

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Combined Financial Statements  
Years Ended June 30, 2015 and 2014**

**Archdiocese of Louisville  
(Chancery and Certain Entities)**

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June 30, 2015 and 2014

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## **Independent Auditor's Report**

To Archbishop Joseph E. Kurtz, D.D.  
and Finance Council  
**Archdiocese of Louisville**

We have audited the accompanying combined financial statements of the Archdiocese of Louisville (Chancery and Certain Entities) (a not-for-profit organization) (the "Archdiocese"), which comprise the combined statements of financial position as of June 30, 2015 and 2014, and the related combined statements of activities and cash flows for the years then ended, and the related notes to the combined financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Independent Auditor's Report (Continued)**

### **Opinion**

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Archdiocese of Louisville (Chancery and Certain Entities) as of June 30, 2015 and 2014, and the results of their activities and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information on pages 28 - 35 is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.



Jeffersonville, Indiana  
November 3, 2015

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Combined Statements of Financial Position  
June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Assets		
Cash and cash equivalents	\$ 7,206,174	\$ 6,834,760
Investments (Notes C, D and K)	115,665,414	116,693,254
Accrued interest receivable on investments (Note D)	49,086	116,298
Accounts receivable, net (Notes E and O)	1,937,810	2,314,470
Pledge receivables, net (Note F)	236,584	1,687,786
Grants and other receivables (Note G)	931,733	971,431
Prepaid expenses	203,081	124,591
Inventories	27,412	27,319
Notes receivable - parishes and other related parties, net (Notes H and O)	9,654,703	10,318,582
Accrued interest receivable on notes receivable	666,461	661,250
Beneficial interest in third-party trusts (Notes C, I and T)	1,444,469	1,468,404
Cemetery lot development costs	4,003,434	3,999,804
Mausoleums, columbaria, and lots	862,251	915,548
Property and equipment, net (Note J)	4,781,256	4,829,233
	<u>\$ 147,669,868</u>	<u>\$ 150,962,730</u>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 2,225,168	\$ 2,225,611
Pledges payable, net (Note F)	181,387	1,189,295
Collections payable	237,804	358,932
Deferred revenue	1,141,832	825,369
Notes payable (Note M)	10,890	22,517
Notes payable - parishes and other related parties (Notes H and O)	49,049,264	48,593,529
	<u>52,846,345</u>	<u>53,215,253</u>
Net Assets		
Unrestricted net assets		
Invested in property and equipment	4,770,366	4,806,716
Expendable net assets	65,768,639	67,103,516
Designated net assets (Note S)	11,057,241	12,123,764
Regulatory restricted - perpetual care endowment (Notes K and R)	5,542,857	4,916,289
	<u>87,139,103</u>	<u>88,950,285</u>
Total Unrestricted Net Assets	87,139,103	88,950,285
Temporarily restricted (Notes K and T)	4,710,077	5,611,517
Permanently restricted (Notes K and T)	2,974,343	3,185,675
	<u>94,823,523</u>	<u>97,747,477</u>
Total Net Assets	94,823,523	97,747,477
Total Liabilities and Net Assets	<u>\$ 147,669,868</u>	<u>\$ 150,962,730</u>

See accompanying notes.

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Combined Statements of Activities  
Years Ended June 30, 2015 and 2014**

	2015				2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue, Support, and Gains								
Donations, bequests, and grants (Notes S and T)	\$ 11,182,777	\$ 1,807,120	\$ 1,861	\$12,991,758	\$ 14,619,599	\$ 273,365	\$ 22,965	\$ 14,915,929
Parish assessments (Notes O and P)	7,878,713	-	-	7,878,713	8,451,968	-	-	8,451,968
Special collections	409,597	-	-	409,597	406,872	-	-	406,872
Burial sales	2,261,601	-	-	2,261,601	1,810,139	-	-	1,810,139
Catholic Services Appeal	3,228,730	-	-	3,228,730	2,897,768	-	-	2,897,768
Fee income	2,518,740	-	-	2,518,740	2,461,493	-	-	2,461,493
Program and activity income	340,845	-	-	340,845	404,981	-	-	404,981
Rental income	204,141	-	-	204,141	172,240	-	-	172,240
Advertising income	554,232	-	-	554,232	608,392	-	-	608,392
Investment income, net	2,368,927	194,927	-	2,563,854	2,408,740	52,335	-	2,461,075
Other income	119,330	-	-	119,330	314,502	-	-	314,502
Realized gain on sale of investments	4,423,976	-	-	4,423,976	2,572,397	-	-	2,572,397
Unrealized gain (loss) in market value of investments	(7,970,766)	-	-	(7,970,766)	10,667,217	-	-	10,667,217
Increase in value of split interest agreements (Note T)	-	1,253	(6,906)	(5,653)	-	43,774	52,702	96,476
Net assets released from restrictions / other changes	3,111,027	(2,904,740)	(206,287)	-	892,760	(892,760)	-	-
Total Revenues, Support, and Gains	30,631,870	(901,440)	(211,332)	29,519,098	48,689,068	(523,286)	75,667	48,241,449

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Combined Statements of Activities (Continued)  
Years Ended June 30, 2015 and 2014**

	2015				2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Expenses								
Salary expense	9,049,901	-	-	9,049,901	8,590,399	-	-	8,590,399
Payroll added expense	2,269,232	-	-	2,269,232	2,269,510	-	-	2,269,510
Clergy retirement benefits (Note P)	1,755,386	-	-	1,755,386	1,772,018	-	-	1,772,018
Mileage and expense allowance	841,721	-	-	841,721	875,533	-	-	875,533
Education expense	603,835	-	-	603,835	602,342	-	-	602,342
Rent expense (Note N)	76,737	-	-	76,737	57,802	-	-	57,802
Office supplies and services	1,143,407	-	-	1,143,407	1,156,891	-	-	1,156,891
Plant and grounds expense	1,143,319	-	-	1,143,319	1,116,895	-	-	1,116,895
Auto expense	119,404	-	-	119,404	119,417	-	-	119,417
Public relations, donations, and grants	237,905	-	-	237,905	257,962	-	-	257,962
Advertising expense	177,677	-	-	177,677	172,606	-	-	172,606
Professional fees and services (Note F)	534,311	-	-	534,311	560,842	-	-	560,842
Program and activity expense	1,309,228	-	-	1,309,228	1,592,065	-	-	1,592,065
Broadcasting/press expense	449,630	-	-	449,630	443,704	-	-	443,704
Archdiocesan support	272,684	-	-	272,684	136,291	-	-	136,291
Education grants	405,000	-	-	405,000	411,500	-	-	411,500
Cost of sales	363,093	-	-	363,093	335,707	-	-	335,707
Papal and national organizations	105,559	-	-	105,559	103,625	-	-	103,625
Other grants and direct aid (Note O)	9,678,224	-	-	9,678,224	11,858,980	-	-	11,858,980
Other restricted expense payments	273,533	-	-	273,533	127,343	-	-	127,343
Interest expense	405,571	-	-	405,571	570,075	-	-	570,075
Depreciation expense (Note J)	438,648	-	-	438,648	436,756	-	-	436,756
Bad debt expense	365,460	-	-	365,460	817,327	-	-	817,327
Miscellaneous expense	423,587	-	-	423,587	314,531	-	-	314,531
Total Expenses	<u>32,443,052</u>	<u>-</u>	<u>-</u>	<u>32,443,052</u>	<u>34,700,121</u>	<u>-</u>	<u>-</u>	<u>34,700,121</u>
Changes in Net Assets	(1,811,182)	(901,440)	(211,332)	(2,923,954)	13,988,947	(523,286)	75,667	13,541,328
Net Assets, Beginning of Year	<u>88,950,285</u>	<u>5,611,517</u>	<u>3,185,675</u>	<u>97,747,477</u>	<u>74,961,338</u>	<u>6,134,803</u>	<u>3,110,008</u>	<u>84,206,149</u>
Net Assets, End of Year	<u>\$ 87,139,103</u>	<u>\$ 4,710,077</u>	<u>\$ 2,974,343</u>	<u>\$94,823,523</u>	<u>\$ 88,950,285</u>	<u>\$ 5,611,517</u>	<u>\$ 3,185,675</u>	<u>\$97,747,477</u>

See accompanying notes.

