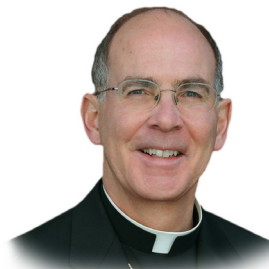


ARCHDIOCESE OF SEATTLE

2013–2014

ANNUAL REPORT



Dear Friends in Christ,

"Stewardship always starts with the personal experience of the Risen Christ in our midst and in our hearts. It is a vocation to discipleship. The following of Christ as a disciple entails a personal response." These words from the U.S. bishops' pastoral letter, "Stewardship: A Disciples Response," summarize the true source and character of the unique expression of discipleship we call stewardship.

Each year it is my responsibility — and my privilege — to provide an annual report to the Catholic people of Western Washington. It is an accounting not just of numbers and donations, but of the presence of the Lord Jesus in our midst and in our souls. Through the annual report, I am able to fulfill my responsibility to be transparent in reporting the financial status of the Archdiocese of Seattle, its parishes, schools and charities. Publishing this report is also a personal privilege for me, because it gives me the opportunity each year to review and acknowledge with deep gratitude your stewardship of the treasure God shares with you. It is an annual duty that I find both humbling and inspiring.

Because of your generosity, the 2014 Annual Catholic Appeal, which supports more than 60 ministries throughout Western Washington, again set an all-time record raising more than \$14 million! I give thanks for your generosity in the past year, not only in support of the many ministries of the Archdiocese, but also for your support of our parishes, Catholic schools and charities. I also thank our Archdiocesan Finance Council and members of Parish Finance Councils for the service they provide to ensure financial accountability for the gifts entrusted to the local Church.

I trust that you will find in this report one indication among many that the Risen Christ is truly at work in our midst. This report is not simply an accounting of finances; it also affirms that disciples in the Archdiocese of Seattle have encountered the Lord Jesus and have made a personal, generous response to him.

I submit this 2013-2014 Financial Report with gratitude and a promise of prayer for you and your loved ones!

Sincerely in Christ,

+ *Peter Sartain*

Archbishop Peter Sartain

STATEMENTS OF ACTIVITIES

ANNUAL REPORT 2013/2014

The information contained in this report provides a financial overview of the Archdiocese of Seattle. Archbishop J. Peter Sartain is the spiritual leader of the Roman Catholic Church in Western Washington. He is also the CEO and the sole member of the Corporation of the Catholic Archbishop of Seattle. The corporation is made up of a number of separate financial entities. They include: the Chancery (the Central Offices of the Archdiocese) which is under the direct control of the Archbishop; the parishes including parish elementary schools, which are separate canonical units; the Office of Youth and Young Adult Evangelization (OYYAE); the Parish Revolving Fund (PRF); Associated Catholic Cemeteries; and the three Archdiocesan high schools (O'Dea High School, Bishop Blanchet High School and Kennedy High School).

Archbishop Sartain is also the sole member of Catholic Community Services of Western Washington, Catholic Housing Services of Western Washington, the Fulcrum Foundation, St. Elizabeth Ann Seton High School and Pope John Paul II High School; all separate corporations.

In the pages of this report you will find a summary of the statements of financial activities for the Chancery. There is also general financial information related to Archdiocesan parishes, schools and other agencies, as well as Catholic Community Services, Catholic Housing Services and the Fulcrum Foundation. This report also includes a letter from the Archdiocesan Finance Council addressing the over-all financial health of the Church in Western Washington. We hope you find it to be informative.



Ray Meuse

CHANCERY PROGRAMS & SERVICES

Following is the Statement of Activities for the Chancery for the fiscal years 2013/2014 and 2012/2013. Chancery offices and services assist Archbishop Sartain in his pastoral and administrative responsibilities. Management comments may be found on the following page.

Chancery Programs and Services Statement of Activities For the Fiscal Years ended 2013-2014 and 2012-2013

	June 30, 2014 Total All Funds	June 30, 2013 Total All Funds
UNRESTRICTED NET ASSETS		
Revenue and Other Support		
Parish Assessments	\$6,040,000	\$5,891,000
Investment Income (Losses) on Revolving Funds	37,000	9,000
Investment Income (Losses) on Endowments	299,000	122,000
Investment Income (Losses) on General Reserve	778,000	488,000
Realized Gains (Losses) on Sale of Property	(12,000)	-
Program Fees and Advertising	4,188,000	3,253,000
Contributions and Bequests	926,000	1,407,000
Insurance Program Premiums	10,189,000	10,313,000
Other	1,132,000	1,317,000
Subtotal	\$23,577,000	\$22,800,000
Net Assets Released From Restrictions		
Annual Catholic Appeal (2013 and 2012)	10,882,000	10,726,000
Restricted and Designated Funds	658,000	1,359,000
Total Revenue and Other Support	\$35,117,000	\$34,885,000
Expenses		
Catholic Faith Formation	\$915,000	\$910,000
Catholic Schools	1,350,000	1,357,000
Contributions to CCSWW	683,000	688,000
Donations, Grants and Subsidies (includes OYYAE)	1,412,000	1,386,000
Missions Office	261,000	256,000
Office of the Vicar for Clergy	3,327,000	3,454,000
Communications	1,487,000	861,000
Tribunal	499,000	521,000
Priest and Retired Bishop Support	1,668,000	2,069,000
Pension	1,064,000	963,000
General Administration	10,630,000	9,876,000
Insurance Program	15,237,000	14,353,000
Revolving Fund Interest & Bad Debts	920,000	662,000
Plant Fund Depreciation & Interest	1,438,000	1,376,000
Total Expenses	\$40,891,000	\$38,732,000
Change in Unrestricted Net Assets		
Change before Unrealized Gains/(Losses) and Transfers	\$(5,774,000)	\$(3,847,000)
Unrealized Gains (Losses) on Investments - General	2,739,000	1,753,000
Unrealized Gains (Losses) on Investments - Endowments	1,754,000	893,000
Change in Minimum Pension Liability	372,000	1,691,000
Change in Minimum Other Benefit Liability	(1,032,000)	4,638,000
Impairment of Property	(965,000)	-
Change in Unrestricted Net Assets	\$(2,906,000)	\$5,128,000

* Prior Year has been restated to conform to current year reporting.

