

**THE CENTRAL ADMINISTRATIVE OFFICES OF  
THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAux,  
OFFICES AND INSTITUTIONS**

*Financial Statements  
and Supplementary Information*

*June 30, 2017*

*(With Independent Auditor's Report Thereon)*

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

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*June 30, 2017*

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— CERTIFIED PUBLIC ACCOUNTANTS —  
A PROFESSIONAL CORPORATION

THOMAS J. LANAUX, CPA  
MARK S. FELGER, CPA

## INDEPENDENT AUDITOR'S REPORT

His Excellency  
Most Reverend Shelton Fabre, D.D.  
Bishop of the Diocese of Houma-Thibodaux

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions, as of June 30, 2017 and 2016, which comprise the consolidated statements of financial position and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated 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 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statement.

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

### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux and Institutions as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

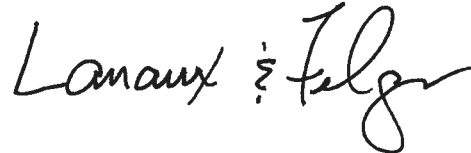
## Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information included in Schedules 1 to 14 as listed in the table of contents, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Diocese. Such information, except for Schedule 13, which is marked "unaudited," was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the basic 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 basic financial statements as a whole. The Schedule of Operations of Parishes and Institutions on page 36 (Schedule 13) marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2017, on our consideration of the Diocese's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Diocese's internal control over financial reporting and compliance.

Houma, Louisiana  
December 15, 2017



**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**  
Consolidated Statements of Financial Position  
June 30, 2017 and 2016

<b>ASSETS</b>	2017	2016
<b>Current assets:</b>		
Cash and cash equivalents	\$ 2,903,808	\$ 3,596,088
Accounts receivable	813,711	895,146
ABA receivable	197,702	168,177
Accrued interest and mineral royalties receivable	195,689	197,278
Prepaid expenses	68,549	212,088
Current maturities of parish and school loans	13,000	40,000
Investments in marketable debt securities expected to be sold or to mature to fund current expected deposit withdrawals	21,300,000	25,900,000
<b>Total current assets</b>	<b>25,492,459</b>	<b>31,008,777</b>
<b>Investments, net of current expected sales and maturities</b>	26,285,011	22,711,804
<b>Parish and school loans receivable</b>	2,017,670	2,137,739
Less current maturities	(13,000)	(40,000)
<b>Total loans less current maturities</b>	<b>2,004,670</b>	<b>2,097,739</b>
<b>Property and equipment, at cost</b>	23,370,543	23,267,703
Less accumulated depreciation	(13,230,347)	(12,831,884)
<b>Total property and equipment</b>	<b>10,140,196</b>	<b>10,435,819</b>
<b>Other assets</b>	2,435,368	2,609,484
<b>Total assets</b>	<b>\$ 66,357,704</b>	<b>\$ 68,863,623</b>

See notes to financial statements.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

*Consolidated Statements of Financial Position, continued*

*June 30, 2017 and 2016*

	2017	2016
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities:</b>		
Deposits in central finance, current expected withdrawals:		
Parishes	\$ 703,000	\$ 642,000
Cemetery operating deposits	300,000	304,000
Institutional deposits, principally prepaid tuition	21,300,000	25,900,000
Accounts payable, undistributed funds and other accruals	1,665,365	1,792,798
Deferred grant revenues	260,699	233,607
Current maturities of long-term debt	-	145,000
<b>Total current liabilities</b>	<b>24,229,064</b>	<b>29,017,405</b>
<b>Deposits of parishes, schools and institutions, net of current expected withdrawals</b>	<b>18,621,072</b>	<b>13,336,842</b>
<b>Bonds payable, net of current maturities</b>	<b>-</b>	<b>4,270,000</b>
<b>Third-party endowments</b>	<b>18,177,607</b>	<b>18,154,670</b>
<b>Insurance program reserves</b>	<b>518,551</b>	<b>569,415</b>
<b>Accrued pension liability</b>	<b>877,886</b>	<b>1,360,842</b>
<b>Accrued other postretirement benefits</b>	<b>11,694,393</b>	<b>11,639,766</b>
<b>Total liabilities</b>	<b>74,118,573</b>	<b>78,348,940</b>
<b>Net assets (deficit):</b>		
<b>Restricted by donors:</b>		
Temporarily restricted net assets	1,382,061	1,396,234
Permanently restricted net assets	4,893,997	4,755,932
<b>Unrestricted:</b>		
Designated	11,636,896	10,120,980
Undesignated	(25,673,823)	(25,758,463)
<b>Total unrestricted net assets (deficit)</b>	<b>(14,036,927)</b>	<b>(15,637,483)</b>
<b>Total net assets (deficit)</b>	<b>(7,760,869)</b>	<b>(9,485,317)</b>
<b>Total liabilities and net assets</b>	<b>\$ 66,357,704</b>	<b>\$ 68,863,623</b>

See notes to financial statements.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

*Consolidated Statements of Activities  
Years Ended June 30, 2017 and 2016*

	2017	2016
<b>Changes in unrestricted net assets:</b>		
Revenues and other support:		
Cathedraticum	\$ 2,529,800	\$ 2,626,563
Donations and special collections	2,151,523	2,087,344
Grants	1,072,561	1,273,624
Investment income:		
Central finance	887,733	948,029
Other investment income	50,696	84,381
Oil and gas royalties	426,298	492,998
Program service and other income	13,075,925	13,408,636
Net assets released from restrictions	51,357	-
Total revenues and other support	20,245,893	20,921,575
Expenses:		
Program expenses:		
Formation ministries	1,771,380	2,601,679
Social ministries	1,973,822	1,824,296
Clergy and religious	2,083,004	2,095,480
Administration ministries	11,093,017	10,604,913
General and administrative expenses	2,917,992	1,838,830
Stewardship expenses	307,661	305,912
Total expenses	20,146,876	19,271,110
Change in net assets from operations	99,017	1,650,465
Nonoperating activities:		
Pension and postemployment benefit related changes other than net periodic pension and benefit cost	1,501,539	(2,785,595)
<b>Increase (decrease) in unrestricted net assets</b>	<b>1,600,556</b>	<b>(1,135,130)</b>
<b>Changes in temporarily restricted net assets:</b>		
Contributions	-	264,152
Interest income	37,184	59,403
Less net assets released from restrictions	(51,357)	-
<b>Increase (decrease) in temporarily restricted net assets</b>	<b>(14,173)</b>	<b>323,555</b>
<b>Changes in permanently restricted net assets:</b>		
Contributions	138,065	86,365
<b>Increase (decrease) in permanently restricted net assets</b>	<b>138,065</b>	<b>86,365</b>
<b>Increase (decrease) in net assets</b>	<b>1,724,448</b>	<b>(725,210)</b>
<b>Net assets at beginning of year</b>	<b>(9,485,317)</b>	<b>(8,760,107)</b>
<b>Net assets at end of year</b>	<b>\$ (7,760,869)</b>	<b>\$ (9,485,317)</b>

See notes to financial statements.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

*Consolidated Statements of Cash Flows  
Years Ended June 30, 2017 and 2016*

	2017	2016
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 1,724,448	\$ (725,210)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Unrealized (gains) losses on investments, net change	(28,440)	(38,640)
Realized (gains) losses on investments	(177,207)	(202,738)
Contributions restricted for long-term investment	(138,065)	(86,365)
Depreciation expense	429,940	370,648
Amortization of bond issuance cost	3,741	7,419
Loss on early redemption of bonds	155,225	-
Changes in:		
Accounts receivable	81,435	(193,885)
ABA receivable	(29,525)	(9,972)
Accrued interest and mineral royalties receivable	1,589	41,589
Prepaid expenses and other assets	158,689	(143,162)
Accrued pension and postretirement benefits	(369,829)	3,795,756
Accounts payable	(178,297)	(214,793)
Deferred grant revenues	27,092	87,402
Net cash provided by (used in) operating activities	1,660,796	2,688,049
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(134,317)	(217,764)
Purchases of investments	(73,020,778)	(116,961,501)
Proceeds from sale of investments	74,253,218	113,689,270
Decrease in loans to parishes and institutions, net	120,069	217,167
Net cash provided by (used in) investing activities	1,218,192	(3,272,828)
<b>Cash flows from financing activities:</b>		
Proceeds from contributions restricted for:		
Contributions to Seminary Burses	80,587	42,340
Contributions to endowment funds	36,878	4,125
Perpetual care of cemetery crypts	20,600	39,900
	138,065	86,365
Other financing activities:		
Principal payments on bonds payable	(4,415,000)	(135,000)
Contribution to pension trust	(58,500)	(50,100)
Increase (decrease) in Central Finance deposits	741,230	1,798,682
Increase in endowments held for third parties	22,937	57,571
	(3,709,333)	1,671,153
Net cash provided by (used in) financing activities	(3,571,268)	1,757,518
<b>Net (decrease) in cash and cash equivalents</b>	(692,280)	1,172,739
<b>Cash and cash equivalents at beginning of year</b>	3,596,088	2,423,349
<b>Cash and cash equivalents at end of year</b>	\$ 2,903,808	\$ 3,596,088
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid for interest during the year on central finance deposits	\$ 492,585	\$ 774,659
Cash paid for interest on long-term debt	\$ 185,063	\$ 370,397
Cash payment for termination of interest rate swap agreement	\$ 1,225,000	\$ -

See notes to financial statements.



**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

*Notes to Consolidated Financial Statements*

1) Nature of Organization

The Diocese of Houma-Thibodaux (hereinafter "the Diocese"), a not-for-profit corporation established under the laws of the State of Louisiana, operates as a religious organization. The Diocese is dedicated to acting as a centralized ministry that coordinates several ministerial, outreach and administrative programs and functions for church-parishes and other Diocesan related operations located within the Diocese's boundaries encompassing the civil parishes of Terrebonne, Lafourche, parts of St. Mary, St. Martin and Iberia, and Grand Isle, Louisiana.

The Diocese derives support for its administrative operations primarily through Cathedraticum paid by Diocesan parishes to the Diocese. Cathedraticum is an assessment on parish ordinary income and certain extraordinary income. The Cathedraticum amount is set each year by the Diocese based on the prior years reported income. Support for other Diocesan operations is provided by several sources including, but not limited to: grants from other non-profit entities; special Diocesan-wide collections; individual contributors; governmental grants; and Diocesan subsidies, transfers, grants, and interest, dividends and net capital gains or (losses) earned and recognized on investments.

