

ARCHDIOCESE OF SEATTLE 2012–2013 ANNUAL REPORT



Dear friends in Christ,

The generosity of our laity, religious and clergy over the past year provides an inspiring and humbling look at what really matters to the people of faith in Western

Washington. The way Catholics in the Archdiocese of Seattle share the gifts God has given them, and the spirit of gratitude that permeates their stewardship of God's abundance, is evidence that our Church recognizes the source and purpose of its bounty.

I give thanks for the generous support you give to parishes and Catholic schools. Because so many return a grateful response to God for all you receive, the mission of our Lord is alive and effective, especially through efforts to form disciples who will lead our Church and our world well into the future. I also give thanks for your support of the Annual Catholic Appeal — which set an all-time record, more than \$13.4 million, in the current fiscal year.

This annual report expresses our commitment to accountability and responsible stewardship of the financial resources you have shared with the Church. I take this opportunity to offer my personal thanks to dedicated volunteers, such as our Archdiocesan Finance Council and members of parish finance councils, who collaborate with me and our pastors to ensure financial accountability for the gifts entrusted to the local Church. I am deeply grateful for their good counsel and faithful service.

Catholic disciples of the Lord Jesus in the Archdiocese of Seattle give testimony to what really matters through stewardship of time, talent and treasure. Your sharing of yourselves and your resources over the past year demonstrates the depth of your faith, hope and love. On behalf of all those helped and healed by your stewardship, I submit this 2012-2013 Financial Report as a sign of gratitude, and I assure you of my prayers for you, your families and your intentions.

Sincerely in Christ,

A handwritten signature in black ink that reads "+ Peter Sartain".

Archbishop Peter Sartain

STATEMENTS OF ACTIVITIES

ANNUAL REPORT 2012/2013

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 a corporate 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 corporate 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.

CHANCERY PROGRAMS & SERVICES

Following is the Statement of Activities for the Chancery for the fiscal years 2012/2013 and 2011/2012. Chancery offices and services assist Archbishop Sartain in his pastoral and administrative responsibilities. Management comments may be found on the following page.



ASSUMPTION BELINGHAM MONICA

Chancery Programs and Services Statement of Activities For the Fiscal Years 2012-2013 and 2011-2012

	June 30, 2013 Total All Funds	June 30, 2012* Total All Funds
UNRESTRICTED NET ASSETS		
Revenue and Other Support		
Parish Assessments	\$5,891,000	\$5,633,000
Investment Income / (Loss) on Revolving Funds	9,000	61,000
Investment Income (Losses) on Endowments	122,000	184,000
Investment Income (Losses) on General Reserve	488,000	386,000
Realized Gains (Losses) on Sale of Property	-	139,000
Subscriptions, Advertising and Program Fees	3,253,000	2,925,000
Contributions and Bequests	1,407,000	1,442,000
Insurance Program Premiums	10,313,000	10,199,000
Other	1,317,000	1,647,000
Subtotal	\$22,800,000	22,494,000
Net Assets Released From Restrictions		
Annual Catholic Appeal (net of rebates)	10,726,000	10,642,000
Restricted and Designated Funds	1,359,000	2,407,000
Total Revenue and Other Support	\$34,885,000	\$35,543,000
Expenses		
Catholic Faith Formation	\$910,000	\$899,000
Catholic Schools	1,357,000	1,319,000
Contributions to CCSWW	688,000	686,000
Donations, Grants and Subsidies (includes OYYAM)	1,386,000	1,380,000
Missions Office	256,000	247,000
Office of the Vicar for Clergy	3,454,000	3,220,000
Communications	861,000	940,000
Tribunal	521,000	501,000
Priest and Retired Bishop Support	2,069,000	1,532,000
Pension	963,000	1,361,000
General Administration	9,876,000	10,527,000
Insurance Program	14,353,000	9,740,000
Revolving Fund Interest & Bad Debts	662,000	1,309,000
Plant Fund Depreciation	1,376,000	1,369,000
Total Expenses	\$38,732,000	\$35,030,000
Change in Unrestricted Net Assets		
Change before Unrealized Gains/(Losses) and Transfers	\$(3,847,000)	\$513,000
Unrealized Gains (Losses) on Investments - General	1,753,000	(804,000)
Unrealized Gains (Losses) on Investments - Endowments	893,000	(570,000)
Change in Minimum Pension Liability	1,691,000	(3,847,000)
Change in Minimum Other Benefit Liability	4,638,000	(3,613,000)
Total	\$5,128,000	\$(8,321,000)