CHANCERY PROGRAMS & SERVICES

REVENUE AND OTHER SUPPORT:

PARISH ASSESSMENT AND BILLINGS

Assessment on parishes to support the operation of the Church of Western Washington and billings to parishes for specific needs and services.

INVESTMENT INCOME ON REVOLVING FUND

The Archdiocesan Revolving Fund is a loan and deposit fund operated by the Archdiocese for Catholic organizations (other than parishes). Included is interest, dividends and realized gains (losses) on disposal of investments.

INVESTMENT INCOME ON ENDOWMENTS

Endowments are contributions set aside to generate investment income for restricted and unrestricted purposes. These investments are professionally managed under the guidance of the Investment Committee of the Archdiocesan Finance Council. Included is interest, dividends and realized gains (losses) on disposal of assets.

INVESTMENT INCOME ON GENERAL RESERVE

The investments of the Archdiocese include Restricted, Unrestricted and Designated Funds. These investments are professionally managed under the guidance of the Investment Committee of the Archdiocesan Finance Council. The income includes interest, dividends and gains (losses) on disposal of investments.

REALIZED GAINS (LOSSES) ON SALE OF PROPERTY

During the year ended June 30, 2014 (FY1314), the sale of property resulted in a loss of \$12,000.

PROGRAM FEES AND ADVERTISING

User fees for specific programs and services. Revenue from Northwest Catholic Magazine, the official Archdiocesan magazine.

CONTRIBUTIONS AND BEQUESTS

Represents various gifts both Restricted and Unrestricted received by the Archdiocese in the past year.

INSURANCE PROGRAM PREMIUMS

Premiums from parishes and agencies, including CCSWW, for property, liability, automobile and worker's compensation insurance.

ALL OTHER SOURCES OF OPERATING FUNDS

Includes facility use, donations, and miscellaneous.

ANNUAL APPEAL

Contributions from Catholics throughout Western Washington to the Annual Catholic Appeal. Does not include rebates returned to parishes.

RESTRICTED AND DESIGNATED FUNDS

Donations from a variety of sources for a variety of programs and services. Restricted funds are set aside for a particular purpose stated by the donor and not expended until the purpose is satisfied. If the funds are temporarily restricted, they may be expended fully for the intended purpose. If the funds are permanently restricted, only the earnings on the donation may be used for the intended purpose. Other unrestricted contributions may be designated by the Archbishop for a particular purpose.

EXPENSES:

CATHOLIC FAITH FORMATION

Assists the Archbishop in establishing a program for Formation and Education for all clergy, religious and lay people throughout the Archdiocese.



PRINCE OF PEACE, BELAIR

CATHOLIC SCHOOLS

Coordinates the development of Christian formation, curriculum, administrative and personnel policy for the Catholic elementary and high schools.

CONTRIBUTIONS TO CATHOLIC COMMUNITY SERVICES OF WESTERN WASHINGTON

Grants to CCSWW to assist in their operations.

DONATIONS, GRANTS AND SUBSIDIES

Support for the Washington State Catholic Conference, contributions to the National Conference of Catholic Bishops/United States Catholic Conference and a grant to Catholic University. Contributions to Peter's Pence and the Sisters' Pension. Subsidies to related organizations including OYYAE and donations to various ministries supported by the Archbishop.

MISSIONS OFFICE

Through several organizations, the Missions Office is responsible for fundraising and education for various efforts on behalf of the Church worldwide.

OFFICE OF THE VICAR FOR CLERGY

Assists the Archbishop in providing oversight and coordination of services and programs that promote and support the development of priests, seminarians, deacons, deacon candidates, and vocations to the priesthood and diaconate. Provides comprehensive support to clergy and other pastoral leaders in parishes and faith communities. Also assists the Archbishop in ensuring for the pastoral care of parishes and faith communities by serving pastors, staffs and consultative leadership.

COMMUNICATIONS

Produces media communications and public information for the Archdiocese. Office functions include media relations, graphic services, web management, Northwest Catholic Magazine and administrative support services.

TRIBUNAL

Provides the legal process by which an individual can resolve questions of marital status according to the norms and teachings of the Church.

PRIEST AND RETIRED BISHOP SUPPORT

Medical premiums and expenses for retired priests and the retired Archbishops. Living expenses for priests between assignments or on leave. Living and medical expenses for priests who are temporarily or permanently unable to perform their priestly functions.

PENSION

The Archdiocese contributes to three separate plans for the benefit of its employees: The Archdiocesan Pension Plan for Lay Employees, The Priests' Pension Plan and the Supplemental Retirement Program for Priests.

GENERAL ADMINISTRATION

Includes The Office of the Archbishop, Chancellor's office, Archives, Liturgy, Planning & Research, Human Resources, Chancery Management (including Computer and Support Services and Facilities and Operations), New Parishes, Stewardship and Development, Interest and The Department of Administration and Finance including Accounting, Property and Construction and Parish Financial Services.

INSURANCE PROGRAM

The cost of insurance programs includes annual premiums and claims for property, liability, automobile and worker's compensation for parishes, schools, agencies, including CCSWW, and employees of the Archdiocese. It also includes projected payments for settlement of abuse claims.

