	2,749,313	2,851,788
Religious personnel development	3,053,076	27,899	-	-	3,080,975	3,105,206
Education	2,943,807	-	-	1,380	2,945,187	2,536,621
Special projects	-	-	-	-	-	803,988
Total program services	10,976,443	27,899	28,831,556	555,819	40,391,717	37,414,610
Supporting services:						
Diocesan administration	10,344,919	977,825	-	(447,123)	10,875,621	9,631,736
Total expenses	21,321,362	1,005,724	28,831,556	108,696	51,267,338	47,046,346
Excess (deficiency) of revenues, gains and other support over expenses	(15,411,101)	2,369,275	4,749,240	17,597,436	9,304,850	(1,570,015)
Transfers:						
Transfers (to) from operating	16,015,832	-	-	(17,066,332)	(1,050,500)	(1,085,019)
Transfers (to) from non-operating	4,138,753	(3,239,979)	-	1,267,912	2,166,686	(42,607)
Total net transfers	20,154,585	(3,239,979)	-	(15,798,420)	1,116,186	(1,127,626)
Change in net assets	4,743,484	(870,704)	4,749,240	1,799,016	10,421,036	(2,697,641)
Net assets (deficit):						
Beginning	(29,255,600)	41,306,481	12,847,897	19,026,476	43,925,254	46,622,895
Ending	\$ (24,512,116)	\$ 40,435,777	\$ 17,597,137	\$ 20,825,492	\$ 54,346,290	\$ 43,925,254

Diocese of Orlando Administrative Offices

Schedule of Financial Position Information—Current Undesignated Fund
 June 30, 2023
 (With Summarized Comparative Totals for June 30, 2022)

	2023	2022
Assets		
Cash and cash equivalents	\$ 7,381,469	\$ 7,801,248
Prepaid expenses and other assets	126,782	105,216
Accrued interest receivable	24,316	9,264
Investments	11,494,302	10,554,012
Total assets	\$ 19,026,869	\$ 18,469,740
Liabilities and Net Deficit Without Donor Restrictions		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,397,919	\$ 1,502,646
Due to other funds	42,141,066	46,222,694
Total liabilities	43,538,985	47,725,340
Net assets (deficit) without donor restrictions	(24,512,116)	(29,255,600)
Total net deficit without donor restrictions	(24,512,116)	(29,255,600)
Total liabilities and net assets (deficit) without donor restrictions	\$ 19,026,869	\$ 18,469,740

Diocese of Orlando Administrative Offices

**Schedule of Activities Information—Current Undesignated Fund
Year Ended June 30, 2023**

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	2023	2022
Revenues, gains and other support:		
Contributions of cash and other financial assets		
Contributions and bequests	\$ 68,260	\$ 238,886
Other service fees	4,234,308	4,042,115
Investment income (loss), net	932,396	(1,639,632)
Other income	675,297	754,609
Total revenues, gains and other support	5,910,261	3,395,978
Expenses:		
Program services:		
Pastoral	2,730,901	2,934,316
Social services	2,248,659	1,996,000
Religious personnel development	3,053,076	3,076,252
Education	2,943,807	2,536,621
Special projects	-	769,511
Supporting services:		
Diocesan administration	10,344,919	9,036,014
Total expenses	21,321,362	20,348,714
Deficiency of support and revenue over expenses	(15,411,101)	(16,952,736)
Transfers:		
Transfer from operating funds	16,015,832	15,556,034
Transfer from nonoperating funds	4,138,753	1,500,778
Total transfers	20,154,585	17,056,812
Change in net assets	4,743,484	104,076
Net assets (deficit) without donor restrictions:		
Beginning	(29,255,600)	(29,359,676)
Ending	\$ (24,512,116)	\$ (29,255,600)

Diocese of Orlando Administrative Offices

Combining Schedule of Financial Position Information—Current Designated Funds
 June 30, 2023
 (With Summarized Comparative Totals for June 30, 2022)