The accompanying financial statements include the programs and operations maintained by and directly under the administration of the Central Administrative Offices of the Diocese of Houma-Thibodaux, H-T Publishing Company (The Bayou Catholic), Lumen Christi Retreat Center, St. Joseph Cemetery, and the programs of Catholic Charities of the Diocese of Houma-Thibodaux, and also include certain assets which are owned by the Diocese and used in the operations of certain affiliates. These statements exclude the financial position and transactions of the parishes and missions, schools, cemeteries and other organizations which maintain separate accounts and carry on their own services and programs. These operations, which may or may not be separate corporations under civil law, are directly managed and controlled by their pastors or other responsible parties. Only those operations and offices that are directly controlled, managed, administered and financed through the Diocese Central Administrative Offices are included in these financial statements.

Internal transactions and balances, except for interest paid on funds deposited with Central Finance, have been eliminated in consolidation.

2) Summary of Significant Accounting Policies Used:

- a) Basis of Accounting. The accompanying financial statements of the Diocese have been prepared on the accrual basis of accounting.
- b) Basis of Presentation. The Diocese reports information regarding its financial position and activities according to three classes of net assets:
  1. Unrestricted Net Assets – net assets which are not restricted by donors.
  2. Temporarily Restricted Net Assets – net assets for which the use by the Diocese are restricted by the donors (a) to later periods of time or after specified dates or (b) to specific purposes.
  3. Permanently Restricted Net Assets – net assets that must be maintained in perpetuity due to donor-imposed restrictions that will neither expire with the passage of time nor be removed by meeting certain requirements. Income earned on these investments may be restricted for specific purposes.
- c) Investments. Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. For investments other than marketable securities with readily determinable fair values, the carrying value is either cost or fair value at the date of donation.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

*Notes to Consolidated Financial Statements, continued*

Investments in marketable debt and equity securities are diversified among high-credit quality securities in accordance with the investment policy of the Diocese. Investments are not insured by the trustee, Federal Deposit Insurance Corporation or any other government agency.

- d) Contributions and Pledges Receivable. The Diocese recognizes all contributions as income in the period received. Contributions are reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the contribution. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Diocese reports the support as unrestricted. Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the contributions are recorded as unrestricted support. Contributed services are recognized at fair value, except for the work of volunteers for which no monetary value has been assigned.

Unconditional promises to give are recognized as revenue and as assets in the period in which the promise is made, and are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Allowances for uncollectible promises to give, if any, are based on management's evaluation of the collectability of such amounts.

- e) Property and Equipment. Property and equipment are recorded at cost or, when donated, at fair value. Additions and improvements are capitalized, while expenditures for maintenance and repairs are expensed as incurred. Depreciation expense is computed principally by the straight-line method over the useful lives of the depreciable assets.
- f) Functional Expenses. The costs of providing various programs and other activities of the Diocese have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.
- g) Cash and Cash Equivalents. For the purpose of the Statement of Cash Flows, cash equivalents consist of cash in banks and highly liquid short-term investments with an original maturity of three months or less. Concentrations of credit risk with respect to cash and cash equivalents are considered limited due to the combination of federally-insured deposits and financial strength of the institutions that hold Diocesan deposits. The Diocese held bank deposits in excess of FDIC insurance in the amounts of \$1,769,523 and \$2,274,622 for the years ended June 30, 2017 and 2016, respectively.
- h) Income Taxes. The Diocese is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3).

Accounting standards require an entity to disclose and recognize the financial statement impact of uncertain tax positions when it is more likely than not that the position will not be sustained on examination. Management of the Diocese believes it has appropriate support for any tax positions taken, and therefore, does not have any uncertain income tax positions that are material to the financial statements.

- i) Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles 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.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

*Notes to Consolidated Financial Statements, continued*

3) Central Finance

Under Diocesan Central Finance policies, the Parishes, Schools and Institutions within the Diocese are required to deposit all funds not immediately needed for current operations into the Diocese Central Finance Program. Balances on deposit earned interest at a rate of .5% per annum through June 30, 2017. Endowment funds may also be established by Parishes, Schools and Institutions within the Diocese. The establishment of endowment funds is governed by the Diocesan policy on endowments, and must be deposited with Central Finance. The deposits must be of a permanent nature and have restrictions as to the withdrawal of principal. Endowment funds earned interest at 1.5% per annum through June 30, 2017.

Certain Diocesan programs and funded operations also receive interest on surplus funds held by the Central Finance Program at the same rates earned by Parishes, Schools and Institutions. The interest received by funded operations is reported as revenue of other funded operations in the Statement of Activities.

Loans are available through the Central Finance Program. Parishes, Schools and Institutions pay 5% interest on outstanding loan balances to the Central Finance Program. Any surplus funds deposited into Central Finance by a Parish, School or Institution with an outstanding loan balance are applied as principal payments on the loan balance until the loan is paid in full.

Interest rates on Central Finance loans and deposits are set by management and are based on the expected rate of return on Diocesan investments, net of investment fees and expenses. Net investment income in excess of interest paid on funds on deposit may be paid to the Parishes, Schools and Institutions as additional interest at the end of the year at the discretion of the Bishop. The amount of additional interest paid to each Parish, School or Institution is based on the weighted average deposit balance of the Parish, School or Institution during the year and is called "profit sharing." Endowment funds are not eligible for profit sharing distributions. There were no profit sharing distributions for the years ended June 30, 2017 and 2016. The statement of activities and schedule below present investment return as interest and dividends earned and capital gains recognized. The full amount of interest expense incurred during the years ended June 30, 2017 and 2016 is reflected below and is included on the statement of activities.

Year ended June 30,:	2017	2016
Central finance income was earned as follows:		
Interest income:		
Parish and school loans	\$ 92,272	\$ 105,334
Investments and cash reserves	551,586	555,346
Dividend income	38,228	45,971
Realized gains (losses) on investments, net	177,207	202,738
Change in unrealized gains and losses on investments, net	28,440	38,640
Total central finance investment income	887,733	948,029
Other income - Catholic Extension grants	16,405	-
Total central finance income	904,138	948,029
Central finance expense and subsidies were incurred as follows:		
Interest expense:		
Parish deposits	40,109	80,322
Cemetery deposits	28,283	56,631
Parish and school endowments	272,076	363,258
Diocesan endowments and programs	44,247	63,419
School and institution deposits	107,870	211,028
External money management and bank fees	135,229	113,185
Total central finance expenses and subsidies	627,814	887,843
Change in net assets - Central Finance	\$ 276,324	\$ 60,186

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

*Notes to Consolidated Financial Statements, continued*

4) Funded Operations

The Diocese maintains several operations (some of which are separately incorporated) that are funded through separate collections and revenues. These collections and revenues are segregated in separate accounts in the Diocesan accounting system. The revenues and expenses incurred by the operations are kept separate for internal Diocesan reporting. The Diocese has adopted the policy to internally subsidize these operations when applicable. Funded operations having revenues in excess of expenditures are carried on the Diocese's balance sheet as unrestricted – designated net assets to be used in future operations of the particular funded operation.

5) Pledges Receivable – Annual Bishop's Appeal (ABA)

The ABA receivable represents commitments or unconditional promises to give from individuals as a result of the Annual Bishop's Appeal. Management considers the commitments to be fully collectible and accordingly, no allowance for uncollectible commitments is deemed necessary. All ABA receivables are due to be collected within one year of the balance sheet date.

6) Investments

Investments are summarized as follows:

Carrying value at June 30:	2017	2016
<u>Temporary cash investments:</u>		
Money market mutual funds and commercial paper	\$ 16,934,749	\$ 19,037,005
<u>Marketable equity securities:</u>		
Common stocks	3,062,004	2,634,993
<u>Marketable debt securities:</u>		
U.S. government securities	24,501,975	24,221,155
<u>Other investments:</u>		
Mission Diocese investment pool	2,994,592	2,626,960
Real estate	91,691	91,691
Total investments	47,585,011	48,611,804
Less investments in marketable debt securities expected to be sold to fund current expected deposit withdrawals	(21,300,000)	(25,900,000)
Investments, net of current expected withdrawals	\$ 26,285,011	\$ 22,711,804

Total investment return, which is reported as unrestricted income in the statement of activities, includes the components of Central Finance income reported in Note 3, plus interest earned on investments held outside the Central Finance program, as follows:

Years ended June 30:	2017	2016
Central finance investments	\$ 887,733	\$ 948,029
Other interest income	50,696	84,381
Total investment return	\$ 938,429	\$ 1,032,410

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

*Notes to Consolidated Financial Statements, continued*

7) Property and Equipment

The following is a summary of property and equipment, at June 30, 2017 and 2016:

	2017	2016
Depreciable property:		
Buildings and improvements	\$ 17,053,492	\$ 17,015,517
Equipment	2,298,141	2,244,885
Vehicles	79,652	68,043
	19,431,285	19,328,445
Less: Accumulated depreciation	(13,230,347)	(12,831,884)
Net depreciable property	6,200,938	6,496,561
Non-depreciable property:		
Archives art collection	238,000	238,000
Land	3,417,847	3,417,847
Land - future parish sites	283,411	283,411
Net property and equipment	\$ 10,140,196	\$ 10,435,819

For the years ended June 30, 2017 and 2016, depreciation expense was reported in the Statement of Activities by functional category as follows:

	2017	2016
Depreciation expense by function:		
Program services	\$ 143,696	\$ 66,915
Supporting services	286,244	303,733
	\$ 429,940	\$ 370,648

8) Other Assets

Other assets are comprised of the following at June 30, 2017 and 2016:

	2017	2016
Perpetual care deposits in Cemeteries Trust	\$ 2,355,618	\$ 2,335,018
Series 2007 bond issuance costs, net of accumulated amortization	-	158,966
Mausoleum inventory	79,750	115,500
	\$ 2,435,368	\$ 2,609,484

9) Self-Insurance Programs

The Diocese operates several self-insurance programs in which the Diocese, its parishes, schools and apostolates participate. Following is a description of each:

Severance Pay Plan - The Diocese has established a Severance Pay Plan (SPP) covering all eligible employees of the Diocese, its parishes, schools and apostolates. Under the plan, eligible employees include all full-time or regular part-time employees with more than one year of service. Severance benefits are paid upon the termination of employment of an eligible employee by reason of lack of funds, lack of work, or the restructuring of or closing of a parish, school, department or apostolate. Under the plan, benefits range from two weeks' pay to six weeks' pay based on the employee's years of service. Premiums in excess of claims collected from the parishes, schools and apostolates are reported as a liability.