REVOLVING FUND INTEREST AND BAD DEBTS

These expenses include interest paid on deposits in the Archdiocesan Revolving Fund, and provision for bad debts.

PLANT FUND DEPRECIATION & INTEREST

The depreciation is taken on the Fixed Assets of the Archdiocese and the interest is on the debt to acquire Archdiocesan assets.

UNREALIZED GAINS (LOSSES) ON INVESTMENTS - GENERAL

Represents the change in market on investments at the fiscal year end on the General Reserve.

UNREALIZED GAINS (LOSSES) ON INVESTMENTS - ENDOWMENTS

Represents the change in market on investments at the fiscal year end on Archdiocesan Endowments.

CHANGE IN MINIMUM PENSION LIABILITY

Represents the change in the priest pension liability based on actuarial assumptions.

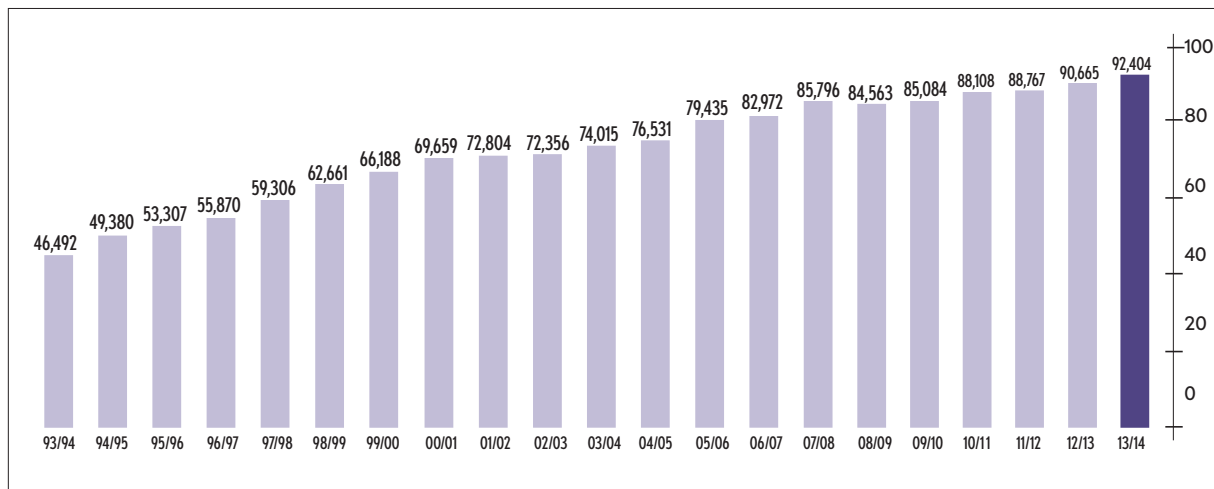
CHANGE IN MINIMUM OTHER BENEFIT LIABILITY

Represents the change in the liability of other benefits based on actuarial assumptions.

IMPAIRMENT OF PROPERTY

Recognized the loss due to the decline in the value of Donated Real Estate.

PARISHES



Catholics in Western Washington continued their strong parish support in 2013/2014 despite continuing economic challenges. Ordinary Income (Sunday and Holyday Collections) increased 1.9% to \$92.4 million. Total parish revenue from all sources, including parish schools but excluding intra parish transfers, was almost \$239.0 million. Over 66% of our parishes and missions ended the year with an operating surplus. The economic diversity and variations in community size continue to be reflected in parish collections. In 2013/2014, 23 parishes recorded over \$1 million in collections with three over \$2 million. At the same time, Ordinary Income in 34 parishes and missions, primarily in rural areas, was under \$100,000.

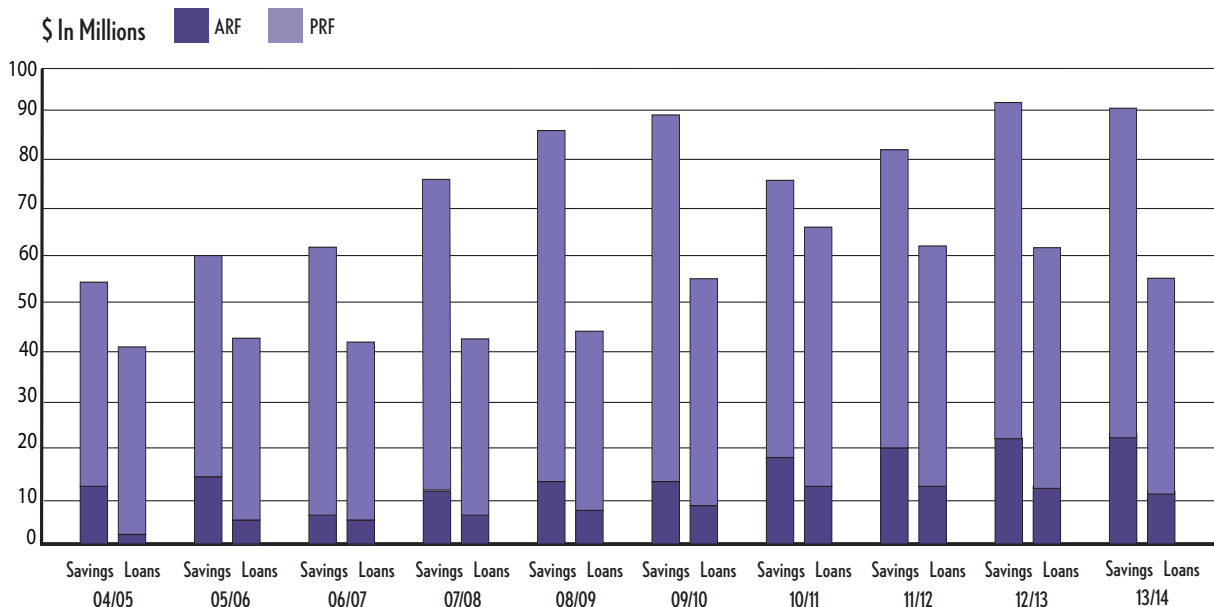
REVOLVING FUNDS

The Parish Revolving Fund (PRF) is a separately maintained savings and loan organization within the Archdiocese. Parishes deposit surplus funds in the PRF. The Archdiocesan Revolving Fund (ARF) accepts deposits from other institutions in the Archdiocese. These funds are then available as loans to finance operating and capital needs throughout the Archdiocese. The PRF serves parishes while the ARF provides the same service for other institutions.