	Bond Sinking Fund	2021 Bond Fund	Florida Manor Fund	Long-Term Care Fund for Priests	Orlando Catholic Education Foundation Fund	Communications Fund	Clergy Fund	Bond Fund Reserve	Total 2023	Total 2022
Assets										
Cash and cash equivalents	\$ 24,975	\$ 566,442	\$ 14,837	\$ 1,573,904	\$ -	\$ -	\$ 463,403	\$ -	\$ 2,643,561	\$ 3,090,484
Prepaid expenses and other assets	-	-	-	-	-	-	-	-	-	46,644
Accrued interest receivable	39,043	7,547	30,382	-	-	-	-	-	76,972	44,627
Advances to Diocesan entities, net	-	3,770,043	-	-	-	-	-	-	3,770,043	4,442,989
Other receivables, net	-	-	-	-	-	-	-	-	-	613
Investments	19,475,346	3,802,614	15,175,877	-	-	-	-	-	38,453,837	37,924,005
Due from other funds	2,500,822	33,797,183	1,318,028	272	31,008	37,583	68,979	1,660,897	39,414,772	42,270,233
Total assets	\$ 22,040,186	\$ 41,943,829	\$ 16,539,124	\$ 1,574,176	\$ 31,008	\$ 37,583	\$ 532,382	\$ 1,660,897	\$ 84,359,185	\$ 87,819,595
Liabilities and Net Assets (Deficit)										
Without Donor Restrictions										
Liabilities:										
Accounts payable and accrued expenses	\$ 8,690	\$ 77,910	\$ 3,434	\$ 3,654	\$ -	\$ -	\$ -	\$ -	\$ 93,688	\$ 294,691
Note payable, net of debt issuance costs	-	43,829,720	-	-	-	-	-	-	43,829,720	46,200,701
Due to other funds	-	-	-	-	-	-	-	-	-	17,722
Total liabilities	8,690	43,907,630	3,434	3,654	-	-	-	-	43,923,408	46,513,114
Net assets (deficit) without donor restrictions	22,031,496	(1,963,801)	16,535,690	1,570,522	31,008	37,583	532,382	1,660,897	40,435,777	41,306,481
Total liabilities and net assets (deficit) without donor restrictions	\$ 22,040,186	\$ 41,943,829	\$ 16,539,124	\$ 1,574,176	\$ 31,008	\$ 37,583	\$ 532,382	\$ 1,660,897	\$ 84,359,185	\$ 87,819,595

Diocese of Orlando Administrative Offices

Combining Schedule of Activities Information—Current Designated Funds
Year Ended June 30, 2023
(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Bond Sinking Fund	2021 Bond Fund	Florida Manor Fund	Long-term Care Fund for Priests	Orlando Catholic Education Foundation Fund	Communications Fund	Quasi/ Clergy Endowment Fund	Bond Fund Reserve	Total 2023	Total 2022
Revenues, gains and other support:										
Contributions of cash and other financial assets										
Contributions and bequests	\$ -	\$ -	\$ -	\$ 229,365	\$ -	\$ -	\$ 83,800	\$ -	\$ 313,165	\$ 427,878
Other service fees	-	26,402	-	-	-	-	-	26,347	52,749	63,178
Investment income (loss), net	1,368,379	486,902	1,099,573	-	-	-	4,231	-	2,959,085	(5,790,663)
Other income	-	50,000	-	-	-	-	-	-	50,000	-
Total revenues, gains and other support	1,368,379	563,304	1,099,573	229,365	-	-	88,031	26,347	3,374,999	(5,299,607)
Expenses:										
Program services:										
Pastoral										
Religious personnel development	15,708	-	12,191	-	-	-	-	-	27,899	28,954
Special projects	-	-	-	-	-	-	-	-	-	34,477
Supporting services:										
Diocesan administration	17,374	944,240	13,711	-	-	-	2,500	-	977,825	1,033,840
Total expenses	33,082	944,240	25,902	-	-	-	2,500	-	1,005,724	1,097,271
Transfer in (out)	(790,000)	-	(750,000)	(1,699,979)	-	-	-	-	(3,239,979)	(62,907)
Total net transfers out	(790,000)	-	(750,000)	(1,699,979)	-	-	-	-	(3,239,979)	(62,907)
Change in net assets	545,297	(380,936)	323,671	(1,470,614)	-	-	85,531	26,347	(870,704)	(6,459,785)
Net assets (deficit) without donor restrictions:										
Beginning	21,486,199	(1,582,865)	16,212,019	3,041,136	31,008	37,583	446,851	1,634,550	41,306,481	47,766,266
Ending	\$ 22,031,496	\$ (1,963,801)	\$ 16,535,690	\$ 1,570,522	\$ 31,008	\$ 37,583	\$ 532,382	\$ 1,660,897	\$ 40,435,777	\$ 41,306,481