* 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

Included is interest, dividends and realized gains (losses) on disposal of assets. Endowments are contributions set aside to generate investment income for restricted and unrestricted purposes.

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

There was no gain/(Loss) on sale of property in FY1213.

SUBSCRIPTIONS, ADVERTISING AND PROGRAM FEES

Revenue from The Progress, the official Archdiocesan newspaper. User fees for specific programs and services.

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, contributions and miscellaneous.

ANNUAL APPEAL

Contributions from Catholics throughout Western Washington to the Annual Catholic Appeal. Does not include over \$2,273,000 in 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.



THE OFFICE FOR CATHOLIC SCHOOLS

Oversees the mission for Catholic schools: A strong Catholic identity and formation in faith, excellent religious, academic, and co-curricular programs, and accessibility to those who desire a Catholic education for their children, supported by wise stewardship.

GRANT TO CATHOLIC COMMUNITY SERVICES OF WESTERN WASHINGTON

Subsidies 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, The Catholic Northwest Progress 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. The plans are separately managed and are not included in the financial statements.

GENERAL ADMINISTRATION

Includes The Office of the Archbishop, Chancellor's office, Archives, Liturgy, Planning & Research, Human Resources, Chancery Operations (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 CHSWW, and employees of the Archdiocese. It also includes projected payments for settlement of abuse claims.

REVOLVING FUND INTEREST AND BAD DEBTS

These expenses are related to the loans and deposits in the Archdiocesan Revolving Fund.

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 difference between market and book value on investments at the fiscal year end on the General Reserve.

UNREALIZED GAINS (LOSSES) ON INVESTMENTS – ENDOWMENTS

Represents the difference between market and book value on investments at the fiscal year end on Archdiocesan Endowments.

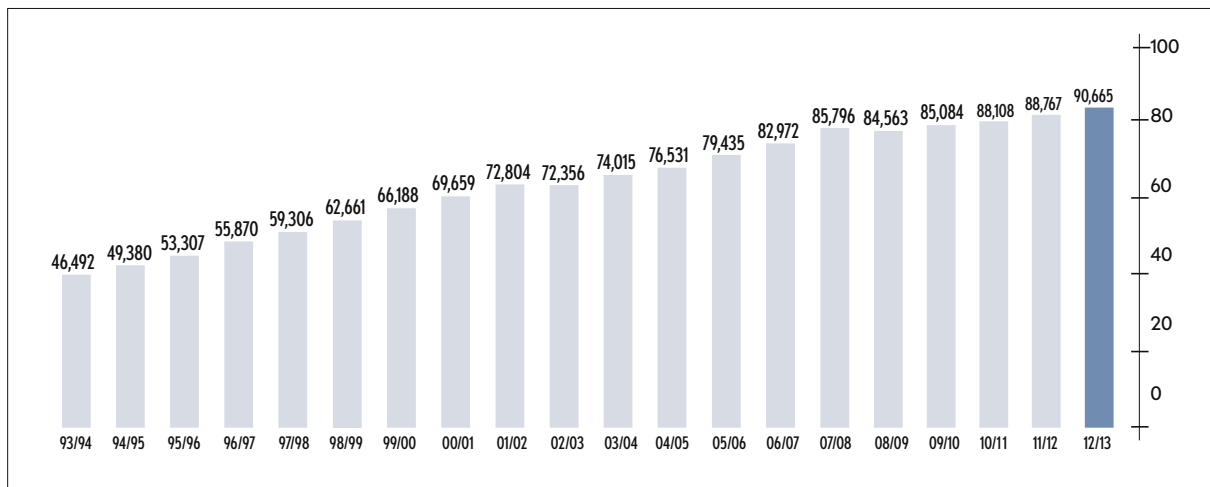
CHANGE IN MINIMUM PENSION LIABILITY

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.