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Combined Statements of Cash Flows  
Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Reconciliation of Change in Net Assets to		
Net Cash Provided by Operating Activities		
Change in Net Assets	\$ (2,923,954)	\$ 13,541,328
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	438,648	436,756
Gain on disposal of property and equipment	(2,042)	(10,703)
Bad debt expense	365,460	817,327
Change in discount of accounts receivable	(8,062)	(7,918)
Change in discount of pledges receivable	(82,671)	24,371
Change in discount of pledges payable	52,763	(11,351)
Forgiveness of notes receivable	610,061	661,881
Increase in beneficial interest in third-party trusts	23,935	(96,476)
Unrealized loss (gain) in market value of investments	7,970,766	(10,667,217)
Realized investment gain	(4,423,976)	(2,572,397)
Discount on notes receivable	(25,296)	(61,746)
Other Changes:		
(Increase) decrease in:		
Accrued interest receivable on investments	67,212	8,367
Accounts receivable	257,467	(590,473)
Pledges receivable	1,295,668	2,806,712
Grants and other receivables	39,698	(460,836)
Prepaid expenses	(78,490)	37,366
Inventories	(93)	720
Accrued interest receivable on notes receivable	(5,211)	886
Mausoleums, columbaria, and lots	53,297	33,097
Increase (decrease) in:		
Accounts payable and accrued expenses	(443)	286,623
Pledges payable	(1,060,671)	(2,346,518)
Collections payable	(121,128)	(29,377)
Deferred revenue	316,463	65,880
	<u>2,759,401</u>	<u>1,866,302</u>
Net Cash Provided by Operating Activities		



**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Combined Statements of Cash Flows (Continued)**  
**Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Net Cash Provided by Operating Activities	\$ 2,759,401	\$ 1,866,302
Cash Flows from Investing Activities		
Purchases of property and equipment	(420,909)	(608,024)
Proceeds from sale of property and equipment	28,850	17,050
Purchases of investments, net	(3,444,006)	(2,773,144)
Advances to and repayments on loans to parishes and others, net	<u>1,003,970</u>	<u>1,028,638</u>
Net Cash Used by Investing Activities	(2,832,095)	(2,335,480)
Cash Flows from Financing Activities		
Principal (payments) on notes payable	(11,627)	10,337
Deposits from (payments to) parishes and others, net	<u>455,735</u>	<u>(2,453,557)</u>
Net Cash Provided (Used) by Financing Activities	444,108	(2,443,220)
Increase (Decrease) in Cash and Cash Equivalents	371,414	(2,912,398)
Cash and Cash Equivalents, Beginning of Year	<u>6,834,760</u>	<u>9,747,158</u>
Cash and Cash Equivalents, End of Year	<u>\$ 7,206,174</u>	<u>\$ 6,834,760</u>

See accompanying notes.

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements  
June 30, 2015 and 2014**

**Note A - Nature of Organization**

The Archdiocese of Louisville (Chancery and Certain Entities) (the "Archdiocese") is a religious organization affiliated with the Roman Catholic Church. The Chancery provides support for the administration of pastoral, vocational, educational, and other services to the parish communities of central Kentucky. The Chancery derives its revenue mainly from donations, parish assessments, Catholic Services Appeal, and investment returns. The Chancery also provides financing and investing services to various parishes and other organizations through the Deposit and Loan Fund. Catholic Cemeteries administers four of the cemeteries in the Archdiocese of Louisville. Catholic Charities of Louisville, Inc. ("Catholic Charities") administers the migration and refugee program, among other social service activities. Catholic Foundation of Louisville, Inc. ("Catholic Foundation") administers the Seminarian Education, Priest Retirement, Parish Assistance, and Legacy Fund initiatives as part of the Building a Future of Hope capital campaign.

**Note B - Summary of Significant Accounting Policies**

This summary of significant accounting policies of the Archdiocese is presented to assist in understanding the Archdiocese's financial statements. The financial statements and notes are representations of the Archdiocese's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements. The more significant accounting policies of the Archdiocese are as follows:

1. Principles of Combination: The combined financial statements include the accounts of the Archdiocese of Louisville and Certain Entities which are under common control. Such entities are collectively referred to as the Archdiocese in the financial statements and related notes and include the Chancery (with its Deposit and Loan Fund), Catholic Cemeteries, Catholic Charities, and Catholic Foundation. All significant transactions among the entities included in the combined financial statements have been eliminated.

The combined financial statements do not include the parishes, elementary schools, four Archdiocesan sponsored secondary schools, and Catholic institutions owned and operated by religious communities.

2. Basis of Accounting: The combined statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Accounting Standards Codification ("ASC") as produced by the Financial Accounting Standards Board ("FASB") is the sole source of authoritative GAAP.

The Archdiocese distinguishes between contributions received for each net asset category in accordance with donor imposed restrictions, if any. The Archdiocese classifies resources for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. A description of the three net asset categories is on the following page.

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note B - Summary of Significant Accounting Policies (Continued)**

2. Basis of Accounting (Continued):

*Unrestricted Net Assets* include the following:

Invested in Property and Equipment: These net assets represent cumulative resources expended for property and equipment, less accumulated depreciation recorded on the property and equipment and net of related debt.

Expendable Net Assets: These net assets represent the portion of expendable funds available for support in the operation of the Archdiocese.

Designated Net Assets: These net assets represent unrestricted funds designated for specific purposes by the Archbishop. Although the Archbishop could release or revise the designations in the future, to the extent not externally restricted, there is no intent to do so.

Regulatory Restricted - Perpetual Care Endowment: See Note R.

*Temporarily Restricted Net Assets* include gifts for which donor imposed restrictions are to be met.

*Permanently Restricted Net Assets* include amounts for which the donor has stipulated that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

The Archdiocese reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor time restriction ends or a donor purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions in the statement of activities. The Archdiocese treats restricted gifts whose restrictions are met in the same reporting period as unrestricted.

The Archdiocese reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations of how long those long-lived assets must be maintained, the Archdiocese reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

3. Use of Estimates: The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (and disclosure of contingent assets and liabilities, if any) 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.

4. Cash and Cash Equivalents: Cash and cash equivalents primarily include highly liquid investment securities with maturities of three months or less at the time of purchase.

The Archdiocese maintains its cash balances in bank deposit accounts which, at times, may exceed the \$250,000 coverage provided by the Federal Deposit Insurance Corporation ("FDIC"). The Archdiocese has not experienced any losses in such accounts. Management believes the Archdiocese is not exposed to any significant risk on bank deposits.

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note B - Summary of Significant Accounting Policies (Continued)**

5. Investments: The Archdiocese invests in fixed income securities, including government and corporate bonds, and in publicly traded stocks, alternative strategies and real assets.

Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would result in material changes in the fair value of investments and net assets of the Archdiocese.

Investments are carried at fair value, generally determined by quoted market prices. Receipt of donated investments is recorded at the quoted market value of the investment at the time of donation.

Net appreciation/depreciation on endowed fund investments, whose income is unrestricted as to use, is reported as unrestricted net assets unless such net appreciation/depreciation have been permanently restricted by the donor or by law. In cases where the donor has placed temporary restrictions on the use of the income from endowed gifts, net appreciation/depreciation are reported as part of temporarily restricted net assets until the restriction has been met.

Investment income in the combined statements of activities is net of investment expenses of approximately \$289,000 in 2015 and \$408,000 in 2014.

6. Receivables: The Archdiocese uses the allowance method for valuing receivables, which is based upon historical experience, coupled with a review of the current status of existing receivables. See notes within the financial statements for specific allowances determined by management.
7. Inventories: Inventories are carried at the lower of cost (first-in, first-out) or market and consist of monuments and supplies for Catholic Cemeteries.
8. Cemetery Lot Development Costs: Lot development costs represent actual cost incurred in development of mausoleums, columbaria, and gravesites which are in the process of being completed for sale to the general public.
9. Mausoleums, Columbaria, and Lots: Mausoleums, columbaria, and lots represent completed burial sites available for sale to the general public. As burial sites are sold, an allocated portion of the actual costs are expensed through cost of sales.
10. Property and Equipment: Donated property and equipment are recorded at their estimated fair values at the time of donation. Purchased property and equipment are recorded at acquisition cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

Land improvements	10 - 30 years
Buildings and improvements	20 - 40 years
Furniture and equipment	3 - 20 years

11. Collections Payable: Collections payable represent special collections conducted by parishes throughout the Archdiocese to meet particular pastoral needs. The Archdiocese remits these collections to local and national charitable organizations on behalf of the parishes.