A nine member Commission oversees PRF operations, Commission members are listed on page 8.

PRF savings at 6/30/14 totaled \$90.2 million in 677 accounts a 1% decrease from last year's \$91.1 million in 698 accounts. Loans decreased to \$55.6 million, a 9% decline from last year's \$61.8million. The number of loans also decreased from 112 to 105.

ARF savings increased from \$22.4 million to \$25.6 million at year end with loans remaining at \$11.6 million.



GOOD NEWS FROM THE MISSIONS OFFICE

The Missions Office focuses on the social mission of the Church, providing educational and funding support for local and international evangelization, relief and development work. On your behalf we represent the Pontifical Missions Societies, Catholic Relief Services and the Catholic Campaign for Human Development. Included in programs are year-round Catholic social teaching resources for parishes and schools, and grants for charity and justice projects. Information on all of the above can be found at www.seattlearchdiocese.org/missions, and a current report on revenue and distribution of donations is available from the Missions Office.

Catholic Relief Services (CRS) is our U.S. Catholic community's official international relief and development agency, working in 93 countries and reaching nearly 100 million of the world's poorest people each year with innovative



solutions to tough problems like poverty, hunger, drought, disease and emergencies.

CRS is motivated by the Gospel of Jesus Christ to cherish, preserve and uphold the sacredness and dignity of all human life, foster charity and justice, and embody Catholic social and moral teaching. www.crs.org.



CATHOLIC CAMPAIGN FOR HUMAN DEVELOPMENT

The **Catholic Campaign for Human Development (CCHD)** is the domestic anti-poverty program of the U.S.

Catholic Bishops working to carry out the mission of Jesus Christ "to bring good news to the poor." CCHD addresses the root causes of poverty in the U.S. through promotion and support of community-controlled, self-help organizations and through transformative education in our parishes and schools. www.usccb.org/cchd.



Given the title "Pontifical" in 1922, the **Pontifical Mission Societies** have special responsibility in the Universal Church. They are under

the direct canonical jurisdiction of the Pope, who, together with the entire body of Bishops, remind the faithful of their Baptismal call to mission, as they gather basic support for more than 1,150 mission dioceses in Asia, Africa, the

Pacific Islands and Latin America. The **Pontifical Mission Societies** include the Society for the Propagation of the Faith, the Missionary Childhood Association, and the Society of St. Peter Apostle. www.onefamilyinmission.org.

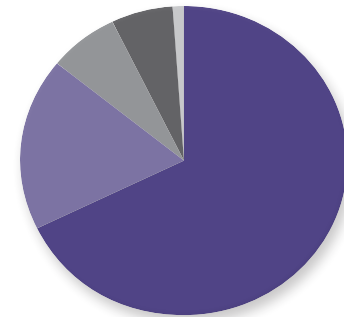
In fiscal year 2013-2014, the Missions Office received and distributed \$2,544,131.03 for evangelization, education, relief and development work of the Church primarily through the Catholic Relief Services Collection, the Rice Bowl Lenten program, the World Mission Sunday collection, the Build Hope (now called the Catholic Campaign for Human Development - CCHD) collection, emergency responses, and designated gifts and bequests.

www.seattlearchdiocese.org/missions

CATHOLIC SCHOOLS

Sources of Parish School Revenue

Parish school operating revenues for 2013/2014 totaled \$116.8 million. Tuition and Fees accounted for almost 70% of the total with the balance made up of a combination of parish subsidy, neighboring parish grants, Archdiocesan grants through the Fulcrum Foundation, and local fund raising and development efforts. Parishes with schools gave 16% of ordinary income in support of their schools.



- Tuition/Fees 70%
- Fundraising/Gift Revenue 17%
- Parish Subsidy 6%
- All Other Revenue 6%
- Neighboring Parishes 1%



<http://www.ocsw.org>



HOLY ROSARY, EDWARDS

students. Of these schools, the Archdiocese operates three in the greater Seattle area – Bishop Blanchet High School, Kennedy Catholic High School, and O’Dea High School, which has been administered by the Christian Brothers. Together, these three secondary schools enrolled 2,226 students, whose budgets totaled \$30,505,699.

The remaining eight secondary schools offered high school programs of study throughout western Washington. These included Holy Names Academy (Seattle); Seattle Preparatory School (Seattle); Bellarmine Preparatory School (Tacoma); Archbishop Thomas J. Murphy High School (Everett); Forest Ridge School of the Sacred Heart (Bellevue); Eastside Catholic High School (Sammamish); Seton Catholic College Preparatory High

School (Vancouver); and Pope John Paul II High School (Lacey). Together, these schools enrolled 4,011 students with combined budgets of \$69,966,240.

A total of 1,463 teachers delivered an educational program to the elementary children, and 641 full and part time secondary teachers instructed the high school students.

During 2013-2014, the 58 diocesan elementary schools, four additional Catholic elementary schools and Eastside Catholic Middle School provided a high-quality Catholic education to 16,138 students. Of these, 80% were registered as Catholics, and 36% were ethnic minority students. The four non-diocesan elementary schools – Forest Ridge 5-8, Villa Academy, Holy Family (Lacey) and Pacific Crest Academy – and Eastside Catholic Middle School served 1041 students of that total.