PARISHES



Catholics in Western Washington continued their strong parish support in 2012/2013 despite continuing economic challenges. Ordinary Income (Sunday and Holyday Collections) increased 2.14% to \$90.7 million. Total parish revenue from all sources, including parish schools but excluding intra parish transfers, was slightly under \$232.0 million. Over 63% 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 2012/2013, 23 parishes recorded over \$1 million in collections with three over \$2 million. At the same time, Ordinary Income in 13 parishes, primarily in rural areas, was under \$100,000.

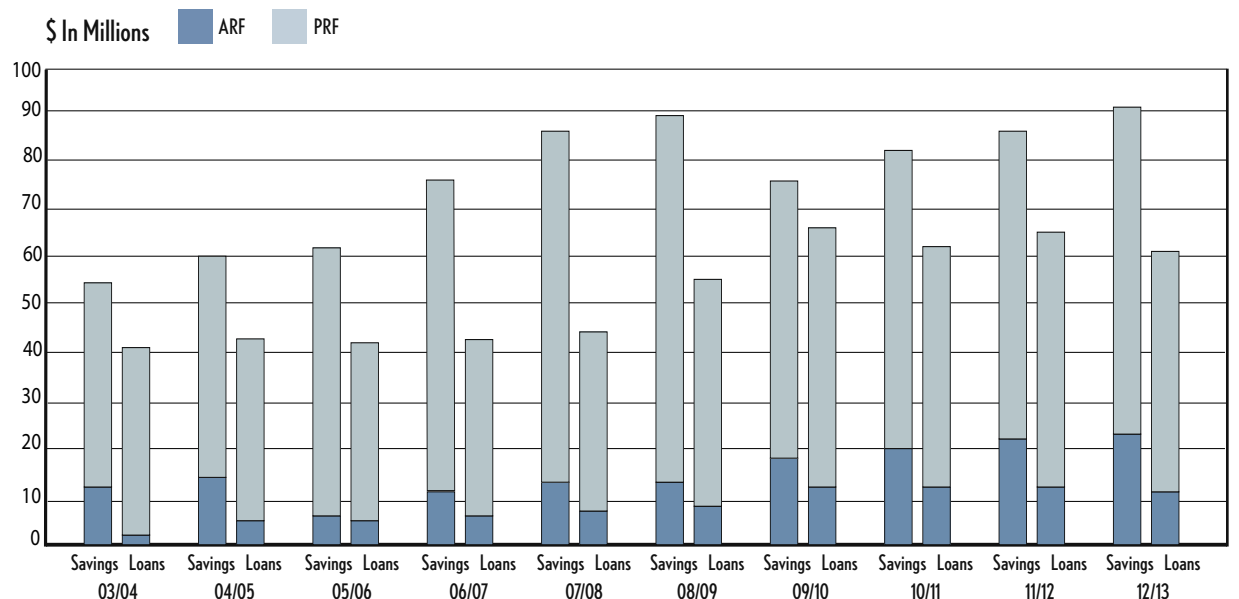
REVOLVING FUNDS

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

PRF savings at 6/30/13 totaled \$91.1 million in 698 accounts up 5% from last year's \$86.6 million in 695 accounts. Loans decreased to \$61.8 million, a 7% decline from last year's \$66.4 million. The number of loans also decreased from 133 to 112.

ARF savings increased from \$21.4 million to \$22.4 million at year end with loans decreasing slightly to \$11.6 million from \$12.2.



GOOD NEWS FROM THE MISSIONS OFFICE



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 report on revenue and distribution of donations is available 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

Catholic Relief Services (CRS) is our U.S. Catholic community's official international humanitarian agency, working in 91 countries to provide direct aid to the poor by involving people in their own development. The Gospel of Jesus Christ is the motivating

force behind all activities and programs. CRS educates the people of the U.S. to fulfill our moral responsibilities toward our brothers and sisters around the world by helping the poor, working to remove the causes of poverty, and promoting charity, justice, and the sacredness and dignity of all human life.