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note B - Summary of Significant Accounting Policies (Continued)**

12. Deferred Revenue: Deferred revenue consists mainly of prepaid interments, lot maintenance fees, and other donations. Revenues are reported in the fiscal year in which they are earned.
13. Donated Goods and Services: Donated materials and equipment are shown as gifts, valued at their estimated value at the date of receipt. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Archdiocese. A large number of volunteers have given significant amounts of their time for the operation of the Archdiocese throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.
14. Income Taxes: The Archdiocese qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, no provision for federal or state income taxes has been recorded.

The Archdiocese evaluates recognition and measurement of uncertain income tax positions using a "more-likely-than-not" approach and has determined that no material adjustment for income tax uncertainties or unrecognized tax benefits is required. Catholic Charities 2011 through 2014 tax years remain open and subject to examination.

15. Advertising: Expenses related to advertising and promotions are expensed as incurred. Advertising costs were approximately \$178,000 and \$172,000 for the years ended June 30, 2015 and 2014, respectively.
16. Subsequent Events: The Archdiocese has evaluated events occurring subsequent to year end through the date of the Independent Auditor's Report, the date the financial statements were available to be issued.

**Note C - Fair Value Measurements**

The financial statements reflect the accounting standard related to fair value measurements, which provides a comprehensive framework for measuring fair value and expands required disclosures concerning fair value measurements. Specifically, the standard sets forth a definition of fair value and establishes a hierarchy prioritizing the inputs to valuation techniques, giving the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable value inputs.

The standard defines levels with the hierarchy of inputs as follows:

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 - Quoted prices for similar assets and liabilities in active markets (other than those included in Level 1) which are observable for the asset or liability, either directly or indirectly.
- Level 3 - Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The following is a description of the valuation methodologies used for the assets and liabilities measured at fair value. There have been no changes in the methodologies used to determine fair value at June 30, 2015 and 2014.

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note C - Fair Value Measurements (Continued)**

*Cash and cash equivalents:* Valued at the net asset value.

*Common stocks:* Valued at the quoted market price of the shares.

*Government backed securities:* Valued using a yield curve matrix derived from quoted prices for similar assets in active markets.

*Corporate bonds and other:* Valued using a yield curve matrix derived from quoted prices for similar assets in active markets.

*Real assets:* Valued at quoted market prices in active markets.

*Alternative Strategies:* Valued at quoted market prices in active markets.

*Mutual funds:* Valued at quoted market prices in exchange and active markets.

*Beneficial interest in charitable remainder uni-trusts:* Valued based on present value calculations.

Fair values of financial assets measured on a recurring basis at June 30, 2015, are as follows:

	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 2,382,621	\$ 2,382,621	\$ -	\$ -
Common stocks	67,788,550	67,788,550	-	-
Government backed securities	76,603	76,603	-	-
Corporate bonds and other	27,226,828	27,226,828	-	-
Real assets	8,915,351	8,915,351	-	-
Alternate strategies	9,275,461	9,275,461	-	-
Beneficial interest in third-party trusts (Note I)	1,444,469	-	-	1,444,469
	<u>\$ 117,109,883</u>	<u>\$ 115,665,414</u>	<u>\$ -</u>	<u>\$ 1,444,469</u>

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note C - Fair Value Measurements (Continued)**

Fair values of financial assets measured on a recurring basis at June 30, 2014, are as follows:

	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 1,965,988	\$ 1,965,988	\$ -	\$ -
Common stocks	75,271,735	75,271,735	-	-
Government backed securities	5,016,165	5,016,165	-	-
Corporate bonds and other	21,717,605	21,717,605	-	-
Investment in limited partnership	11,004,874	11,004,874	-	-
Real assets	1,716,887	1,716,887	-	-
Beneficial interest in third-party trusts (Note I)	1,468,404	-	-	1,468,404
	<u>\$ 118,161,658</u>	<u>\$ 116,693,254</u>	<u>\$ -</u>	<u>\$ 1,468,404</u>

The years ended June 30, 2015 and 2014 activity of the assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 investments and beneficial interests in third-party trusts) is as follows:

	2015	2014
Beginning Balance	\$ 1,468,404	\$ 1,371,928
Change in Fair Value	(596)	119,775
Distributions	<u>(23,339)</u>	<u>(23,299)</u>
Ending Balance	<u>\$ 1,444,469</u>	<u>\$ 1,468,404</u>

**Note D - Investments**

Investments at June 30, 2015 and 2014, consisted of the following:

	2015		2014	
	Cost	Market	Cost	Market
Cash and cash equivalents	\$ 2,382,621	\$ 2,382,621	\$ 1,965,988	\$ 1,965,988
Common stocks	57,258,768	67,788,550	58,892,456	75,271,735
Government backed securities	77,180	76,603	5,014,428	5,016,165
Corporate bonds and other	27,648,077	27,226,828	22,029,388	21,717,605
Alternate strategies	8,949,611	9,275,461	1,663,585	1,716,887
Real assets	10,411,009	8,915,351	10,226,410	11,004,874
Total	<u>\$ 106,727,266</u>	<u>\$ 115,665,414</u>	<u>\$ 99,792,255</u>	<u>\$ 116,693,254</u>

Accrued interest earned from the above investments was \$49,086 and \$116,298 as of June 30, 2015 and 2014, respectively.

**Archdiocese of Louisville**  
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**Note E - Accounts Receivable**

The Archdiocese provides an allowance for doubtful accounts based upon the anticipated collectability of each specific account. In evaluating the collectability of the accounts receivable, the Archdiocese considers a number of factors, including the age of accounts, changes in collection patterns, and economic conditions. Actual collections of accounts receivable in subsequent periods may require changes in the estimated provision. Changes in the estimate are charged or credited to the results of the operations in the period of change. The Archdiocese does not charge interest on past due accounts.

A summary of the accounts receivable at June 30, 2015 and 2014, is as follows:

	<u>2015</u>	<u>2014</u>
Accounts receivable	\$ 4,552,510	\$ 4,809,977
Less discount	(31,932)	(39,994)
Less allowance for doubtful accounts	<u>(2,582,768)</u>	<u>(2,455,513)</u>
Balance at End of Year	<u>\$ 1,937,810</u>	<u>\$ 2,314,470</u>

**Note F - Pledges Receivable/Pledges Payable**

The Building a Future of Hope capital campaign was conducted by the Archdiocese of Louisville to address both parish and archdiocesan needs. It was a capital share campaign with the parishes that commenced in the fall of 2008. The campaign will officially end December 31, 2015. The primary purpose was to deepen the spiritual lives of parishes and parishioners through an enhanced prayer and stewardship effort. As of June 30, 2015, net receipts were \$42.7 million for the campaign, of which approximately 57% stayed with the parishes.

Unconditional promises to give at June 30, 2015 and 2014, are as follows:

	<u>2015</u>	<u>2014</u>
Pledges receivable:		
Receivable in less than one year	\$ 236,584	\$ 1,208,300
Receivable in one to two years	<u>-</u>	<u>2,870,524</u>
Total Pledges Receivable	236,584	4,078,824
Less discount for present value	-	(82,671)
Less allowance for uncollectible pledges receivable	<u>-</u>	<u>(2,308,367)</u>
Net Pledges Receivable	<u>\$ 236,584</u>	<u>\$ 1,687,786</u>



**Archdiocese of Louisville  
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**Note F - Pledges Receivable/Pledges Payable (Continued)**

Pledges payable to parishes at June 30, 2015 and 2014, are as follows:

	<u>2015</u>	<u>2014</u>
Pledges payable to parishes:		
Payable in less than one year	\$ 181,387	\$ 746,247
Payable in one to two years	<u>-</u>	<u>1,833,342</u>
 Total Pledges Payable	 181,387	 2,579,589
 Less discount for present value	 -	 (52,763)
Less allowance for uncollected pledge receivables not remitted to parish	 <u>-</u>	 <u>(1,337,531)</u>
 Net Pledges Payable	 <u><u>\$ 181,387</u></u>	 <u><u>\$ 1,189,295</u></u>

**Note G - Grants and Other Receivables**

Grants and other receivables at June 30, 2015 and 2014, totaling \$931,733 and \$971,431, respectively, consist primarily of billings for reimbursements of allowable expenditures in the operations of various federal grant programs operated by Catholic Charities. No allowance for uncollectible grants and other receivables has been recorded as management expects all reimbursements to be paid in full.