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Louisiana Catholic Workers' Compensation Pool (LCWCP) – The Diocese participates in a cost-sharing, risk pool with three other Dioceses to cover claims resulting from employment-related accidents and injuries. Premiums are paid to the pool by the Dioceses based on total payroll costs for covered workers. The pool has entered into a stop-loss agreement with an insurance company to limit its losses to \$1,150,000 per occurrence and \$4,615,081 per policy year. After all outstanding claims are settled for a policy year, any excess of premiums collected over claims and other costs are refunded to the participating Dioceses in proportion to premiums paid to the pool for that policy year.

Mausoleum Insurance Program - This plan covers repairs and damage caused by fire or natural disasters to mausoleums at cemeteries operated by the parishes of the Diocese. The Diocesan Property and Casualty Insurance program covers damage caused by vandalism. The reserve is funded through premiums paid through the Diocesan Property and Casualty Insurance Program. At the end of the year, reserve adequacy is assessed. If reserves are adequate, the premiums credited to the reserve during the year are charged against the reserve and the balance is credited as a source of revenue to the Funded Operation- Cemeteries Office.

Property and Casualty Insurance Program - This plan covers repairs and damage caused by fire, natural disasters or other casualties to buildings and property owned by the Diocese and all parishes, schools and institutions within the Diocese. The Diocese has entered into a stop-loss agreement with an insurance company to limit its losses to \$25,000 on individual claims and \$200,000 in the aggregate for the fiscal year ended June 30, 2017. The Diocesan property and casualty insurance program is reported as a funded operation and the ending balance is included in unrestricted net assets.

Hospitalization Insurance Plan. Hospitalization insurance premiums are paid into the program by the Diocese, its parishes and institutions via a third-party administrator to provide coverage for employees, retirees, and their families. The Diocese has entered into a stop-loss agreement with an insurance company to limit its losses to \$175,000 on individual claims. From time to time during the year, the Diocese remits funds from this reserve to the third-party administrator to pay claims. When the third-party administrator accumulates excess funds, the funds are remitted to the Diocese for deposit into the reserve. The estimated liability for known and incurred but not reported claims was \$619,492 and \$192,000 for the years ended June 30, 2017 and 2016, respectively, and is included in accrued liabilities on the statement of financial position. The hospitalization insurance program is reported as a funded operation and the ending balance is included in unrestricted net assets.

**10) Restrictions on Net Assets**

Temporarily restricted net assets are the net assets of the Diocese that are restricted by donors for: (a) support of a particular operating activity, (b) investment for a specified term, (c) use in a specified future period, or (d) acquisition of long-lived assets.

Permanently restricted net assets represent the net assets of the Diocese restricted by donors for holdings of (a) assets, such as land or works of art, donated with stipulations that they be used for a specified purpose, be preserved, and not be sold, or (b) assets donated with the stipulation that they be invested to provide a permanent source of income.

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Temporarily restricted net assets are available for the following purposes or periods, at June 30, 2017 and 2016:

	2017	2016
Perpetual Care Maintenance Reserve	\$ 180,272	\$ 180,064
Disaster Relief Fund	389,777	441,134
Future Parish Sites	218,600	218,600
Lafourche Charities Fund	282,700	282,700
Norma Liner Diaconate Fund	9,921	9,872
Msgr. Amedee Seminarian Education Fund	300,791	263,864
	\$ 1,382,061	\$ 1,396,234

Permanently restricted net assets are restricted for the following purposes at June 30, 2017 and 2016:

	2017	2016
Seminary Burse Funds	\$ 1,652,658	\$ 1,572,071
Perpetual Care Deposit - Cemeteries Trust	2,355,618	2,335,018
Priest Retirement Endowment	227,125	227,125
Lumen Christi Endowment	94,421	94,421
Catholic Social Services Endowments	564,175	527,297
	\$ 4,893,997	\$ 4,755,932

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors for permanent diaconate expenses and disaster relief in the amounts of \$51,537 and \$0 for the years ended June 30 2017 and 2016, respectively.

11) Designated Net Assets

Designated net assets represent net assets that have no donor-imposed restrictions but have been designated by management for the following at June 30, 2017 and 2016:

	2017	2016
Priest Pension Fund	\$ 888,224	\$ 829,724
Evangelization Fund	61,159	62,475
Bishop's Grant Fund	1,075	1,575
Vehicle Replacement Fund	62,611	86,960
	1,013,069	980,734
Net assets of Funded Operations	10,623,827	9,140,246
	\$ 11,636,896	\$ 10,120,980

12) Pension and Other Postretirement Benefit Plans

The Diocese maintains several plans providing pension and other postretirement benefits to employees as follows.

A) Defined Contribution Plans.

The Diocese sponsors two defined contribution plans as follows:

401(a) Plan - The Diocese established a defined contribution 401(a) plan to accept rollover contributions from the participants in the Defined Benefit Plan that was terminated in 1997. No further employee or employer contributions will be made to this plan.

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403(b) Plan - For all eligible employees, the Diocese will contribute 2% of salary to the plan and an additional 2% of salary to the plan if the employee agrees to participate at the minimum level of 2% of salary. The Diocesan contribution to the plan increases, based on length of service, to a maximum of 5% for employees with 20 or more years of service. Diocesan contributions to the plan were \$142,600 and \$169,449, for the years ended June 30, 2017 and 2016, respectively.

B) Priests' Pension Fund.

The Diocese provides pension benefits to the retired priests of the Diocese under a plan that is not a qualified plan under the Internal Revenue Code and is not required to comply with the Employee Retirement Income Security Act of 1974.

*Summary of Principal Plan Provisions:*

All incardinated priests of the Diocese of Houma-Thibodaux are eligible for participation in the plan. The normal retirement eligibility requirement is attainment of age 65. Under normal retirement, the participant is paid for life at a rate of \$61 per month times the participant's years of service up to 25 years. If the participant remains in service beyond age 65, an additional accrued benefit of \$75 per month will be accrued for each year of continued service. The monthly benefit paid to retirees and the monthly accrued benefits for active participants are generally adjusted every other year. Early retirement requires attainment of age 55. The benefit for early retirement is calculated in the same manner as that of normal retirement, but reduced by 5% for each year early retirement proceeds normal retirement. Participants are 100% vested in their accrued benefits after 5 years of service.

On October 12, 2007, the Diocese established the Priest Retirement Trust to hold plan assets. The proceeds of the 2007 Series bonds and investments previously designated for the payment of priest retirement benefits were deposited into the trust. Current plan benefits are funded by periodic employer contributions in conformance with minimum funding recommendations and maximum suggested limitations and earnings on plan assets. Additional funding is also provided by voluntary contributions by the Diocese from excess reserves, proceeds of life insurance policies on priests and private donations.

Information regarding the Plan's change in benefit obligation, change in plan assets, and the funded status of the Plan for the years ended June 30, 2017 and 2016 follow:

	<u>2017</u>	<u>2016</u>
Priest pension plan:		
Change in benefit obligation:		
Accumulated benefit obligation - beginning of year	\$ 8,184,910	\$ 7,027,045
Service cost	160,239	140,727
Interest cost	265,715	296,604
Actuarial (gain) loss	(324,551)	959,200
Benefits paid	<u>(268,056)</u>	<u>(238,666)</u>
Accumulated benefit obligation - end of year	8,018,257	8,184,910
Change in plan assets:		
Fair value of plan assets - beginning of year	6,824,068	6,941,128
Employer contributions	58,500	50,100
Actual return on assets	525,859	71,506
Benefits paid	<u>(268,056)</u>	<u>(238,666)</u>
Fair value of plan assets - end of year	<u>7,140,371</u>	<u>6,824,068</u>
Funded status (deficit)	<u>\$ (877,886)</u>	<u>\$ (1,360,842)</u>



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The actuarial present value of the accumulated benefit obligation was computed using discount rates of 3.7% and 3.3% for the years ended June 30, 2017 and 2016, respectively. The net periodic pension cost was computed using discount rates of 3.3% and 4.3% for the years ended June 30, 2017 and 2016, respectively. Benefit payments are based on years of service rather than compensation levels, and therefore, no expected annual compensation increases are included in the valuation.

Net periodic pension cost for the years ended June 30, 2017 and 2016 included the following components:

	2017	2016
Items not yet recognized as a component of net periodic pension cost:		
Transition obligation (asset)	\$ 536,759	\$ 599,465
Net actuarial (gain) loss	451,493	833,807
Total	\$ 988,252	\$ 1,433,272
	2017	2016
Service cost	\$ 160,239	\$ 140,727
Interest cost	265,715	296,604
Expected return on plan assets	(468,095)	(478,730)
Amortization of transition obligation	62,705	62,706
	\$ 20,564	\$ 21,307

Pension changes other than net periodic pension costs are reported in the Statement of Activities as a change in unrestricted net assets for the years ended June 30, 2017 and 2016 follow:

	2017	2016
Net actuarial (gain) loss	\$ (382,315)	\$ 1,366,424
Amortization of transition obligation	(62,705)	(62,706)
(Increase) decrease in net assets	\$ (445,020)	\$ 1,303,718

Future benefit payments expected to be paid in each of the next five fiscal years and in the aggregate for the following five years are as follows:

Year ending June 30,	2018	\$ 410,000
	2019	422,000
	2020	422,000
	2021	426,000
	2022	411,000
	2023-2027	2,242,000

*Plan Assets*

The assets of the plan are invested primarily in a diversified mix of equities and fixed income securities. The assets are managed by independent investment managers in accordance with stated investment policies. The investment objective of the pension fund is to equal or exceed a benchmark rate of return comprised of appropriate marked indices and to achieve above-median ranking in a universe of balanced funds with similar investment policies over reasonable measurement periods.