Diocese of Orlando Administrative Offices

Combining Schedule of Financial Position Information—Current Donor Restricted Funds

June 30, 2023

(With Summarized Comparative Totals for June 30, 2022)

	Assets								Liabilities	Net Assets	Total
	Cash and Cash Equivalents	Contributions Receivable, Net	Prepaid Expenses and Other Assets	Other Receivables, Net	Investments	Land, Buildings and Equipment, Net	Due From (To) Other Funds	Total	Accounts Payable and Accrued Expenses	With Donor Restrictions	Liabilities and Net Assets With Donor Restrictions
Current donor restricted funds, operating											
Bishop Dorsey Colloquium Fund	\$ 6,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,031	\$ 25,693	\$ -	\$ 25,693	\$ 25,693
Campus Ministry Fund	83,498	-	-	-	-	-	-	83,498	-	83,498	83,498
Custodian Missionary Co-op/ Custodial Collections Funds	-	-	-	-	-	-	558,865	558,865	507,432	51,433	558,865
Disaster Relief Fund	-	-	-	-	-	-	238,428	238,428	-	238,428	238,428
Papenbrock (Needy Children) Fund	-	-	-	-	-	-	10,875	10,875	-	10,875	10,875
Propagation of the Faith Fund	-	-	-	-	-	-	1,221,348	1,221,348	-	1,221,348	1,221,348
Sister Diocese Fund	1,003,732	-	-	-	-	-	58,253	1,061,985	-	1,061,985	1,061,985
Long Term Care for Priests—Emmaus Campaign	-	-	-	759,073	751,648	-	-	1,510,721	-	1,510,721	1,510,721
Bishop's Appeal Fund	-	16,621,511	-	-	-	-	-	16,621,511	-	16,621,511	16,621,511
Total current donor restricted operating funds, June 30, 2023	\$ 1,093,892	\$ 16,621,511	\$ -	\$ 759,073	\$ 751,648	\$ -	\$ 2,106,800	\$ 21,332,924	\$ 507,432	\$ 20,825,492	\$ 21,332,924
Current donor restricted funds, nonoperating											
Plant Fund—Emmaus Campaign	-	-	-	-	-	618,114	-	618,114	-	618,114	618,114
Total current donor restricted nonoperating funds, June 30, 2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 618,114	\$ -	\$ 618,114	\$ -	\$ 618,114	\$ 618,114
Total current donor restricted funds, June 30, 2023	\$ 1,093,892	\$ 16,621,511	\$ -	\$ 759,073	\$ 751,648	\$ 618,114	\$ 2,106,800	\$ 21,951,038	\$ 507,432	\$ 21,443,606	\$ 21,951,038
Total current donor restricted funds, June 30, 2022	\$ 1,724,957	\$ 16,015,832	\$ 37,326	\$ 1,062,295	\$ -	\$ 1,480,478	\$ 2,474,142	\$ 22,795,030	\$ 2,288,076	\$ 20,506,954	\$ 22,795,030