Eleven Catholic high schools served an additional 6,237

FULCRUM FOUNDATION

Founded in 2002, the Fulcrum Foundation provides financial assistance to promote and support Catholic schools in the Archdiocese of Seattle, primarily through tuition assistance, assistance to schools in need, and school initiatives that promote academic excellence and faith formation.

In fiscal year 2014, more than \$3,800,000 was distributed by the Fulcrum Foundation to families, schools, and teachers in Catholic schools in Western Washington. Fulcrum’s success has meant a sounder

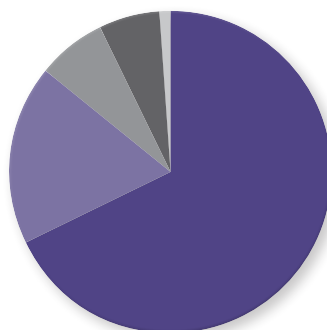
financial footing for our Catholic schools, which continue to make excellent academic, religious, and co-curricular programs accessible to more students. This report highlights the distributions of tuition assistance, assistance to schools in need, and grants for teacher and staff initiatives for fiscal year 2014 that are making a difference in the lives of families, schools, and communities across Western Washington.

To view Fulcrum’s complete 2014 Annual Report, go to www.fulcrumfoundation.org.



Leveraging Support for Catholic Schools in the Archdiocese of Seattle

Funds Distribution



Program Services

- Tuition Assistance 58% (\$2,234,587)
 - Assistance to Schools 33% (\$1,256,324)
 - Special Initiatives 6% (\$220,127)
 - Program Planning and Management 2% (\$97,889)
 - Assistance for Teachers 1% (\$32,010)
- Total Program Services 100% (\$3,840,937)**



ST. GEORGE SCHOOL

OFFICE FOR YOUTH AND YOUNG ADULT EVANGELIZATION

YOUTH MINISTRY SERVICES

In addition to the development of youth ministry and its leaders, we offer direct programming for teens as part of our support to parishes in the Archdiocese. Through Archdiocesan events, such as the Catholic Youth Convention and Junior High Rally, 1,530 youth from 82 parishes have had a unique opportunity to encounter Christ as they celebrate their faith as part of the Universal Church. Over the last year 384 youth participated in other direct programs of the office including Confirmation retreats, and weeklong service trips, and 100 youth from over 30 parishes gained concrete skills to lead as Catholic disciples in their parish through two leadership camps.

YOUNG ADULT MINISTRY

Through young adult ministry in the form of leadership development, formation events, and college campus ministry, the Archdiocese has ministered to over 1,200 participants ages 18-39 in Western Washington. In the past year we have expanded young adult ministry to include new programs specifically designed for young adults as well as improved on previous programs.

CYO ATHLETICS

CYO Athletics coordinated league competition and championships for approximately 50 Catholic parishes/schools and several other private schools within King, Pierce, and Snohomish counties. The purpose of these programs is to help youth grow in their ability to apply the Gospel values to their everyday life – to develop attitudes of fair play, teamwork, self-discipline and physical fitness based upon Catholic Christian principles – and become champions by maximizing their potential.

Sports included: soccer, cross country, basketball, volleyball, baseball, and track and field. The majority of participants were in grades 4-8. However, programs for K-3, high school basketball and volleyball, and adult softball and flag football were also offered. There were over 16,000 youth team members and an estimated

3,000 adult volunteer coaches, coordinators and commissioners. Over 300 coaches were trained in the "Play Like a Champion Today" coaches workshop, and an associated parent workshop was also offered as an additional resource for parishes and schools.

CYO CAMP SERVICES

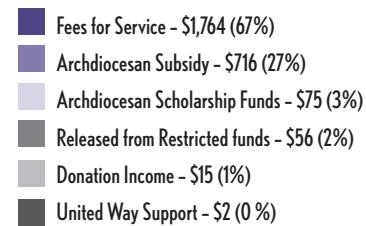
This past year approximately 950 youth from 20 Catholic schools across the Archdiocese of Seattle attended Environmental Education at Camp Hamilton during our Fall and Spring programs. CYO offers the only environmental program rooted in Catholic social teaching in the Northwest. The curriculum meets all state and Catholic school requirements while also emphasizing a greater appreciation for creation through stewardship. 1,347 youth enjoyed a session of residential summer camp or day camp, while 99 young adult staff members served as ministers and models of faith to them. Together, they grew and created a vibrant Catholic community of service and discipleship. Additionally 185 took advantage of our growing weekend family camp programs offered at both Camp Hamilton and Camp Don Bosco. Our high school resident camps were located at Camp Hamilton. We distributed over \$75,000 in financial aid.

FACILITIES

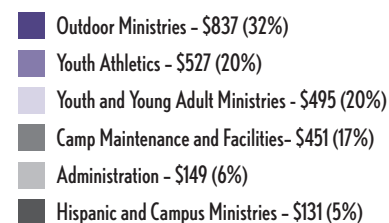
This year our facilities were used by over 4,632 people. Of a total 69 different groups 14 of them were not affiliated with our Archdiocese and 55 were directly affiliated with our Archdiocese. Groups that are affiliated are generally classified as parishes and schools within the Archdiocese of Seattle, and this number is up from 34 groups last year. Our growth is again high at 17% from last year to this year in terms of individuals using our properties. We continue to expand services with new ideas and improving our facilities.