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The following tables summarize the plan assets within the fair value hierarchy (see note 15), at June 30:

At June 30, 2017:	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash equivalents	\$ 577,620	\$ -	\$ -	\$ 577,620
US Government securities	-	365,165	-	365,165
Common Stocks	2,858,221	-	-	2,858,221
Institutional mutual funds:				
Equity funds	2,248,649	-	-	2,248,649
Fixed income funds	717,186	-	-	717,186
Asset-backed securities	-	373,530	-	373,530
Total investments	<u>\$ 6,401,676</u>	<u>\$ 738,695</u>	<u>\$ -</u>	<u>\$ 7,140,371</u>
At June 30, 2016:	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash equivalents	\$ 671,133	\$ -	\$ -	\$ 671,133
US Government securities	-	758,965	-	758,965
Common Stocks	2,666,899	-	-	2,666,899
Institutional mutual funds:				
Equity funds	427,678	-	-	427,678
Fixed income funds	1,712,452	-	-	1,712,452
Asset-backed securities	-	586,941	-	586,941
Total investments	<u>\$ 5,478,162</u>	<u>\$ 1,345,906</u>	<u>\$ -</u>	<u>\$ 6,824,068</u>

The actual asset allocations and the target allocation ranges by asset category for pension plan assets were as follows for the year ended June 30, 2017:

	<u>Actual</u>	Target allocation <u>range</u>
Cash and cash equivalents	8%	0% - 10%
Equity securities	51%	50% - 65%
Fixed income securities	41%	35% - 50%

The expected long-term rate of return assumption of 7.0% is selected by management as a reasonable expectation based on historical performance of both the pension fund and the investment markets in general. The selection of the rate is periodically evaluated by the Diocese as the administrator of the pension plan.

C) Priests' Other Postretirement Benefits.

The Diocese provides health insurance, long-term care benefits and long-term disability benefits for its retired priests. The benefits provided are coordinated with Medicare and/or are supplemented with other insurance policies provided by the Diocese. The benefits are funded on a pay-as-you-go basis.

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Information regarding the Plan's change in benefit obligation, change in plan assets, and the funded status of the Plan for the years ended June 30, follows:

	2017	2016
Change in benefit obligation:		
Accumulated benefit obligation - beginning of year	\$ 11,639,766	\$ 9,169,035
Service cost	404,481	320,330
Interest cost	416,002	408,872
Actuarial (gain) loss	(610,485)	1,894,759
Benefits paid	(155,371)	(153,230)
Accumulated benefit obligation - end of year	11,694,393	11,639,766
Change in plan assets:		
Fair value of plan assets - beginning of year	-	-
Employer contributions	155,371	153,230
Benefits paid	(155,371)	(153,230)
Fair value of plan assets - end of year	-	-
Funded status (deficit)	\$ (11,694,393)	\$ (11,639,766)
	2017	2016
Items not yet recognized as a component of net periodic benefit cost:		
Transition obligation (asset)	\$ 6,607,694	\$ 7,020,675
Net actuarial (gain) loss	943,847	1,587,385
Total	\$ 7,551,541	\$ 8,608,060

The actuarial present value of the accumulated benefit obligation was computed using discount rates of 4.0% and 3.6% for the years ended June 30, 2017 and 2016, respectively. The net periodic pension cost was computed using discount rates of 3.6% and 4.5% for the years ended June 30, 2017 and 2016, respectively.

Net periodic benefit cost for the years ended June 30, included the following components:

	2017	2016
Net periodic benefit cost:		
Service cost	\$ 404,481	\$ 320,330
Interest cost	416,002	408,872
Amortization of experience (gain) loss	33,053	-
Amortization of transition obligation	412,981	412,981
	\$ 1,266,517	\$ 1,142,183

Benefit obligation changes other than net periodic benefit costs are reported in the Statement of Activities as a change in unrestricted net assets as follows:

	2017	2016
Changes other than net periodic benefit cost:		
Net actuarial (gain) loss	\$ (643,538)	\$ 1,894,759
Amortization of transition obligation	(412,981)	(412,981)
(Increase) decrease in net assets	\$ (1,056,519)	\$ 1,481,778

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The initial annual healthcare cost trend rate is 8.0%, decreasing annually by 0.75% to an ultimate rate of 5% per year. A one-percentage-point change in the assumed health care cost trend rates would have the following effects as of June 30, 2017:

	Increase of 1%	Current rate	Decrease of 1%
Service cost	\$ 529,890	\$ 404,481	\$ 312,104
Interest cost	502,776	416,002	347,753
Accumulated Benefit Obligation	14,139,827	11,694,393	9,791,261

Future benefit payments expected to be paid in each of the next five fiscal years and in the aggregate for the following five years are as follows:

Year ended June 30,	2018	\$	236,000
	2019		277,000
	2020		310,000
	2021		348,000
	2022		373,000
	2023-2027		2,379,000

### 13) Long-Term Debt

On July 1, 2007, the Roman Catholic Church of the Diocese of Houma-Thibodaux (the Issuer) issued \$6,480,000 The Roman Catholic Church of the Diocese of Houma-Thibodaux Variable Rate Demand Bonds Series 2007 (the Series 2007 Bonds) pursuant to the terms and provisions of an Indenture of Trust between the Issuer and Regions Bank (the Trustee).

The Series 2007 Bonds are issued pursuant to the terms and provisions of an Indenture of Trust (the Indenture). The proceeds of the Series 2007 Bonds are for the payment of (i) a portion of the Issuer's unfunded pension liabilities, and (ii) the costs of issuing the Series 2007 Bonds.

The Series 2007 Bonds will bear interest at a variable (market) rate of interest payable on the first business day of each month, commencing on November 1, 2007, due through December 1, 2037. The interest rate is repriced weekly.

On January 2, 2011, Capital One Public Funding, LLC (COPF) purchased the Series 2007 bonds and the Indentures were amended. Under the amended Indentures, the interest rate was modified to equal 65% of LIBOR plus 3.0% on the Series 2007 bond. The amended Indentures also include "Put Provisions" allowing COPF to tender the bonds in 2015, 2020, 2025 and 2030 at a purchase price equal to the principal amount plus accrued interest on the Put Date, provided that COPF has given written notice not less than twelve (12) months prior to the proposed Put Date. The amended Indentures also eliminate the letters of credit securing the bonds and include provisions for optional redemptions at the option of the Issuer. The annual mandatory redemption schedules in the Original Indentures were not modified.

On January 5, 2017, the Diocese redeemed all of the outstanding bonds at face value. The Diocese recognized a loss on the early redemption consisting of the unamortized bond issuance costs in the amount of \$155,225 which were written off when the bonds were redeemed.

Long-term debt consists of the following at June 30, 2017:

	2017	2016
\$6,480,000 variable rate bonds dated November 1, 2007; due at various intervals through December 1, 2037; initial rate of 5.19%	\$ -	\$ 4,415,000
Less current maturities	-	(145,000)
Long-term debt, net of current maturities	<u>\$ -</u>	<u>\$ 4,270,000</u>

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Interest Rate Swap Agreement

In order to hedge exposure to interest rate fluctuations on the Bonds, the Diocese entered into an interest rate swap agreement with Allied Irish Banks, p.l.c (the "Provider") as more fully described in the Master Agreement, Schedule to the Master Agreement and Confirmation dated November 28, 2006 (the "Swap Documents"). The Diocese was liable to the Provider to make swap payments and bond payments pursuant to the terms of the bond documents. Capitalized terms used herein but not defined shall have the meaning set forth in the Swap Documents.

Under the terms of the Swap, the Diocese paid a fixed rate 5.19% on the Series 2007 bonds, and the Provider paid a variable rate equal to 75% of the 1-month USD-LIBOR rate, as more fully described in the Swap Documents.

On January 5, 2017 the Diocese paid \$1,225,000 to the Provider to terminate the swap agreement. The payment is included in the statement of activities as general and administrative expense.

14) Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Although the exchange price concept is not new, the new definition focuses on the exit price as opposed to the entry price that would be paid to acquire an asset or received to assume a liability. The standard also emphasizes that fair value is a market-based measurement and not an entity-specific measurement and establishes a hierarchy to prioritize the inputs that can be used in the fair value measurement process. The inputs in the three levels of this hierarchy are described as follows:

Level 1 Quoted prices in active markets for identical assets or liabilities. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Observable inputs other than Level 1 prices. This would include quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 Unobservable inputs, to the extent that observable inputs are unavailable. This allows for situations in which there is little or no market activity for the asset or liability at the measurement date.

The Diocese measures temporary cash investments and investments in marketable debt and marketable equity securities at fair value on a recurring basis and are summarized below:

(in thousands)

	Carrying Value	June 30, 2017 Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investment securities:				
Temporary cash investments	\$ 16,935	\$ -	\$ 16,935	\$ -
Marketable debt securities	24,502	-	24,502	-
Marketable equity securities	3,062	-	3,062	-
Total investments reported at fair value	44,499	\$ -	\$ 44,499	\$ -
Other investments carried at cost	3,086			
Total investments	\$ 47,585			

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(in thousands)	June 30, 2016			
	Carrying Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investment securities:				
Temporary cash investments	\$ 19,037	\$ -	\$ 19,037	\$ -
Marketable debt securities	24,221	-	24,221	-
Marketable equity securities	2,635	-	2,635	-
Total investments reported at fair value	45,893	\$ -	\$ 45,893	\$ -
Other investments carried at cost	2,719			
Total investments	\$ 48,612			

15) Endowments

Endowment funds consist of net assets held in perpetuity pursuant to donor-imposed restrictions for the purposes of priest retirement costs, seminary tuition and other expenses related to the education of candidates for the priesthood, perpetual care of mausoleums, Catholic Charities programs, and operating expenses of Lumen Christi Retreat Center, and unrestricted net assets designated for priest retirement costs by management. The endowment funds are held in pooled investment accounts, along with other Diocesan funds and funds held for affiliates. Interest is paid on Diocesan endowment funds in accordance with Central Finance policies as explained in Note 3.

The Diocese has interpreted state law as requiring the preservation of original corpus of the permanent endowment funds unless explicit donor stipulations specify how net appreciation must be used. The long-term objective of the Diocese's investment policy is to preserve the purchasing power of the net assets and maintain an average annual total return at or above the level of spending and fees. Adequate liquidity shall be maintained to provide distributions as stipulated in the endowment agreement.