**Note H - Deposit and Loan Fund**

The Archdiocese maintains a centralized financing program through its Deposit and Loan Fund. The Deposit and Loan Fund consists of loans made by the Archdiocese to parishes and other organizations within the Archdiocese. Amounts due from parishes and other organizations at June 30, 2015 and 2014, were \$8,391,006 and \$8,380,124, respectively. These amounts are included in notes receivable - parishes and other related parties on the combined statements of financial position.

Interest rates on these loans range between 2.70% and 6.5% per annum for fiscal years 2015 and 2014. The maturity dates vary from on demand to seven years. The loans are collateralized by property of the parishes and other organizations.

Various parishes and other organizations within the Archdiocese remit funds to the Deposit Fund. Amounts due to parishes and other organizations at June 30, 2015 and 2014, were \$51,884,019 and \$50,971,841, respectively. These amounts are included in notes payable - parishes and other related parties on the combined statements of financial position and are due on demand. Interest accrued at .50% per annum was paid on funds on deposit for fiscal years 2015 and 2014. The deposit rate is equal to the six month U.S. Treasury bill rate, and is adjusted every six months. However, the Archdiocese has established a minimum rate which is to be paid to the various parishes and other organizations of .50%.

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
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**Note I - Beneficial Interest in Third-Party Trusts**

The Archdiocese is the beneficiary of certain funds held in four trusts and administered by third-party trustees.

The Archdiocese is an income beneficiary of two irrevocable charitable trusts administered by third-party trustees. Income received from these trusts for the years ended June 30, 2015 and 2014, was \$27,813 and \$27,591, respectively. The income received from the trust is restricted for elderly service programs. The change in value of the trusts for the years ended June 30, 2015 and 2014, was a decrease of \$5,652 and an increase of \$100,220, respectively, and is included as a component of the change in temporarily and permanently restricted net assets on the combined statements of activities.

The Archdiocese is also a beneficiary of two charitable remainder uni-trusts. The total estimated net present value of future cash flows from these trusts as of June 30, 2015 and 2014, assuming a 3.5% rate of return, was \$404,425 and \$422,708, respectively. Distributions received from these trusts for the years ended June 30, 2015 and 2014, were \$25,564 and \$24,016, respectively, and are restricted for seminarian education. The change in value of the trusts was a decrease of \$18,283 and \$3,745 for the years ended June 30, 2015 and 2014, respectively, and is included as a component in the change in temporarily restricted net assets on the combined statement of activities.

The beneficial interest of the underlying investments held in the third-party trusts and the net present value of future cash flows from the uni-trusts at June 30, 2015 and 2014 was as follows:

	2015		2014	
	Cost	Market	Cost	Market
Cash and cash equivalents	\$ 38,452	\$ 38,452	\$ 8,950	\$ 8,950
Mutual funds - corporate bonds	273,609	272,023	281,223	283,982
Mutual funds - common stock	492,746	729,569	474,400	752,764
Subtotal	<u>\$ 804,807</u>	1,040,044	<u>\$ 764,573</u>	1,045,696
Estimated value of beneficial interest in charitable remainder uni-trusts		<u>404,425</u>		<u>422,708</u>
Total		<u>\$ 1,444,469</u>		<u>\$ 1,468,404</u>

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note J - Property and Equipment**

Property and equipment consisted of the following at June 30, 2015 and 2014:

	2015	2014
Land and improvements	\$ 1,741,174	\$ 1,738,252
Buildings and improvements	9,795,528	9,602,451
Furniture and equipment	4,623,247	4,480,099
	<hr/>	<hr/>
Subtotal	16,159,949	15,820,802
	<hr/>	<hr/>
Less accumulated depreciation	(11,378,693)	(10,991,569)
	<hr/>	<hr/>
Total	<u>\$ 4,781,256</u>	<u>\$ 4,829,233</u>

Total depreciation expense was \$438,648 and \$436,756 for the years ended June 30, 2015 and 2014.

**Note K - Endowments**

The Archdiocese's endowments include donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

Effective March 25, 2010, the Archbishop and Finance Committee of the Archdiocese interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) of 2006 as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Archdiocese classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Archdiocese considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund
- 2) The purposes of the Archdiocese and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the Archdiocese
- 7) The investment policies of the Archdiocese

**Archdiocese of Louisville  
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Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note K - Endowments (Continued)**

Return Objectives and Risk Parameters

The Archdiocese has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to a program supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Archdiocese must hold in perpetuity. Under this policy, as approved by the Archbishop and Finance Committee, the endowment assets are invested in a manner that is consistent with the Archdiocese's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Archdiocese relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Archdiocese targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Archdiocese has a policy of appropriating for distribution each year based upon the 6 month T-bill rate. In establishing this policy, the Archdiocese considered the long-term expected return on its endowment. Accordingly, over the long term, the Archdiocese expects the current spending policy will allow its endowment to be preserved on an inflation-adjusted basis. This is consistent with the Archdiocese's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return. Actual returns in any given year may vary from this amount.

Composition by Type of Fund

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 831,000	\$ 2,487,959	\$ 3,318,959
Regulatory-restricted endowment funds	5,542,857	-	-	5,542,857
Total Funds	<u>\$ 5,542,857</u>	<u>\$ 831,000</u>	<u>\$ 2,487,959</u>	<u>\$ 8,861,816</u>

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note K - Endowments (Continued)**

Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 4,916,289	\$ 834,121	\$ 2,694,519	\$ 8,444,929
Net investment income	105,296	26,892	10,278	142,466
Contributions	521,272	-	1,000	522,272
Appropriation of endowment assets for expenditure	-	(40,291)	(207,560)	(247,851)
Transfer to temporarily restricted	-	10,278	(10,278)	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Endowment Net Assets, End of Year	<u>\$ 5,542,857</u>	<u>\$ 831,000</u>	<u>\$ 2,487,959</u>	<u>\$ 8,861,816</u>

Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 4,590,141	\$ 837,796	\$ 2,671,554	\$ 8,099,491
Net investment income	94,499	34,964	11,029	140,492
Contributions	326,148	-	22,965	349,113
Appropriation of endowment assets for expenditure	(94,499)	(49,668)	-	(144,167)
Transfer to temporarily restricted	-	11,029	(11,029)	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Endowment Net Assets, End of Year	<u>\$ 4,916,289</u>	<u>\$ 834,121</u>	<u>\$ 2,694,519</u>	<u>\$ 8,444,929</u>

**Note L - Line of Credit**

The Chancery has a \$1,000,000 secured line of credit. The line of credit bears interest at LIBOR plus 1.25% at the Archdiocese's option. The daily LIBOR rate at June 30, 2015 was 0.19%. The interest rate at June 30, 2015 and 2014, was 1.44% and 1.41%, respectively. There were no amounts outstanding on the line at June 30, 2015 and 2014.

Catholic Charities has a \$250,000 line of credit agreement. The line of credit bears interest at LIBOR plus 3% (3.186% at June 30, 2015). The note is secured by The Archdiocese of Louisville's guarantee. There were no amounts outstanding at June 30, 2015 and 2014.