Diocese of Orlando Administrative Offices

Combining Schedule of Activities Information—Current Donor Restricted Funds
 Year Ended June 30, 2023
 (With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Revenues, Gains and Other Support						Expenses and Other Deductions						Change in Net Assets	Net Assets With Donor Restrictions Beginning of Year	Net Assets With Donor Restrictions End of Year		
	Contributions of cash and other financial assets			Investment Income, net	Other Income	Net assets released from restrictions	Total	Programs Services			Supporting Services						
	Catholic Appeal Contributions	Contributions and Bequests						Pastoral	Social Services	Education	Diocesan Administration	Transfers Out of (Into)				Total	
Current donor restricted funds, operating																	
Bishop Dorsey Colloquium Fund	\$ -	\$ -	\$ 66	\$ -	\$ -	\$ 66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66	\$ 25,627	\$ 25,693	
Campus Ministry Fund	-	17,547	1,420	-	-	18,967	-	-	1,380	-	-	-	69,389	70,769	(51,802)	135,300	83,498
Custodian Missionary Co-op/ Custodial Collections Funds	-	-	-	-	-	-	-	-	-	(487,074)	-	486,647	(427)	427	51,006	51,433	
Disaster Relief Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	238,428	238,428	
Papenbrock (Needy Children) Fund	-	-	1,125	-	-	1,125	-	-	-	-	-	-	-	1,125	9,750	10,875	
Propagation of the Faith Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,221,348	1,221,348	
Sister Diocese Fund	-	627,748	13,215	-	-	640,963	-	500,654	-	-	-	179,487	680,141	(39,178)	1,101,163	1,061,985	
Seminarian Support Fund	-	314,977	-	-	-	314,977	-	-	-	-	-	314,977	314,977	-	-	-	
Long Term Care for Priests—Emmaus Campaign	-	36,148	72,375	-	-	108,523	53,785	-	-	-	39,951	(1,267,912)	(1,174,176)	1,282,699	228,022	1,510,721	
Bishop's Appeal Fund	16,621,511	-	-	-	-	16,621,511	-	-	-	-	-	16,015,832	16,015,832	605,679	16,015,832	16,621,511	
Total current donor restricted, operating funds, June 30, 2023	\$ 16,621,511	\$ 996,420	\$ 88,201	\$ -	\$ -	\$ 17,706,132	\$ 53,785	\$ 500,654	\$ 1,380	\$ (447,123)	\$ 15,798,420	\$ 15,907,116	\$ 1,799,016	\$ 19,026,476	\$ 20,825,492		
Current donor restricted funds, nonoperating																	
Plant Fund - Emmaus Campaign	-	-	-	-	(862,364)	(862,364)	-	-	-	-	-	-	-	(862,364)	1,480,478	618,114	
Total current donor restricted, nonoperating funds, June 30, 2023	\$ -	\$ -	\$ -	\$ -	\$ (862,364)	\$ (862,364)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (862,364)	\$ 1,480,478	\$ 618,114	
Total current donor restricted funds, June 30, 2023	\$ 16,621,511	\$ 996,420	\$ 88,201	\$ -	\$ (862,364)	\$ 16,843,768	\$ 53,785	\$ 500,654	\$ 1,380	\$ (447,123)	\$ 15,798,420	\$ 15,907,116	\$ 936,652	\$ 20,506,954	\$ 21,443,606		
Total current donor restricted funds, June 30, 2022	\$ 16,015,832	\$ 3,413,529	\$ 12,582	\$ -	\$ -	\$ 19,441,943	\$ -	\$ 855,788	\$ -	\$ (438,118)	\$ 16,641,053	\$ 17,058,723	\$ 2,383,220	\$ 18,123,734	\$ 20,506,954		

Diocese of Orlando Administrative Offices

Combining Schedule of Financial Position Information—Designated for Self-Insurance Funds

June 30, 2023

(With Summarized Comparative Totals for June 30, 2022)

