

Questions Re: “Called to Serve as Christ”
Capital Campaign

1. Total amount sought?
The Called to Serve as Christ campaign goal is \$100 million.
2. St. Charles Borromeo Parish’s “Assigned Share”?
St. Charles Borromeo Parish’s Called to Serve as Christ goal is \$2,110,950. Parish leadership has designated its 15% parish share funds to put toward the cost of refinishing the church floor and installing new pews and lights.
3. Total fees and costs for campaign including Steier Group \$2M fee? That is, does the \$6M in projected costs include Steier’s fee or not?
The \$6M includes all campaign costs including printing, postage, events, travel, Steier Group fee, and a set aside for uncollected pledges.
4. Who specifically are the Trustees for the Priest Pension and Medical Plans, how long have they so served, and what are their credentials? Same questions with respect to the “financial investment advisor” and “independent auditor” for these Plans?

Trustees

Nick Schoen – Chief of Staff, Office of Vicar for Clergy
Very Rev. Anthony Bawyn
Rev. Mark Kiszelewski
Rev. Oliver Duggan
Rev. Jacob Maurer
Rev. Joseph Altenhofen
Mary Santi – Chancellor

Investment Committee of the Archdiocesan Finance Council

Scott Burns, Chair – DA Davidson financial advisor
Bob McLaughlin – Retired Banker
Bob Breshock – Parametric (investment fund manager) executive
John O’Halloran – Retired Banker and Investment Advisor
Tom Knollman – Retired Banker
Dan Brotherton – Retired Investment Advisor
Fred Weiss – Retired Real Estate Investor

Investment Advisor: Highland Capital
Independent Auditor: Peterson Sullivan

5. As the “Called to Serve as Christ Fund” is to be served by a board appointed by the Archdiocese, is there an independent oversight committee wholly external to the board and Archdiocese to ensure all funds are appropriately managed, invested and distributed?
The financial statements and records of the Called to Serve as Christ Campaign Fund (a separately incorporated Washington non-profit corporation) are audited annually by an independent Certified Public Accounting Firm.

6. Can prospective campaign donors (hereafter “PCDs”) see the complete unredacted audit reports for these plans for each year 2016-2018 to see (a) how and where monies currently in the plan have been invested, (b) whether such monies have been prudently managed and invested, and (c) whether the investment strategies utilized with those monies have outperformed the market? Can PCDs see the Campaign Case Statement?

The 2017 and 2018 independent audits of the Pension Plan and Trust for the Priests are available at www.calledtoserveaschrist.org.

The Campaign Case Statement will be mailed to every registered Catholic household during the course of this campaign. It is also available on-line in PDF format at www.calledtoserveaschrist.org

7. Since available information suggests the Priest Pension Fund was established on 6/1/1972, then why is its current value only \$7M, and what specific steps has the Archdiocese taken over the past 47+ years to remedy this situation? Same questions with respect to the \$3M in the medical plan?

The Priest Pension Fund and Medical Plan were established on a pay-as-you-go basis versus an investment fund. With the number of retired priests increasing and the number of new vocations decreasing, this approach is no longer self-sustaining. (See FAQ at www.calledtoserveaschrist.org)

8. Apart from clergy members putting their own money into the existing pension and medical plans, are there currently ANY other sources of funding for these plans; and if there are, then what are they please, how much do they contribute, how often, etc.?

In addition to contributions from priests, the Annual Catholic Appeal allocates \$800,000 per year to the priest pension plan and \$800,000 to the priest retirement medical plan. Parishes are billed \$9,400 annually. These annual billings total approximately \$950,000. The Archdiocese of Seattle conducts an annual second collection for its priests pension plan and, from time to time, receives funds from bequests designating the pension plan as the recipient.

9. What is the total amount the Archdiocese has paid to date [and/or committed to pay to date] to settle or otherwise resolve clergy sexual abuse cases as, absent such cases, such funds would presumably be available to fund or help fund these plans?

Since the late 1980's, approximately \$74 million has been paid out in settlements for 392 claims of sexual abuse of minors. Settlements that were made directly with survivors, as well as those resulting from litigation, are included in this number. These payments have come from insurance carriers, the archdiocese's self-insurance plan, and the sale of archdiocesan held property.

10. What % of every dollar invested will actually be deposited into the plans [as opposed to (a) being eaten up by administrative costs, overhead, management and/or performance fees, etc., or (b) diverted to other uses]?

Apart from the costs of conducting this campaign, as explained in the answer to question #3, above, all monies donated to this campaign are distributed to the needs expressed in the campaign case booklet and literature.

11. Why the “Steier Group” as opposed to a local firm with more local knowledge and contacts?

The archdiocesan leadership interviewed several firms and chose the Steier Group for its broad experience, strong track record of success, and specific experience in conducting large scale diocesan campaigns. What is more, the Steier Group prides itself on being a Catholic consulting firm, taking to heart the mission of the Church in providing structure and impetus to capital campaigns. The Steier Group’s emphasis on stewardship and the lingering spiritual effects of a campaign made them stand out as the ideal partner for the Archdiocese of Seattle.

12. When [in what year] did Archdiocese 1st begin contributing \$1.6M/yr from Annual Catholic Appeal into these Plans?

We have been unable to determine the exact year, but believe it has been in place since before 2010.