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 ... release to captives ... sight to the blind, and let the oppressed go free." (Luke 4:18). Its mission is to address the root causes of poverty in the U.S. through promotion and support of community-controlled, self-help organizations and through transformative education in parishes, schools and faith communities.

The Pontifical Missions Societies include the Propagation of the Faith, which seeks prayer and sacrifice for the world's Missions in Asia, Africa,

the Pacific Islands and Latin America. Help is offered for pastoral and evangelizing programs, for catechetical work, to build churches, for the work of Religious communities, and for communication and transportation needs. The Society of St. Peter the Apostle supports the education and formation of candidates for the priesthood and for Religious life in the developing world. The Missionary Childhood Association is dedicated to mission awareness among elementary school-age children – children serving children in need.

In fiscal year 2012/2013, the Missions Office received \$1,892,826 for mission, 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 collection, emergency response, designated gifts and bequests.

<http://www.seattlearchdiocese.org/Missions/default.aspx>

CATHOLIC SCHOOLS



HOLY ROSARY SCHOOL

Eleven Catholic high schools served an additional 6,150 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 2,235 students, whose budgets totaled \$24,874,239.

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

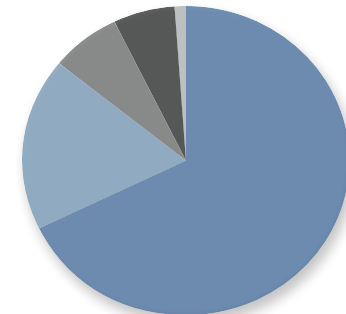
(Sammamish); Seton Catholic College Preparatory High School (Vancouver); and Pope John Paul II High School (Lacey). Together, these schools enrolled 3,915 students with combined budgets of \$55,581,262.

A total of 1,436 teachers delivered an educational program to the elementary children, and 619 full and part time secondary teachers instructed the high school students.

During 2012-2013, the 57 diocesan elementary schools, four additional Catholic elementary schools and Eastside Catholic Middle School provided a high-quality Catholic education to 16,548 students. Of these, 80% were registered as Catholics, and 41% 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 911 students of that total.

Sources of Parish School Revenue

Parish school operating revenues for 2012/2013 totaled over \$115 million. Tuition and Fees accounted for 68% of the total with the balance made up of a combination of parish grants, neighboring parish grants, Archdiocesan grants through the Fulcrum Foundation, and local fund raising and development efforts. The parish grant amounted to 17% of the school parishes’ collection income.



- Tuition/Fees 68%
- Fundraising/Gift Revenue 18%
- Parish Subsidy 7%
- All Other Revenue 6%
- Neighboring Parishes 1%



<http://www.seattlearchdiocese.org/schools/default.aspx>

FULCRUM FOUNDATION

Founded in 2002, the Fulcrum Foundation provides financial assistance to the 74 Catholic schools in Western Washington and their students, primarily through tuition assistance, assistance to schools in need, and school initiatives that promote academic excellence and faith formation.

In fiscal year 2013, nearly \$3,500,000 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 2013 that are making a difference in the lives of families, schools, and communities across Western Washington. To view Fulcrum’s complete 2013 Annual Report, go to www.fulcrumfoundation.org.