**Archdiocese of Louisville  
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Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note M - Notes Payable**

Long-term debt is summarized as follows:

	<u>2015</u>	<u>2014</u>
Ford Credit:		
Note payable in monthly installments of \$757, plus interest at 9.49%, maturing in December 2015. Secured by vehicle with a net value of \$3,593 at June 30, 2015	\$ 4,420	\$ 12,656
Tiger Leasing:		
Note payable in monthly installments of \$383, including interest at 14.44%, maturing in January 2017. Secured by equipment.	<u>6,470</u>	<u>9,861</u>
	<u>\$ 10,890</u>	<u>\$ 22,517</u>

The following is a schedule of maturity requirements on long-term debt as of June 30, 2015:

<u>Year Ending June 30</u>	<u>Amount</u>
2016	\$ 8,334
2017	<u>2,556</u>
Total	<u>\$ 10,890</u>

**Note N - Lease Obligations**

Catholic Charities is a party to a month-to-month building lease which require monthly payments of approximately \$900. The Archdiocese will periodically lease/rent other items on an as needed basis. Total rent expense for the years ended June 30, 2015 and 2014 was \$76,737 and \$57,802, respectively.

**Note O - Related Party Transactions and Guarantees**

An assessment is levied on parishes and certain other Archdiocesan entities to provide support for the activities of the Archdiocese. Total assessments for the years ended June 30, 2015 and 2014, were \$7,878,713 and \$8,451,968, respectively. Assessments receivable, net of allowance for doubtful accounts and discounts, at June 30, 2015 and 2014, were \$210,830 and \$555,367, respectively, and are included in accounts receivable in the combined statements of financial position. See Note E for additional information.

The Chancery provides support to various schools and missions located within the Archdiocese. The total support provided for the years ended June 30, 2015 and 2014, was \$532,722 and \$510,100, respectively.

**Archdiocese of Louisville  
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Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note O - Related Party Transactions and Guarantees (Continued)**

Related party notes receivable consist of amounts due from clergy, parishes, and Catholic schools. At June 30, 2015 and 2014, such receivables totaled \$9,654,703 and \$10,318,582, respectively. Related party notes receivable at June 30, 2015 and 2014, are net of a discount to estimated present value of future payments of \$53,877 and \$79,173, respectively. No allowance for uncollectible notes receivable was determined necessary, however, a discount rate of 3.5% was used for each of the years ended June 30, 2015 and 2014. The original maturity dates vary from on demand to seven years. See Note H for additional information.

Related party notes payable consist of amounts due to parishes, Catholic schools and other organizations. At June 30, 2015 and 2014, such payables totaled \$51,884,019 and \$50,971,841, respectively. See Note H for additional information.

The Chancery is a guarantor on \$300,000 in lines of credit to two Catholic high schools. There were \$199,748 in borrowings against these lines of credit at June 30, 2015.

The Chancery is a guarantor for approximately \$26,600,000 in bank loans to parishes of the Archdiocese of Louisville at June 30, 2015. The parishes used the funds as a source of financing for capital projects. Terms of the loans and lines of credit range from one to seven years. If any parish should default, the Chancery may liquidate the parish assets to satisfy any outstanding obligation.

The Chancery is a guarantor of a \$3,000,000 bank loan obtained by a Catholic foundation. These funds were then loaned by the foundation to one of the Catholic elementary schools in the Archdiocese of Louisville for funding of a capital project and to fund additional capital expenditures. The balance of the loan at June 30, 2015, was approximately \$1,200,000.

The Chancery received no consideration for any of the guarantees. Management evaluates the loss exposure at the statement of financial position date, and no accruals for loss exposure were deemed necessary.

In December 2009, an unsecured bank qualified bond in the amount of \$10,100,000 was issued for the benefit of St. Bernadette Parish/St. Mary Academy School to replace the 2008 Series Bond. The original 2008 Series Bond was used for the land purchase and construction of St. Mary Academy School. The 2009 bond document contains certain covenants for which compliance is required by the Archdiocese, St. Bernadette Parish and St. Mary Academy. The balance of the bond was \$10,100,000 at June 30, 2012. In March 2013, an unsecured bank qualified bond in the amount of \$10,000,000 was issued as a replacement. The 2013 bond document contained certain covenants for which compliance is required by the Archdiocese, St. Bernadette Parish and St. Mary Academy. The balance of the bond was \$9,987,139 at June 30, 2015.

During the year ended June 30, 2015, St. Francis Desales High School, through the city of Shively, was the recipient of a \$5 million Revenue Bond, Series 2015. Total borrowings was \$391,842 as of June 30, 2015. The Archdiocese is the guarantor on this bond.

**Archdiocese of Louisville  
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Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note P - Retirement Benefits**

Employees and Active Clergy:

The Archdiocese has a 401(k) plan that covers Archdiocesan and other agencies' eligible employees, as well as active diocesan priests. The Plan allows employees' contributions, up to the statutory limit and personal management of the employees' retirement accounts. The Archdiocese or agency contributes 6% of eligible employees' gross pay each pay period and \$200 per month for active diocesan clergy to the Plan. The Archdiocese made contributions of approximately \$468,000 and \$447,000 to the Plan for the years ended June 30, 2015 and 2014, respectively.

Retired Clergy:

Retirement benefits and supplemental medical coverage benefits for retired diocesan clergy are determined by the Archbishop. The Archdiocese makes payments to these retired diocesan clergy in accordance with instructions from the Archbishop and expenses such payments as they are made.

The parishes pay to the Archdiocese an assessment for retirement benefits for retired clergy based on total parish income at the rate of .84% and 1.34% each year for the years ended June 30, 2015 and 2014. The assessment income for retirement benefits from the parishes was approximately \$1,035,000 and \$1,633,000 for the years ended June 30, 2015 and 2014, respectively, and is included in the total of parish assessments on the combined statements of activities. Remaining designated net assets for retirement benefits at June 30, 2015 and 2014, were \$2,939,369 and \$3,604,162, respectively.

Benefits paid to retired clergy for the years ended June 30, 2015 and 2014 follow:

	<u>2015</u>	<u>2014</u>
Clergy retirement benefits	\$ 1,755,386	\$ 1,772,010
Supplemental medical coverage	<u>163,106</u>	<u>180,745</u>
Total	<u>\$ 1,918,492</u>	<u>\$ 1,952,755</u>

**Note Q - Contingencies**

The Archdiocese may be involved in various legal actions arising in the ordinary course of its activities. It is the opinion of management and legal counsel that the ultimate liability, if any, with respect to these matters will not materially affect the financial position of the Archdiocese.



**Archdiocese of Louisville**  
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**Notes to Combined Financial Statements (Continued)**  
**June 30, 2015 and 2014**

**Note R - Regulatory Restricted - Perpetual Care Endowment**

Kentucky state cemetery and funeral laws mandate that cemeteries designate a certain percentage of burial site sales to a perpetual care and maintenance trust fund. In accordance with this law, Catholic Cemeteries has established an endowed fund into which is set aside the following percentage of gross sales:

Grave space	20%
Crypts	5%
Niches	10%

The balance in this endowed fund at June 30, 2015 and 2014, was \$5,542,857 and \$4,916,289 respectively.

**Note S - Designated Net Assets**

Archbishop designated net assets are designated for the following purposes:

	<u>2015</u>	<u>2014</u>
Closed parishes	\$ 943,924	\$ 1,148,491
Clergy pension	2,939,369	3,604,162
Catholic Foundation of Louisville, Inc.	7,112,169	7,350,748
Other	61,779	20,363
	<u>61,779</u>	<u>20,363</u>
Total	<u>\$ 11,057,241</u>	<u>\$ 12,123,764</u>

**Archdiocese of Louisville  
(Chancery and Certain Entities)  
Notes to Combined Financial Statements (Continued)  
June 30, 2015 and 2014**

**Note T -Restricted Net Assets**

Temporarily restricted net assets are available for the following purposes:

	June 30, 2014	Contributions	Investment Income	Change in Beneficial Interest	Released from Restrictions / Other Changes	June 30, 2015
Poverty assistance	\$ 511,478	\$ 127,722	\$ 2,244	\$ -	\$ (174,078)	\$ 467,366
Seminarian and priest education	962,406	28,692	8,568	-	(77,772)	921,894
Specific operations	205,422	-	1,000	-	(12,000)	194,422
School scholarships	3,742	-	2,885	-	(4,925)	1,702
Maintenance and care of gravesites	643,281	-	26,324	-	(5,228)	664,377
Mission promotions	578,718	3,319	2,557	-	(166,147)	418,447
Building a Future of Hope	1,161,489	-	-	-	(1,106,292)	55,197
Other	1,544,981	1,043,316	30,249	1,253	(633,127)	1,986,672
<b>Total</b>	<b>\$ 5,611,517</b>	<b>\$ 1,203,049</b>	<b>\$ 73,827</b>	<b>\$ 1,253</b>	<b>\$(2,179,569)</b>	<b>\$ 4,710,077</b>