Changes in endowment fund net assets for the year ended June 30, 2017 are as follows:

	Permanently		
	Unrestricted	Restricted	Total
Net assets, June 30, 2015	\$ 779,624	\$ 4,669,567	\$ 5,449,191
Contributions	50,100	86,365	136,465
Investment interest	37,845	-	37,845
Appropriation for expenditure	(37,845)	-	(37,845)
Net assets, June 30, 2016	829,724	4,755,932	5,585,656
Contributions	58,500	138,065	196,565
Investment interest	30,409	-	30,409
Appropriation for expenditure	(30,409)	-	(30,409)
Net assets, June 30, 2017	\$ 888,224	\$ 4,893,997	\$ 5,782,221

16) Commitments

The Diocese has contractual obligations and commitments outstanding at June 30, 2017 for renovations or additions to Diocesan parishes, schools and institutions properties for approximately \$1,618,500. Of the total contract obligations, approximately \$125,000 had been paid as of June 30, 2017 and \$1,493,500 remains to be advanced to the parishes and institutions by way of Central Finance deposit withdrawals or loans.

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17) Contingencies

The Diocese is named as defendant in various lawsuits arising from its operations. While the outcome of these lawsuits and threatened litigation cannot be predicted with certainty, management does not expect these matters to have a material adverse effect on the financial condition of the Diocese.

There is no loss accrual provision associated with litigation or threatened litigation contained in the financial statements as management cannot reasonably estimate the range of possible loss, if any.

18) Stewardship and Development

The Diocese has three stewardship and development programs. The first is the Annual Bishop's Appeal, the second is the Stewardship Program for the benefit of parishes within the Diocese and the third is the Catholic School Development Program. The Annual Bishop's Appeal is a program to raise funds for discretionary use by the Diocese in support of various diocesan, school and parish programs. The Stewardship Program is coordinated by the Diocesan Stewardship Office to assist Parishes of the Diocese in implementing a sacrificial giving program for the benefit of the Parishes. The Catholic School Development Program is coordinated by the Diocesan Office of Catholic Schools to assist the schools of the Diocese in their development efforts.

20) Program Expenses

Program expenses are grouped by the Diocesan Departments of the Curia as reported in the Diocesan Catholic Directory as follows:

Formation Ministries are focused on catechesis and evangelization. The ministries and offices included in the Department of Formation Ministries provide support to the parishes and schools throughout the Diocese for the formation of the people of God into vibrant, Eucharistic communities.

Social Ministries provide compassionate service to people in need, promote Catholic social teaching, advocate for those whose voice is not heard, organize people who feel powerless to improve their lives, and call the entire church and all people of good will to establish a more just society.

The Department of Clergy and Religious provides for the continuing education of the clergy, permanent diaconate, men and women religious, and seminarians.

Administration Ministries provide administrative support and assistance to parishes, schools, institutions and other departments within the Diocese.

21) Impact of Recently Issued Accounting Pronouncements

Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, was issued to introduce a comprehensive, principles-based framework for recognizing revenue. Existing standards for recognition of revenue from contributions by nonprofit organizations will be retained, but recognition of other types of revenue may be affected by the new standard. The ASU will be effective for years beginning after December 15, 2018. The impact of the implementation of this ASU on the Diocese's financial statements has not been assessed at this time.

ASU 2016-01, *Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*, was issued to improve the recognition, measurement, presentation, and disclosure of financial instruments. The ASU will be effective for years beginning after December 15, 2018. The impact of the implementation of this ASU on the Diocese's financial statements has not been assessed at this time.

ASU 2016-02, *Leases*, requires the recognition of lease assets and lease liabilities by lessees, including for those leases classified as operating leases under current standards, along with disclosure of key information about leasing arrangements. The ASU will be effective for years beginning after December 15, 2019. The

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

*Notes to Consolidated Financial Statements, continued*

impact of the implementation of this ASU on the Diocese's financial statements has not been assessed at this time.

ASU 2016-14, *Not-for-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities*, amends the standards for the presentation and accompanying disclosures of the financial statements of nonprofit organizations. The ASU will be effective for years beginning after December 15, 2017. The impact of the implementation of this ASU on the Diocese's financial statements has not been assessed at this time.

22) Subsequent Events

Management evaluates events subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through December 15, 2017, the date the financial statements were available for issuance.





**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX**

Schedule of Revenues and Expenses - Formation Ministries  
Year Ended June 30, 2017

	Formation	Family Ministries	Worship	Catholic Schools	Religious Education	Strategic Planning
<b>Revenues:</b>						
Cathedralicum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and grants	-	32,950	-	137,843	10,007	71,386
Investment income	-	-	-	-	-	-
Oil and gas royalties	-	-	-	-	-	-
Program service and other income	-	114,451	3,672	121,959	12,409	-
Net assets released from restrictions	-	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>147,401</b>	<b>3,672</b>	<b>259,802</b>	<b>22,416</b>	<b>71,386</b>
<b>Expenses:</b>						
Salaries - lay personnel	891	102,410	580	110,005	6,607	16,500
Salaries - religious	-	-	760	-	-	-
Payroll taxes	67	6,985	42	8,366	496	1,219
Group insurance	75	25,500	695	12,143	1,291	4,876
Group insurance - retired priests	-	-	-	-	-	-
Pension and benefits	62	6,716	73	4,408	380	660
Business allowance/reimbursement	64	8,100	518	4,376	337	623
Conference and travel	-	889	1,780	2,779	566	-
Program expenses	319	110,408	11,215	140,083	14,191	63,762
Supplies	-	169	282	468	-	-
Maintenance and repair	-	-	132	38	-	-
Insurance	-	-	-	-	-	-
Occupancy expenses	-	-	-	-	-	-
Other operating expenses	-	408	6,643	7,374	40	-
Copying and printing	-	-	-	-	-	-
Papal quota and Catholic Conference	-	-	-	-	-	-
Contributions and grants	-	-	-	-	-	-
Depreciation	-	367	-	-	-	-
Central finance interest expense	-	-	-	-	-	-
Emergency assistance and disaster relief	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Bond interest and amortization	-	-	-	-	-	-
<b>Total expenses</b>	<b>1,478</b>	<b>261,952</b>	<b>22,720</b>	<b>290,040</b>	<b>23,908</b>	<b>87,640</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (1,478)</b>	<b>\$ (114,551)</b>	<b>\$ (19,048)</b>	<b>\$ (30,238)</b>	<b>\$ (1,492)</b>	<b>\$ (16,254)</b>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX**

Schedule of Revenues and Expenses - Formation Ministries  
Year Ended June 30, 2017

	Conference Office	Evangelization	Youth Ministries	ABA Grant Program	Communications	Bayou Catholic	Total
<b>Revenues:</b>							
Cathedralicum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and grants	-	146,849	8,400	-	18,238	23,178	448,851
Investment income	-	-	-	-	-	-	-
Oil and gas royalties	-	-	-	-	-	-	-
Program service and other income	-	1,080	91,359	-	-	226,410	571,340
Net assets released from restrictions	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>147,929</b>	<b>99,759</b>	<b>-</b>	<b>18,238</b>	<b>249,588</b>	<b>1,020,191</b>
<b>Expenses:</b>							
Salaries - lay personnel	1,631	-	72,006	-	16,878	166,154	493,662
Salaries - religious	-	122,040	-	-	-	-	122,800
Payroll taxes	130	-	5,471	-	1,246	11,869	35,891
Group insurance	395	53,893	14,543	-	4,789	23,985	142,185
Group insurance - retired priests	-	-	-	-	-	-	-
Pension and benefits	77	7,734	3,851	-	373	8,309	32,643
Business allowance/reimbursement	-	16,810	8,100	-	78	10,460	49,466
Conference and travel	66	1,082	333	-	-	-	7,495
Program expenses	4,145	82,550	41,692	-	137,955	23,037	629,357
Supplies	139	790	14,491	-	3,216	1,703	21,258
Maintenance and repair	-	-	-	-	-	-	170
Insurance	-	-	-	-	-	-	-
Occupancy expenses	-	-	4,000	-	-	-	4,000
Other operating expenses	1,082	815	19,195	-	2,088	4,165	41,810
Copying and printing	-	-	-	-	-	123,316	123,316
Papal quota and Catholic Conference	-	-	-	66,300	-	-	66,300
Contributions and grants	-	-	230	-	430	-	1,027
Depreciation	-	-	-	-	-	-	-
Central finance interest expense	-	-	-	-	-	-	-
Emergency assistance and disaster relief	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Bond interest and amortization	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>7,665</b>	<b>285,714</b>	<b>183,912</b>	<b>66,300</b>	<b>167,053</b>	<b>372,998</b>	<b>1,771,380</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (7,665)</b>	<b>\$ (137,785)</b>	<b>\$ (84,153)</b>	<b>\$ (66,300)</b>	<b>\$ (148,815)</b>	<b>\$ (123,410)</b>	<b>\$ (751,189)</b>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH**  
**OF THE DIOCESE OF HOUMA-THIBODAUX**  
*Schedule of Revenues and Expenses - Social Ministries*  
*Year Ended June 30, 2017*