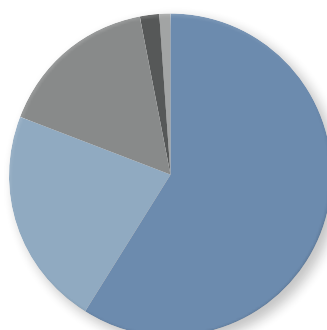


Leveraging Support for Catholic Schools in the Archdiocese of Seattle



ST. PETER

Funds Distribution



Program Services

- Tuition Assistance 59% (\$2,058,793)
- Assistance to Schools 22% (\$774,833)
- Special Initiatives 16% (\$536,295)
- Program Planning and Management 2% (\$85,090)
- Assistance for Teachers 1% (\$35,401)

Total Program Services \$3,490,412

OFFICE FOR YOUTH AND YOUNG ADULT EVANGELIZATION

PARISH 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, 1,942 youth from 90 parishes have had a unique opportunity to encounter Christ as they celebrate their faith as part of the Universal Church. Over the last year 417 youth participated in other direct programs of the office including Confirmation retreats, parish based retreats, and weeklong service trips, and 120 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 retreats, 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 an adult softball league 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" coaches workshop, and an associated parent workshop was also offered as an additional resource for parishes and schools.

CYO CAMP SERVICES

875 youth from 27 Catholic schools across the Archdiocese of Seattle and 1 school from the Portland Archdiocese attended Environmental Education at Camp Hamilton during our Fall and Spring programs. CYO offers the only 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. 1,483 youth enjoyed a session of residential summer camp or day camp, while 96 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. This summer we used the Gallagher facility only as a Nanamakee destination and our high school resident camps were located at Camp Hamilton. We distributed over \$82,900 in financial aid.

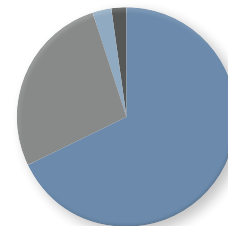
FACILITIES

During the course of this year between Camp Don Bosco and Camp Hamilton, we had the pleasure of hosting 3960 participants. Of these participants, we served 49 different Archdiocesan groups and 15 groups from the outside community. These numbers reflect an overall increase of 18% to our participants. We are focused on increasing our participation through expanding our services, improving our sites and offering an enhanced experience to the participants.

Calculation of Annual Report Figures

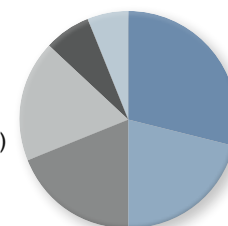
Fiscal Year 2010/2011 (\$ In thousands)

- Fees for Service - \$1,678 (68%)
- Archdiocesan Subsidy - \$667 (27%)
- Archdiocesan Scholarship Funds - \$75 (3%)
- Donation and Other Income - \$51 (2%)



Total Income Fund 5111 General – \$2,471 (100%)

- Outdoor Ministries - \$713 (29%)
- Youth Athletics - \$524 (21%)
- Camp Maintenance and Facilities - \$479 (19%)
- Youth and Young Adult Ministries - \$434 (18%)
- Hispanic and Campus Ministries - \$185 (7%)
- Administration - \$147 (6%)



Total Expense Fund 51-5111 General – \$2,482 (100%)

Net Expenditures in Excess of Revenue(\$11) 0%

<http://seattleooyam.org/>

ASSOCIATED CATHOLIC CEMETERIES

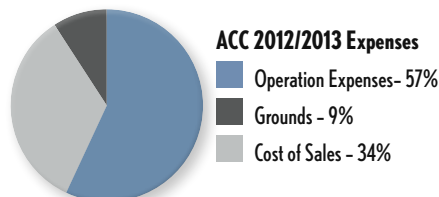
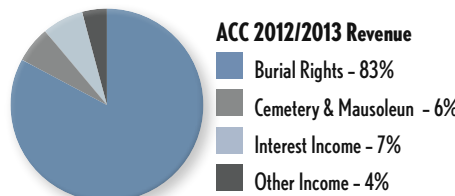
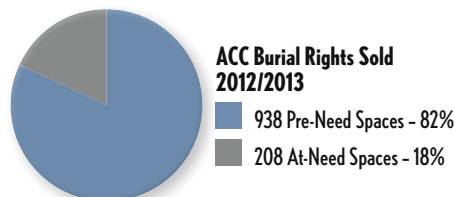
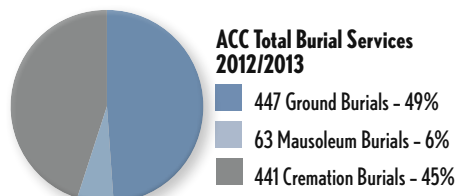
MISSION STATEMENT

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 pre arrangement planning, and scheduled opportunities for prayer. ACC also serves as a resource to parishes regarding burial and funeral issues.