	June 30, 2013	Contributions	Investment Income	Change in Beneficial Interest	Released from Restrictions / Other Changes	June 30, 2014
Poverty assistance	\$ 762,815	\$ 101,706	\$ 3,216	\$ -	\$ (356,259)	\$ 511,478
Seminarian and priest education	986,160	24,672	8,660	(3,745)	(53,341)	962,406
Specific operations	213,179	-	1,043	-	(8,800)	205,422
School scholarships	4,807	5,618	3,544	-	(10,227)	3,742
Maintenance and care of gravesites	622,185	-	26,324	-	(5,228)	643,281
Mission promotions	718,359	7,735	3,394	-	(150,770)	578,718
Building a Future of Hope	1,628,005	-	-	-	(466,516)	1,161,489
Other	1,199,293	133,634	6,154	47,519	158,381	1,544,981
<b>Total</b>	<b>\$ 6,134,803</b>	<b>\$ 273,365</b>	<b>\$ 52,335</b>	<b>\$ 43,774</b>	<b>\$ (892,760)</b>	<b>\$ 5,611,517</b>

**Archdiocese of Louisville  
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Notes to Combined Financial Statements (Continued)  
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**Note T - Restricted Net Assets (Continued)**

Permanently restricted net assets are restricted to investment in perpetuity, the income from which is temporarily restricted for the endowment purpose:

	June 30, 2013	Contributions	Change in Beneficial Interest	June 30, 2014	Contributions	Closed Fund	Change in Beneficial Interest	June 30, 2015
Seminarian and priest education	\$ 1,181,902	\$ -	\$ -	\$ 1,181,902	\$ -	\$ -	\$ -	\$ 1,181,902
Maintenance and care of gravesites	671,609	20,966	-	692,575	1,000	-	-	693,575
School scholarships	696,187	-	-	696,187	-	(183,287)	-	512,900
Poverty assistance	472,328	-	52,702	525,030	-	(8,873)	(6,906)	509,251
Other	87,982	1,999	-	89,981	861	(14,127)	-	76,715
<b>Total</b>	<b>\$ 3,110,008</b>	<b>\$ 22,965</b>	<b>\$ 52,702</b>	<b>\$ 3,185,675</b>	<b>\$ 1,861</b>	<b>\$ (206,287)</b>	<b>\$ (6,906)</b>	<b>\$ 2,974,343</b>

Permanently restricted net assets are not available to fund the unrestricted operations of the Archdiocese and are included in the combined statements of financial position in the following asset accounts:

	2015	2014
Investment in marketable securities	\$ 2,569,918	\$ 2,694,519
Beneficial interest in third-party trusts	404,425	491,156
	<b>\$ 2,974,343</b>	<b>\$ 3,185,675</b>

**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Notes to Combined Financial Statements (Continued)**  
**June 30, 2015 and 2014**

**Note U - Functional Expenses**

A summary of expenses by functional classification for the years ended June 30, 2015 and 2014 is as follows:

	<u>2015</u>	<u>2014</u>
Chancery (post eliminations)		
Program Expenses		
Retired Priest, Other Clergy and Seminarians	\$2,922,311	\$ 2,996,872
Archdiocesan Communications Center	1,849,973	1,804,558
Office of Lifelong Learning and Education	1,357,432	1,573,196
Campus Ministries	136,236	-
Education Grants	1,060,066	1,238,425
Office of Multicultural Ministries	541,040	581,752
Other Grants	876,280	502,607
Family Ministries	366,274	340,125
Grants to Other Catholic Organizations	272,684	271,953
Tribunal Office	326,418	260,562
Vocation Office	195,633	227,041
Worship Office	227,663	182,469
Diaconate Office	202,631	203,446
Other Archdiocesan support	315,823	189,977
Priest Personnel	154,869	122,667
Evangelization	105,504	106,298
	<u>10,910,837</u>	<u>10,601,948</u>
Supporting Activities Expenses		
Administrative Support	3,476,820	3,944,538
Deposit and Loan Fund Interest	403,409	397,542
Other Interest Expense	166,216	169,047
	<u>4,046,445</u>	<u>4,511,127</u>
Fundraising Expenses		
Office of Stewardship and Development	395,305	380,251
	<u>395,305</u>	<u>380,251</u>
Total Expenses Chancery	\$ 15,352,587	\$ 15,493,326

**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Notes to Combined Financial Statements (Continued)**  
**June 30, 2015 and 2014**

**Note U - Functional Expenses (Continued)**

	<u>2015</u>	<u>2014</u>
Catholic Charities (post eliminations)		
Program Expenses		
Refugee programs	\$ 10,801,090	\$ 13,295,766
Language and immigration legal services	1,222,563	1,209,769
Case management services	1,591,215	1,326,221
Catholic identity and external relations	<u>240,717</u>	<u>234,074</u>
	13,855,585	16,065,830
Supporting Activities Expenses		
Administrative services	437,917	473,650
Fundraising Expenses	<u>254,176</u>	<u>191,537</u>
Total Expenses Catholic Charities	14,547,678	16,731,017
Catholic Cemeteries (post eliminations)		
Program Expenses		
Cemetery Operations	1,611,353	1,480,622
Cost of Sales	<u>363,093</u>	<u>335,707</u>
	1,974,446	1,816,329
Supporting Activities Expenses		
Administrative services	<u>445,842</u>	<u>604,792</u>
Total Expenses Catholic Cemeteries	2,420,288	2,421,121
Catholic Foundation of Louisville, Inc. (post eliminations)	<u>122,499</u>	<u>54,657</u>
Total Expenses Combined	<u>\$ 32,443,052</u>	<u>\$ 34,700,121</u>

## **Supplementary Information**

**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Combining Statements of Financial Position**  
**June 30, 2015**

	Chancery	Deposit and Loan Fund	Catholic Cemeteries	Catholic Charities	Catholic Foundation	Eliminations	Combined
<b>Assets</b>							
Assets							
Cash and cash equivalents	\$ 6,317,460	\$ -	\$ 682,672	\$ 205,542	\$ 500	\$ -	\$ 7,206,174
Investments	107,749,483	-	807,393	-	7,108,538	-	115,665,414
Accrued interest receivable on investments	49,086	-	-	-	-	-	49,086
Accounts receivable, net	1,331,986	-	248,033	357,791	3,131	(3,131)	1,937,810
Pledge receivables, net	236,584	-	-	-	-	-	236,584
Grants and other receivables, net	-	-	-	931,733	-	-	931,733
Prepaid expenses	105,826	-	28,422	68,833	-	-	203,081
Inventories	-	-	27,412	-	-	-	27,412
Notes receivable - parishes and other related parties, net	1,263,697	8,391,006	-	-	-	-	9,654,703
Accrued interest receivable on notes receivable	24,702	641,759	-	-	-	-	666,461
Beneficial interest in third-party trusts	404,425	-	-	1,040,044	-	-	1,444,469
Cemetery lot development costs	-	-	4,003,434	-	-	-	4,003,434
Mausoleums, columbariums, and lots	-	-	862,251	-	-	-	862,251
Property and equipment, net	2,774,706	-	1,263,526	743,024	-	-	4,781,256
Interfund receivables	-	45,718,178	9,808,324	-	-	(55,526,502)	-
<b>Total Assets</b>	<b>\$ 120,257,955</b>	<b>\$ 54,750,943</b>	<b>\$ 17,731,467</b>	<b>\$ 3,346,967</b>	<b>\$ 7,112,169</b>	<b>\$ (55,529,633)</b>	<b>\$ 147,669,868</b>

Archdiocese of Louisville

(Chancery and Certain Entities)

Combining Statements of Financial Position (Continued)