	Property and General Liability Fund	Accident and Health Fund	Unemployment Compensation Fund	Total 2023	Total 2022
Assets					
Cash and cash equivalents	\$ 9,385,327	\$ 4,404,825	\$ 3,819,208	\$ 17,609,360	\$ 12,926,038
Prepaid expenses and other assets	5,130,338	-	-	5,130,338	3,366,709
Other receivables, net	195,934	568,988	-	764,922	1,120,734
Investments	112,891	-	-	112,891	128,301
Due from other funds	505,471	-	-	505,471	-
Total assets	\$ 15,329,961	\$ 4,973,813	\$ 3,819,208	\$ 24,122,982	\$ 17,541,782
Liabilities and Net Assets Without Donor Restrictions					
Liabilities:					
Accounts payable and accrued expenses	\$ 2,440,320	\$ 349,568	\$ -	\$ 2,789,888	\$ 971,796
Self-insurance claim liabilities	2,226,736	1,499,220	10,001	3,735,957	3,657,496
Due to other funds	-	-	-	-	64,593
Total liabilities	4,667,056	1,848,788	10,001	6,525,845	4,693,885
Net assets without donor restrictions, designated for special use, self-insurance fund	10,662,905	3,125,025	3,809,207	17,597,137	12,847,897
Total liabilities and net assets without donor restrictions	\$ 15,329,961	\$ 4,973,813	\$ 3,819,208	\$ 24,122,982	\$ 17,541,782

Diocese of Orlando Administrative Offices

Combining Schedule of Activities Information—Designated for Self-Insurance Funds

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Property and General Liability Fund	Accident and Health Fund	Unemployment Compensation Fund	Total 2023	Total 2022
Revenues, gains and other support:					
Self-insurance administration fees and other service fees	\$ 10,938,755	\$ 19,792,993	\$ 535,650	\$ 31,267,398	\$ 27,829,391
Contributions and bequests	808,732	-	-	808,732	-
Investment income, net	39,420	46,620	45,244	131,284	21,961
Other income	1,313,185	60,197	-	1,373,382	86,665
Total revenues, gains and other support	13,100,092	19,899,810	580,894	33,580,796	27,938,017
Expenses:					
Program services:					
Self-insurance program	10,402,330	18,389,790	39,436	28,831,556	25,182,691
Change in net assets without donor restrictions	2,697,762	1,510,020	541,458	4,749,240	2,755,326
Net assets without donor restrictions:					
Beginning	7,965,143	1,615,005	3,267,749	12,847,897	10,092,571
Ending	\$ 10,662,905	\$ 3,125,025	\$ 3,809,207	\$ 17,597,137	\$ 12,847,897

Diocese of Orlando Administrative Offices

Schedule of Financial Position Information—Diocesan Savings Fund
 June 30, 2023
 (With Summarized Comparative Totals for June 30, 2022)

	2023	2022
Assets		
Cash and cash equivalents	\$ 34,390,895	\$ 66,327,696
Accrued interest receivable	1,055,620	626,802
Loans receivable, net	19,417,652	28,683,954
Investments	129,755,797	74,454,389
Due from other funds	27,252,544	27,252,544
	<u>211,872,508</u>	<u>197,345,385</u>
Total assets	\$ 211,872,508	\$ 197,345,385
Liabilities and Net Assets Without Donor Restrictions		
Liabilities:		
Accounts payable and accrued expenses	\$ 4,621	\$ 5,392
Savings deposits	210,693,520	199,848,059
Total liabilities	<u>210,698,141</u>	<u>199,853,451</u>
Net assets (deficit) without donor restrictions	<u>1,174,367</u>	<u>(2,508,066)</u>
	<u>211,872,508</u>	<u>197,345,385</u>
Total liabilities and net assets without donor restrictions	\$ 211,872,508	\$ 197,345,385