Summary of Operations 2012/2013

Revenue	
Burial Rights / Products / Service	4,548,000
Cemetery & Mausoleum Care	302,000
Interest Income	408,000
Other Income	217,000
Net revenue	5,475,000
Cost of Sales	1,663,000
Gross Margin	3,812,000
Operating Expenses	
Cemetery Operating Expenses	2,802,000
Grounds Maintenance	439,000
	3,241,000
Change in Unrestricted Net Assets	571,000



Associated Catholic Cemeteries is comprised of four cemeteries and has buried more than 81,000 people over 125 years. Calvary, located near the University of Washington in Seattle, was dedicated in 1889. Holyrood, 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 981 burial services during 2012/2013. In keeping with the Church's teaching of a preferential option for the poor, Associated Catholic Cemeteries continues to provide burial services at a reduced cost or at no charge to those in need. This is only made possible because of 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, 2013 show a positive Change in Unrestricted Net Assets of \$571,000. While sales for the year totaled approximately \$5.7 million, \$1.16 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. The Care Fund benefitted both from regular contributions to the Care Fund as well as positive returns in the Fund's investment portfolio which resulted in a net growth of approximately 18.7% 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 or by email at staff@mycatholiccemetery.org. To learn more about the Catholic Cemeteries of the Archdiocese, please visit them online at www.mycatholiccemetery.org

CATHOLIC COMMUNITY SERVICES

As 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 90 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 150 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

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 5,000 people are served every day by Catholic Community Services' Long Term Care System. With more than 2,000 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 2,500 seniors daily, the African-American Elders Program in King County, 29 senior meal sites, "meals-on-wheels" for homebound seniors, senior transportation, and caregiver training at many sites, training thousands of caregivers during the year.

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

THE FAMILY PRESERVATION SYSTEM

The Family Preservation System provides an array of mental health and child welfare services to children/youth and families with multiple and complex needs, serious family conflict, risk of or history of separation from the family, as well as difficulties in other areas of life. Services are provided to children/youth and families in their own homes.

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

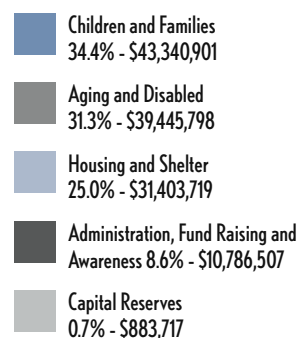
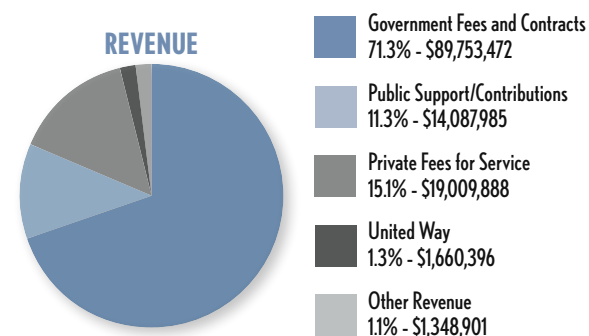
Catholic Housing Services (CHS) believes in every person having the right to a safe, affordable place to call home. CHS provides more than 2,000 affordable permanent housing units at 50 properties throughout Western Washington, serving single persons, families, seniors, and persons with special physical 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 is currently located in Bellevue, Bellingham, Bremerton, Buriem, Centralia, Everett, Forks, Lakewood, Kelso, Mount Vernon, Olympia, Puyallup, Redmond, Renton, Seattle, Sedro Woolley, Sumner, Tacoma, Tumwater, and Woodland.

In addition to the 2013 Operating Budgets, CCS and CHS are the managing general partners or program managers for 26 affordable housing projects with a combined operating budget of \$7,625,451.