Calculation of Annual Report Figures

Fiscal Year 2012/2013 (\$ In thousands)



Total Income General – \$2,628 (100%)



Total Expense General – \$2,590 (100%)

Net Expenditures in Excess of Revenue.....(\$38) 1%

<http://www.seattlearchdiocese.org/oyyae>

ASSOCIATED CATHOLIC CEMETERIES

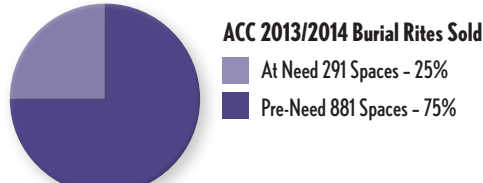
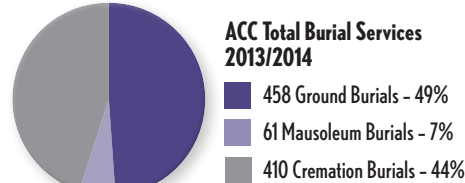
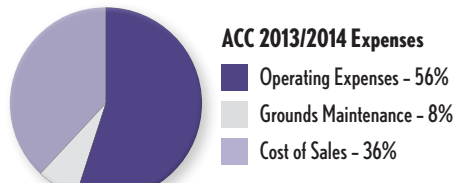
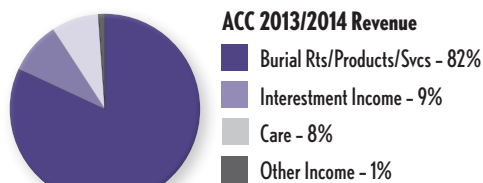
MISSION STATEMENT

We trust in Jesus to use our hearts and hands to comfort His people, celebrate the dignity of life and offer hope. Catholic cemeteries are signs of hope that are places of prayer and witness our faith in the Lord Jesus and the hope we share in resurrection. This ministry is extended through the education of parishioners concerning prearrangement planning, and scheduled opportunities for prayer. ACC also serves as a resource to parishes regarding burial and funeral issues.



Summary of Operations 2013/2014

Revenue	
Burial Rights & Other Sales less Adjustments	3,865,000
Cemetery & Mausoleum Care	379,000
Interest Income	440,000
Other Income	15,000
Net Revenue	4,699,000
Cost of Sales	(1,814,000)
Gross Profit	2,885,000
Operating Expenses	
Cemetery Operating Expenses	(2,821,000)
Grounds Maintenance	(412,000)
	(3,233,000)
Change in Unrestricted Net Assets	(348,000)



Associated Catholic Cemeteries is comprised of four cemeteries and has buried more than 82,500 people over 125 years. Calvary, located near the University of Washington in Seattle, was dedicated in 1889. Holyhood, serving North Seattle, King, and Snohomish Counties, was dedicated in 1953. Gethsemane, dedicated in 1975, serves South Seattle, King and Pierce Counties. St. Patrick, begun in 1890 as the parish cemetery for St. Anthony (now Holy Spirit) Parish in Kent, was transferred to ACC in 1989. These four cemeteries provided 929 burial services during 2013/2014. In keeping with the Church's teaching of a preferential option for the poor, Associated Catholic Cemeteries continues to provide burial services at no charge or at a reduced cost to those in need. This is made possible due to the support of other families who choose their Catholic cemetery for their burial needs.

Associated Catholic Cemeteries continues its long-standing practice of operating without financial subsidy from the Archdiocese. Financial results for the year ending June 30, 2014 show a Net Loss from Operations of \$348,000. While sales for the year totaled approximately \$5.95 million, \$1.17 million of those sales were of pre-need goods and services. While these sales provide a portion of current operational cash flow, they are deferred until the goods and services are delivered. Therefore, they are not reflected in the revenue. Regular contributions to the Care Fund from Operations as well as positive returns in the Fund's investment portfolio resulted in a net growth of approximately 20% in the Fund's investment portfolio.

In addition to the four Archdiocesan Cemeteries, there are 20 active parish cemeteries throughout the Archdiocese. The financial results of these cemeteries are included in parish operations.

A Pre-Need Planning Guide as well as A Guide for Making Good Decisions for the End of Life are both available at no charge by calling 1-888-784-8683. To learn more about the Catholic Cemeteries of the Archdiocese visit them on the internet at www.MyCatholicCemetery.org.

CATHOLIC COMMUNITY SERVICES

As the Catholic Charities arm in Western Washington—a faith-based and values-driven outreach of the Catholic Church—Catholic Community Services (CCS) and Catholic Housing Services (CHS) of Western Washington have provided safety, stability and supportive connections in the lives of men, women and children in need for more than 95 years. CCS/CHS is the largest local private provider of assistance to poor and vulnerable people in the State of Washington. Under the leadership of Archbishop J. Peter Sartain, and at the direction of the Boards of Trustees and Michael L. Reichert, President, the staff of CCS and CHS provide loving and compassionate service to persons in need throughout Western Washington.

Together with parish communities, CCS and CHS provide an array of services to those in need through more than 170 programs. CCS has 12 family centers which are multi-service centers providing a variety of programs based on the needs of the particular communities in which they are located. The Long Term Care System provides home care services for seniors and people with disabilities of all economic backgrounds, as well as community based services at 29 sites throughout Western Washington. The Family Preservation System assists children/youth and families with multiple and complex needs. Catholic Housing Services provides affordable housing, case management and other valuable services at 50 properties throughout the region.

In each area of the Archdiocese, services are based on local needs and funding. Services are provided through a variety of sources, including contracts with cities and counties; contracts with state and federal governments; fees for services; private donations and foundations; and United Way. Archdiocesan funding is provided through the Annual Catholic Appeal, CCS Week, and a variety of specific family center and program appeals throughout the year. The Catholic Charities Foundation also provides funding.