	Hospital Chaplain	Assisi Bridge House	St. Lucy Child Care Center	Disaster Services	Catholic Housing	Micro Enterprise	Foster Grandparent	Food Banks	Catholic Social Services	Total
<b>Revenues:</b>										
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and grants	40,000	114,419	99,444	300	10,577	140	307,389	252,162	360,634	1,185,065
Investment income	-	-	7,000	2,000	2,243	1,352	69	3,461	5,744	21,869
Oil and gas royalties	-	-	-	-	-	-	-	-	-	-
Program service and other income	-	302,071	275,324	-	4,497	40	-	152,510	29,700	764,142
Net assets released from restrictions	-	-	-	51,357	-	-	-	-	-	51,357
<b>Total revenues</b>	<b>40,000</b>	<b>416,490</b>	<b>381,768</b>	<b>53,657</b>	<b>17,317</b>	<b>1,532</b>	<b>307,458</b>	<b>408,133</b>	<b>396,078</b>	<b>2,022,433</b>
<b>Expenses :</b>										
Salaries - lay personnel	-	122,692	152,588	85	46,262	25,247	43,055	48,787	181,335	620,051
Salaries - religious	33,215	-	-	-	-	-	-	-	-	33,215
Payroll taxes	-	9,088	10,823	7	3,052	1,887	2,643	4,465	12,663	44,628
Group insurance	23,664	30,195	58,632	-	10,250	2,145	9,728	7,710	28,801	171,125
Group insurance - retired priests	-	-	-	-	-	-	-	-	-	-
Pension and benefits	4,020	5,762	5,548	-	2,564	584	2,583	-	9,816	30,877
Business allowance/reimbursement	19,270	810	934	-	557	51	1,287	1,240	9,037	33,186
Conference and travel	-	9,034	354	-	624	273	27,107	2,065	356	39,813
Program expenses	360	-	50,147	-	155	-	200,613	530	71,346	323,151
Supplies	-	2,760	15,766	-	2,472	280	3,414	10,496	6,515	41,703
Maintenance and repair	-	40,917	25,557	341	-	-	8,770	17,501	10,312	103,398
Insurance	-	13,392	-	-	-	-	-	13,400	6,756	33,548
Occupancy expenses	-	25,593	11,763	-	3,500	1,440	5,590	28,167	5,472	81,525
Other operating expenses	-	36,606	2,281	3,125	627	-	630	3,900	6,454	53,623
Copying and printing	-	-	4	-	-	-	236	378	-	618
Papal quota and Catholic Conference	-	-	-	-	-	-	-	-	-	-
Contributions and grants	-	-	-	-	-	-	-	-	-	-
Depreciation	-	19,507	3,879	-	209	209	458	24,276	5,000	53,538
Central finance interest expense	-	-	-	-	-	-	-	-	-	-
Emergency assistance and disaster relief	-	4,870	-	49,627	6,000	-	-	179,022	48,574	288,093
Telephone	-	736	4,939	472	1,580	1,577	1,895	4,374	6,157	21,730
Bond interest and amortization	-	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>80,529</b>	<b>321,962</b>	<b>343,215</b>	<b>53,657</b>	<b>77,852</b>	<b>33,693</b>	<b>308,009</b>	<b>346,311</b>	<b>408,594</b>	<b>1,973,822</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (40,529)</b>	<b>\$ 94,528</b>	<b>\$ 38,553</b>	<b>\$ -</b>	<b>\$ (60,535)</b>	<b>\$ (32,161)</b>	<b>\$ (551)</b>	<b>\$ 61,822</b>	<b>\$ (12,516)</b>	<b>\$ 48,611</b>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX**

Schedule of Revenues and Expenses - Clergy and Religious  
Year Ended June 30, 2017

	Seminarium Formation	Vocations	Permanent Diaconate	Continuing Education	Bishop's Residence	Bishop Emeritus	Retirement and Other Clergy Benefits	Total
<b>Revenues:</b>								
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and grants	316,580	150	-	2,827	-	-	-	319,557
Investment income	23,251	-	-	-	-	-	-	23,251
Oil and gas royalties	-	-	-	-	-	-	-	-
Program service and other income	257	-	5,141	3,510	-	-	-	8,908
Net assets released from restrictions	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>340,088</b>	<b>150</b>	<b>5,141</b>	<b>6,337</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>351,716</b>
<b>Expenses:</b>								
Salaries - lay personnel	-	3,888	-	-	12,021	-	-	15,909
Salaries - religious	-	-	-	563	-	-	39,580	40,143
Payroll taxes	-	264	-	-	917	-	-	1,181
Group insurance	60	1,051	-	12	3,866	-	-	4,989
Group insurance - retired priests	-	-	-	-	-	-	1,296,452	1,296,452
Pension and benefits	-	179	-	28	481	-	21,720	22,408
Business allowance/reimbursement	-	-	-	-	-	8,100	50,478	58,578
Conference and travel	22,441	-	-	2,205	-	487	-	25,133
Program expenses	543,936	5,003	-	16,561	-	-	-	565,500
Supplies	-	-	1,831	-	4,343	3,600	-	9,774
Maintenance and repair	-	-	-	-	2,789	5,290	-	8,079
Insurance	-	-	-	-	-	-	-	-
Occupancy expenses	-	-	-	-	1,182	3,527	-	4,709
Other operating expenses	10,448	2,460	1,554	-	2,474	-	-	16,936
Copying and printing	-	-	-	-	-	-	-	-
Papal quota and Catholic Conference	-	-	-	-	-	-	-	-
Contributions and grants	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	172	12,449	-	12,621
Central finance interest expense	-	-	-	-	-	-	-	-
Emergency assistance and disaster relief	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	592	-	592
Bond interest and amortization	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>576,885</b>	<b>12,845</b>	<b>3,385</b>	<b>19,369</b>	<b>28,245</b>	<b>34,045</b>	<b>1,408,230</b>	<b>2,083,004</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (236,797)</b>	<b>\$ (12,695)</b>	<b>\$ 1,756</b>	<b>\$ (13,032)</b>	<b>\$ (28,245)</b>	<b>\$ (34,045)</b>	<b>\$ (1,408,230)</b>	<b>\$ (1,731,288)</b>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH**  
**OF THE DIOCESE OF HOUMA-THIBODAUX**  
*Schedule of Revenues and Expenses - Administration Ministries*  
Year Ended June 30, 2017

	Computer and Technology Support	Construction	Archives	Tribunal	Safe Environment	Cemeteries Trust
<b>Revenues:</b>						
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and grants	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Oil and gas royalties	-	-	-	-	-	-
Program service and other income	134,484	-	2,995	2,715	-	27,740
Net assets released from restrictions	-	-	-	-	-	-
<b>Total revenues</b>	<b>134,484</b>	<b>-</b>	<b>2,995</b>	<b>2,715</b>	<b>-</b>	<b>27,740</b>
<b>Expenses:</b>						
Salaries - lay personnel	98,416	36,000	23,119	33,570	13,101	15,650
Salaries - religious	-	-	-	-	20,000	-
Payroll taxes	6,818	2,765	1,761	2,446	692	1,088
Group insurance	15,420	6,097	9,728	9,752	3,516	3,412
Group insurance - retired priests	-	-	-	-	-	-
Pension and benefits	5,558	2,635	1,156	2,303	901	780
Business allowance/reimbursement	8,100	5,070	-	-	12	810
Conference and travel	395	-	-	3,158	2,715	-
Program expenses	28,262	274	-	-	19,648	-
Supplies	5,979	100	1,750	1,336	376	-
Maintenance and repair	-	-	7,252	600	-	-
Insurance	-	-	-	-	-	-
Occupancy expenses	-	-	9,960	-	-	-
Other operating expenses	152	20	469	19,725	16,018	6,000
Copying and printing	-	-	-	-	-	-
Papal quota and Catholic Conference	-	-	-	-	-	-
Contributions and grants	-	-	-	-	-	-
Depreciation	-	-	525	-	-	-
Central finance interest expense	-	-	-	-	-	-
Emergency assistance and disaster relief	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Bond interest and amortization	-	-	-	-	-	-
<b>Total expenses</b>	<b>169,100</b>	<b>52,961</b>	<b>55,720</b>	<b>72,890</b>	<b>76,979</b>	<b>27,740</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (34,616)</b>	<b>\$ (52,961)</b>	<b>\$ (52,725)</b>	<b>\$ (70,175)</b>	<b>\$ (76,979)</b>	<b>\$ -</b>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX**

Schedule of Revenues and Expenses - Administration Ministries  
Year Ended June 30, 2017

	Cemeteries Office	St. Joseph Cemetery	Property and Casualty Insurance	Central Finance	Lumen Christi	HR and Employee Benefits	Total
<b>Revenues:</b>							
Catharticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and grants	-	-	-	16,405	30,654	-	47,059
Investment income	-	4,162	-	887,733	1,414	-	893,309
Oil and gas royalties	-	-	-	-	-	-	-
Program service and other income	56,096	386,316	2,993,741	-	293,773	7,428,494	11,326,354
Net assets released from restrictions	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>56,096</b>	<b>390,478</b>	<b>2,993,741</b>	<b>904,138</b>	<b>325,841</b>	<b>7,428,494</b>	<b>12,266,722</b>
<b>Expenses:</b>							
Salaries - lay personnel	69,253	159,591	55,083	-	66,518	125,603	695,904
Salaries - religious	-	-	-	-	-	-	20,000
Payroll taxes	4,652	10,277	3,657	-	4,880	7,720	46,756
Group insurance	13,992	34,096	10,081	-	30,022	24,096	160,212
Group insurance - retired priests	-	-	-	-	-	-	-
Pension and benefits	4,047	9,251	3,489	-	2,937	7,158	40,215
Business allowance/reimbursement	5,708	-	2,835	-	-	9,724	32,259
Conference and travel	-	-	(177)	-	-	3,827	9,918
Program expenses	-	117,346	2,625,598	-	64,157	6,280,133	9,135,418
Supplies	1,295	6,021	-	-	47,128	44	64,029
Maintenance and repair	-	223	-	-	48,517	-	56,592
Insurance	-	-	-	-	-	-	-
Occupancy expenses	-	6,956	-	-	59,553	-	76,469
Other operating expenses	-	3,290	-	135,229	835	4,412	186,150
Copying and printing	-	-	-	-	-	-	-
Papal quota and Catholic Conference	-	-	-	-	-	-	-
Contributions and grants	-	-	-	-	-	-	-
Depreciation	-	60,566	-	-	15,287	132	76,510
Central finance interest expense	-	-	-	492,585	-	-	492,585
Emergency assistance and disaster relief	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Bond interest and amortization	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>98,947</b>	<b>407,617</b>	<b>2,700,566</b>	<b>627,814</b>	<b>339,834</b>	<b>6,462,849</b>	<b>11,093,017</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ (42,851)</b>	<b>\$ (17,139)</b>	<b>\$ 293,175</b>	<b>\$ 276,324</b>	<b>\$ (13,993)</b>	<b>\$ 965,645</b>	<b>\$ 1,173,705</b>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU**  
*Schedule of Other Undistributed Funds*  
*Year Ended June 30, 2017*

	Other Undistributed Funds			
	Beginning Balance	Receipts	Distributions & Transfers	Ending Balance (included in Accounts Payable - other)
<u>Diocesan and National Collections:</u>				
Campaign for Human Development	\$ 373	\$ 34,876	\$ 33,273	\$ 1,976
Bishop's Welfare Fund	-	48,083	900	47,183
Holy Land	-	38,449	2,016	36,433
Peter's Pence	17,330	23,189	35,791	4,728
Latin American Church	7	31,555	30,291	1,271
Communications	12,166	23,369	24,304	11,231
Rice Bowl	23,753	38,214	41,568	20,399
Catholic University	261	26,846	26,116	991
Catholic Home Mission	32,415	30,564	34,048	28,931
Special Disaster Collections	49,465	238,656	276,451	11,670
Black and Indian Missions	(704)	32,707	29,389	2,614
Military Services Special Collections	-	37,291	-	37,291
Total Undistributed Funds - Other	\$ 135,066	\$ 603,799	\$ 534,147	\$ 204,718



**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH**  
**OF THE DIOCESE OF HOUMA-THIBODAUX**  
*Schedule of Seminary Burse Funds*  
*June 30, 2017 and 2016*

The following is a listing of burse funds that have been received by the Diocese since the burse program was instituted by the Diocese. These funds are permanently restricted and the principal amount is to remain intact with only the income being used for the purpose of educating seminarians.