June 30, 2015

	Chancery	Deposit and Loan Fund	Catholic Cemeteries	Catholic Charities	Catholic Foundation	Eliminations	Combined
<b>Liabilities and Equity</b>							
Liabilities							
Accounts payable and accrued expenses	\$ 977,636	\$ -	\$ 100,332	\$ 1,150,331	\$ -	\$ (3,131)	\$ 2,225,168
Pledges payable, net	181,387	-	-	-	-	-	181,387
Collections payable	237,804	-	-	-	-	-	237,804
Deferred revenue	223,723	-	918,109	-	-	-	1,141,832
Interfund payables	45,718,178	9,808,324	-	-	-	(55,526,502)	-
Notes payable	-	-	-	10,890	-	-	10,890
Notes payable - parishes and other related parties	6,973,570	42,075,694	-	-	-	-	49,049,264
<b>Total Liabilities</b>	<b>54,312,298</b>	<b>51,884,018</b>	<b>1,018,441</b>	<b>1,161,221</b>	<b>-</b>	<b>(55,529,633)</b>	<b>52,846,345</b>
Net Assets							
Unrestricted net assets							
Invested in property and equipment	2,774,706	-	1,263,526	732,134	-	-	4,770,366
Expendable net assets	54,091,309	2,866,925	8,548,691	261,714	-	-	65,768,639
Archbishop designated	3,945,072	-	-	-	7,112,169	-	11,057,241
Regulatory restricted - perpetual care endowment	-	-	5,542,857	-	-	-	5,542,857
<b>Total Unrestricted Net Assets</b>	<b>60,811,087</b>	<b>2,866,925</b>	<b>15,355,074</b>	<b>993,848</b>	<b>7,112,169</b>	<b>-</b>	<b>87,139,103</b>
Temporarily restricted	3,338,051	-	664,377	707,649	-	-	4,710,077
Permanently restricted	1,796,519	-	693,575	484,249	-	-	2,974,343
<b>Total Net Assets</b>	<b>65,945,657</b>	<b>2,866,925</b>	<b>16,713,026</b>	<b>2,185,746</b>	<b>7,112,169</b>	<b>-</b>	<b>94,823,523</b>
<b>Total Liabilities and Equity</b>	<b>\$ 120,257,955</b>	<b>\$ 54,750,943</b>	<b>\$ 17,731,467</b>	<b>\$ 3,346,967</b>	<b>\$ 7,112,169</b>	<b>\$ (55,529,633)</b>	<b>\$ 147,669,868</b>



**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Combining Statements of Financial Position**  
**June 30, 2014**

	Chancery	Deposit and Loan Fund	Catholic Cemeteries	Catholic Charities	Catholic Foundation	Eliminations	Combined
<b>Assets</b>							
Assets							
Cash and cash equivalents	\$ 6,478,254	\$ -	\$ 355,681	\$ 825	\$ -	\$ -	\$ 6,834,760
Investments	108,644,266	-	715,025	-	7,333,963	-	116,693,254
Accrued interest receivable on investments	116,298	-	-	-	-	-	116,298
Accounts receivable, net	1,694,304	-	195,899	424,267	16,785	(16,785)	2,314,470
Pledge receivables, net	1,687,786	-	-	-	-	-	1,687,786
Grants and other receivables, net	-	-	-	971,431	-	-	971,431
Prepaid expenses	66,181	-	29,881	28,529	-	-	124,591
Inventories	-	-	27,319	-	-	-	27,319
Notes receivable - parishes and other related parties, net	1,938,458	8,380,124	-	-	-	-	10,318,582
Accrued interest receivable on notes receivable	26,559	634,691	-	-	-	-	661,250
Beneficial interest in third-party trusts	422,708	-	-	1,045,696	-	-	1,468,404
Cemetery lot development costs	-	-	3,999,804	-	-	-	3,999,804
Mausoleums, columbariums, and lots	-	-	915,548	-	-	-	915,548
Property and equipment, net	2,842,157	-	1,180,292	806,784	-	-	4,829,233
Interfund receivables	-	44,843,049	9,370,217	-	-	(54,213,266)	-
<b>Total Assets</b>	<b>\$ 123,916,971</b>	<b>\$ 53,857,864</b>	<b>\$ 16,789,666</b>	<b>\$ 3,277,532</b>	<b>\$ 7,350,748</b>	<b>\$ (54,230,051)</b>	<b>\$ 150,962,730</b>

**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Combining Statements of Financial Position (Continued)**  
**June 30, 2014**

	Chancery	Deposit and Loan Fund	Catholic Cemeteries	Catholic Charities	Catholic Foundation	Eliminations	Combined
<b>Liabilities and Equity</b>							
Liabilities							
Accounts payable and accrued expenses	\$ 1,048,580	\$ -	\$ 128,207	1,065,609	\$ -	\$ (16,785)	\$ 2,225,611
Pledges payable, net	1,189,295	-	-	-	-	-	1,189,295
Collections payable	358,932	-	-	-	-	-	358,932
Deferred revenue	12,265	-	813,104	-	-	-	825,369
Interfund payables	44,843,049	9,370,217	-	-	-	(54,213,266)	-
Notes payable	-	-	-	22,517	-	-	22,517
Notes payable - parishes and other related parties	6,989,592	41,601,624	-	2,313	-	-	48,593,529
<b>Total Liabilities</b>	<b>54,441,713</b>	<b>50,971,841</b>	<b>941,311</b>	<b>1,090,439</b>	<b>-</b>	<b>(54,230,051)</b>	<b>53,215,253</b>
Net Assets							
Unrestricted net assets							
Invested in property and equipment	2,842,157	-	1,180,292	784,267	-	-	4,806,716
Expendable net assets	55,594,911	2,886,023	8,418,919	203,663	-	-	67,103,516
Archbishop designated	4,773,016	-	-	-	7,350,748	-	12,123,764
Regulatory restricted - perpetual care endowment	-	-	4,916,289	-	-	-	4,916,289
<b>Total Unrestricted Net Assets</b>	<b>63,210,084</b>	<b>2,886,023</b>	<b>14,515,500</b>	<b>987,930</b>	<b>7,350,748</b>	<b>-</b>	<b>88,950,285</b>
Temporarily restricted	4,263,229	-	640,280	708,008	-	-	5,611,517
Permanently restricted	2,001,945	-	692,575	491,155	-	-	3,185,675
<b>Total Net Assets</b>	<b>69,475,258</b>	<b>2,886,023</b>	<b>15,848,355</b>	<b>2,187,093</b>	<b>7,350,748</b>	<b>-</b>	<b>97,747,477</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 123,916,971</b>	<b>\$ 53,857,864</b>	<b>\$ 16,789,666</b>	<b>\$ 3,277,532</b>	<b>\$ 7,350,748</b>	<b>\$ (54,230,051)</b>	<b>\$ 150,962,730</b>

**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Combining Statements of Activities**  
**For the Year Ended June 30, 2015**

	Chancery	Deposit and Loan Fund	Catholic Cemeteries	Catholic Charities	Catholic Foundation	Eliminations	Combined
Revenue, Support, and Gains							
Donations, bequests, and grants	\$ 949,339	\$ -	\$ 1,050	13,177,561	\$ 234,662	\$ (1,370,942)	\$ 12,991,758
Parish assessments	7,987,073	-	-	-	-	(108,360)	7,878,713
Special collections	409,597	-	-	-	-	-	409,597
Burial sales	-	-	2,261,601	-	-	-	2,261,601
Catholic Services Appeal	3,228,730	-	-	-	-	-	3,228,730
Fee income	135,550	-	1,101,365	1,281,825	-	-	2,518,740
Program and activity income	330,652	-	-	10,193	-	-	340,845
Rental income	229,739	-	18,700	2,200	-	(46,498)	204,141
Advertising income	554,232	-	-	-	-	-	554,232
Investment income, net	2,005,087	384,311	4,725	51,038	118,781	-	2,563,854
(Decrease) Increase in value of split interest agreements	-	-	-	(5,653)	-	-	(5,653)
Unrealized gain (loss) in market value of investments	(7,685,754)	-	-	-	(285,012)	-	(7,970,766)
Realized gain (loss) on sale of investment	4,308,487	-	-	-	115,489	-	4,423,976
Other income	84,285	-	5,878	29,167	-	-	119,330
Total Revenues, Support, and Gains	<u>\$ 12,537,017</u>	<u>\$ 384,311</u>	<u>\$ 3,393,319</u>	<u>\$ 14,546,331</u>	<u>\$ 183,920</u>	<u>\$ (1,525,800)</u>	<u>\$ 29,519,098</u>