CCS FAMILY CENTERS

CCS has 12 family centers located throughout Western Washington. CCS family centers reflect the needs and resources in each community where they are located. Wherever possible, family centers tailor a unique approach to each family that comes to them in need. Family center staff work to integrate all the services available in a community to nourish self-sufficiency and achieve wholeness and well-being for every member of the family. Family center services vary by site and may include counseling, case management, information and referral, emergency services, shelters and transitional housing, permanent housing, mental health services, family support services, child care, youth services, addiction recovery services, foster care, adoption, pregnancy support, Volunteer Chore Services, Foster Grandparent Program, and others.

CCS FAMILY CENTERS LOCATIONS

Aberdeen:	Grays Harbor Family Center
Bellevue:	East King County Family Center
Bellingham:	Whatcom Family Center
Bremerton:	Kitsap Family Center
Burlington:	Skagit Family Center
Everett:	Snohomish County Family Center
Kent:	South King County Family Center
Olympia:	Thurston County Family Center
Seattle:	Randolph Carter Family and Learning Center
Tacoma:	Tahoma Family Center
Vancouver/Longview:	Columbia River Region Family Center

<http://www.ccsww.org>

THE LONG TERM CARE SYSTEM

More than 18,600 people were served by Catholic Community Services' Long Term Care System. With more than 2,200 staff and 200 volunteers at 15 local offices throughout the community, the Long Term Care System serves seniors and people with disabilities of all economic backgrounds in all counties in Western Washington. Services include home care to over 5,000 individuals; the African-American Elders Program in King County; 28 senior meal sites in King and Pierce Counties that offer "more than a meal" to low income seniors; nail care at 28 sites in Pierce and Skagit Counties; "meals-on-wheels" for homebound seniors; senior transportation, and Caregiver Training at many sites for thousands of people yearly.

Long Term Care System Offices: Aberdeen, Bellingham, Bremerton, Chehalis, Everett, Kent, Lakewood, Longview, Olympia, Port Angeles, Seattle, Shelton, Tacoma and Vancouver.

THE FAMILY PRESERVATION SYSTEM

The Family Preservation System offers an array of intensive in-home mental health and social services/supports to children, youth and families experiencing serious mental health or behavioral health issues.

Family Preservation System: Serving Clallam, Clark, Cowlitz, Grays Harbor, Jefferson, King, Kitsap, Lewis, Mason, Pacific, Pierce, Skamania, Thurston and Wahkiakum Counties in Western Washington; and Clackamas, Multnomah and Washington Counties in Oregon.

CATHOLIC HOUSING SERVICES

Catholic Housing Services (CHS) believes in every person having the right to a safe, affordable place to call home. CHS provides 2,090 affordable permanent housing units at 50 properties throughout Western Washington, serving single persons, families, seniors, and persons with special physical and mental needs. Most CHS housing includes resident support services in addition to a clean and safe place to live. CHS provides a continuum of care for some of the most vulnerable populations, in partnership with local, state and federal government agencies; public funders and private lenders; and dedicated staff and volunteers.

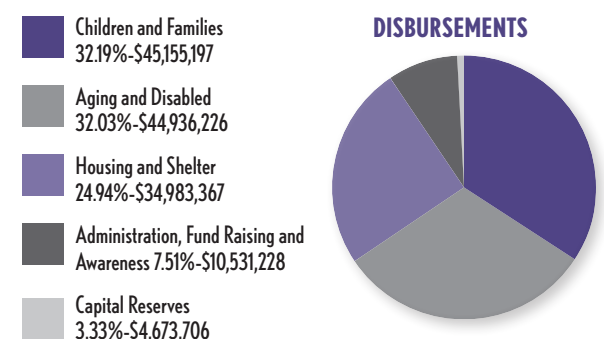
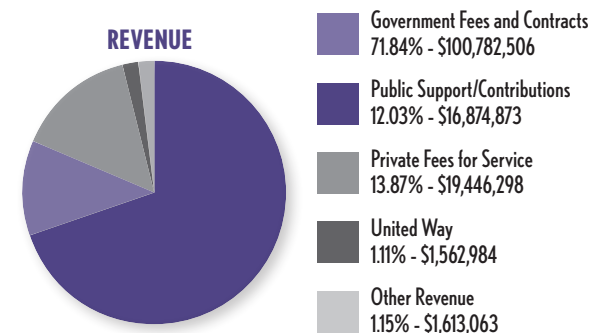
CHS Housing Locations: Bellevue, Bellingham, Bremerton, Burien, Centralia, Everett, Forks, Lakewood, Kelso, Mount Vernon, Olympia, Puyallup, Redmond, Renton, Seattle, Sedro Woolley, Sumner, Tacoma, Tumwater and Woodland.

In addition to the 2014 Operating Budgets, CCS and CHS are the managing general partners or program managers for 29 affordable housing projects with a combined operating budget of \$9,545,485.

The Catholic Charities Foundation of Western Washington reported assets of \$14 million, as of June 30, 2014, that were invested for the benefit of CCS and CHS. For the year ending June 30, 2014, the Foundation distributed \$675,000 to CCS and CHS.

COMBINED CCS/CHS OPERATING BUDGETS – \$140,279,724

Fiscal Year 2013/2014 (In thousands)



CATHOLIC COMMUNITY SERVICES
CATHOLIC HOUSING SERVICES
OF WESTERN WASHINGTON

ONLINE FORMS AND INFORMATION

Follow this form to visit a website or order more information.

[2015 CYO Summer Camping Brochure for youth ages 6-18.](#)

[Significant Savings](#) are available to those who pre-plan their cemetery arrangements. Return this order form for a

[FREE Pre-Need Planning Guide](#) filled with useful information.