	<u>2017</u>	<u>2016</u>
Harry Booker	\$ 19,138	\$ 19,138
Judge & Mrs. L. P. Caillouet	15,000	15,000
Harvey Peltier	460,487	460,487
Endowment fund	119,137	119,137
Fr. Kasimir Chmielewski	4,839	4,839
Mr. George Fakier, Sr.	9,600	8,700
Fr. Peter Nies	6,000	5,900
Mr. & Mrs. John Marmande	2,500	1,500
Mr. Eledier Broussard	15,000	15,000
Msgr. Joseph Wester	15,000	15,000
Mr. & Mrs. Caliste Duplantis	50,000	50,000
Rev. Charles Menard	15,000	15,000
Rev. Kermit Trahan	15,000	15,000
H. Clay Duplantis, Sr. and Evelida Daspit Duplantis	25,000	25,000
Msgr. Raphael C. Labit	26,320	26,080
Dr. & Mrs. H. P. St. Martin	20,000	20,000
C. Remie Duplantis	25,000	25,000
Rev. Clemens Schneider	1,000	1,000
St. Jude	3,000	3,000
Mrs. Marie E. Duplantis	25,000	25,000
Maude and Edith Daspit	25,000	25,000
Rev. Henry Naquin	4,311	4,311
Rev. Anthony Russo	1,200	1,150
Rev. Adrian J. Caillouet	15,000	15,000
Rev. William M. Fleming	5,000	5,000
Bishop Warren L. Boudreaux	46,000	46,000
Msgr. George A. Landry	10,000	10,000
Diocesan K of C	17,895	17,894
Fr. Victor Toth	7,000	7,000
Catholic Daughters	5,995	4,705
Claude Bergeron	250	250
Anawim Community	3,700	3,400
J.R. Occhipinti	3,400	3,400
St. Joseph Italian Society	12,643	12,643
Mr. & Mrs. Arthur Naquin, Sr.	150	150
Mr. & Mrs. Galip Jacobs	3,060	3,060
Robert Wright, Jr.	15,000	15,000
Warren J. Harang, Jr.	17,300	17,100
Bishop L. Abel Caillouet	15,000	15,000
Monsignor Lucien J. Caillouet	15,000	15,000
Father James Louis Caillouet	15,000	15,000
Vincent Cannata, Sr.	15,000	15,000
Rev. Peter H Brewerton	2,600	2,600
Rev. Msgr. John L. Newfield	1,200	1,200
Orleans & Louelle Pitre	15,000	15,000
Minor Sr. and Lou Ella Cheramie	15,000	15,000
Mr. & Mrs. Anthony Cannata	500	500
Kelly Curole Frazier	3,611	3,611
Msgr. Stanislaus Manikowski	1,525	1,525
Mrs. Ayres A. Champagne	5,000	5,000
Harold & Gloria Callais Family	15,000	15,000
Joseph "Jay" Fertitta	4,450	4,450
Rev. Msgr. William Koninkx	6,600	5,700
Deacon Edward J. Blanchard	700	700
James J. Buquet Jr.	2,650	2,650
Msgr. John G. Keller	1,000	1,000
Msgr. Emile J. Fossier	1,545	1,545
Rev. H.C. Paul Daigle	1,900	1,900

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH**  
**OF THE DIOCESE OF HOUMA-THIBODAU**  
*Schedule of Seminary Burse Funds*  
*June 30, 2017 and 2016*

	<u>2017</u>	<u>2016</u>
Richard Peltier	15,300	15,300
Brides of the Most Blessed Trinity	6,598	6,165
Deacon Robert Dusse'	1,450	1,450
Deacon Willie Orgeron	800	800
Donald Peltier	58,000	58,000
St. Bernadette Men's Club	15,000	15,000
Peter W. Callais	15,000	15,000
Rev. Robert J. Sevigny	1,600	1,600
Msgr. Francis J. Legendre	16,645	16,645
Mr./Mrs. Love W. Pellegrin	5,000	5,000
Sidney J. & Lydie C. Duplantis	13,000	13,000
Deacon Raymond Lebouef	550	550
Paul Abdon Callais	15,000	15,000
Deacon Roland Dufrene	750	750
Rev. Gerard Hayes	4,786	4,786
Deacon Harold Kurtz	300	300
Abdon J. & Ada B. Callais	15,000	15,000
Dr. William Barletta	1,525	1,525
Mr./Mrs. C. Thomas Bienvenu	15,000	15,000
Rev. Guy Zeringue	5,600	4,400
Rev. Hubert C. Broussard	1,550	1,550
Mr./Mrs. Elie Klingman	9,140	8,960
Deacon Eldon Frazier	50	50
Deacon Nick Messina	50	50
The Peltier Foundation	75,000	60,000
Rev. Msgr. James B. Songy	4,075	3,075
Mrs. Shirley Conrad	15,000	15,000
Jacob Marcello	1,400	1,200
Ronnie Haydel	1,035	1,035
Willie & Emelda St. Pierre	2,000	2,000
Rev. Warren Chasoniol	50	50
Dr./Mrs. M V Marmande & Family	15,000	15,000
Juliette & Eugene Wallace	700	700
Deacon Connely Duplantis	1,675	1,175
Deacon Pedro Pulals	100	100
Rev. John Gallen	1,600	1,600
Ruby Pierce	800	800
Joseph Waitz Sr.	10,100	10,100
JDG Louis & Shirley Watkins	1,050	950
Anne Veron Aguirre	380	380
Alfrances Martin	1,650	1,650
Bernice Harang	600	400
Preston & Gladys Webre	1,650	1,650
Society of St. Joseph	15,000	5,000
Rev Msgr. Francis Amedee	5,150	5,150
Leighton Delahaye	15,000	15,000
Edna Disalvo	750	550
Bishop Shelton Fabre	15,000	15,000
Dean Joseph Chiasson	400	300
Rev. Joseph Tu Tran	16,093	100
Elizabeth Hebert	15,000	-
Callais Family Foundation	15,000	-
Robert W. Walsh	500	-
	<u>\$ 1,652,658</u>	<u>\$ 1,572,071</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU**  
*Schedule of Parish Deposits  
June 30, 2017 and 2016*

		<u>2017</u>	<u>2016</u>
01	Amelia, St. Andrew	\$ 103,080	\$ 92,538
02	Chacahoula, St. Lawrence	119,229	100,766
03	Chackbay, Our Lady of Prompt Succor	210,083	201,629
05	St. Charles Community, St. Charles Borromeo	407,554	398,271
06	Morgan City, Holy Cross	154,925	164,208
07	Morgan City, Sacred Heart	553,338	508,459
08	Schriever, St. Bridget	27,344	10,302
09	Thibodaux, St. Genevieve	518,584	47,371
10	Thibodaux, St. John	204,871	161,529
11	Thibodaux, St. Joseph	672,936	790,446
12	Kraemer, St. Lawrence the Martyr	8,430	9,468
14	Mathews, St. Hilary of Poitiers	294,656	339,592
15	Lockport, Holy Savior	-	67,686
16	Larose, Our Lady of the Rosary	136,304	218,065
17	Cut Off, Sacred Heart	141,944	73,717
18	Galliano, St. Joseph	387,789	366,551
19	Golden Meadow, Our Lady of Prompt Succor	672,869	722,112
20	Grand Isle, Our Lady of the Isle	418,415	394,098
21	Bayou Black, St. Anthony	30,773	91,098
23	Bourg, St. Ann	343,681	348,502
24	Chauvin, St. Joseph	14,757	136,367
25	Houma, Holy Family	159,816	224,568
26	Houma, Annunziata	62,980	56,506
27	Houma, Holy Rosary	66,997	62,871
28	Houma, Maria Immacolata	293,458	189,441
30	Houma, St. Francis de Sales	863,439	555,429
31	Houma, St. Gregory	76,429	83,637
32	Montegut, Sacred Heart	126,366	72,966
34	Theriot, St. Eloi	114,907	126,014
35	Thibodaux, St. Thomas	181,721	137,433
37	Choctaw, St. James Mission	12,734	22,351
38	Thibodaux, St. Luke	56,822	40,033
39	Amelia, Thanh Gia (Holy Family)	491,815	513,257
40	Stephensville, St. Rosalie Mission	80,468	80,382
41	Gheens, The Community of St. Anthony	136,048	139,581
42	Thibodaux, Christ the Redeemer	358,149	327,223
43	Houma, St. Lucy	82,975	119,280
		<u>\$ 8,586,686</u>	<u>\$ 7,993,748</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU**  
*Schedule of Parish and School Loans Receivable  
June 30, 2017 and 2016*

		<u>2017</u>	<u>2016</u>
13	Raceland, St. Mary	\$ 1,606,241	\$ 1,574,837
15	Lockport, Holy Savior	30,706	-
22	Houma, St. Louis	57,973	66,378
29	Houma, St. Bernadette Soubirous	206,382	386,743
33	Pointe-aux-Chenes, St. Charles	105,652	107,712
38	Thibodaux, St. Luke	10,716	2,069
		<u>\$ 2,017,670</u>	<u>\$ 2,137,739</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU**  
*Schedule of Institutional Deposits  
June 30, 2017 and 2016*