Diocese of Orlando Administrative Offices

Schedule of Activities Information—Diocesan Savings Fund

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	2023	2022
Revenues, gains and other support:		
Investment income (loss), net	\$ 5,947,407	\$ (7,374,834)
Total revenues, gains and other support	5,947,407	(7,374,834)
Expenses:		
Program services:		
Deposit and loan program	2,264,974	1,934,703
Change in net assets without donor restrictions	3,682,433	(9,309,537)
Net assets (deficit) without donor restrictions:		
Beginning	(2,508,066)	6,801,471
Ending	\$ 1,174,367	\$ (2,508,066)

Diocese of Orlando Administrative Offices

**Schedule of Financial Position Information—Plant Fund
June 30, 2023
(With Summarized Comparative Totals for June 30, 2022)**

	2023	2022
Assets		
Cash and cash equivalents	\$ 10,109	\$ 58,481
Prepaid expenses and other assets	10,217	13,605
Accrued interest receivable	20,044	12,604
Advances to Diocesan entities, net	1,296,948	1,296,948
Operating right-of-use lease assets	571,123	-
Investments	10,127,563	10,168,346
Land, buildings and equipment, net	32,442,763	32,609,940
	<u> </u>	<u> </u>
Total assets	\$ 44,478,767	\$ 44,159,924
Liabilities and Net Assets Without Donor Restrictions		
Liabilities:		
Accounts payable and accrued expenses	\$ 254,089	\$ 628,732
Operating right-of-use lease liabilities	1,503,823	-
Due to other funds	28,770,651	27,320,071
	<u> </u>	<u> </u>
Total liabilities	30,528,563	27,948,803
Net assets:		
With donor restrictions	618,114	1,480,478
Without donor restrictions	13,332,090	14,730,643
	<u> </u>	<u> </u>
Total net assets	13,950,204	16,211,121
	<u> </u>	<u> </u>
Total liabilities and net assets	\$ 44,478,767	\$ 44,159,924

Diocese of Orlando Administrative Offices

Schedule of Activities Information—Plant Fund

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Without Donor Restrictions	With Donor Restrictions	Total 2023	Total 2022
Revenues, gains and other support:				
Investment (loss) income, net	\$ 717,619	\$ -	\$ 717,619	\$ (1,626,885)
Gain on sale of land, buildings and equipment	-	-	-	1,188,394
Other income	25,379	-	25,379	47,671
Net assets released from restrictions	862,364	(862,364)	-	-
Total revenues, gains and other support	1,605,362	(862,364)	742,998	(390,820)
Expenses:				
Program services:				
Plant activities	2,287,729	-	2,287,729	2,162,179
Total expenses	2,287,729	-	2,287,729	2,162,179
Transfers (to) from other funds	(716,186)	-	(716,186)	1,127,626
Change in net assets	(1,398,553)	(862,364)	(2,260,917)	(1,425,373)
Net assets:				
Beginning	14,730,643	1,480,478	16,211,121	17,636,494
Ending	\$ 13,332,090	\$ 618,114	\$ 13,950,204	\$ 16,211,121

Diocese of Orlando Administrative Offices

Combining Schedule of Financial Position Information—Endowment Funds

June 30, 2023

(With Summarized Comparative Totals for June 30, 2022)