[Information about Planned Giving \(Wills and Basic Estate Planning\).](#)

[Crozier Society Information Brochure.](#)

[Fulcrum Foundation Annual Report.](#)

[Audited Financial Statements of the Centrally Managed Ministries of the Corporation of the Catholic Archbishop of Seattle as of 6/30/14.](#)

[Audited Financial Statements of the Fulcrum Foundation as of 6/30/14.](#)

FROM THE FINANCE COUNCIL



Dear Members of the Church of Western Washington:

As members of the Archdiocesan Finance Council, we assist Archbishop Sartain and his staff in the oversight of the financial matters of the Archdiocese. However, it is only through your generosity that the Archdiocese of Seattle is able to carry out its mission in Western Washington. This Annual Report, along with this letter, addresses the financial condition of the Archdiocese as well as information on other significant ministries of the church in Western Washington.

Parishes

Parish ordinary income increased by 1.9% last year, a slight decline from the prior year's rate of 2.14%. The 1.9% increase is close to the average increase we have experienced in the last 10 years. One hundred six (61%) of our parishes experienced increases in ordinary income and sixty seven (39%) of our parishes experienced declines in ordinary income. As we know, our Parishes vary significantly in size and economic circumstances.

Annual Appeal

For the first time, contributions to the Annual Catholic Appeal actually exceeded \$14.0 million, an increase of 1.7% over 2013. Total rebates to Parishes were \$3 million, an increase from the \$2.8 million rebated in 2012. There was also generous support of Catholic Charities, the Fulcrum Foundation, and other ministries of our Church.

The Chancery

Program fees increased by \$935,000 due to revenues related to new Payroll and Benefits systems. Restricted and designated funds revenues declined by \$701,000 resulting in total revenues and other support of \$35.1 million up slightly from \$34.9 million in the prior year.

Total expenses increased to \$40.9 million. Communications costs increases resulted from publication of NW Catholic Magazine. General and administration costs increased primarily as a result of new benefits and payroll system expenses and costs related to the tax identity theft issue. Finally, insurance program costs increased because of additional sexual abuse settlement costs.

The final settlements for the Christian Brothers were recorded in 2014. The overall sexual abuse case load is declining. However, it is not yet possible to determine when these claims will cease. The Archdiocese continues to expand its efforts to reach out to victims, screen those who work with children and provide training for all parish staff and volunteers that interact with our children.

The Archdiocese's portion of the Christian Brothers' settlement was funded by our Archdiocesan Insurance Program and deposits to our Archdiocesan Revolving Fund. We expect that, over time, the deposits utilized to fund the settlement will be replenished from revenues of the Archdiocesan insurance program.

Investment results continued to improve through June of 2014. Investment gains for 2014 reflect a significant increase to \$4.5 million compared with \$2.6 million in 2013. Investment performance declined in the latter half of calendar 2014. Limited distributions of approximately 2% of General Reserve investments were made in 2014. Similar distributions are planned in 2015.

The effects of changing interest rates and other underlying assumptions continued to impact the adjustments to pension and other benefit liabilities. A loss of \$660,000 was recorded in 2014. Large gains were recorded in 2013. As interest rates fluctuate, we will continue to see changes in the amounts reflected in our Statement of Activities for adjustments to minimum Pension and Other Benefits liabilities. It is important that we increase the funding of our obligations for Priests' pension and other post retirement benefits.

We hope this report and letter provides you with useful information on the major issues relating to the financial affairs of the Archdiocese. As a council we look forward to working with Archbishop Sartain as he sets goals to address the needs of the Archdiocese. With your continued support the Finance Council is committed to providing good stewardship and assistance to Archbishop Sartain and his staff in the financial management of the Church in Western Washington.

Sincerely,

Mary Jane Patterson, Chair
Archdiocesan Finance Council

ARCHDIOCESAN FINANCE COUNCIL

Chairperson: Mary Jane Patterson.

Vice-Chairperson: Mr. Jack Sullivan

Mrs. Mary Almonte

Mr. Scott Burns

Rev. Patrick Freitag

Mr. Mel Kelso

Mr. Kevin Hylton

Ms. Darlene Robertson

Mr. Fred Weiss

Mr. Bob McLaughlin

Staff: Mr. Frank Feeman, *CFO, Archdiocese of Seattle*

PRF COMMISSION MEMBERS:

Chairperson: Ms. Mary Dorn

Vice Chairperson: Rev. David Young

Mr. Joe Schick

Rev. James Coyne

Rev. Jack Shrum

Ms. Mary Simpson

Mr. Frank Feeman, *CFO, Archdiocese of Seattle*

Mr. Bob McLaughlin, *AFC Liaison*

Mr. Dennis O'Leary, *Executive Director of the Chancery*

Staff: Mr. Scott Bader, *Director of Parish Financial Services*

AFC SUBCOMMITTEE FOR INVESTMENTS:

Mr. Dan Brotherton

Mr. Scott Burns

Mr. Dick Kennedy

Ms. Mary Jane Patterson

Mr. Fred Weiss

Staff: Ms. Mary Jo Gillis, *Controller*

Mr. Frank Feeman, *CFO, Archdiocese of Seattle*

ARCHDIOCESAN BUILDING COMMISSION:

The Archdiocesan Building Commission (ABC) guides and assists parishes, agencies, and other archdiocesan entities in the planning, building, and remodeling of their facilities.

Executive Director of the Chancery: Dennis J. O'Leary

Chairperson: Bill Rutledge

Frank Feeman

Rev. Richard K. Hayatsu

Dennis Lehtinen; Dan Miles

Jim Napolitano; Joe Sacquitne

Don Severide; Peter Somers

Rick Tomkins

Rev. Thomas L. Vandenberg

Staff: Ed Foster, *Director of Property & Construction Services*

Scott Bader, *Director of Parish Financial Services*

Andrew Casad, *Director of Liturgy*