	<u>2017</u>	<u>2016</u>
06 Morgan City, Holy Cross	\$ 1,318,477	\$ 1,196,105
09 Thibodaux, St. Genevieve	2,546,698	2,476,932
11 Thibodaux, St. Joseph	3,390,173	3,347,693
13 Raceland, St. Mary's Nativity	822,765	734,561
15 Lockport, Holy Savior	571,753	481,169
16 Larose, Our Lady of the Rosary	936,989	987,126
28 Houma, Maria Immacolata	411,479	436,611
29 Houma, St. Bernadette Soubirous	1,457,830	1,293,399
30 Houma, St. Francis de Sales	3,322,001	3,513,424
31 Houma, St. Gregory	116,733	204,056
151 Central Catholic High School	422,402	483,539
152 Vandebilt Catholic High School	5,580,419	5,753,377
153 Edward Douglas White High School	6,371,642	6,169,092
151 Morgan City, Holy Cross Capital Campaign	12	12
130 St. Francis Prepaid Tuition	5,940	9,729
153 Edward Douglas White Foundation	332,271	318,629
	<u>\$ 27,607,584</u>	<u>\$ 27,405,453</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU**  
*Schedule of Cemetery Operating Deposits  
June 30, 2017 and 2016*

	<u>2017</u>	<u>2016</u>
01 Amelia, St. Andrew	\$ 58,517	\$ 56,762
02 Chacahoula, St. Lawrence	29,895	21,620
03 Chackbay, Our Lady of Prompt Succor	272,950	264,631
04 Gibson, St. Patrick	8,411	8,369
05 St. Charles Community, St. Charles Borromeo	149,173	142,324
08 Schriever, St. Bridget	161,124	147,107
10 Thibodaux, St. John the Evangelist	186,160	156,629
11 Thibodaux, St. Joseph	900,868	816,632
12 Kraemer, St. Lawrence the Martyr	56,644	59,364
13 Raceland, St. Mary's Nativity	554,579	484,637
14 Mathews, St. Hilary of Poitiers	370,094	362,173
15 Lockport, Holy Savior	146,521	106,813
16 Larose, Our Lady of the Rosary	235,568	220,641
17 Cut Off, Sacred Heart	249,355	250,588
18 Galliano, St. Joseph	21,962	126,903
19 Golden Meadow, Our Lady of Prompt Succor	32,532	31,487
22 Bayou Blue, St. Louis	71,854	234,310
23 Bourg, St. Ann	230,034	197,050
24 Chauvin, St. Joseph	887,380	900,027
25 Grand Caillou, Holy Family	61,216	55,409
27 Houma, Our Lady of the Most Holy Rosary	324,874	334,717
30 Houma, St. Francis de Sales	114,480	114,274
32 Montegut, Sacred Heart	71,452	76,445
33 Pointe-Aux-Chenes, St. Charles Borromeo	101,891	103,006
34 Theriot, St. Eloi	201,160	199,988
37 Choctaw, St. James Mission	95,542	93,473
41 Gheens, St. Anthony	36,322	34,783
	<u>\$ 5,630,558</u>	<u>\$ 5,600,162</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU**  
*Schedule of Parish and School Endowment Funds  
June 30, 2017 and 2016*

		<u>2017</u>	<u>2016</u>
Parish Endowments:			
06	Morgan City, Holy Cross	\$ 180,000	\$ 180,000
08	Schriever, St. Bridget	145,000	145,000
09	Thibodaux, St. Genevieve	500,000	500,000
11	Thibodaux, St. Joseph	4,235,513	4,218,068
14	Matthews, St. Hilary	139,509	137,437
15	Lockport, Holy Savior	50,000	50,000
18	Galliano, St. Joseph	480,000	480,000
24	Chauvin, St. Joseph	2,266,179	2,266,179
27	Houma, Holy Rosary	25,841	25,841
30	Houma, St. Francis de Sales	550,030	550,030
		<hr/>	<hr/>
	Total Parish Endowments	<u>\$ 8,572,072</u>	<u>\$ 8,552,555</u>
School Endowments:			
06	Morgan City, Holy Cross	\$ 1,210,000	\$ 1,210,000
09	Thibodaux, St. Genevieve	114,100	114,100
11	Thibodaux, St. Joseph	3,006,550	3,006,550
13	Raceland, St. Mary	17,044	17,044
15	Lockport, Holy Savior	100,000	100,000
16	Larose, Our Lady of the Rosary	336,117	336,117
29	Houma, St. Bernadette	215,259	214,608
30	Houma, St. Francis de Sales	130,379	129,129
130	St. Francis School	73,944	73,944
151	Central Catholic High School	1,151,000	1,151,000
152	Vandebilt Catholic High School	814,439	814,019
153	Edward Douglas White High School	1,554,473	1,554,473
153	Edward Douglas White Foundation	802,873	802,873
		<hr/>	<hr/>
	Total School Endowments	<u>\$ 9,526,178</u>	<u>\$ 9,523,857</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU**

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Schedule 13

*Schedule of Operations of Parishes and Institutions (Unaudited)  
Year Ended June 30, 2017*

	Income	Expenditures	Excess (Deficiency) Of Income Over Expenditures
Amelia, Thanh Gia (Holy Family)	\$ 126,735	\$ 145,136	\$ (18,401)
Amelia, St. Andrew	192,582	184,679	7,903
Chacahoula, St. Lawrence	127,349	108,091	19,258
Chackbay, Our Lady of Prompt Succor	403,875	385,792	18,083
St. Charles Community, St. Charles Borromeo	415,758	337,196	78,562
Morgan City, Holy Cross	1,943,086	1,955,211	(12,125)
Stephensville, St. Rosalie Mission	17,623	17,292	331
Morgan City, Sacred Heart	573,581	522,404	51,177
Schriever, St. Bridget	281,064	262,606	18,458
Thibodaux, Christ the Redeemer	732,420	638,543	93,877
Thibodaux, St. Genevieve	3,229,863	2,730,672	499,191
Thibodaux, St. John	327,678	291,320	36,358
Thibodaux, St. Joseph	4,472,720	4,484,757	(12,037)
Kraemer, St. Lawrence	146,386	146,343	43
Choctaw, St. James Mission	34,956	43,574	(8,618)
Raceland, St. Mary	1,556,201	1,565,149	(8,948)
Mathews, St. Hilary	472,504	507,499	(34,995)
Lockport, Holy Savior	1,283,219	1,342,482	(59,263)
Gheens, St. Anthony	117,065	105,756	11,309
Larose, Our Lady of the Rosary	1,767,563	1,818,487	(50,924)
Cut Off, Sacred Heart	604,326	543,807	60,519
Galliano, St. Joseph	239,985	243,132	(3,147)
Golden Meadow, Our Lady of Prompt Succor	297,725	327,807	(30,082)
Grand Isle, Our Lady of the Isle	220,853	207,746	13,107
Bayou Black, St. Anthony	393,067	453,526	(60,459)
Bayou Blue, St. Louis	372,026	369,291	2,735
Bourg, St. Ann	413,116	376,248	36,868
Chauvin, St. Joseph	337,612	470,001	(132,389)
Grand Caillou, Holy Family	133,382	197,473	(64,091)
Houma, Annunziata	417,330	423,823	(6,493)
Houma, Holy Rosary	402,815	398,445	4,370
Houma, Maria Immacolata	1,538,612	1,464,715	73,897
Houma, St. Bernadette	3,193,422	2,927,823	265,599
Houma, St. Francis	4,255,922	4,019,151	236,771
Houma, St. Gregory	979,542	996,928	(17,386)
Montegut, Sacred Heart	212,536	153,363	59,173
Pointe-Aux-Chenes, St. Charles	148,726	147,412	1,314
Theriot, St. Eloi	192,373	198,329	(5,956)
Thibodaux, St. Thomas	443,662	457,628	(13,966)
Thibodaux, St. Luke	177,732	171,375	6,357
Houma, St. Lucy	168,726	204,474	(35,748)
Central Catholic High School	2,128,483	2,128,257	226
Edward Douglas White High School	7,609,431	6,870,731	738,700
Vandebilt Catholic High School	6,997,322	6,480,095	517,227
Grand Totals	<u>\$ 50,100,954</u>	<u>\$ 47,824,569</u>	<u>\$ 2,276,385</u>



**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX**  
*Schedule of Compensation, Benefits and Other Payments to  
Agency Head or Chief Executive Officer  
Year Ended June 30, 2017*

**Agency Head Name:**

Most Rev. Shelton Fabre - Bishop of the Diocese of Houma-Thibodaux

No compensation, benefits or other payments were made to Bishop Fabre from public funds received by the Diocese.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

His Excellency  
Most Reverend Shelton Fabre, D.D.  
Bishop of the Diocese of Houma-Thibodaux

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions (Diocese), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2017.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Diocese's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Diocese's internal control. Accordingly, we do not express an opinion on the effectiveness of the Diocese's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

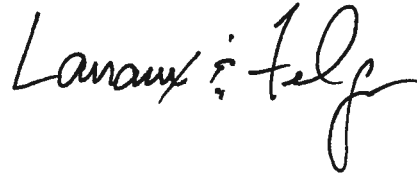
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Diocese's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Houma, Louisiana  
December 15, 2017

A handwritten signature in black ink, appearing to read "Lanoux & Felp". The signature is written in a cursive, flowing style with a prominent loop at the end.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2017**

**Section I – Summary of Auditor’s Reports**

- a. Financial Statements: Auditors' report expresses an unmodified opinion.
- b. Internal Control and Compliance:
  - Internal control over financial reporting:
    - Material weakness(es) identified \_\_\_ Yes XX No
    - Significant deficiency(ies) identified \_\_\_ Yes XX No
  - Noncompliance material to financial statements noted \_\_\_ Yes XX No
- c. Federal Awards – Not Applicable.

**Section II – Financial Statement Findings – Not Applicable.**

**Section III – Federal Award Findings and Questioned Costs – Not Applicable.**

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS  
SCHEDULE OF PRIOR YEAR FINDINGS  
Year Ended June 30, 2017**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS**

No findings were noted

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS**

Not Applicable

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH  
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
Year Ended June 30, 2017**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS**

No findings were noted requiring a response from management.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS**

Not applicable.