	Seminarian Burse Fund	St. Anne's Shrine Fund	Pelletier Fund	Parish Endowment Fund	Papenbrock Fund	School Endowment Fund	Alive in Christ Endowment Fund	Bishop Dorsey Fund	Total 2023	Total 2022
Assets										
Cash and cash equivalents	\$ 1,711	\$ -	\$ -	\$ 230,085	\$ 12,569	\$ -	\$ 225,386	\$ 540,978	\$ 1,010,729	\$ 931,092
Accrued interest receivable	10,163	-	-	-	-	-	4,676	-	14,839	9,764
Investments	4,302,123	-	-	305,597	206,659	-	12,570,036	-	17,384,415	17,060,251
Due from (to) other funds	73,803	31,223	24,936	-	-	1,504,360	(5,136)	-	1,629,186	1,629,186
Total assets	\$ 4,387,800	\$ 31,223	\$ 24,936	\$ 535,682	\$ 219,228	\$ 1,504,360	\$ 12,794,962	\$ 540,978	\$ 20,039,169	\$ 19,630,293
Liabilities and Net Assets With Donor Restrictions										
Net assets with donor restrictions	\$ 4,387,800	\$ 31,223	\$ 24,936	\$ 535,682	\$ 219,228	\$ 1,504,360	\$ 12,794,962	\$ 540,978	\$ 20,039,169	\$ 19,630,293
Total liabilities and net assets with donor restrictions	\$ 4,387,800	\$ 31,223	\$ 24,936	\$ 535,682	\$ 219,228	\$ 1,504,360	\$ 12,794,962	\$ 540,978	\$ 20,039,169	\$ 19,630,293

Diocese of Orlando Administrative Offices

Combining Schedule of Activities Information—Endowment Funds

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Seminarian Burse Fund	St. Anne's Shrine Fund	Pelletier Fund	Parish Endowment Fund	Papenbrock Fund	School Endowment Fund	Alive in Christ Endowment Fund	Bishop Dorsey Fund	Total 2023	Total 2022
Revenue, gains, and other support:										
Investment (loss) income, net	\$ 232,234	\$ -	\$ -	\$ 25,453	\$ 17,396	\$ -	\$ 1,150,361	\$ 5,380	\$ 1,430,824	\$ (2,728,451)
Total revenue, gains and other support	232,234	-	-	25,453	17,396	-	1,150,361	5,380	1,430,824	(2,728,451)
Expenses:										
Supporting services:										
Diocese administration	2,750	-	-	7,171	9,059	-	602,968	-	621,948	619,189
Transfers:										
Transfers to current unrestricted fund	(400,000)	-	-	-	-	-	-	-	(400,000)	-
Total transfers	(400,000)	-	-	-	-	-	-	-	(400,000)	-
Change in net assets with donor restrictions	(170,516)	-	-	18,282	8,337	-	547,393	5,380	408,876	(3,347,640)
Net assets with donor restrictions:										
Beginning	4,558,316	31,223	24,936	517,400	210,891	1,504,360	12,247,569	535,598	19,630,293	22,977,933
Ending	\$ 4,387,800	\$ 31,223	\$ 24,936	\$ 535,682	\$ 219,228	\$ 1,504,360	\$ 12,794,962	\$ 540,978	\$ 20,039,169	\$ 19,630,293

Diocese of Orlando Administrative Offices

Combining Schedule of Financial Position Information—Life/Gift Annuity and Other Funds
 June 30, 2023
 (With Summarized Comparative Totals for June 30, 2022)

	2023	2022
Assets		
Cash and cash equivalents	\$ 1,521	\$ 545
Investments	54,097	54,520
Total assets	\$ 55,618	\$ 55,065
Liabilities and Net Assets With Donor Restrictions		
Liabilities:		
Annuities payable	\$ 12,734	\$ 13,368
Due to other funds	13,783	13,783
Total liabilities	26,517	27,151
Net assets with donor restrictions	29,101	27,914
Total liabilities and net assets with donor restrictions	\$ 55,618	\$ 55,065

Diocese of Orlando Administrative Offices

Combining Schedule of Activities Information—Life/Gift Annuity and Other Funds

Year Ended June 30, 2023

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	2023	2022
Revenues, gains and other support:		
Investment income (loss), net	\$ 5,106	\$ (7,202)
Actuarial adjustment to annuities payable	634	25,649
Total revenues, gains and other support	5,740	18,447
Expenses:		
Program services:		
Special projects	-	114,465
Supporting services:		
Diocese administration	4,553	6,985
Total expenses	4,553	121,450
Change in net assets with donor restrictions	1,187	(103,003)
Net assets with donor restrictions:		
Beginning	27,914	130,917
Ending	\$ 29,101	\$ 27,914