The Catholic Charities Foundation of Western Washington reported assets as of June 30, 2013, of \$14 million that were invested for the benefit of CCS and CHS. For the year ending June 30, 2013, the Foundation distributed \$675,000 to CCS and CHS.

COMBINED CCS/CHS OPERATING BUDGETS – \$125,860,642

Fiscal Year 2012/2013 (In thousands)



ONLINE FORMS AND INFORMATION

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

[2014 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 6/30/13.](#)

[Audited Financial Statements of the Fulcrum Foundation as of 6/30/13.](#)

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.

Parish ordinary income increased by 2.14% last year, an increase over the prior year's rate of .74%. The 2.12% increase is close to the average increase we have experienced in the last 10 years. Like the economy, our Parishes are recovering, but at a modest rate. One hundred thirteen of our parishes and missions experienced an increase in ordinary income and 60 of our parishes experienced a decline in ordinary income. As we know, our Parishes vary significantly in size and economic circumstances.

Contributions to the Annual Catholic Appeal totaled \$13.4 million, an increase of 3.6% over 2012. Total rebates to Parishes were \$2.8 million an increase from the \$2.5 million rebated in 2012. There was also generous support of Catholic Charities, the Fulcrum Foundation, and other ministries of our Church.

Revenues from restricted and designated sources were down in 2013, resulting in total revenues and other support of \$34.8 million down from \$35.9 million in the prior year.

Total expenses increased significantly to \$38.7 million. The increase is attributable to accruals for estimated settlements of sexual abuse cases. Additional expenses in 2014 related to the settlement will be approximately \$4 million.

Consistent with the performance of the overall market, investment results improved over the last half of 2012 and the improvement continued through June of 2013. Investment gains for 2013 reflect a significant increase to \$2.6 million compared to a loss of \$1.4 million in 2012. Improved investment performance continued through December 2013. Limited distributions of approximately 2% of General Reserve investments was provided in 2013. A similar distribution is planned in 2014.

In 2013, increasing interest rates and changes in underlying assumptions dramatically changed the effects of adjustments to pension and other benefit liabilities. Losses were recorded in 2012 and significant gains 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.

The Archdiocese continues to settle sexual abuse claims from victims. While the number of new claims has been diminishing and the overall case load is declining, it is not yet possible to determine when these claims will cease. During 2013 six cases were settled at a cost of \$1.9 million with insurance carriers paying \$1.2 million and the Archdiocesan insurance program paying \$700,000. In June, 2014 the Archdiocese announced the settlement of 36 Christian Brothers' cases for a total settlement of \$13 million with the Archdiocesan Insurance program paying \$9 million and outside insurers paying \$4 million.

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, Director of Administration & Finance*

PRF COMMISSION MEMBERS:

Chairperson: Ms. Mary Dorn

Vice Chairperson: Rev. Jim Johnson

Rev. David Young

Mr. Joe Schick

Rev. Tom Belleque

Ms. Mary Simpson

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

Mr. Bob McLaughlin, *AFC Liaison*

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

Mr. Ed Williams, *Director of Parish Financial Services*

AFC SUBCOMMITTEE FOR INVESTMENTS:

Mr. Dan Brotherton

Mr. Scott Barns

Mr. Dick Kennedy

Ms. Mary Jane Patterson

Mr. Fred Weiss

Staff: Ms. Mary Jo Gillis, *Controller*

Mr. Frank Feeman, *CFO, Director of Administration & Finance*

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.

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

Chairperson: Mr. Bill Lehtinen

Mr. Dan Miles

Mr. Art Butler

Rev. Richard K. Hayatsu

Mr. Dennis Lehtinen

Mr. Jim Napolitano

Mr. Bill Rutledge

Mr. Joe Sacquitne

Mr. Don Severide

Mr. Peter Somers

Mr. Richard Tomkins

Rev. Tom Vandenberg

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

Mr. Ed Williams, *Director of Parish Financial Services*

Mr. Frank Feeman, *CFO, Director of Administration & Finance*