**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Combining Statements of Activities (Continued)**  
**For the Year Ended June 30, 2015**

	Chancery	Deposit and Loan Fund	Catholic Cemeteries	Catholic Charities	Catholic Foundation	Eliminations	Combined
Expenses and Losses							
Salary expense	\$ 4,595,145	\$ -	\$ 1,171,291	\$ 3,283,465	\$ -	\$ -	\$ 9,049,901
Payroll added expense	1,102,040	-	339,565	827,627	-	-	2,269,232
Clergy retirement benefits	1,755,386	-	-	-	-	-	1,755,386
Mileage and expense allowance	594,335	-	6,182	241,204	-	-	841,721
Education expense	603,305	-	530	-	-	-	603,835
Rent expense	87,498	-	1,785	33,952	-	(46,498)	76,737
Office supplies and services	828,294	-	77,947	237,166	-	-	1,143,407
Plant and grounds expense	527,515	-	208,667	407,137	-	-	1,143,319
Auto expense	6,038	-	57,643	55,723	-	-	119,404
Public relations, donations, and grants	115,406	-	108,360	-	422,499	(408,360)	237,905
Advertising expense	166,740	-	10,937	-	-	-	177,677
Professional fees and services	208,231	-	20,642	305,438	-	-	534,311
Program and activity expense	530,633	-	-	778,595	-	-	1,309,228
Broadcasting/press expense	449,630	-	-	-	-	-	449,630
Archdiocesan support	1,343,626	-	-	-	-	(1,070,942)	272,684
Education grants	405,000	-	-	-	-	-	405,000
Cost of sales	-	-	363,093	-	-	-	363,093
Papal and national organizations	105,559	-	-	-	-	-	105,559
Other grants and direct aid	1,418,893	-	-	8,259,331	-	-	9,678,224
Other restricted expense payments	273,533	-	-	-	-	-	273,533
Interest expense	-	403,409	-	2,162	-	-	405,571
Depreciation expense	250,766	-	108,946	78,936	-	-	438,648
Bad debt expense	365,460	-	-	-	-	-	365,460
Miscellaneous expense	333,585	-	53,060	36,942	-	-	423,587
Total Expenses and Losses	16,066,618	403,409	2,528,648	14,547,678	422,499	(1,525,800)	32,443,052
Change in Net Assets	(3,529,601)	(19,098)	864,671	(1,347)	(238,579)	-	(2,923,954)
Net Assets, Beginning of Year	69,475,258	2,886,023	15,848,355	2,187,093	7,350,748	-	97,747,477
Net Assets, End of Year	\$ 65,945,657	\$ 2,866,925	\$ 16,713,026	\$ 2,185,746	\$ 7,112,169	\$ -	\$ 94,823,523

**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Combining Statements of Activities**  
**For the Year Ended June 30, 2014**

	Chancery	Deposit and Loan Fund	Catholic Cemeteries	Catholic Charities	Catholic Foundation	Eliminations	Combined
Revenue, Support, and Gains							
Donations, bequests, and grants	\$ 554,087	\$ -	\$ 21,966	\$ 15,348,744	\$ 301,622	\$ (1,310,579)	\$ 14,915,928
Parish assessments	8,575,616	-	-	-	-	(123,648)	8,451,968
Special collections	406,872	-	-	-	-	-	406,872
Burial sales	-	-	1,810,139	-	-	-	1,810,139
Catholic Services Appeal	2,897,768	-	-	-	-	-	2,897,768
Fee income	140,888	-	1,017,299	1,304,297	-	(991)	2,461,493
Program and activity income	413,003	-	-	258	-	(8,280)	404,981
Rental income	193,007	-	25,635	12,174	-	(58,576)	172,240
Advertising income	618,677	-	-	-	-	(10,285)	608,392
Investment income, net	1,940,509	396,747	3,593	49,086	71,228	-	2,461,075
Unrealized gain (loss) in market value of investments	9,970,538	-	-	-	696,679	-	10,667,217
(Decrease) Increase in value of split interest agreement	(3,744)	-	-	100,221	-	-	96,477
Realized gain on sale of investment	2,754,462	-	-	-	(182,065)	-	2,572,397
Other income	84,435	-	21,037	209,030	-	-	314,502
<b>Total Revenues, Support, and Gains</b>	<b>\$ 28,546,118</b>	<b>\$ 396,747</b>	<b>\$ 2,899,669</b>	<b>\$ 17,023,810</b>	<b>\$ 887,464</b>	<b>\$ (1,512,359)</b>	<b>\$ 48,241,449</b>

**Archdiocese of Louisville**  
**(Chancery and Certain Entities)**  
**Combining Statements of Activities (Continued)**  
**For the Year Ended June 30, 2014**

	Chancery	Deposit and Loan Fund	Catholic Cemeteries	Catholic Charities	Catholic Foundation	Eliminations	Combined
<b>Expenses and Losses</b>							
Salary expense	\$ 4,372,773	\$ -	\$ 1,165,385	\$ 3,052,241	\$ -	\$ -	\$ 8,590,399
Payroll added expense	1,097,560	-	343,533	828,417	-	-	2,269,510
Clergy retirement benefits	1,772,018	-	-	-	-	-	1,772,018
Mileage and expense allowance	663,367	-	10,453	206,883	-	(5,170)	875,533
Education expense	607,482	-	330	-	-	(5,470)	602,342
Rent expense	87,471	-	1,578	15,224	-	(46,471)	57,802
Office supplies and services	842,679	-	70,439	242,763	-	1,010	1,156,891
Plant and grounds expense	542,213	-	207,575	367,107	-	-	1,116,895
Auto expense	3,673	-	70,390	45,354	-	-	119,417
Public relations, donations, and grants	79,657	-	123,648	-	307,659	(253,002)	257,962
Advertising expense	160,645	-	17,466	-	-	(5,505)	172,606
Professional fees and services	185,567	-	34,212	340,274	-	789	560,842
Program and activity expense	796,460	-	-	807,136	-	(11,531)	1,592,065
Broadcasting/press expense	446,739	-	-	-	-	(3,035)	443,704
Archdiocesan support	1,320,484	-	-	-	-	(1,184,193)	136,291
Education grants	411,500	-	-	-	-	-	411,500
Cost of sales	-	-	335,707	-	-	-	335,707
Papal and national organizations	103,625	-	-	-	-	-	103,625
Other grants and direct aid	1,158,381	-	-	10,700,599	-	-	11,858,980
Other restricted expense payments	127,343	-	-	-	-	-	127,343
Interest expense	169,047	397,542	-	3,486	-	-	570,075
Depreciation expense	238,374	-	112,347	86,035	-	-	436,756
Bad debt expense	817,327	-	-	-	-	-	817,327
Miscellaneous expense	226,488	-	52,386	35,438	-	219	314,531
<b>Total Expenses and Losses</b>	<b>16,230,873</b>	<b>397,542</b>	<b>2,545,449</b>	<b>16,730,957</b>	<b>307,659</b>	<b>(1,512,359)</b>	<b>34,700,121</b>
<b>Changes in Net Assets</b>	<b>12,315,245</b>	<b>(795)</b>	<b>354,220</b>	<b>292,853</b>	<b>579,805</b>	<b>-</b>	<b>13,541,328</b>
<b>Net Assets, Beginning of Year</b>	<b>57,160,013</b>	<b>2,886,818</b>	<b>15,494,135</b>	<b>1,894,240</b>	<b>6,770,943</b>	<b>-</b>	<b>84,206,149</b>
<b>Net Assets, End of Year</b>	<b>\$ 69,475,258</b>	<b>\$ 2,886,023</b>	<b>\$ 15,848,355</b>	<b>\$ 2,187,093</b>	<b>\$ 7,350,748</b>	<b>\$ -</b>	<b>\$ 97,747,477</b>